BR Properties S.A.

Individual and consolidated quarterly information as of June 30, 2023

(A free translation of the original in Portuguese as published In Brazil containing Financial Statement prepared in accordance with accounting practices adopted in Brazil and IFRS)

MANAGEMENT REPORT

Dear Shareholders,

In compliance with the legal and statutory provisions in force, the Management of BR Properties S.A. ('Company' or "BR Properties") has been presenting its comments and results for the quarter ended June 30, 2023. The amounts are expressed in thousands of Brazilian real, except when otherwise indicated, and in accordance with the provisions of Brazilian Corporate Law and the standards set forth by the Brazilian Securities and Exchange Commission (CVM). The message from management is an integral part of the individual and consolidated financial statements and should be read in conjunction with the respective Explanatory Notes.

BUSINESS DESCRIPTION

BR Properties is focused on the acquisition, lease, management, development and sale of commercial real estate, including office buildings, industrial and logistics warehouses, located in Brazil's main metropolitan regions. BR Properties adopts a dynamic posture of monitoring the Brazilian commercial real estate market in order to anticipate supply and demand trends in various regions where it operates to evaluate the best acquisition or sale opportunities, and to maximize the profitability of its investments.

At the end of the quarter, the Company had eight commercial properties in its portfolio, totaling a gross leasable area (GLA) of 325 thousand square meters, which represent a market value of approximately R$974,623. The Company has also 3 landbanks that correspond to 65 thousand square meters of potential GLA.

The eight properties held at the Company's portfolio by the end of 2Q23 were distributed as follows:

- 5 or 260 thousand square meters of industrial and logistics warehouses;
- 3 or 65 thousand square meters of landbanks.

As described below, and already mentioned in the previous quarter, at the end of March the Company's office towers were transferred to BRPR Corporate Offices Fundo de Investimento Imobiliário, whose quotas were paid in as part of the Company’s capital reduction at the beginning of April. Therefore, these towers are no longer part of the Company's portfolio.

MESSAGE FROM MANAGEMENT

The first and second quarters of the year were marked by important steps taken by the Company to fully remodel its capital structure and to bring more profit to its shareholders.

Accordingly, at the beginning of 2023, the Company's Management proposed a new capital reduction, which allowed the excess resources to be better monetized by each of its shareholders. The 2023 reduction in capital was concluded in April in the total amount of R$2,510,810, of which:

1. a cash installment in the total amount of R$1,276,000, equivalent to R$109.90/share approximately; and
2. an amount in kind paid through the delivery of quotas of real estate investment fund BRPR Corporate Offices Fundo de Investimento Imobiliário in the total amount of BRL1,234.8 million, approximately BRL106.35 per share.

Regarding the in-kind portion of the 2023 Capital Reduction, the Company structured the BRPR Corporate Offices Fundo de Investimento Imobiliário with the purpose of transferring the properties in its remaining office towers portfolio (Passeio Corporate and Águas Claras) to such fund and delivering the respective

FII quotas to the Company's shareholders on April 5, 2023. The FII quotas were listed for trading on the secondary market on B3 and admitted to trading under the ticker BROF11.

On April 10, 2023, the auction for the voluntary tender offer for the acquisition of the Company's control launched by the Offeror was held, as per announcement published on March 10, 2023. According to the notice sent to the Company, the Offeror acquired 10,419,613 common shares issued by the Company, representing 89.74% of its total capital stock, at a price per share of BRL64.00. As a result, as of April 12, 2023, the Company's shares started trading in B3's Basic Segment. Shareholders who did not adhere to the auction, and within the context of the voluntary tender offer, still had the right to sell their shares to the Offeror until May 10, 2023. At the end of this period, the Offeror held a total of 11,180,688 ordinary shares, representing 96.30% of the ordinary shares issued by the Company.

On June 9, 2023, the Company disclosed a Material Fact regarding the approval, by the Company's Board of Directors, of the Company's structure and strategy simplification plan, with the objective of reducing general and administrative expenses, maintaining the main focus on the ownership of its logistics warehouses, and optimization of its capital structure. Aiming at this simplification, a Memorandum of Understanding ("MOU") was entered into between BR Properties and Mr. Martín Andrés Jaco and Mr. André Bergstein, statutory officers of the Company, with the purpose of entering into a purchase and sale agreement of 80% of BRPR Consultoria Ltda to a vehicle controlled by Martín and André, for an amount equivalent to 80% (eighty percent) of BRPR Consultoria's book equity. With the sale, André and Martín will leave their management positions in the Company, and the Company, through a profound readjustment of its processes, will use the shared services center with its controlling shareholder Slabs Investimentos Ltda. for its corporate routines. The management of the logistics warehouses will be carried out by BRPR Consultoria Ltda., in which the Company will maintain a minority stake of 20% (twenty percent).

Also on June 9, 2023, Slabs Investimentos Ltda. notified the Company of its intention to make a public tender offer for the acquisition of the Company's shares, with the purpose of canceling BRPR's registration as a publicly-held company. Slabs' management understands that the implementation of the Cancellation Tender Offer will allow, in addition to the simplification of its corporate and organizational structure as mentioned above, the additional reduction of relevant costs incurred by the Company as a result of the cancellation of its registration as a publicly-held company, while representing a liquidity opportunity for the Company's minority shareholders to sell their shares at a price equivalent to the Voluntary Tender Offer for Acquisition of Shares Issued by the Company.

Also, within the Company's restructuring and simplification plan, a new capital reduction in the amount of R$732.1 million was approved at the AGM on June 30. The New Capital Reduction 2023 will be carried out through the refund to shareholders, in national currency, of approximately R$63.05 per share. Due to the New Capital Reduction 2023, Management proposed the reverse split of all common shares, all nominative, book-entry and without par value, issued by the Company, in the proportion of 25 (twenty-five) common shares for 1 (one) common share, without changing the value of the share capital, also already approved at the EGM.

On July 13, in continuity with the above-mentioned notification, the Company received a new notification sent by its controlling shareholder Slabs Investimentos Ltda. informing that it has filed a request for registration of a public tender offer for the cancellation of its registration as a publicly-held company with CVM and B3. For the purposes of the provisions of article 28, I, of CVM Resolution 85/2022, the price attributed to each share subject to the Tender Offer for Cancellation of Registration will be R$64.00 for each share of the Company, duly updated by the SELIC rate until the settlement date of the Tender Offer for Cancellation of Registration, discounting the proceeds and adjusted based on changes to the share capital and number of shares after the Voluntary Tender Offer.

2Q23 OPERATIONAL HIGHLIGHTS

Leasing Activities

BR Properties closed the quarter with financial and physical vacancy rates of 34.0% and 33.3%, already considering the recently delivered Galpão Cajamar.

PROFIT OR LOSS

In termos of results, consolidated gross revenue totaled R$13,927 in 2Q23.

The Company's gross revenue for the second quarter of 2023 was divided between lease income and and service revenues, as follows:

- Lease income: totaling R$6,621, representing 47.5% of consolidated gross revenue;
- Service revenues: totaling R$7,307, representing 52.5% of consolidated gross revenue, of which R$4,055 correpond to property management revenues and R$3,252 correspond to consultancy revenues.

Net revenue totaled R$10,982 for the quarter.

Adjusted EBITDA, except for non-cash results such as the stock option plan, reached negative R$7,359 in the second quarter of 2023, with an adjusted EBITDA margin of -67%.

EBITDA for the second quarter of 2023, using the methodology set forth by CVM Instruction No. 527/12 totaled losses of R$23,201, representing an EBITDA margin of -211%, as shown below:

	2Q23
Net income (loss) for the year	(2,390)
Depreciation	286
Deferred taxes	3,567
Provision for income and social contribution taxes	(5,209)
Finance income (costs)	(19,455)
EBITDA	**(23,201)**
EBITDA margin	**-211%**
Other operating income/expenses	15,247
Gain/loss on fair value of investment properties	-
Provision for ILP / Stock Option	595
Adjusted EBITDA	**(7,359)**
Adjusted EBITDA margin	**-67%**

Adjusted FFO, a non-accounting measure used in the real estate industry to measure the Company's net cash generation, totaled R$21,904 in the second quarter of the year, with a FFO margin of 199%.

BR Properties reported a net loss of R$2,390 in the 2Q23.

HUMAN RESOURCES

Headcount at the end of the 2Q23 was 74 employees, of which 35 were allocated to the Company's headquarters in the city of São Paulo - São Paulo, and 39 were allocated to the properties managed by the Company.

SHAREHOLDERS' RIGHTS AND MARKET DATA

By the end of the second quarter of 2023, the equity value per share of BR Properties, which is calculated by dividing the Company's Shareholders Equity by the total number of shares issued at the time, totaled R$160.23/share. The Company's shares are traded at the basic segment of the São Paulo Stock Exchange (Bovespa), whose price at the close of the trading session on June 30, 2023 was R$81.24 / share.

PROSPECTS AND PLANS FOR THE ONGOING EXERCISE AND FUTURES YEARS/ CONCLUSION

We intend to maintain the same strategy that has made us one of the largest companies in this industry, focusing on the best regions in the country and on top quality real estate in the asset classes we are exposed to: offices and industrial and logistics warehouses.

We pursue the strategy of market consolidation, focusing on the acquisition of properties with high valuation potential, adding value by using modern management techniques, consistent strategies, rationalization of operating costs, retrofit, quality improvements and constant portfolio recycling, always seeking to balance our capital structure and Brazil’s macroeconomic status.

RELATIONSHIP WITH INDEPENDENT AUDITORS

Pursuant to CVM Instruction No. 381, of January 14, 2003, the Company informs that its policy for engaging services unrelated to external audit depends on principles that preserve the auditor's independence. These principles are based on the fact that independent auditors should not audit their own work. They cannot perform managerial functions, and should not advocate for their client or provide any other services that are considered prohibited by prevailing rules, therefore keeping the independence in the work executed. The Company also informs that its auditors, KPMG Auditores Independentes Ltda., have provided no services other than auditing.

STATEMENT BY THE BOARD OF DIRECTORS

Pursuant to CVM Resolution No. 80, the Company's Management states that it has reviewed, discussed and agreed with the independent auditors' report on the financial statements for the quarter ended June 30, 2023.

KPMG Auditores Independentes Ltda.
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Report on Review of Interim Financial Information

To the Shareholders and Management
BR Properties S.A.
São Paulo - São Paulo

Introduction
We have reviewed the individual and consolidated interim financial information of BR Properties S.A. ("Company"), included in the Quarterly Information Form for the quarter ended June 30, 2023, which comprise the balance sheet as of June 30, 2023, and the statements of profit or loss and comprehensive income for the three and six-month period then ended, changes in equity and cash flows for the six-month period then ended. including explanatory notes.

Management is responsible for the preparation of this individual and consolidated interim financial information in accordance with CPC 21(R1) and international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – (IASB), as well as for the presentation of this information in accordance with the standards issued by the Brazilian Securities and Exchange Commission. applicable to the preparation of the interim financial information. 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 review standards applicable to interim financial information (NBC TR 2410 - Review of Interim Financial Information Performed by the Entity's Auditor) 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 Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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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 aforementioned individual and consolidated interim financial information included in the Quarterly Information referred to above is not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, applicable to the preparation of interim financial information and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other issues - Statements of value added

The quarterly financial statements referred to above, include the individual and consolidated statements of value added for the six-month period ended June 30, 2023, prepared under the responsibility of the Company's management and presented as supplementary information for the purposes of IAS 34. These financial statements have been submitted to review procedures performed together with the review of the quarterly financial statements to conclude whether they are reconciled to the interim financial information and accounting records, if applicable, and whether their form and content are in accordance with the criteria set by Technical Pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that the accompanying statements of value added are not prepared, in all material respects, according to the criteria set by this Standard and in a manner consistent with the individual and consolidated interim financial information taken as a whole.

São Paulo, August 3, 2023

KPMG Auditores Independentes Ltda.
CRC 2SP-027685/O-0'F' SP

Original report in Portuguese signed by
Poliana Silveira Rodrigues
Accountant CRC MG-089473/O

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Individual financial statements / Statement of financial position - assets

(In thousands of Reais)

Code of account	Account description	Current quarter 06/30/2023	Prior year 12/31/2022
1	**Total assets**	**3.451.074**	**4.718.756**
1.01	**Current assets**	**2.174.593**	**2.294.387**
1.01.01	**Cash and cash equivalents**	**160.334**	**280.777**
1.01.03	**Accounts Receivable**	**1.292**	**22.275**
1.01.03.01	Clients	1.292	22.275
1.01.06	**Recoverable taxes**	**106.316**	**187.937**
1.01.06.01	Current Recoverable Taxes	106.316	187.937
1.01.07	Prepaid expenses	27.896	3.130
1.01.08	**Other current assets**	**1.878.755**	**1.800.268**
1.01.08.03	**Other**	**1.878.755**	**1.800.268**
1.01.08.03.04	Other current assets	8.612	10.725
1.01.08.03.05	Accounts receivable on the sale of properties	1.870.143	1.789.543
1.02	**Non-current assets**	**1.276.481**	**2.424.369**
1.02.01	**Long term assets**	**275.880**	**192.574**
1.02.01.01	**Interest earning bank deposits valued at fair value through profit or loss**	**7.107**	**6.682**
1.02.01.01.01	Fair value securities	7.107	6.682
1.02.01.07	**Deferred Taxes**	**122.025**	-
1.02.01.07.01	Deferred income tax and social contribution	**122.025**	-
1.02.01.10	**Other Non-Current Assets**	**146.748**	**185.892**
1.02.01.10.04	Other Non-Current Assets	88.060	88.181
1.02.01.10.05	Recoverable taxes	31.481	31.481
1.02.01.10.06	Accounts Receivable	27.207	66.230
1.02.02	**Investments**	**981.957**	**2.212.798**
1.02.02.01	**Ownership interest**	**24.834**	**28.328**
1.02.02.01.02	Shareholdings in Subsidiaries	24.834	28.328
1.02.02.02	Investment properties	957.123	2.184.470
1.02.03	**Property, plant and equipment**	**2.847**	**3.892**
1.02.03.01	Construction in progress	1.663	1.329
1.02.03.02	Right of Use under lease	1.184	2.563
1.02.04	**Intangible assets**	**15.797**	**15.105**
1.02.04.01	**Intangible Assets**	**15.797**	**15.105**
1.02.04.01.03	Software	15.797	15.105

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Individual financial statements / Statement of financial position - liabilities and equity

(In thousands of Reais)

Code of account	Account description	Current quarter 06/30/2023	Prior year 12/31/2022
2	**Total liabilities**	**3.451.074**	**4.718.756**
2.01	**Current liabilities**	**1.496.002**	**176.676**
2.01.01	**Social and labor charges**	**2.412**	**2.103**
2.01.01.02	**Labor obligations**	**2.412**	**2.103**
2.01.01.02.01	Salaries and social charges payable	2.412	2.103
2.01.02	**Suppliers**	**5.699**	**11.584**
2.01.02.01	Domestic suppliers	**5.699**	11.584
2.01.03	**Tax Obligations**	**126.534**	**7.456**
2.01.03.01	**Federal Tax Obligations**	**126.534**	**7.456**
2.01.03.01.01	Income tax and social contribution payable	100.519	5.254
2.01.03.01.02	Taxes payable	26.015	2.202
2.01.04	**Loans and financing**	**1.212.905**	**-**
2.01.04.01	**Loans and financing**	**1.212.905**	**-**
2.01.05	**Other liabilities**	**128.468**	**131.087**
2.01.05.02	**Other**	**128.468**	**131.087**
2.01.05.02.01	Dividends and interest on own capital payable	-	4.997
2.01.05.02.06	Other Current Liabilities	128.234	124.956
2.01.05.02.07	Lease obligations	234	1.134
2.01.06	**Provisions**	**19.984**	**24.446**
2.01.06.01	**Tax, social security, labor and civil provisions**	**19.984**	**24.446**
2.01.06.01.05	Provision for bonuses to employees and administrators	19.984	24.446
2.02	**Non-current liabilities**	**94.713**	**126.057**
2.02.02	**Other liabilities**	**57.055**	**93.242**
2.02.02.02	**Other**	**57.055**	**93.242**
2.02.02.02.05	Other non-current liabilities	55.972	91.664
2.02.02.02.06	Lease obligations	1.083	1.578
2.02.03	**Deferred Taxes**	**-**	**2.280**
2.02.03.01	Income tax and social contribution - Deferred	**-**	2.280
2.02.04	**Provisions**	**37.658**	**30.535**
2.02.04.01	**Tax, social security, labor and civil provisions**	**37.658**	**30.535**
2.02.04.01.05	Provisions for contingencies	37.658	30.535
2.03	**Shareholders' equity**	**1.860.359**	**4.416.023**
2.03.01	**Paid-up Share Capital**	**631.735**	**3.142.545**
2.03.01.01	Capital	733.335	3.244.145
2.03.01.02	Share issuance costs	(101.600)	(101.600)
2.03.02	**Capital reserves**	**1.274.736**	**1.273.478**
2.03.02.01	Goodwill in the issue of shares	26	26
2.03.02.02	Special goodwill reserve - merger	1.223.915	1.307.400
2.03.02.05	Treasury Shares	-	(83.485)
2.03.02.07	Stock Option Plan for Employees and Directors	50.795	49.537
2.03.05	**Retained earnings/losses**	**(46.112)**	**-**

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Individual financial statements / Statement of profit or loss

(In thousands of Reais)

Code of account	Account description	Current quarter	Cumulative Current Exercise	Same Quarter of the Previous Exercise	Prior year
		01/04/2023 to 30/06/2023	01/01/2023 to 30/06/2023	01/04/2022 to 30/06/2022	01/01/2022 to 30/06/2022
3.01	**Revenue from sale of goods and/or services**	**4.625**	**30.572**	**94.035**	**173.417**
3.01.01	Net revenue from sales of goods and/or services	4.625	30.572	94.035	173.417
3.03	**Gross Income (loss)**	**4.625**	**30.572**	**94.035**	**173.417**
3.04	**Operating expenses/revenues**	**(28.704)**	**(162.261)**	**(1.946.203)**	**(1.971.792)**
3.04.02	General and administrative expenses	(16.988)	(32.982)	(29.930)	(58.778)
3.04.02.01	General and administrative expenses	(12.984)	(24.837)	(25.675)	(49.646)
3.04.02.02	Administration Fees	(3.409)	(6.887)	(3.277)	(6.412)
3.04.02.04	Stock option plan	(595)	(1.258)	(978)	(2.720)
3.04.05	Other operating expenses	(15.237)	(134.740)	(1.918.062)	(1.916.281)
3.04.05.01	Other operating expenses	(15.237)	(132.666)	(664.911)	(663.130)
3.04.05.02	Loss with fair value of investment properties	-	(2.074)	(1.253.151)	(1.253.151)
3.04.06	Equity in net income of subsidiaries	3.521	5.461	1.789	3.267
3.05	**Income (loss) before financial income (loss) and taxes**	**(24.079)**	**(131.689)**	**(1.852.168)**	**(1.798.375)**
3.06	**Financial income (loss)**	**19.229**	**56.622**	**(63.456)**	**(118.649)**
3.06.01	Financial revenues	67.758	106.726	32.784	63.722
3.06.02	Financial expenses	(48.529)	(50.104)	(96.240)	(182.371)
3.07	**Income (loss) before income taxes**	**(4.850)**	**(75.067)**	**(1.915.624)**	**(1.917.024)**
3.08	**Income tax and social contribution**	**2.460**	**28.955**	**443.161**	**413.849**
3.08.01	Current	6.040	(95.350)	-	-
3.08.02	Deferred	(3.580)	124.305	443.161	413.849
3.09	**Net income (loss) from continued operations**	**(2.390)**	**(46.112)**	**(1.472.463)**	**(1.503.175)**
3.11	**Income/loss for the period**	**(2.390)**	**(46.112)**	**(1.472.463)**	**(1.503.175)**
3.99	**Earnings per share - (Reais / Share)**	**-**	**-**	**-**	**-**
3.99.01	Basic Profit per Share	-	-	-	-
3.99.01.01	Common shares	(0,20584)	(3,97147)	(3,05748)	(3,12125)
3.99.02	Diluted Earnings per Share	-	-	-	-
3.99.02.01	Common shares	(0,20584)	(3,97147)	(3,05748)	(3,12125)

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Individual financial statements / Statement of comprehensive income (loss)

(In thousands of Reais)

Code of account	Account description	Current quarter	Cumulative Current Exercise	Same Quarter of the Previous Exercise	Prior year
		01/04/2023 to 30/06/2023	01/01/2023 to 30/06/2023	01/04/2022 to 30/06/2022	01/01/2022 to 30/06/2022
4.01	Net income for the period	(2.390)	(46.112)	(1.472.463)	(1.503.175)
4.03	Comprehensive income for the period	(2.390)	(46.112)	(1.472.463)	(1.503.175)

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Individual Financial Statements / Statement of Changes in Equity / DMPL - January 1, 2023 to June 30, 2023

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, options granted and treasury shares	Profit reserves	Income or loss Earnings (loss)	Other income (loss) Comprehensive	Shareholders' equity
5.01	**Opening balances**	**3.142.545**	**1.273.478**	**-**	**-**	**-**	**4.416.023**
5.03	**Adjusted opening balances**	**3.142.545**	**1.273.478**	**-**	**-**	**-**	**4.416.023**
5.04	**Capital transactions with partners**	**-**	**1.258**	**-**	**-**	**-**	**1.258**
5.04.03	Recognition of Stock option plan	-	1.258	-	-	-	1.258
5.05	**Total comprehensive income**	**-**	**-**	**-**	**(46.112)**	**-**	**(46.112)**
5.05.01	Net income for the period	-	-	-	(46.112)	-	(46.112)
5.06	Internal changes in equity	(2.510.810)	-	-	-	-	(2.510.810)
5.06.04	Decrease in capital	(2.510.810)	-	-	-	-	(2.510.810)
5.07	**Closing balances**	**631.735**	**1.274.736**	**-**	**(46.112)**	**-**	**1.860.359**

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Individual Financial Statements / Statement of Changes in Equity / DMPL - January 1, 2022 to June 30, 2022

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, options granted and treasury shares	Profit reserves	Income or loss Earnings (loss)	Other income (loss) Comprehensive	Shareholders' equity
5.01	**Opening balances**	**4.267.545**	**2.116.662**	**717.492**	**-**	**-**	**7.101.699**
5.03	**Adjusted opening balances**	**4.267.545**	**2.116.662**	**717.492**	**-**	**-**	**7.101.699**
5.04	**Capital transactions with partners**	**-**	**2.236**	**(41.365)**	**-**	**-**	**(39.129)**
5.04.03	Recognized granted options	-	2.720	-	-	-	2.720
5.04.04	Treasury shares acquired	-	(484)	-	-	-	(484)
5.04.06	Dividends	-	-	(41.365)	-	-	(41.365)
5.05	**Total comprehensive income**	**-**	**-**	**-**	**(1.503.175)**	**-**	**(1.503.175)**
5.05.01	Net income for the period	-	-	-	(1.503.175)	-	(1.503.175)
5.07	**Closing balances**	**4.267.545**	**2.118.898**	**676.127**	**(1.503.175)**	**-**	**5.559.395**

A free translation from Portuguese into English of 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)

Individual financial statements / Statement of cash flows - indirect method

(In thousands of Reais)

Code of account	Account description	Current quarter 01/01/2023 to 30/06/2023	Prior year 01/01/2022 to 30/06/2022
6.01	**Net cash from operating activities**	**(5.809)**	**150.342**
6.01.01	**Cash generated in operations**	**28.130**	**177.741**
6.01.01.01	Net income (loss) before income tax and social contribution	(75.067)	(1.917.024)
6.01.01.02	Depreciation of Property, plant and equipment	1.065	592
6.01.01.03	Fair value of property investments	2.074	1.253.151
6.01.01.04	Revenue straight-line adjustment	2.116	(6.457)
6.01.01.05	Charges and inflation adjustments on loans	37.062	172.367
6.01.01.06	Allowance for ecls	(500)	-
6.01.01.07	Monetary restatements	(81.897)	(7.682)
6.01.01.10	Amortization of Capitalized Costs	12.505	17.745
6.01.01.11	Stock option plan	1.258	2.720
6.01.01.12	Provision for bonuses to employees and managers	5.390	6.047
6.01.01.13	Other provisions	15.254	103.547
6.01.01.14	Impairment loss on trade receivables	-	1.347
6.01.01.15	Financial Income (loss) on Debt Renegotiation	-	(187)
6.01.01.17	AVP of leases	12	-
6.01.01.18	Impairment of intangible assets	1.027	554.842
6.01.01.19	Proceeds from sale of investments	113.292	-
6.01.01.20	Equity in net income of subsidiaries	(5.461)	(3.267)
6.01.02	**Changes in assets and liabilities**	**(33.939)**	**(27.399)**
6.01.02.01	Trade accounts receivable	12.559	(1.685)
6.01.02.02	Recoverable taxes	183.563	3.501
6.01.02.05	Other Assets	(43.763)	490
6.01.02.06	Accounts payable	(8.154)	(20.012)
6.01.02.08	Taxes and contributions	(7.332)	(16.890)
6.01.02.09	Payment of income tax and social contribution	(99.792)	-
6.01.02.11	Salaries and social security charges	309	566
6.01.02.12	Payment of bonuses to employees and directors	(9.852)	(10.217)
6.01.02.14	Other liabilities	(61.477)	16.848
6.02	**Net cash from investment activities**	**(3.352)**	**(171.165)**
6.02.02	Acquisition/Investments in Investment Properties	(7.602)	(139.054)
6.02.03	Acquisition of property, plant and equipment	(2.482)	(1.844)
6.02.05	Receipt of Dividends and JCP from Subsidiaries	5.977	4.783
6.02.07	Equity- accounted investees	(16)	-
6.02.08	Decrease in the capital of subsidiaries	1.405	-
6.02.12	Advance for the acquisition of investment property	(102)	(5.418)
6.02.13	Payments of Obligations for Acquisition of Real Estate	(532)	(29.632)
6.03	**Net cash from financing activities**	**(111.282)**	**(199.462)**
6.03.03	Capital reduction paid to shareholders	-	(21.339)
6.03.05	Repayment of loans and financing	-	(178.123)
6.03.07	Decrease in capital paid to shareholders	(1.276.486)	-
6.03.09	Proceeds from loans and financing	1.180.000	-
6.03.10	Transaction Costs	(14.796)	-
6.05	**Increase (decrease) in cash and cash equivalents**	**(120.443)**	**(220.285)**
6.05.01	Opening balance of cash and cash equivalents	280.777	938.286
6.05.02	Closing balance of cash and cash equivalents	160.334	718.001

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Individual financial statements / Statement of value added

(In thousands of Reais)

Code of account	Account description	Current quarter 01/01/2023 to 30/06/2023	Prior year 01/01/2022 to 30/06/2022
7.01	**Revenues**	**38.448**	**(1.031.780)**
7.01.01	**Sale of merchandise, products and services**	**40.022**	**222.718**
7.01.02	**Other revenues**	**(1.574)**	**(1.254.498)**
7.01.02.04	Reversal (Formation) of allowance for doubtful accounts	500	(1.347)
7.01.02.05	Adjustments at fair value of investment property	(2.074)	(1.253.151)
7.02	**Inputs acquired from third parties**	**(149.644)**	**(734.698)**
7.02.04	**Other**	**(149.644)**	**(734.698)**
7.02.04.01	Inputs acquired from third parties	(16.977)	(71.568)
7.02.04.02	Other	(132.667)	(663.130)
7.03	**Gross added value**	**(111.196)**	**(1.766.478)**
7.04	**Retentions**	**(1.065)**	**(592)**
7.04.01	Retentions (Depreciation and amortization)	(1.065)	(592)
7.05	**Net added value produced**	**(112.261)**	**(1.767.070)**
7.06	**Added value received as transfer**	**112.187**	**66.989**
7.06.01	Equity in net income of subsidiaries	5.461	3.267
7.06.02	Financial revenues	106.726	63.722
7.07	**Added value for distribution**	**(74)**	**(1.700.081)**
7.08	**Distribution of added value:**	**(74)**	**(1.700.081)**
7.08.01	**Personnel**	**15.498**	**19.292**
7.08.01.01	Direct remuneration	14.269	17.857
7.08.01.02	Benefits	855	935
7.08.01.03	Contribution to the Severance Indemnity Fund – FGTS	374	500
7.08.02	**Taxes, rates and contributions**	**(19.564)**	**(398.569)**
7.08.02.01	Federal	(19.779)	(398.720)
7.08.02.03	Municipal	215	151
7.08.03	**Remuneration of third party capital**	**50.104**	**182.371**
7.08.03.01	Interest	37.062	172.180
7.08.03.03	Other	13.042	10.191
7.08.04	**Return on equity capital**	**(46.112)**	**(1.503.175)**
7.08.04.03	Retained earnings/ Loss for the period	(46.112)	(1.503.175)

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Consolidated financial statements / Statement of financial position - assets

(In thousands of Reais)

Code of account	Account description	Current quarter 06/30/2023	Prior year 12/31/2022
1	**Total assets**	**3.454.653**	**4.721.464**
1.01	**Current assets**	**2.181.574**	**2.303.991**
1.01.01	**Cash and cash equivalents**	**166.231**	**289.393**
1.01.03	**Accounts Receivable**	**2.747**	**22.775**
1.01.03.01	Clients	2.747	22.775
1.01.06	**Recoverable taxes**	**105.597**	**187.936**
1.01.06.01	Current Recoverable Taxes	105.597	187.936
1.01.07	**Prepaid expenses**	**27.898**	**3.145**
1.01.08	**Other current assets**	**1.879.101**	**1.800.742**
1.01.08.03	**Other**	**1.879.101**	**1.800.742**
1.01.08.03.04	Other current assets	8.958	11.199
1.01.08.03.05	Accounts receivable on the sale of properties	1.870.143	1.789.543
1.02	**Non-current assets**	**1.273.079**	**2.417.473**
1.02.01	**Long term assets**	**279.553**	**196.244**
1.02.01.01	**Interest earning bank deposits valued at fair value through profit or loss**	**7.107**	**6.682**
1.02.01.01.01	Fair value securities	7.107	6.682
1.02.01.07	**Deferred Taxes**	**122.519**	**490**
1.02.01.07.01	Deferred income tax and social contribution	**122.519**	490
1.02.01.10	**Other Non-Current Assets**	**149.927**	**189.072**
1.02.01.10.04	Other Non-Current Assets	87.980	88.102
1.02.01.10.05	Recoverable taxes	34.740	34.740
1.02.01.10.06	Accounts Receivable	27.207	66.230
1.02.02	**Investments**	**974.623**	**2.201.970**
1.02.02.02	Investment properties	974.623	2.201.970
1.02.03	**Property, plant and equipment**	**2.860**	**3.908**
1.02.03.01	Construction in progress	1.676	1.345
1.02.03.02	Right of Use under lease	1.184	2.563
1.02.04	**Intangible assets**	**16.043**	**15.351**
1.02.04.01	**Intangible Assets**	**16.043**	**15.351**
1.02.04.01.02	Software	16.043	15.351

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Consolidated financial statements / Statement of financial position - liabilities and equity

(In thousands of Reais)

Code of account	Account description	Current quarter 06/30/2023	Prior year 12/31/2022
2	**Total liabilities**	**3.454.653**	**4.721.464**
2.01	**Current liabilities**	**1.498.310**	**178.149**
2.01.01	**Social and labor charges**	**3.525**	**3.022**
2.01.01.02	**Labor obligations**	**3.525**	**3.022**
2.01.01.02.01	Salaries and social charges payable	3.525	3.022
2.01.02	**Suppliers**	**5.756**	**11.626**
2.01.02.01	Domestic suppliers	5.756	11.626
2.01.03	**Tax Obligations**	**127.673**	**7.967**
2.01.03.01	**Federal Tax Obligations**	**127.673**	**7.967**
2.01.03.01.01	Income tax and social contribution payable	101.488	5.695
2.01.03.01.02	Taxes payable	26.185	2.272
2.01.04	**Loans and financing**	**1.212.905**	**-**
2.01.04.01	**Loans and financing**	**1.212.905**	**-**
2.01.05	**Other liabilities**	**128.467**	**131.088**
2.01.05.02	**Other**	**128.467**	**131.088**
2.01.05.02.01	Dividends and interest on own capital payable	-	4.997
2.01.05.02.06	Other Current Liabilities	128.233	124.957
2.01.05.02.07	Lease obligations	234	1.134
2.01.06	**Provisions**	**19.984**	**24.446**
2.01.06.01	**Tax, social security, labor and civil provisions**	**19.984**	**24.446**
2.01.06.01.05	Provision for bonuses to employees and administrators	19.984	24.446
2.02	**Non-current liabilities**	**95.984**	**127.292**
2.02.02	**Other liabilities**	**57.056**	**93.242**
2.02.02.02	**Other**	**57.056**	**93.242**
2.02.02.02.05	Other non-current liabilities	55.973	91.664
2.02.02.02.06	Lease obligations	1.083	1.578
2.02.03	**Deferred Taxes**	**540**	**2.828**
2.02.03.01	Income tax and social contribution - Deferred	540	2.828
2.02.04	**Provisions**	**38.388**	**31.222**
2.02.04.01	**Tax, social security, labor and civil provisions**	**38.388**	**31.222**
2.02.04.01.05	Provisions for contingencies	38.388	31.222
2.03	**Shareholders' equity**	**1.860.359**	**4.416.023**
2.03.01	**Paid-up Share Capital**	**631.735**	**3.142.545**
2.03.01.01	Capital	733.335	3.244.145
2.03.01.02	Share issuance costs	(101.600)	(101.600)
2.03.02	**Capital reserves**	**1.274.736**	**1.273.478**
2.03.02.01	Goodwill in the issue of shares	26	26
2.03.02.02	Special goodwill reserve - merger	1.223.915	1.307.400
2.03.02.05	Treasury Shares	-	(83.485)
2.03.02.07	Stock Option Plan for Employees and Directors	50.795	49.537
2.03.05	**Retained earnings/losses**	**(46.112)**	**-**

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Consolidated financial statements / Statement of profit or loss

(In thousands of Reais)

Code of account	Account description	Current quarter	Cumulative Current Exercise	Same Quarter of the Previous Exercise	Prior year
		01/04/2023 to 30/06/2023	01/01/2023 to 30/06/2023	01/04/2022 to 30/06/2022	01/01/2022 to 30/06/2022
3.01	**Revenue from sale of goods and/or services**	**10.981**	**42.055**	**98.044**	**181.134**
3.01.01	Net revenue from sales of goods and/or services	10.981	42.055	98.044	181.134
3.03	**Gross Income (loss)**	**10.981**	**42.055**	**98.044**	**181.134**
3.04	**Operating expenses/revenues**	**(34.467)**	**(172.953)**	**(1.950.088)**	**(1.979.159)**
3.04.02	General and administrative expenses	(19.223)	(38.225)	(31.958)	(62.938)
3.04.02.01	General and administrative expenses	(15.219)	(30.080)	(27.703)	(53.806)
3.04.02.02	Administration Fees	(3.409)	(6.887)	(3.277)	(6.412)
3.04.02.04	Stock option plan	(595)	(1.258)	(978)	(2.720)
3.04.05	Other operating expenses	(15.244)	(134.728)	(1.918.130)	(1.916.221)
3.04.05.01	Other operating expenses	(15.244)	(132.654)	(664.979)	(663.070)
3.04.05.02	Loss with fair value of investment properties	-	(2.074)	(1.253.151)	(1.253.151)
3.05	**Income (loss) before financial income (loss) and taxes**	**(23.486)**	**(130.898)**	**(1.852.044)**	**(1.798.025)**
3.06	**Financial income (loss)**	**19.454**	**57.189**	**(63.059)**	**(117.924)**
3.06.01	Financial revenues	67.982	107.293	33.181	64.447
3.06.02	Financial expenses	(48.528)	(50.104)	(96.240)	(182.371)
3.07	**Income (loss) before income taxes**	**(4.032)**	**(73.709)**	**(1.915.103)**	**(1.915.949)**
3.08	**Income tax and social contribution**	**1.642**	**27.597**	**442.640**	**412.774**
3.08.01	Current	5.209	(96.719)	(549)	(1.063)
3.08.02	Deferred	(3.567)	124.316	443.189	413.837
3.09	**Net income (loss) from continued operations**	**(2.390)**	**(46.112)**	**(1.472.463)**	**(1.503.175)**
3.11	**Income/loss for the period**	**(2.390)**	**(46.112)**	**(1.472.463)**	**(1.503.175)**
3.11.01	Attributable to shareholders of the parent company	-	-	(1.472.463)	(1.503.175)
3.11.02	Attributable to non-controlling shareholders	(2.390)	(46.112)	-	-
3.99	**Earnings per share - (Reais / Share)**	-	-	-	-
3.99.01	Basic Profit per Share	-	-	-	-
3.99.01.01	Common shares	(0,20584)	(3,16625)	(3,05748)	(3,12125)
3.99.02	Diluted Earnings per Share	-	-	-	-
3.99.02.01	Common shares	(0,205840)	(3,16625)	(3,05748)	(3,12125)

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Consolidated financial statements / Statement of comprehensive income (loss)

(In thousands of Reais)

Code of account	Account description	Current quarter	Cumulative Current Exercise	Quarter of the Previous Exe	Prior year
		01/04/2023 to 30/06/2023	01/01/2023 to 30/06/2023	01/04/2022 to 30/06/2022	01/01/2022 to 30/06/2022
4.01	Consolidated net income for the period	(2.390)	(46.112)	(1.472.463)	(1.503.175)
4.03	Consolidated comprehensive income for the period	(2.390)	(46.112)	(1.472.463)	(1.503.175)
4.03.01	Attributed to the Parent company's partners	(2.390)	(46.112)	(1.472.463)	(1.503.175)

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Consolidated financial statements / Statement of Changes in Equity / DMPL - January 1, 2023 to June 30, 2023

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, options granted and treasury shares	Profit reserves	Income (loss) Earnings (loss)	Other income (loss) Comprehensive	Shareholders' equity	Shareholders' equity - non-controlling shareholders	Consolidated shareholders' equity
5.01	**Opening balances**	**3.142.545**	**1.273.478**	**-**	**-**	**-**	**4.416.023**	**-**	**4.416.023**
5.03	**Adjusted opening balances**	**3.142.545**	**1.273.478**	**-**	**-**	**-**	**4.416.023**	**-**	**4.416.023**
5.04	**Capital transactions with partners**	**-**	**1.258**	**-**	**-**	**-**	**1.258**	**-**	**1.258**
5.04.03	Recognition of Stock option plan	**-**	**1.258**	**-**	**-**	**-**	**1.258**	**-**	**1.258**
5.05	**Total comprehensive income**	**-**	**-**	**-**	**(46.112)**	**-**	**(46.112)**	**-**	**(46.112)**
5.05.01	Net income for the period	**-**	**-**	**-**	**(46.112)**	**-**	**(46.112)**	**-**	**(46.112)**
5.06	**Internal changes in equity**	**(2.510.810)**	**-**	**-**	**-**	**-**	**(2.510.810)**	**-**	**(2.510.810)**
5.06.04	Decrease in capital	**(2.510.810)**	**-**	**-**	**-**	**-**	**(2.510.810)**	**-**	**(2.510.810)**
5.07	**Closing balances**	**631.735**	**1.274.736**	**-**	**(46.112)**	**-**	**1.860.359**	**-**	**1.860.359**

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Consolidated financial statements / Statement of Changes in Equity / DMPL - January 1, 2022 to June 30, 2022

(In thousands of Reais)

Code of account	Account description	Paid-up capital	Capital reserves, options granted and treasury shares	Profit reserves	Income (loss) Earnings (loss)	Other income (loss) Comprehensive	Shareholders' equity	Shareholders' equity - non-controlling shareholders	Consolidated shareholders' equity
5.01	**Opening balances**	**4.267.545**	**2.116.662**	**717.492**	**-**	**-**	**7.101.699**	**-**	**7.101.699**
5.03	**Adjusted opening balances**	**4.267.545**	**2.116.662**	**717.492**	**-**	**-**	**7.101.699**	**-**	**7.101.699**
5.04	**Capital transactions with partners**	**-**	**2.236**	**(41.365)**	**-**	**-**	**(39.129)**	**-**	**(39.129)**
5.04.03	Recognized granted options	**-**	**2.720**	**-**	**-**	**-**	**2.720**	**-**	**2.720**
5.04.04	Treasury shares acquired	**-**	**(484)**	**-**	**-**	**-**	**(484)**	**-**	**(484)**
5.04.06	Dividends	**-**	**-**	**(41.365)**	**-**	**-**	**(41.365)**	**-**	**(41.365)**
5.05	**Total comprehensive income**	**-**	**-**	**-**	**(1.503.175)**	**-**	**(1.503.175)**	**-**	**(1.503.175)**
5.05.01	Net income for the period	**-**	**-**	**-**	**(1.503.175)**	**-**	**(1.503.175)**	**-**	**(1.503.175)**
5.07	**Closing balances**	**4.267.545**	**2.118.898**	**676.127**	**(1.503.175)**	**-**	**5.559.395**	**-**	**5.559.395**

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Consolidated financial statements / Statement of cash flows - indirect method

(In thousands of Reais)

Code of account	Account description	Current quarter 01/01/2023 to 30/06/2023	Prior year 01/01/2022 to 30/06/2022
6.01	**Net cash from operating activities**	**(850)**	**153.700**
6.01.01	**Cash generated from operating activities**	**35.307**	**182.291**
6.01.01.01	Profit before income and social contribution taxes	(73.709)	(1.915.949)
6.01.01.02	Depreciation of property, plant and equipment	1.067	595
6.01.01.03	Fair value of investment property	2.074	1.253.151
6.01.01.04	Linearization of revenues	2.116	(6.457)
6.01.01.05	Interest and monetary fluctuations on loans	37.062	172.367
6.01.01.06	Allowance for ecls	(500)	-
6.01.01.07	Adjustment for inflation	(82.047)	(7.809)
6.01.01.10	Capitalized cost amortization	12.518	17.745
6.01.01.11	Share option plan	1.258	2.720
6.01.01.12	Provision for bonuses to employees and managers	5.850	6.417
6.01.01.13	Other provisions	15.287	103.509
6.01.01.14	Impairment loss on trade receivables	-	1.347
6.01.01.15	Finance income (costs) on debt renegoti adjustment	-	(187)
6.01.01.16	AVP of leases	12	-
6.01.01.18	Impairment of intangible assets	1.027	554.842
6.01.01.20	Gains (losses) on investment and property transactions	113.292	-
6.01.02	**Changes in assets and liabilities**	**(36.157)**	**(28.591)**
6.01.02.01	Trade receivables	10.251	(1.777)
6.01.02.02	Recoverable taxes	184.430	3.350
6.01.02.05	Other assets	(43.625)	606
6.01.02.06	Accounts payable	(8.139)	(20.018)
6.01.02.07	Payment of income and social contribution taxes	(100.662)	(888)
6.01.02.08	Taxes payable	(7.232)	(16.883)
6.01.02.11	Salaries and social charges payable	505	757
6.01.02.12	Bonus paid to employees and managers	(10.312)	(10.587)
6.01.02.14	Other liabilities	(61.373)	16.849
6.02	**Net cash - investing activities**	**(11.030)**	**(175.948)**
6.02.02	Acquisition/ Investments in Investment Property	(7.602)	(139.054)
6.02.03	Acquisition of property plant and equipment	(2.482)	(1.844)
6.02.06	Advance for the acquisition of investment property	(102)	-
6.02.07	Cash from disposed investee	(312)	-
6.02.12	Advance for the acquisition of investment property	-	(5.418)
6.02.13	Payment of liabilities for the acquisition of properties	(532)	(29.632)
6.03	**Net cash - financing activities**	**(111.282)**	**(199.462)**
6.03.03	Dividends paid	-	(21.339)
6.03.05	Repayment of loans and financing	-	(178.123)
6.03.06	Transaction Costs	(14.796)	-
6.03.09	Proceeds from loans and financing	1.180.000	-
6.03.10	Decrease in capital paid to shareholders	(1.276.486)	-
6.05	**Increase (Decrease) in cash and cash equivalents**	**(123.162)**	**(221.710)**
6.05.01	Opening balance of cash and cash equivalents	289.393	949.425
6.05.02	Final balance of cash and cash equivalents	166.231	727.715

A free translation from Portuguese into English of 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)

Consolidated financial statements / Statement of value added

(In thousands of Reais)

Code of account	Account description	Current quarter 01/01/2023 to 30/06/2023	Prior year 01/01/2022 to 30/06/2022
7.01	**Revenues**	**51.217**	**(1.023.333)**
7.01.01	**Sale of merchandise, products and services**	**52.791**	**231.165**
7.01.02	**Other revenues**	**(1.574)**	**(1.254.498)**
7.01.02.04	Reversal (Formation) of allowance for doubtful accounts	500	(1.347)
7.01.02.05	Adjustments at fair value of investment property	(2.074)	(1.253.151)
7.02	**Inputs acquired from third parties**	**(150.795)**	**(734.924)**
7.02.04	Other	(150.795)	(734.924)
7.02.04.01	Inputs acquired from third parties	(18.140)	(71.854)
7.02.04.02	Other	(132.655)	(663.070)
7.03	**Gross added value**	**(99.578)**	**(1.758.257)**
7.04	**Retentions**	**(1.067)**	**(595)**
7.04.01	Retentions (Depreciation and amortization)	(1.067)	(595)
7.05	**Net added value produced**	**(100.645)**	**(1.758.852)**
7.06	**Added value received as transfer**	**107.293**	**64.447**
7.06.02	Financial revenues	107.293	64.447
7.07	**Added value for distribution**	**6.648**	**(1.694.405)**
7.08	**Distribution of added value:**	**6.648**	**(1.694.405)**
7.08.01	**Personnel**	**19.245**	**22.568**
7.08.01.01	Direct remuneration	17.153	20.414
7.08.01.02	Benefits	1.501	1.443
7.08.01.03	Contribution to the Severance Indemnity Fund – FGTS	591	711
7.08.02	**Taxes, rates and contributions**	**(16.589)**	**(396.169)**
7.08.02.01	Federal	(16.821)	(396.328)
7.08.02.03	Municipal	232	159
7.08.03	**Remuneration of third party capital**	**50.104**	**182.371**
7.08.03.01	Interest	37.062	172.180
7.08.03.03	Other	13.042	10.191
7.08.04	**Own capital remuneration**	**(46.112)**	**(1.503.175)**
7.08.04.03	Retained earnings (losses)	(46.112)	(1.503.175)

Notes to the interim financial statements

(In thousands of real)

1 Operations

a. Corporate Purpose

Set up as a "corporation" domiciled in Brazil, the shares of BR Properties S.A. (henceforth referred to as "Company" or "Parent Company") are traded at B3 under code number "BRPR3". Its head office is located at Avenida das Nações Unidas, 12,901 - 16º. Andar - São Paulo, SP.

The Company and its subsidiaries are primarily engaged in acquiring, managing, leasing and selling commercial properties in Brazil, particularly commercial buildings and floors, offices, retail stores and warehouses, provided that they are existing assets or built *to suit*. The Company also develops and hires with third parties the construction of new properties, which will be added to its portfolio for lease.

b. Direct and indirect ownership interest in BR Properties's assets

The individual company and consolidated quarterly financial statements for the period ended June 30, 2023 comprise the Company and its subsidiaries (jointly referred to as "the Company" and individually as "the Company's entities").

c. Voluntary Public Offering ("OPA") GPIC, LLC

On January 13, 2023, the Company reported on a material fact publication a notification of GPIC, LLC and THB JV S.A. R.L, indicating that an agreement was entered into for a voluntary public offering to acquire the Company's common shares.

After meeting all previous conditions, on April 10, 2023, an auction of the OPA was held to acquire control over the Company, launched by Slabs Investimentos Ltda, a company of the GPIC group, LLC. As a result, Slabs Investimentos Ltda. acquired 89.74% of the Company's total share capital.

On April 11, 2023, the Company received a letter from B3 S.A. – Brasil, Bolsa, Balcão ("B3"), reporting that B3 had migrated the Company to the Basic Segment. Therefore, as from April 12, 2023, shares issued by the Company are traded in the Basic Segment of B3.

Moreover, as provided for in item 2.4.2 of the Invitation to Bid published by the OPA, on May 10, 2023, additional shares were acquired from shareholders that did not sell their shares at the auction, leading to a total increase in the Company's ownership interest in Slabs Investimentos Ltda. and to hold 11,180,688 common shares, accounting for 96.30% of the Company's total share capital.

d. Decrease in capital

On July 6, 2022, the Company informed that the Board of Directors approved the call of an Extraordinary Shareholders' Meeting held on July 28, 2022 to decide on a reduction in share capital by R$1,125,000, because it considers it to be excessive, without canceling shares issued by the Company upon a refund to shareholders, in local currency, equivalent to R$2.42231115682609 per share ("Decrease in Capital"), considering a total of 464,432,489 common and book-entry shares (former Treasury Department). The reduction was approved at the shareholders' meeting held on July 28, 2022. On September 30, 2022, the deadline for opposition from creditors was closed with no opposition to the decrease in capital. Therefore, the decrease in capital was paid to shareholders on October 14, 2022.

On January 3, 2023, the Company reported on a material fact publication that The Board of Directors approved the call of an extraordinary shareholders' meeting to decide (i) o n the decrease in capital by R$2,510. 810, considered excessive and part of the reduction consists of a refund for shareholders in cash, in an amount equivalent to R$1,276,000, and the other party in shares of a FII BRPR Corporate Offices ("BROF11"), equivalent to R$1,234,810 ("In-Kind Portion"), after the capital contribution of Ed. Passeio's assets and Ed. Águas Claras by the Company in the brof11 fund, which occurred on March 27, 2023 and (ii) on the grouping of all shares in the proportion of 40 shares for one share, among other matters. The Board of Directors also approved the cancellation of 9,727,208 treasury shares of the Company. Proposals for reducing capital and grouping shares, among other matters, were approved by shareholders at the extraordinary meeting held on January 24, 2023.

After the end of the statutory deadline for opposition from creditors, the Company informed its shareholders that those with positions in the Company's shares on April 4, 2023 (including) would be entitled to receive a capital refund, and as from April 5, 2023 (including) the shares issued by the Company started to be traded former capital restitution rights.

The cash portion and the in kind portion total together, R$216.247567887586 per share to reduce capital, considering the updated number of 11,610,812 common and book-entry shares, already considering the grouping approved at the Extraordinary Shareholders' Meeting of January 24, 2023, and completed on February 24, 2023.

On April 5, 2023, FII shares were delivered, the date on which shares could already be traded at B3 S.A. – Brasil Bolsa Balcão. The cash portion of the reduction in capital was paid on April 19, 2023.

On January 3, 2023, with the purpose of making the payment of the capital reduction in cash possible in 2023, the Company entered into a Statement of Commitment with Banco BTG Pactual S/A, whereby BTG guaranteed the Company a finance facility in the amount of R$1,180,000. The contractual instrument is as follows: (a) maturity on August 23, 2023; (a) costs of the advance transaction by BTG: CDI + 1.65% p.a.; (b) reserve yield: 0.50% p.a.; (c) structuring compensation (0.65% on the committed amount). Funds from this credit facility, totaling R$1,180,000, were provided to the Company on April 12, 2023.

e. Simplifying the Company's structure and simplifying the OOP and canceling it

On June 9, 2023, the Company informed its shareholders and the market in general that the Company's Board of Directors approved a plan for simplifying the e the Company's operational strategy, with the purpose of (a) streamlining general expenses and administrative expenses, keeping the company's main focus on maintaining ownership of its logistics warehouses in Jarinu and Cajamar and potentially developing new logistics projects already optional in the same regions and (b) optimizing the Company's capital structure ("Simplification Plan"). Accordingly, at an extraordinary meeting held on June 30, 2023, shareholders approved a new decrease in capital and a new group of the Company's shares, as part of the Simplification Plan.

This new reduction in share capital, considered to be excessive, equivalent to R$732,100, will be made upon a refund to shareholders, in local currency, of R$63.05 per share, considering a total of 11,610,812 ordinary shares (former treasury stock). It will only become effective 60 days after the minutes of the meeting of shareholders approved the reduction, held on June 30, 2023.

The new grouping of all ordinary shares, all registered, book-entry and without par value, issued by the Company, in the proportion of 25 ordinary shares for one ordinary share, without changes in the value of share capital, aims at reducing the volatility of the shares issued by the Company and granting a better level for the price of its shares after the new reduction in share capital is actually made. protecting the Company from being affected by significant percentage fluctuations arising from small changes in the trading value of shares. This new grouping will be completed after the deadline of 60 days to oppose creditors for the new capital reduction, so that the Company's shareholders will have an additional period for adjusting the positions free, higher than the deadline recommended by B3, and the refund of capital will be given to shareholders considering their shareholding structure before the grouping.

On June 9, 2023, the Company also received a notification from its parent company, Slabs Investimentos Ltda. ("Slabs"), a subsidiary of GP Investments Ltd., informing it of its intention to make a public offering for the acquisition of the Company's shares, with the purpose of canceling the Company's registration as a public company ("Registration Cancellation OPA"). Slabs also informed that the actual entry of the Registration Cancellation OPA depends on (i) obtaining an authorization from CVM for a different procedure for the registration cancellation OPA, in line with recent precedents analyzed by the independent public agency to simplify the procedure followed by the Registration Cancellation OPA, and (ii) the approval of the Registration OPA's request to cancel the registration with CVM. held on July 13, 2023; stages that require certain preliminary measures that are already being addressed by Slabs. The price allocated for each share that is the subject matter of the Registration Cancellation OPA will be the same price per share that was offered in the voluntary public offering launched by the Offeror for the acquisition of shares issued by the Company, whose auction was held on April 10, 2023 ("Voluntary OPA"), i.e. of R$64.00 per share of the Company, duly adjusted using the SELIC rate until the date the OPA is settled for canceling the registration, discounted earnings and adjusted according to changes in share capital and number of shares after the Voluntary OPA. Slabs also requested, in accordance with article 45 of CVM Resolution No. 85, to adopt a special procedure for the Registration Cancellation OPA by using the quorum of Voluntary OPA's acceptance to judge the quorum of OPA's success for canceling the registration. Slabs also asked for a confirmation of the understanding that, upon authorization for the adoption of this special procedure, Slabs may redeem the shares issued by the remaining Company, pursuance to article four, paragraph five of LSA, after the OPA is completed to cancel the record.

f. Acquisitions and disposals of property

On May 18, 2022, BR Properties informed us that it entered into agreements for the sale and purchase of real estate and other covenants ('CCVs'), with Brookfield Group, whose purpose was the sale of certain properties owned by Brookfield for the total amount of R$5,921,647. Pursuing the material fact disclosed on May 18, 2022, the Company entered into a closing agreement on July 20, 2022. Below is a summary description of the properties which are being sold:

(a) Edifício Glória – Praça Floriano, 31, Rio de Janeiro – RJ ("Edifício Glória"); (b) Edifício Manchete – Rua do Russel, 804, Rio de Janeiro – RJ ("Edifício Manchete"); (c) Edifício Ventura – Avenida República do Chile, 330, Rio de Janeiro – RJ ("Edifício Ventura"); (d) Edifício Palácio da Agricultura – Setor Bancário Norte, Quadra 1, Bloco F, Brasília – DF ("Edifício Brasília"); (e) Panamérica Green Park building – Avenida Guido Caloi, 1002, São Paulo – SP ("Panamérica Green Park Building"); (f) Edifício Panamérica Park – Avenida Guido Caloi, 1000, São Paulo – SP ("Panamérica Park Building"); (g) Torre A – Torre Nações Unidas – Avenida das Nações Unidas, 12,495, São Paulo – SP ("Torre A - TNU"); (h) Torres B1 (AROEIRA), B2 (PAINEIRA) and 30.0% of B3 (JATOBÁ) (13th to 17th floors), of the Sub-segment of Sector B, of Condomínio Parque da Cidade – Avenida das Nações Unidas, 14,401, São Paulo – SP ("Parque da Cidade"); (i) Centenary Building – Rua Florida, 1970, São Paulo – SP ("Centenary Building"); (j) Plaza Centenário Building – Avenida das Nações Unidas, 12,995, São Paulo – SP ("Plaza Centenary Building"); (k) Edifício Alphaville – Alameda Grajaú, 219, Barueri – SP ("Edifício Alphaville"); (l) Autonomous unit Bloco B of condomínio Wtorre JK – Avenida Presidente Juscelino Kubitschek, 2041, São Paulo – SP ("JK property"); and (m) 11.5124% of Suite 34 of B3 Tower (JATOBÁ), sub-segment B, condominium Parque da Cidade – Avenida das Nações Unidas, 14,401, São Paulo – SP ("Conjunto 34 Jatobá").

Disposals were closed after certain previous conditions were checked, including, among others, the settlement of certain debts linked to real estate, the approval of transactions at the Company's extraordinary meeting, the approval of the disposals by CADE, the failure to exercise the right of preference over property by the holders of these rights (lessees, sub-portfolio companies and/or co-owners of properties, as applicable), as well as the approval by the holders of the 16th issue of the Company's debentures for the effectiveness of the promises to sell Edifício Manchete and Torre A - TNU.

Payments made in local currency were adjusted in the following manner: (i) 70% paid on July 20, 2022 and July 22, 2022, including inflation adjustment, equivalent to R$4,146,998; and (ii) 30% ("Remaining balance"), equivalent to R$1,776,994, paid on July 20, 2023 and July 21, 2023, adjusted for inflation using the IPCA between the closing date and December 31, 2022, and at the CDI as from January 1, 2023.

2 Presentation and preparation of the quarterly financial statements

The main accounting policies applied in the preparation of these individual company and consolidated interim financial statements, included in the Interim Financial Information Form ("interim financial information"). These policies have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

Basis of preparation and presentation

The individual company and consolidated quarterly financial information for the period ended June 30, 2023, in accordance with CPC 21 (R1) - Interim Financial Reporting and International Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standard Board– IASB, as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities and Exchange Commission ("CVM"), applicable to the preparation of the interim financial information.

The Company states that the significant accounting judgments, estimates and assumptions, as well as the significant accounting policies adopted in presenting and preparing these quarterly financial statements are the same as those disclosed in note two to the individual company and consolidated annual financial statements for the year ended December 31, 2022, and remain valid.

Therefore, this quarterly information does not include all notes and disclosures required by the standards for the annual individual company and consolidated financial statements, and therefore the related information should be read together with those individual company and consolidated annual financial statements. Based on management's judgment and assumptions about the relevance and changes that should be disclosed in the notes to the financial statements, these quarterly financial statements include selected notes and do not cover all notes presented in the annual financial statements, as allowed by Circular Letter March 03/2011, issued by the Brazilian Securities and Exchange Commission ("CVM").

The interim financial information is presented in thousands of real (R$), and all amounts have been rounded to the nearest thousands, except when otherwise indicated. Under certain circumstances, this may lead to significant differences between the sum of numbers and the subtotals presented in the tables.

The Company's individual and consolidated quarterly financial statements for the quarter ended June 30, 2023 were approved and authorized for issue according to the resolution of the members of the Board of Directors on August 3, 2023.

New standards, amendments to and interpretations of accounting standards

There are no new standards and amendments issued by IASB and CPC that are effective from January 1, 2023 that, in the opinion of Management, may have a significant impact on the profit or loss or equity disclosed by the Company and its subsidiaries.

3 Cash and cash equivalents and securities

		Individual		Consolidated	
	Notes	**06/30/2023**	12/31/2022	**06/30/2023**	12/31/2022
Cash and banks		**432**	138	**516**	316
Interest earning bank deposits	**(i)**	**159,902**	280,639	**165,715**	289,077
Cash and cash equivalents		**160,334**	280,777	**166,231**	289,393
Restricted cash	**(ii)**	**7,107**	6,682	**7,107**	6,682
Securities		**7,107**	6,682	**7,107**	6,682
Total		**167,441**	287,459	**173,338**	296,075
Current		**160,334**	**280,777**	**166,231**	**289,393**
Non-current		**7,107**	**6,682**	**7,107**	**6,682**

(i) As of June 30, 2023, financial investments consist of transactions carried out with top-tier local and international financial institutions, consisting of bank deposit certificates ("CDBs") and reverse sale-and-repurchase agreements which bear interest at rates ranging from 90% to 114% (between 98% and 114% in 2022) of the Interbank Deposit Certificate (CDI). These transactions bear interest at the CDI rate, under normal market conditions and rates.

(ii) Restricted cash consists of the acquisition of property for the retention made upon the acquisition of land in Cajamar I on September 17, 2019, until the obligation, established by contract, is completed. On June 30, 2023, there is no definition about the date the consideration was completed. The funds were invested in certificates of bank deposit (CDBs), which bear interest at the rate of 98% (98% in 2022) of the Interbank Deposit Certificate (CDI).

4 Trade receivables

		Individual		Consolidated	
		06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Rentals receivable	**(i)**	**37,926**	98,432	**39,381**	98,932
(-) Provision for expected credit loss	**(ii)**	**(9,427)**	(9,927)	**(9,427)**	(9,927)
		28,499	88,505	**29,954**	89,005
Current		**1,292**	**22,275**	**2,747**	**22,775**
Non-current		**27,207**	**66,230**	**27,207**	**66,230**

(i) In the six-month period ended June 30, 2023 the main movements, as disclosed in note 1(d), due to the contribution to BROF11 FII, the property Ed. Passeio e Ed. Águas Claras, on March 27, 2023, consists of lease agreements that still had a grace period. They were fully recognized in profit or loss as capital contribution cost in the amount of R$45,829. (R$47,423 as of December 31, 2022).

(ii) As of June 30, 2023, totality consists of balances overdue for more than 180 days. As of December 31, 2022, of this total: (a) R$1,589 was overdue for up to 30 days; (b) R$0 was past due from 31 to 60 days; and (c) R$8,338 over 180 days.

According to contracts entered into with clients, rents are usually received up to the tenth day business day of the subsequent month, in addition to agreements with annual maturities.

Current lease agreements are adjusted annually for inflation using the General Market Price Index (IGP-M), and since 2021, for most new agreements, the IPCA/INPC have been adopted as adjustment index.

There are no contingent receipt clauses, because they do not include payment installments based on variables, such as future sales percentages, future price indexes and others.

Management believes that the risk relating to trade receivables is minimized mainly by contracts with first-tier tenants, i.e. lessees that have an excellent financial history, a solid reputation and a significant share of their operating segments.

A in the allowance for ECLs are as follows:

		Individual		Consolidated	
		06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Balance at the beginning of the year		**(9,927)**	(8,771)	**(9,927)**	(8,771)
Transfer	**(i)**	**-**	(1,156)	**-**	(1,156)
Changes in provision in income (loss)		**500**	-	**500**	-
Balance at end of the period		**(9,427)**	(9,927)	**(9,427)**	(9,927)

Operating lease

The Company has entered into lease agreements from its commercial properties in its portfolio of investment property together with its lessees. These leases have remaining terms between five and fifteen years. All leases include a clause to allow the review of rents, in accordance with market conditions, according to prevailing legislation.

Future minimum rents receivable, without considering discounts, estimated losses and future inflation adjustments, in accordance with the leases as of June 30, 2023 and December 31, 2022, are as follows:

	Consolidated	
	06/30/2023	12/31/2022
receivable in the 1st year	**23,159**	122,739
receivable in the 2nd year	**23,431**	105,185
receivable in the third year	**22,912**	111,454
receivable in the fourth year	**23,374**	108,944
receivable in the 5th year	**9,764**	104,332
receivable in excess of the 5th year	**158,724**	460,938
	261,364	1,013,593

5 Recoverable and payable taxes

	Notes	Individual		Consolidated	
		06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Taxes withheld at source		**5,988**	-	**6,193**	-
Prepayments of IRPJ and CSLL	**(i)**	**99,706**	-	**99,736**	-
PIS and COFINS recoverable		**-**	219,418	**15**	19
Negative IRPJ and CSLL Balance	**(ii)**	**32,104**	-	**34,392**	222,658
Total recovered taxes		**137,798**	219,418	**140,336**	222,677
Income tax and social contribution payable	**(iii)**	**(100,519)**	(5,254)	**(101,488)**	(5,695)
Taxes on income - PIS and COFINS		**(1,152)**	(1,663)	**(1,187)**	(1,664)
Taxes withheld		**(163)**	(539)	**(168)**	(539)
Other taxes payable		**(24,701)**	-	**(24,829)**	(70)
Total taxes payable		**(126,535)**	(7,456)	**(127,672)**	(7,968)
Total net		**11,263**	211,962	**12,664**	214,709
Current assets		**106,316**	187,937	**105,597**	187,936
Non-current assets		**31,481**	31,481	**34,740**	34,740
Current liabilities		**(126,534)**	(7,456)	**(127,673)**	(7,967)
Total net		**11,263**	211,962	**12,664**	214,709

(i) Consists of prepaid IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax), paid for an estimate during the year, equivalent to R$99,706 (Company) and R$99,736 (Consolidated).

(ii) During the period ended June 30, 2023, the main movements were: on January 20, 2023, when the Company received R$176,517 in cash, from the submission of a request for refund of the corporate income and social contribution tax losses; and

(iii) On June 30, 2023, the Company reported IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax) in the amount of R$101,488, arising mainly from the capitalization of the Ed. Passeio and Ed. Águas Claras properties at FII BROF11, according to note 1(d).

6 Trade receivables from the sale of properties

		Individual		Consolidated	
	Notes	12/31/2022	**03/21/2023**	12/31/2022	12/31/2022
Amounts to be received on property sales	**(i)**	**1,870,143**	1,789,543	**1,870,143**	1,789,543
		1,870,143	1,789,543	**1,870,143**	1,789,543
Current		**1,870,143**	1,789,543	**1,870,143**	1,789,543

(i) Balance consisting of amounts receivable on sale to Brookfield group as of July 20, 2022, adjusted using the IPCA between the closing date and December 31, 2022. From January 1, 2023 to March 31, 2023, adjusted by the variation of 100% of the CDI, less, every month, a dilutive factor provided for by contract, equivalent to R$11,333. And from April 1, 2023 until the date of payment, adjusted for inflation at the rate of 100% of the interbank deposit certificate rate. The amount was fully received on July 20, 2023 and July 21, 2023, plus those adjustments, in the amount of R$1,883,484.

7 Other current and non-current assets

		Individual		Consolidated	
	Notes	**06/30/2023**	12/31/2022	**06/30/2023**	12/31/2022
Amounts receivable	**(i)**	**37,105**	41,932	**37,976**	42,971
Advance for investment acquisition	**(ii)**	**28,930**	28,828	**28,930**	28,828
Advances to suppliers		**167**	716	**287**	805
Values recoverable	**(iii)**	**143,777**	134,075	**143,777**	134,075
Other assets	**(iv)**	**27,528**	23,436	**27,526**	23,436
Provision for adjustment to realizable value	**(v)**	**(140,835)**	(130,081)	**(141,558)**	(130,814)
		96,672	98,906	**96,938**	99,301
Current		**8,612**	10,725	**8,958**	11,199
Non-current		**88,060**	88,181	**87,980**	88,102

(i) Basically consists of amounts to be reimbursed by the lessee to the controlling company for the improvements in leased property, equivalent to R$23,324 (26,409 as of December 31, 2022), as well as other receivables from lessees, equivalent to R$12,766 (R$13,520 as of December 31, 2022).

(ii) Advances for the acquisition of investments, basically consisting of amounts registered with the Parent Company, consist of: (a) acquisition of Galpões Castanheira and Jaborandi equivalent to R$17,748 (R$17,748 as of December 31, 2022), belonging to Théia BBP condominium; (b) consists of the exchange of Cajamar II project into R$11,182 (R$11,080 as of December 31, 2022).

(iii) Basically consisting of judicial expenses to be reimbursed to the controlling company at Wtorre, as detailed in note 13. Expected losses on these transactions are shown in item (v);

(iv) Consists of costs of ongoing projects equivalent to R$25,070 (R$18,714 as of December 31, 2022), and commissions on capitalized leases equivalent to R$2,659 (R$4,724 as of December 31, 2022).

(v) Basically consisting of (a) expected losses on receivables related to renegotiations with lessees, equivalent to R$13,566 (R$13,566 as of December 31, 2022), and (b) expected losses on the reimbursement of judicial expenses by Wtorre arising from demands from third parties, equivalent to R$127,268 (R$116,514 as of December 31, 2022), already net of the shares pledged under the merger agreement of One Properties S.A. According to the Company's assessment, the recognition of expected loss takes into consideration the following factors (b.1) the existence of final decisions rendered against WTorre's claims of third-party liability; and (b.2) the uncertainty about WTorre's current financial capacity to face the indemnities arising from these demands from third parties.

8 Investments

Investments in subsidiaries, accounted for using the equity method, were calculated according to the balance sheets as of June 30, 2023, and December 31, 2022. The book values of the investment and share of profit (loss) of equity-accounted investees for the three-month period ended June 30, 2023, and year ended December 31, 2022, are as follows:

	Individual	
	06/30/2023	**06/30/2023**
Ownership interest in subsidiaries	**24,834**	28,328

a. Information about subsidiaries

				06/30/2023		12/31/2022	06/30/2022
	Shares / Quotas	**Shareholders' equity**	**Income (loss) for the year**	**Book balance of the investment**	**Equity in net income of subsidiaries**	Book balance of the investment	Equity in net income of subsidiaries
Direct subsidiaries							
BRPR VII Empreendimentos e Participações Ltda.	81,829,400	**497**	44	497	44	653	146
BRPR 43 Empreendimentos e Participações Ltda.	11,427,013	**525**	21	525	21	804	40
BRPR 45 Empreendimentos e Participações S.A.	863,162	**35**	(3)	35	(3)	74	24
BRPR 56 Empreendimentos e Participações Ltda.	1,082,234	**573**	20	573	20	668	39
BRPR 62 Empreendimentos e Participações Ltda.	48,599,924	**1,257**	49	1,257	49	1,457	86
BRPR 66 Empreendimentos e Participações Ltda.	17,799,464	**17,005**	(1)	17,005	(1)	17,066	48
BRPR A Adm. de Ativos Imob. Ltda.	400,999	**2,586**	2,185	2,586	2,185	6,193	2,860
BR Consultoria	6,000	**2,283**	2,277	2,283	2,277	-	-
BRPR Participações S.A.	701,000	**78**	19	73	19	673	24
Investees disposed of in 2023	**-**	**-**	-	-	850	739	-
				24,834	**5,461**	28,328	3,267

b. Information on the main groups of assets, liabilities and results reported by subsidiaries as of June 30, 2023

	ASSETS			**PASSIVE**			
	Circulating	**Non- current**	**Total**	**Circulating**	**Non-current**	**Shareholders' equity**	**Total**
Direct subsidiaries							
BRPR VII Empreendimentos e Participações Ltda.	127	378	505	8	-	497	505
BRPR 43 Empreendimentos e Participações Ltda.	(260)	796	536	11	-	525	536
BRPR 45 Empreendimentos e Participações S. A.	(7)	46	39	4	-	35	39
BRPR 56 Empreendimentos e Participações S. A.	(86)	667	581	8	-	573	581
BRPR 62 Empreendimentos e Participações Ltda.	(153)	1,421	1,268	11	-	1,257	1,268
BRPR 66 Empreendimentos e Participações Ltda.	(20)	17,569	17,549	4	540	17,005	17,549
BRPR A Adm. de Ativos Imob. Ltda.	4,582	527	5,109	1,793	730	2,586	5,109
BRPR Participações S. A.	50	27	77	4	-	73	77
Investees disposed of in 2023	1,696	1,234,070	1,235,766	107	-	1,235,659	1,235,766

	Statement of income				
	Gross revenue from rental and services	**Taxes, rebates and costs of rented property**	**Operating revenues/ (expenses)**	**Income tax and social contribution**	**Income (loss) for the period**
Direct subsidiaries					
BRPR VII Empreendimentos e Participações Ltda.	-	-	55	(11)	44
BRPR 43 Empreendimentos e Participações Ltda.	-	-	28	(7)	21
BRPR 45 Empreendimentos e Participações S.A.	-	-	(3)	-	(3)
BRPR 56 Empreendimentos e Participações S.A.	-	-	24	(4)	20
BRPR 62 Empreendimentos e Participações Ltda.	-	-	59	(10)	49
BRPR 66 Empreendimentos e Participações Ltda.	-	-	(1)	-	(1)
BRPR A Adm. de Ativos Imob. Ltda.	8,164	(706)	(4,305)	(968)	2,185
BRPR Participações S.A.	-	-	23	(4)	19
BRPR Corporate Offices FII	1,353	-	(503)	-	850

c. Information on the main groups of assets and liabilities of subsidiaries as of December 31, 2022

	ASSETS			PASSIVE			
	Circulating	**Non- current**	**Total**	**Circulating**	**Non- current**	**Shareholders' equity**	**Total**
Direct subsidiaries							
BRPR VII Empreendimentos e Participações Ltda.	383	286	669	-	16	653	669
BRPR 43 Empreendimentos e Participações Ltda.	76	729	805	1	-	804	805
BRPR 45 Empreendimentos e Participações S. A.	33	41	74	-	-	74	74
BRPR 56 Empreendimentos e Participações S. A.	63	606	669	1	-	668	669
BRPR 62 Empreendimentos e Participações Ltda.	146	1,312	1,458	1	-	1,457	1,458
BRPR 66 Empreendimentos e Participações Ltda.	54	17,552	17,606	-	540	17,066	17,606
BRPR A Adm. de Ativos Imob. Ltda.	7,834	506	8,340	1,469	678	6,193	8,340
BRPR Participações S. A.	653	21	674	1	-	673	674
Real estate inventing funds							
BRPR Corporate Offices FII	740	-	740	1	-	739	740

d. Information on the profit (loss) reported by subsidiaries as of June 30, 2022

	Statement of income				
	Gross revenue from rental and services	**Taxes, rebates and costs of rented property**	**Operating revenues/ (expenses)**	**Income tax and social contribution**	**Income (loss) for the period**
Direct subsidiaries					
BRPR VII Empreendimentos e Participações Ltda.	-	-	188	(42)	146
BRPR 43 Empreendimentos e Participações Ltda.	-	-	53	(13)	40
BRPR 45 Empreendimentos e Participações S.A.	-	-	29	(5)	24
BRPR 56 Empreendimentos e Participações S.A.	-	-	47	(8)	39
BRPR 62 Empreendimentos e Participações Ltda.	-	-	103	(17)	86
BRPR 66 Empreendimentos e Participações Ltda.	-	-	58	(10)	48
BRPR A Adm. de Ativos Imob. Ltda.	8,446	(731)	(3,879)	(976)	2,860
BRPR Participações S.A.	-	-	31	(5)	26

e. Movements in investments

	Notes	06/30/2023	06/30/2022
Opening balance in December, 31		**28,328**	29,693
(+) Acquisition of investments		**16**	-
(+) Decrease in capital of subsidiaries	(i)	**1,234,070**	-
(-) Dividends received		**(5,977)**	(4,783)
(-) Decrease in capital of subsidiaries		**(1,405)**	-
(-) Capital reduction through delivery of BROF11 FII shares	(ii)	**(1,234,810)**	-
(+) Other moviments		**(849)**	-
(-/+) Equity in net income of subsidiaries		**5,461**	3,267
Closing balance in June, 30		**24,834**	28,177

(i) As presented in note 1(d), on March 27, 2023, assets Ed. Passeio and Ed. Águas Claras were paid in to BROF11 FII, which was controlled 100% by the Company until April 5, 2023.

(ii) As shown in note 1(d), shares in fii were delivered on April 5, 2023, date on which shares could already be traded at B3 S.A. – Brasil Bolsa Balcão. The cash portion of the reduction in capital was paid on April 19, 2023.

9 Investment property

a. Information on changes in investment property

		Individual		Consolidated	
	Notes	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Opening balance in December, 31		**2,184,470**	9,024,630	**2,201,970**	9,040,541
(+) Property acquisitions		**-**	355	**-**	355
(+) Development and retrofit costs	(i)	**8,797**	145,370	**8,797**	145,370
(+/-) Compound interest	(ii)	**-**	15,606	**-**	15,606
(-) Payment BROF11 FII	(iii)	**(1,234,070)**	-	-	-
(-) Capital reduction through delivery of BROF11 FII shares	(iv)	**-**	-	**(1,234,070)**	-
(+/-) Adjustment to market value	(v)	**(2,074)**	(1,253,151)	**(2,074)**	(1,253,151)
Closing balance in June, 30		**957,123**	7,932,810	**974,623**	7,948,722

(i) In the period ended June 30, 2023, developmentand costs basically consist of costs incurred with the development of Galpão Cajamar and costs incurred with improving the Ed. Passeio, which is equivalent to R$8,706 (Individual /Consolidated). In the period ended June 30, 2022, additions basically consist of costs incurred with the development and appraisal of the following enterprises: Galpão Cajamar, Ed. Brasília, Ed. Ventura Torre Leste and Ed. Ventura Torre Oeste, equivalent to R$140,975 (Individual/Consolidated).

(ii) In the period ended June 30, 2022, additions basically consist of capitalized borrowing costs incurred with the development phase of the Cajamar warehouse, equivalent to R$15,606 (Individual/Consolidated).

(iii) As presented in note 1(d), on March 27, 2023, assets Ed. Passeio and Ed. Águas Claras were paid in to BROF11 FII.

(iv) As presented in note 1(d), on April 5, 2023, as a result of the delivery of FII BROF11 shares, ownership was written off.

(v) In the period ended June 30, 2023, as presented in notes 1(d) the market was marked to market at the amount of contribution made in BROF11. During the period ended June 30, 2022, markup occurred to market for the sale of certain assets to Brookfield Group on July 20, 2022, as mentioned in note 1d, equivalent to a loss of R$1,253,151.

b. Information on investment property

Fair values are based on market values, and the estimated value by which property could be exchanged on the valuation date between knowledgeable, willing parties in a transaction under normal market conditions, in accordance with the definitions established in IFRS 13 (CPC 46) for level 3 valuations. The Company annually evaluates its investment property portfolio.

10 Loans and financing

Changes in loans and financing

		Individual		Consolidated	
		06/30/2023	06/30/2022	**06/30/2023**	06/30/2022
Opening balance in December, 31	**Notes**	**-**	2,914,098	**-**	2,914,098
(+) Proceeds from loans and financing	(i)	**1,180,000**	-	**1,180,000**	-
(+) Interest and monetary fluctuations on loans		**37,062**	172,367	**37,062**	172,367
(+) Capitalized interest		**-**	15,606	**-**	15,606
(-) Payment of loans and financing		**-**	(178,123)	**-**	(178,123)
(+ / -) Finance income (costs) upon the renegotiation of the debt		**-**	(187)	**-**	(187)
(-) Capitalized transaction costs		**(14,796)**	-	**(14,796)**	-
(+) Amortization of capitalized costs		**10,639**	4,264	**10,639**	4,264
Closing balance in June, 30		**1,212,905**	2,928,025	**1,212,905**	2,928,025
Current		**1,212,905**	793,449	**1,212,905**	793,449
Non- current		**-**	2,134,576	**-**	2,134,576

(i) As informed in note 1(d), the funding, equivalent to R$1,180,000, whose statement of commitment was signed on January 3, 2023 and the funds provided to the Company on April 12, 2023, to pay the cash portion of the Reduction in Capital in 2023. Transaction costs related to this funding are equivalent to R$14,796. The contractual instrument is as follows: (a) maturity on August 23, 2023; Transaction costs equivalent to R$14,796(a) costs of the advance payment by BTG: CDI (interbank deposit certificate) + 1.65% p.a.; (b) reserve yield: 0.50% p.a.; (c) structuring compensation (0.65% on the committed amount). This funding was fully settled on July 21, 2023.

Surety bonds, mortgages granted to creditors

The several investment property acquired by the Company, whose acquisitions were partially financed by market debts, were conditionally disposed of as the principal guarantee of the financing agreements. Moreover, collateral consists of the assignment of receivables from lease agreements entered into with the lessee of the property.

As of June 30, 2023, the Company did not have debts linked to investment properties held in the portfolio.

Maturity

As of June 30, 2023, the debt balance is R$1,217,062, consisting of funding of R$1,180,000 plus interest and adjustment for inflation of R$37,062, settled in July 21, 2023, as mentioned above.

Covenants

As of June 30, 2023, there were no covenants required.

11 Income and social contribution taxes

The breakdown of income and social contribution tax expenses as of June 30, 2023, and 2022 is as follows:

	Individual		Consolidated	
	06/30/2023	06/30/2022	**06/30/2023**	06/30/2022
Profit before income tax and social contribution	**(75,067)**	(1,917,024)	**(73,709)**	(1,915,949)
Income tax and social contribution at nominal rates (34%)	**25,523**	651,788	**25,061**	651,423
Adjustments to determine the effective rate:				
Equity in net income of subsidiaries	**1,857**	1,111	**-**	-
Tax credits of unrecognized tax losses and negative basis	**-**	(49,382)	**14**	(49,342)
Net permanent (additions) exclusions				
Income (loss) from disposal of investment properties	**1,806**	-	**1,806**	-
Impairment of intangible assets	**-**	(188,646)	**-**	(188,646)
Others	**(231)**	(1,022)	**716**	(661)
Income and social contribution taxes	**28,955**	413,849	**27,597**	412,774
Current income and social contribution taxes	**(95,350)**	-	**(96,719)**	(1,063)
Deferred income and social contribution taxes	**124,305**	413,849	**124,316**	413,837
Total	**28,955**	413,849	**27,597**	412,774

Deferred income and social contribution taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, plus tax losses.

The net balance of deferred income and social contribution tax liabilities as of Jun 30, 2023, and December 31, 2022 is as follows:

		Individual		Consolidated	
	Notes	**06/30/2023**	12/31/2022	**06/30/2023**	12/31/2022
Adjustment at fair value of investment properties	**(i)**	**61,208**	169,621	**61,748**	170,162
Temporary differences (Tax depreciation)		**8,180**	64,656	**8,180**	64,656
Linearization of rental income		**3,091**	19,392	**3,091**	19,392
Other		**2,036**	1,672	**2,036**	1,672
Deferred taxes - liabilities		**74,515**	255,341	**75,055**	255,882
Income and social contribution tax losses		**(126,066)**	(166,935)	**(126,066)**	(166,935)
Other	**(ii)**	**(70,474)**	(86,126)	**(70,968)**	(86,609)
Deferred taxes - assets	**(iii)**	**(196,540)**	(253,061)	**(197,034)**	(253,544)
Net deferred taxes		**(122,025)**	2,280	**(121,979)**	2,338
Deferred taxes – Balance sheet (assets)		**(122,025)**	-	**(122,519)**	(490)
Deferred taxes – Balance sheet (liabilities)		**-**	2,280	**540**	2,828
Net deferred taxes		**(122,025)**	2,280	**(121,979)**	2,338

Capitalization of properties

(i) The movements reported within the three-month period ended Jun 30, 2023 basically consist of the capitalization of Ed. Passeio e Águas Claras properties in BROF11 FII, as shown in note 1(d).

The breakdown of the effects of the capitalization of properties on deferred taxes is as follows:

	Consolidated					
		Integralização PPI				
	06/30/2023	Realização (a)	Cost of sales (b)	Fair Value on sale (c)	Other changes	12/31/2022
Adjustment to fair value of investment property	**61,748**	**(107,708)**	**-**	**(705)**	**-**	170,162
Temporary differences (tax depreciation)	**8,180**	**(60,103)**	**-**	**-**	**3,626**	64,656
Linearization of rental income	**3,091**	**-**	**(15,582)**	**-**	**(721)**	19,392
Other	**2,036**	**-**	**(1,317)**	**-**	**1,682**	1,672
Deferred taxes – Liabilities	**75,055**	**(167,811)**	**(16,899)**	**(705)**	**4,588**	255,882
Income and social contribuition tax losses	**(126,066)**	**40,869**	**-**	**-**	**-**	(166,935)
Other	**(70,968)**	**-**	**(4,428)**	**-**	**20,068**	(86,609)
Deferred taxes – assets	**(197,034)**	**40,869**	**4,428**	**-**	**20,068**	(253,544)
Net deferred taxes	**(121,979)**	**(126,941)**	**(21,326)**	**(705)**	**24,656**	2,338

(a) Realization of deferred taxes, transferred to current taxes due to the capitalization of the properties, Ed Passeio and Ed. Águas Claras, in the BROF11 FII, as shown in note 1(d).

(b) Changes in deferred taxes related to the costs directly incurred with the contribution of assets to THE BROF11 FII, consist of (i) write-offs of deferred tax liabilities on non-deductible temporary differences, such as the straight-line recognition of lease agreements and amortization of capitalized lease commissions, equivalent to R$ (16,899), and (ii) the recognition of deferred taxes on deductible temporary differences related to payment, such as provisions for expenses incurred with assumed obligations equivalent to R$ (4,428), whose basis for recognizing deferred taxes is presented in note 12(iii).

(c) On March 31, 2023, a fair value adjustment was made through the capitalization of Ed Passeio and Ed Águas Claras properties in the BROF11 FII file, i.e. note 9a (v), as well as the impact on deferred taxes, equivalent to R$ (705).

Other deferred tax assets

(ii) Basically, consists of deferred taxes on deductible temporary differences related to sales, such as provisions for minimum guaranteed income and expenses incurred with obligations assumed in connection with the sale of assets to Brookfield Group and capitalization of assets in BROF11, equivalent to R$56,127 (R$70,080 in 2022) - Individual/Consolidated.

Deferred tax assets

The estimated recovery of tax assets, equivalent to R$196,540 (Individual) and R$197,034 (Consolidated), was based on estimated taxable profit considering several financial and business assumptions expected by the Company for the following years. Therefore, these estimates may not be fulfilled in the future considering the uncertainties inherent in these estimates.

As of Jun 30, 2023, the parent company's accumulated balance of income and social contribution tax losses was R$370,782 (R$490,985 as of December 31, 2022) and R$449,757 (R$570,005 as of December 31, 2022) in the consolidated financial statements.

Moreover, the Company's Management concluded and approved its technical feasibility study on the realization of deferred tax assets, prepared according to an assessment made by the audit and expert advisory firm called "BIG 4", based on the taxable profit forecast for the next years, in accordance with the requirements of applicable legislation.

The study is carried out annually, according to Management's expectations, and is based on the results reported by December 31, 2022 or when there is evidence of any significant impact during the year. As of June 30, 2023 there were no significant changes that would have an impact on this analysis. Tax credits arising from tax losses and temporary differences will be realized within seven years, as follows:

Year	Individual/Consolidated
2023	7,2%
2024	22,4%
2025	37,0%
2026	53,3%
2027	70,8%
2028	88,8%
2029	100,0%

Moreover, the realization of tax credits, in addition to considering the expected taxable profit, also considered the realization of taxable temporary differences related to investment property.

Because the income and social contribution tax bases derive not only from the profit that can be generated, but also from the existence of non-deductible expenses and other variables, there is no immediate correlation between the Company's profit and the income and social contribution taxes. Therefore, the expected utilization of tax credits should not be considered as an indication of the Company's future results.

The Company did not recognize deferred tax assets on the balance of income and social contribution tax losses for subsidiaries, because recovery is not expected.

In the period ended Jun 30, 2023, the Company realized the equivalent of R$40,869 of deferred tax assets on the properties paid in under BROF11, as shown in note 1(d), arising from the utilization of income and social contribution tax losses. Therefore, the impacts of this event on the Company's projections will be taken into account when the technical feasibility study on the realization of deferred tax assets is carried out throughout the current year, until the end of the financial statements as of December 31, 2023.

12 Other current and non-current liabilities

		Individual		Consolidated	
	Notes	**06/30/2023**	12/31/2022	**06/30/2023**	12/31/2022
Advances from clients	**(i)**	**76,131**	62,267	**76,131**	62,267
Payables for acquisition of real estate	**(ii)**	**71,408**	70,340	**71,408**	70,340
Provisions for costs and expenses to be incurred	**(iii)**	**36,667**	84,013	**36,667**	84,014
		184,206	216,620	**184,206**	216,621
Current		**(128,234)**	(124,956)	**(128,234)**	(124,957)
Non- current		**(55,972)**	(91,664)	**(55,972)**	(91,664)

(i) Balance basically consisting of (i) prepayments and advances of rent received, equivalent to R$0 (R$659 as of December 31, 2022), (ii) and advance received for the sale of Galpão Cajamar 300 to VBI Logístico FII in the total amount of R$123,215. The advance corresponding to 50% of the total price was made on August 20, 2021, equivalent to R$61,608 (R$61,608 as of December 31, 2022), e the remaining 50%, adjusted using the IPCA from the date of the Sale and Purchase Commitment ("CVC") to payment, will be received when the enterprise is completed and the property is purchased and sold. Together with the purchase of the habite and exceed certain previous conditions (iii) the remaining balance basically consists of the attachments and withholdings made by Wtorre, to face the receivable balance detailed in note 7(v).

(ii) Liabilities for the acquisition of property substantially consist of:

(a) withholding on the acquisition of Towers B2 and B3 of Ed. Parque da Cidade on January 13, 2021. Of the total acquisition amount, equivalent to R$835,452, R$794,943 was settled, and a balance payable remains as withholding on acquisition equivalent to R$40,509. Of this principal balance withheld, R$37,510 has already been settled, a nd a payable balance remains, including an inflation adjustment of R$4,967 (R$4,679 as of December 31, 2022)

(b) withholding on the acquisition on December 16, 2020 of Ed Parque da Cidade – Torre B1. Of the total acquisition amount, equivalent to R$664,876, R$633,853 has already been settled. There remains a balance payable as withholding on acquisition equivalent to R$31,023. Of this principal balance withheld, R$28,500 has already been settled, and a payable balance remains, including adjustment for inflation, equivalent to R$4,108 (R$3,874 as of December 31, 2022);

(c) balance payable on the acquisition of Galpão Centauri, Ed. Bellatrix and the Support Area. Of the total acquisition amount, equivalent to R$213,577, R$176,104 has already been settled, and a balance payable plus adjustment for inflation is equivalent to R$47,574 ((R$49,485 as of December 31, 2022).

(iii) Basically, consisting of the provisions for minimum income guaranteed for a certain period. The last maturity is April 30, 2024, granted for certain sale of properties in the amount of R$36,536 (83,823 as of December 31, 2022).

13 Contingencies

The Company and its subsidiaries are parties to labor, civil and tax proceedings that are at different legal courts. Provisions for contingencies, recognized for possible losses resulting from ongoing proceedings, are accrued, and adjusted for inflation according to Management's assessment, which is based on the opinion of the Company's legal counselors.

A summary of the provisions accrued, and court deposits made is as follows:

	Individual		Consolidated	
	06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Labor	**2**	2	**732**	689
Tax	**530**	-	**530**	-
Civil	**292**	282	**292**	282
Subtotal of BR Properties claims	**824**	284	**1,554**	971
Civil	**29,117**	27,707	**29,117**	27,707
Taxes	**109,389**	104,216	**109,389**	104,216
Subtotal of ONE Properties claims (Merged into BR Properties)	**138,506**	131,923	**138,506**	131,923
(-) Judicial deposits	**(101,672)**	(101,672)	**(101,672)**	(101,672)
Total	**37,658**	30,535	**38,388**	31,222

As of June 30, 2023, the main amounts recognized in the bank's books of account consist of proceedings involving One Properties S.A., which were successfully absorbed by the Company and classified as a probable loss, according to the Company's legal counselors.

Civil One Properties – lawsuit distributed by Bicicletas Monark S/A ("Monark") consisting of the collection of a contractual fine for waiver of the business by WTorre provided for in the preliminary commitment to buy and sell a property. In July 2011, a sentence was rendered granting the case to Monark, condemning the Company to pay the contractual fine of R$19,238, and a lower court sentence was confirmed. After that, the Superior Court of Justice filed a petition for wabilities at the Superior Court of Justice accepting an appeal and awaiting judgment. Simultaneously, Monark filed a provisional enforcement order ordering the Company to deposit R$98,655, as informed by the relevant fact disclosed by the Company on December 7, 2022. The Company continues to act diligently as provided for in the Merger Agreement to reimburse the amount involved. In January 2023, according to the Association and Pledge Agreement, the Company notified the parties, starting the proceeding of excussion of the shares pledged as collateral. The proceedings for the excussion of the shares were completed in March 2023 and the amounts involved were collected.

Tax One Properties - administrative proceeding (WTorre São Paulo) consisting of additions not considered for calculating taxable income and the social contribution tax basis - non-deductible cost/expense and undue offset of operating losses in the amount of R$21,950. The other proceedings in the amount of R$7,166 consist of: (i) administrative proceedings consisting of fines on the customs value of imported merchandise, equivalent to R$3,675, and (ii) enforcement of FGTS contributions in the amount of R$3,490.

As established on the Merger and Other Covenants entered into on January 14, 2012 between the Company and third parties, in case of a possible loss, the Company will be liable for the payment, subsequently requiring reimbursement to its predecessors, who are contractually responsible for each and every loss related to these proceedings. In March 2023 the Company excused the remaining shares pledged on behalf of the Company itself, as collateral for Wtorre to pay reimbursements of this nature, equivalent to 1,802,225 shares issued by the Company itself (BRPR3), equivalent to R$9,997, in addition to R$4,526 consisting of dividends and capital reduction to which the shares mentioned above were entitled.

Therefore, the Company recognized the amount of R$138,506, which includes other shares to be reimbursed by WTorre, as "Recoverble amounts" (note 7) in non-current assets, considering the expected reimbursement of all this amount which will lead to financial settlement. This receivable is assessed as expected losses at each reporting date by the Company.

The Company is a party to other labor, tax and civil lawsuits incidental to its business. Management and its legal counselors expect an unfavorable outcome as possible. Therefore, no provision was accrued to face a possible unfavorable outcome of these outcomes. The amounts discussed in these proceedings as of Jun 30, 2023, are as follows:

	Individual		**Consolidated**	
	06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Labor	**26**	65	**26**	65
Tax	**354,555**	338,154	**354,555**	338,154
Civil	**151,647**	189,145	**151,647**	189,145
Subtotal BR Properties	**506,228**	527,364	**506,228**	527,364

	Individual		**Consolidated**	
	06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Taxes	**57,744**	54,286	**57,744**	54,286
Civil	**651,229**	596,597	**651,229**	596,597
Subtotal of ONE Properties claims (Merged into BR Properties)	**708,973**	650,883	**708,973**	650,883
Total	**1,215,201**	1,178,247	**1,215,201**	1,178,247

The main contingencies classified as possible losses are shown below:

Tax BR Properties – (i) Notice of deficiency assessed on December 12, 2017 consisting of IRPJ and CSLL payable for calendar years 2012, 2013 and 2014 due to the challenge to the tax utilization made by Saíra Diamante consisting of the tax deductibility of the expenses incurred with the amortization of the goodwill from the acquisition of shares issued by One Properties by Saíra Diamante. The possible amount of the loss, under ICPC 22/IFRIC 23 Uncertainty over Income Tax Treatments, is R$255,045; (ii) Notice of deficiency assessed on December 12, 2020 in order to require IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax) for calendar years 2015 and 2016 due to the tax utilization made by Saíra Diamante consisting of the tax deductibility of expenses incurred with the amortization of the goodwill generated on the acquisition of shares issued by One Properties by Saíra Diamante. The possible amount of the loss, under ICPC 22/IFRIC 23 Uncertainty over Income Tax Treatments, is R$74,053. The two assessments of deficiency above are awaiting judgment by CARF (Federal Administrative Court of Tax Appeals).

Civil BR Properties - Distributed arbitration in 2022 by Manchester Patrimonial SA (seller) of the Manchete building in Rio de Janeiro, a transaction carried out on December 9, 2010, which discussed the collection of incremental premium to the acquisition established by contract. The possible amount of the loss is R$149,515.

Tax One Properties - lawsuit seeking an urgent relief, filed to deduct the notices of deficiency assessed for itbi debits filed for the transmission of rights over the acquisition of Pátio Malzoni when Saíra Diamante made the payment of One Properties's shares in the amount of R$48,618 as possible loss.

Civil One Properties - lawsuit on which BR7 (formerly BRPR 47) intends to cancel the title issued by PETROBRAS due to delays in the submission of the Ed. Senate. PETROBRAS has re-sold the amount of R$183,301 (R$650,641 adjusted for inflation through Jun 30, 2023) for damages and (ii) for recognizing PETROBRAS's right to, alternatively, if BR7 does not pay the fines charged by the Company, convert the damages in a lease term in proportion to twice the damages. Proceedings are at a lower court.

14 Equity

a. Share capital

As of June 30, 2023, due to the reduction in capital described in note 1(d), paid-in capital was R$733,335 (R$3,244,145 as of December 31, 2022), less emission expenses of R$101,600 (R$101,600 as of December 31, 2022),

The decrease in capital, in the amount of R$2,510,810, was was accounted for on March 31, 2023, and was partially settled on April 5, 2023 by submitting the shares of BROF11, equivalent to R$1,234,810, and the remaining balance consisting of the cash refund, settled on April 19, 2023, equivalent to R$1,276,000, which, together with the settlement of the remaining balance related to the decrease in capital in 2022, totals r$1,276,486.

Moreover, after the cancellation of 9,727,208 treasury shares, followed by the grouping of shares in the proportion of 40:1, approved at the Extraordinary Shareholders' Meeting of January 24, 2023, as detailed in note 1(d), the share capital previously consisting of 464,432,489 shares (net of canceled treasury shares), came to be represented by 11,610,812 ordinary, book-entry shares, without par value.

As of Jun 30, 2023, the authorized capital limit is 950,000,000 ordinary shares.

b. Treasury share reserve

The repurchased shares were held at the Treasury Department and could be delivered to the beneficiaries of the Stock Option Plans, approved at the Company's Shareholders' Annual Meeting, in accordance with the Company's bylaws, if the beneficiaries of the Plans exercise the stock option.

At a special meeting held on January 24, 2023, as detailed in note 1(d), the cancellation of all treasury shares in effect to that date, equivalent to 9,727,208 shares, originating from the last share repurchase agreement, was approved.

The changes in treasury shares in the period are shown below:

	06/30/2023		12/31/2022	
	Thousands shares	**R$**	**Thousands shares**	**R$**
Opening balance	**9,727**	**83,485**	**10,106**	**86,735**
(+) Repurchases	-	-	-	-
(-) Cancellations	(9,727)	(83,485)	-	-
(-) Transfer to exercise of options	-	-	(379)	(3,249)
Closing balance	-	-	9,727	83,485
Average acquisition cost per share (R$)	-	-	8.58	

c. Capital reserve

Reserve for granted options recognized
The reserve for granted options recognized recognizes the offsetting entry to expenses on the share option plan, in accordance with IFRS 02 - Shared-based Payment and CPC 10 (R1) - Share-based Payment.

Merger reserve
Capital reserve consists of the reserve for goodwill arising from the subscription of new shares issued by the Company as a result of the contribution of shareholders through funds and assets. This reserve will be realized in accordance with the items described in article 200 of Brazilian Corporate Law, and provided that these reserves are approved by shareholders at an extraordinary meeting.

d. Statutory reserve

The legal reserve is recognized at the rate of 5% of annual profit, in accordance with article 193 of Act No. 6,404/76, up to the limit of 20% of share capital or may be recognized in the year in which the balance of this reserve, plus the amount of capital reserves addressed by paragraph one of article 193, exceed 30% of share capital.

e. Reserve for unrealized profit

As provided for in the Company's bylaws, in the year when the minimum non-discretionary dividend is higher than the portion of the year's profit, the surplus portion should be recognized in the unrealized profit reserve. Realized profit for the period consists of the portion that exceeds the sum of (i) profit (loss) from equity-accounted investees and (ii) gain on the fair value of investment property and (iii) fair value adjustment of financial instruments, and these adjustments are net of taxes.

f. Dividends

BR Properties is obliged by Brazilian Corporate Law and by the Company's bylaws to hold the Annual Shareholders' Meeting until the fourth month subsequent to the year-end closing. Among other things, shareholders will have to decide on the distribution of annual dividends. In accordance with the Company's bylaws, shareholders are entitled to non-discretionary dividends of 25% of the year's profit, adjusted pursuance to article 202 of Act No. 6,404/76.

According to the rules on mandatory dividends, as established by the Company's by laws and LSA, and in compliance with the other provisions presented in the policy disclosed by the Company on February 8, 2021, the purpose of the Board of Directors is to propose dividends so that the total amount of dividends distributed in the year corresponds to the amount that is higher than (i) the non-discretionary dividend for the previous fiscal year and (ii) the amount equivalent to 50% of the Adjusted Funds For Operations ("adjusted FFO"), consisting of prior year's adjusted profit (subject to the existence of available profits or reserves), excluding deferred income and social contribution tax revenues, the effects of the gain or loss on the disposal of investment property, impairment loss or gain on the fair value of investment property, in addition to other non-cash and/or non-recurring events, However, this is not limited to the Board of Directors' discretion, extraordinarily, considering the macroeconomic scenario, the Company's current economic and financial conditions (current and projections), and the situation of the markets in which the Company operates and in compliance with the Company's other policies, decide on the distribution of dividends outside the target set by the policy.

g. Stock option plans

On January 21, 2021, the Board of Directors approved the change in the index of adjustment for inflation of the exercise price of options to the 2016 and 2020 stock option programs, which stopped being IGPM/FGV and became the Extended Consumer Price Index – IPCA, effective as from June 1, 2020, including the change in the respective Programs.

On November 4, 2020, the Board of Directors approved the end of the restricted stock program approved at a meeting of the board of directors on March 9, 2017 ("Restricted Share Program"), due to the failure to meet the required requirements, without delivering shares to beneficiaries.

On May 6, 2020, the Board of Directors approved the 2020 Stock Grant Program ("2020 Program"). The beneficiary may exercise the options not yet exercised, whether they are those of the annual batch or the previous annual batch, until the final and termination period of eight (8) years, counted as from May 6, 2020, according to the provisions of program 2020. The exercise price is R$8.96 per share ("Exercise Price"), consisting of the weighted average value of the share in the trading sessions of B3 that occurred in the last thirty (30) days before May 6, 2020, date of approval of the proposal for the creation of the 2020 Program.

On the same date, the Additional Actions Program for 2020 ("*Matching Program* 2/2020") was approved for the beneficiaries of the 2020 Program. Additional shares will only be delivered by the Company to the beneficiary within sixty (60) days after the exercise of the Fiscal Year Window after the payment of the bonus, the 5th and the last Annual Batch ("Grace Period"), subject to other terms and conditions applicable to the related program.

At an Ordinary and Extraordinary General Meeting held on April 24, 2020, our shareholders approved the amendment to the plan approved on October 31, 2016, considering that the total number of shares covered by it may not exceed the maximum limit of 7,014,562 shares, which on the date of the amendment to the Stock Option Plan, 1.43% of the total shares issued by the Company, on a fully diluted basis.

On this date the Board of Directors also approved the creation of a new Additional Actions Program ("*Matching* Program 1/2020"), aimed at certain employees and executives ("Eligible Beneficiaries"). Additional shares would only be delivered by the Company to the eligible beneficiary within two (2) years after the year, with respect to each of the annual batches of

2020 and 2021 (i.e., the 4th and 5th annual batches of the SOP 2016 Program) ("Grace Period"), respectively, subject to other terms and conditions applicable to the related program. Consequently, due to the reduction in capital made in October 2022 and to maintain the total value of the shares to be delivered to eligible beneficiaries, when the year of the 5th annual batch of the SOP Program 2016 was completed in 2023, the Board of Directors approved on August 30, 2022, the advance of the delivery of additional shares under the program.

At an Extraordinary General Meeting held on October 31, 2016, shareholders approved the new Stock Option Plan and the new Stock Grant Plan, whereby the Board of Directors may grant stock options to the Company's managers and employees.

Partially or totally joining this new option plan by the beneficiary makes it impossible to exercise any options related to previously approved Plans and Programs, making the related options granted to the beneficiary related to the option plans from 2008 to 2015 without effect. The stock options will represent the maximum limit of 6,014,562 company shares, which account for 1.97% of the Company's total shares issued, on a fully diluted basis on the date this plan was approved. The exercise price of options will be equivalent to market value, understood to be the amount equivalent to the average price of the last thirty (30) trading sessions before the date on which the proposal for creating this plan was approved, adjusted according to the IGPM/FGV index.

The following table presents the changes in the grant of share options related to the 2017 plan (8th grant) and 2020 Plan (9th grant), the share option value and market value, already considering the grouping of shares approved at the Extraordinary General Meeting of January 24, 2023, as detailed in note 1(d):

In thousands of stock options	**8th granting**	**9th granting**	**Total**
Total stock options issued	66	54	120
(-) Options for the purchase of canceled shares	(13)	(34)	(46)
(-) Exercise of stock options	(32)	-	(32)
(-) Suspension of stock options	-	-	-
(=) Current balance of the number of stock options as of June 30, 2023	**22**	**21**	**42**

The following economic assumptions were used to determine the fair value of share options:

	8th granting	**9th granting**
Grant date	02/03/2017	07/01/2020
Volatility of share price	32.18%	34.62%
Risk-free interest rate	10.85%	4.09%
Vesting period	FULLY VESTED	1,75 YEARS
Number of options	66	54
Fair value (R$MM) in the grant date	4,158	4,071
Exercise value of the option as of June 30, 2023 - in R$	161.66	115.76

The table below shows the amount and weighted average exercise price and the movements in share options during the period:

		06/30/2023		12/31/2022	
	Note	Qty.	Weighted average Strike price	Qty.	Weighted average Strike price
Beginning balance Of the		**2,092**	**R$8.57**	**2,963**	R$10.42
grouping of options (40:1)	(i)	(2,040)	R$0.00	-	R$0.00
Exercised during the year		-	R$0.00	-	R$0.00
Canceled during the year		(10)	R$114.89	(871)	R$10.32
Ending balance		**42**	R$139.28	**2,092**	R$8.57
Exercisable		**42**		**862**	

(i) Due to the grouping of lawsuits at the rate of 40:1, approved at the Extraordinary Shareholders' Meeting of January 24, 2023, as detailed in note 1(d), and of the capital reduction event that occurred in April 2023, options increased from 2092 options as of December 31, 2022 to a weighted average price of R$8.57 to 42 options at a weighted average price of R$139.28, June 30, 2023.

The accounted expense consists of the fair value of the related financial instruments, calculated on grant date, according to the Black&Scholes model, recorded on a pro rata temporis basis during the rendering of services that starts on the grant date, until the date on which the beneficiary becomes entitled to exercise the option. In the profit or loss for the three-month period ended Jun 30, 2023, the Company recognized expenses of R$1,258 (R$5,001 as of December 31, 2022).

15 Net revenue

	Individual		Consolidated	
	06/30/2023	06/30/2022	**06/30/2023**	06/30/2022
Rental income	**39,928**	222,538	**41,281**	222,538
Service fee income	**94**	180	**11,510**	8,627
Total gross revenue	**40,022**	222,718	**52,791**	231,165
Linearization and rebates	**(6,118)**	(32,243)	**(6,445)**	(32,243)
Taxes on revenue	**(3,332)**	(17,058)	**(4,291)**	(17,788)
Total net revenue	**30,572**	173,417	**42,055**	181,134

16 General and administrative expenses

		Individual		Consolidated	
	Notes	**06/30/2023**	06/30/2022	**06/30/2023**	06/30/2022
Personnel expenses		**(9,140)**	(12,386)	**(13,514)**	(16,224)
Condominium/vacancy expenses		**(4,593)**	(32,090)	**(4,593)**	(32,090)
Expenses with lawyers and advisors		**(2,882)**	(2,994)	**(3,565)**	(3,152)
Other general and administrative expenses	**(i)**	**(3,949)**	(6,180)	**(4,106)**	(6,311)
Total administrative expenses		**(20,564)**	(53,650)	**(25,778)**	(57,777)
Taxes and contributions		**(4,273)**	4,004	**(4,302)**	3,971
Total general and administrative expenses		**(24,837)**	(49,646)	**(30,080)**	(53,806)

(i) Other general and administrative expenses basically consist of expenses incurred with the maintenance of property, allowance for losses, office expenses and operating lease expenses.

17 Other operating revenues (expenses), net

		Individual		Consolidated	
	Notes	**06/30/2023**	06/30/2022	**06/30/2023**	06/30/2022
Cost and expenses of properties sold	**(i)**	**(114,222)**	-	**(114,222)**	-
Impairment of property, plant and equipment		**(829)**	-	**(829)**	-
Other expenses	**(ii)**	**(16,766)**	(663,130)	**(16,754)**	(663,070)
Total operating other net revenues (expenses)		**(132,666)**	(663,130)	**(132,654)**	(663,070)

(i) As of Jun 30, 2023, the costs of properties sold basically consisted of costs recognized for the capitalization of properties under BROF11, as detailed in note 1(d).

(ii) As of June 30, 2023, other expenses basically consisted of (i) changes in provisions for security interest, equivalent to R$3,089, (ii) for the restatement of the allowance for impairment loss on the reimbursement of judicial expenses by Wtorre resulting from third-party demands, as detailed in note 7(v), equivalent to R$10,757 and (iii) for contractual expenses resulting from properties sold in the amount of R$2,064. As of June 30, 2022, the balance basically consisted of goodwill impairment of R$554,842 and loss allowance for expected losses on the reimbursement of expenses incurred with the merger of One Properties by R$110,129.

18 Net finance income (costs)

		Individual		Consolidated	
	Notes	**06/30/2023**	06/30/2022	**06/30/2023**	06/30/2022
Interest earning bank deposits		**22,570**	46,433	**22,987**	46,942
Monetary restatements	**(i)**	**83,800**	16,047	**83,950**	16,260
Other financial income		**356**	1,242	**356**	1,245
Total revenues Financial		**106,726**	63,722	**107,293**	64,447
Financial interest on loans		**(37,062)**	(172,367)	**(37,062)**	(172,367)
Result with debt renegotiation		**-**	187	**-**	187
Financial charges on loans		**(10,649)**	(5,281)	**(10,649)**	(5,281)
Other		**(2,393)**	(4,910)	**(2,393)**	(4,910)
Total finance costs		**(50,104)**	(182,371)	**(50,104)**	(182,371)
Total net finance income (costs)		**56,622**	(118,649)	**57,189**	(117,924)

(i) As of Jun 30, 2023, the balance basically consisted of revenue from inflation adjustment on receivables from the sale of property to Brookfield group according to note 6.

19 Related parties (Individual)

The main balances of assets and liabilities, as well as the transactions that had an impact on profit or loss for the year, with respect to transactions with related parties, result from the Company's transactions with its subsidiaries, associates and other related parties.

As of Jun 30, 2023, and December 31, 2022 there were no other related party transactions.

Management compensation

Key management personnel compensation is shown as follows:

	Individual	
	06/30/2023	06/30/2022
Salary or Directors' fees - Managers	**6,780**	6,302
Direct and indirect benefits - Managers	**107**	110
Total	**6,887**	6,412
Stock option plan - Managers	**1,049**	2,253
Total Management Fees	**7,936**	8,665

20 Financial instruments and risk management

The Company and its subsidiaries take part in transactions with financial instruments to finance their activities or invest their available financial funds. The Bank manages these risks by devising conservative strategies for liquidity, profitability and security.

In the six-month period ended June 30, 2023 and in the year ended December 31, 2022, the Company's 10 largest lessees account for approximately 82% and 83%, respectively, of total gross revenue.

The main financial risks are the following:

Credit risk

The Company restricts its exposure to credit risks associated with banks and financial investments by making investments in top tier financial institutions and short-term securities. The credit risk is mitigated, because lease agreements were entered into with first-tier clients.

Interest rate risk

The Company's income and expenses are affected by changes in interest rates due to the mismatch between interest on its debt instruments (which mostly have been liable for debt instruments at floating rates) and its rental income, adjusted mainly according to the General Market Price Index (IGP-M) and the IPCA (Extended Consumer Price Index). The Company seeks to mitigate these risks by maintaining all its financial resources also applied at floating rates, and by closely monitoring the prospective evolution of indexes applied to its assets and revenues (mainly the CDI - interbank deposit certificate, IGP-M - Consumer Price Index and IPCA - Extended Consumer Price Index), in comparison with the ones applicable to its liabilities (mainly the CDI).

Sensitivity analysis of financial instruments

Under CPC 40 (IFRS 7), the entity must disclose the sensitivity analysis table for each type of market risk considered relevant by management, arising from financial instruments to which the entity is exposed at each reporting date, including all transactions with derivative financial instruments.

The tables below show the sensitivity analysis prepared by the Company's Management and the effect of outstanding transactions as of Jun 30, 2023:

	Gain scenario			Loss scenario	
Index	**20% decrease**	**10% decrease**	**Probable scenario**	**10% decrease**	**20% decrease**
CDI	10.92%	12.29%	13.65%	15.02%	16.38%
IGP-M	-5.49%	-6.17%	-6.86%	-7.55%	-8.23%
IPCA	2.53%	2.84%	3.16%	3.48%	3.79%
INCC	3.14%	3.54%	3.93%	4.32%	4.72%

Net assets and liabilities	Net balance 06/30/2023	Result expected with probable index	Additional gain (loss) effect in adverse scenario 10% increase	20% increase
CDI	825,903	112,736	11,274	22,547
IGP-M	3,748	(257)	(26)	(51)
IPCA	(35,271)	(1,115)	(111)	(223)
INCC	(9,076)	(357)	(36)	(71)
Total	**785,304**	**111,007**	**11,101**	**22,201**

	Balance at 06/03/2023	CDI	IGP-M	IPCA	INCC	INPC	Without index
Assets							
Cash and cash equivalents and securities	**173,338**	**172,822**	**-**	**-**	**-**	**-**	**516**
Cash and banks	516	-	-	-	-	-	516
Interest earning bank deposits	165,715	165,715	-	-	-	-	-
Securities	7,107	7,107	-	-	-	-	-
Accounts receivable	1,900,097	**1,870,143**	**16,725**	**12,303**			**926**
Rentals receivable	29,954	-	16,725	12,303	-	-	926
Sale of investment property	1,455	-	18	510	-	-	926
of investment property	1,870,143	1,870,143	-	-			
Total financial assets including risks	**2,073,435**	2,042,965	16,725	12,303	-	-	1,442
Loan and financing liabilities	**(1,212,905)**	**(1,217,062)**	-	-	-	-	4,157
Loans and financing	(1,217,062)	(1,217,062)	-	-	-	-	-
Transaction costs	4,157	-	-	-	-	-	4,157
Loans and financing	**(71,408)**	**-**	**(12,977)**	**(47,574)**	**(9,076)**	**-**	**(1,781)**
Advances from clients	**(61,608)**	**-**	**-**	**-**	**-**	**-**	**(61,608)**
Total financial liabilities including risks	**(1,345,921)**	(1,217,062)	(12,977)	(47,574)	(9,076)	-	(59,232)
Net assets and liabilities	**727,514**	825,903	3,748	(35,271)	(9,076)	-	(57,790)

Liquidity risk

The Company's finance costs could be negatively affected by the possible need to take out loans or financing immediately necessary to cover commitments not properly covered by the Company's planning of operations, or due to possible mismatches between the terms of receipt of its agreed revenues and the payment of its operating commitments. The Company manages liquidity risk by managing it according to cash flows, in order to maintain a solid capital structure and minimize the risk arising from unexpected or untimely cash outflows. Moreover, possible mismatches between assets and liabilities are constantly monitored.

Measurement of fair values

The Company shows below a comparison of the book value and fair values of financial instruments presented in the quarterly financial statements:

	Carrying amount			
	Individual		Consolidated	
	06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Financial assets				
Cash, cash equivalents and securities	**167,441**	287,459	**173,338**	296,075
Accounts receivable and accounts receivable from the sale of investment property	**1,898,642**	1,878,047	**1,899,171**	1,878,547
Total	**2,066,083**	**2,165,506**	**2,072,509**	**2,174,622**
Loans and financing	**(1,212,905)**	-	**(1,212,905)**	-
Trade payables and liabilities for the acquisition of Real estate	**(77,107)**	(81,924)	**(77,164)**	(81,966)
Total	**(1,290,012)**	**(81,924)**	**(1,290,069)**	**(81,966)**

The Company discloses its financial assets and liabilities at fair value, according to relevant accounting pronouncements that define fair value, which refer to valuation concepts and fair value disclosure requirements. Specifically with respect to disclosure, the Company applies hierarchy requirements, which involves the following aspects:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in transactions with no favors.

Three-level hierarchy for fair value measurement. Fair value is measured according to observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions.

These two types of inputs create the fair value hierarchy as follows:

Level 1- quoted prices for identical instruments in active markets.

Level 2- quoted prices (unadservable inputs) in active markets for similar instruments, quoted prices for identical or similar instruments in non-active markets and valuation models for which inputs are observable; And

Level 3- instruments whose significant inputs are not observable.

The breakdown below shows the Company's financial assets at the overall classification of these instruments in accordance with the valuation hierarchy.

			Individual		Consolidated	
Description	**Classification**	**Level**	**06/30/2023**	12/31/2022	**06/30/2023**	12/31/2022
Financial assets						
Cash and cash equivalents	**(i)**	**2**	**160,334**	280,777	**166,231**	289,393
Securities	**(i)**	**2**	**7,107**	6,682	**7,107**	6,682
Trade and other receivables receivable from the sale of property and investment	**(ii)**	**-**	**1,898,642**	1,878,047	**1,899,171**	1,878,547
Financial liabilities						
Loans and financing	**(i)**	**2**	**1,212,905**	-	**1,212,905**	-
Trade payables and liabilities for acquisition of properties	**(ii)**	**-**	**77,107**	81,924	**77,164**	81,966

(i) Fair value through profit or loss.
(ii) Amortized cost.

The fair value of financial assets and liabilities is included in the amount at which an instrument could be exchanged in a current transaction between willing parties, rather than in a sale or forced settlement. The following methods and assumptions were used to estimate fair value:

Cash and cash equivalents, securities, trade and other receivables and trade payables - their realizable values (payments) approximate their realizable values (payments) mostly due to the short-term maturity of these instruments.

Capital Management - The primary goal of the Company's management is to ensure that it maintains a strong credit rating and a problem-free capital ratio in order to support businesses and maximize shareholder value. The Company manages the capital structure and adjusts it considering changes in economic conditions.

There were no changes with respect to the purposes, policies or processes during the periods and year ended Jun 30, 2023, and December 31, 2022, respectively.

	Individual		**Consolidated**	
	06/30/2023	12/31/2022	**06/30/2023**	12/31/2022
Loans and financing	**1,212,905**	-	**1,212,905**	-
(-) Cash and cash equivalents	**(160,334)**	(280,777)	**(166,231)**	(289,393)
(-) Securities	**(7,107)**	(6,682)	**(7,107)**	(6,682)
Net debt (net cash from loans and financing)	**1,045,464**	(287,459)	**1,039,567**	(296,075)
Shareholders' equity	**1,860,359**	4,416,023	**1,860,359**	4,416,023
Shareholders' equity and net debt	**2,905,823**	4,128,564	**2,899,926**	4,119,948

21 Earnings per share

In compliance with CPC 41(IAS 33) approved by CVM Resolution n°. 636 - Earnings per share, the Company presents below the information about earnings per share for the period ended June 30, 2023.

a. Basic

The calculation of basic earnings per share is performed by dividing the net income for the year attributable to the holders of the Company's ordinary shares by the weighted average number of ordinary shares available during the period.

b. Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding ordinary shares considering the conversion of all diluted potential ordinary shares. Potentially diluted ordinary shares relate to stock options.

The tables below show the data about the results and shares used to calculate basic and diluted earnings per share:

Basic earnings per share	**Nota**	**06/30/2023**	**06/30/2022**
Numerator:			
Loss (income) for the period		(46,112)	(1,503,175)
Denominator:			
Weighted average of shares	(I)	11,610,812	12,039,848
Diluted loss per share		**(3.97147)**	**(124.85000)**

Diluted earnings per share			
		06/30/2023	**06/30/2022**
Numerator			
Income (loss) for the period		(46,112)	(1,503,175)
Denominator:			
Weighted average of shares	(I)	11,610,812	12,039,848
Adjustment per share for stock purchases			
Weighted average of shares (diluted)	(I)	11,610,812	12,039,848
Diluted net loss (earnings) per share – R$		**(3.97147)**	**(124.85000)**

(i) Due to the grouping of the lawsuits in the proportion of 40:1, approved at a extraordinary meeting held on January 24, 2023, as detailed in note 1(d), the weighted-average number of shares increased from 464,432,489 shares (already net of treasury shares canceled at the same Extraordinary Shareholders' Meeting, equivalent to 9,727,208 shares) as of December 31, 2022 to 11,610,812 shares as of June 30, 2023. Therefore, the weighted-average number of shares was changed retrospectively as of June 30, 2022, which increased from 481,593,921 previously reported to 12,039,848, considering the effects of this grouping retrospectively.

22 Insurance coverage

The Company follows the policy of taking out insurance policy for engineering risks, construction work related to its properties, to identify risks, and seeks in the market insurance coverage compatible with the Company's size and operations. The insurance policies taken out by the Company are covered by civil liability and property damage, and are considered sufficient, according to the opinion of insurance expert advisors.

As of Jun 30, 2023, the Company has the following insurance policies taken out with third parties:

	06/30/2023	06/30/2022
Description	**Amount of coverage**	**Amount of coverage**
RO – Operational risks	**920,000**	**1,130,000**
RCG – General Civil Liability	**100,000**	**100,000**

Due to the contribution of the Ed. Passeio e Ed. Águas Claras into the BROF11, as detailed in note 1(d), the costs of premiums related to current policies, proportional to the risk amounts of these properties, related to the *pro rata* from the pay-in date to the effective date, were passed on to the BROF11.

23 Operating segments

Due to the concentration of its activities on the lease and management of commercial properties, the Company is organized in a single business unit. Although the Company's property is meant for lessees who participate in several business segments of the economy, they are not controlled and managed by management as independent segments. The Company's results are monitored, monitored and evaluated in an integrated manner. All internal reports provided to the main borrowers of operational decisions, represented by the Company's Management.

Due to the reasons presented above, the Company considers that no further disclosure is necessary. The Company's main operations are in the region of São Paulo and Rio de Janeiro. And there is no concentration of clients that individually account for more than ten percent (10%) of the Company's net revenue, as well as credit risk.

24 Subsequent events

Proceeds from the remaining balance of the sale of properties to Brookfield and settlement of the loan

On July 20, 2023 and July 21, 2023, the remaining portion of 30% ("Remaining balance") was fully received for the sale of properties to Brookfield group in July 2022, equivalent to R$1,883,484.

Simultaneously, on July 21, 2023, the loan taken out from BTG, equivalent to R$1,227,562, was fully settled, with the funds received from the remaining portion of accounts receivable from the sale of properties to Brookfield Group.

Simplifying the Company's structure and simplifying the OOP and canceling it

On June 9, 2023, the Company announced a simplification plan to streamline expenses and focus on the maintenance of logistics warehouses in Jarinu and Cajamar, and on the development of new logistics projects. On June 30, 2023, at a special meeting shareholders approved a new reduction in capital and the grouping of the Company's shares, in the amount of R$732,100. This reduction will be made returning R$63.05 per share to shareholders and will become effective 60 days after the publication of the minutes of the extraordinary meeting held on June 30, 2023. Further details presented in note 1e.