



Fundo Imobiliário BTG Pactual Corporate Office Fund



FII BTG Pactual Corporate Office Fund

BRCR11

Monthly Report – December 2023



Overview

Fund's Purpose and Profile

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BC Fund is one of Brazil's largest real estate investment funds listed in the Brazilian stock market. The Fund was created in June 2007 and has, ever since, actively managed its portfolio with the main purpose of investing in corporate towers, generating income in Brazil, which are strategically located in major commercial centers, by purchasing office buildings or real estate rights.

BC Fund's active management policy is based on four pillars:

- i) efficient negotiation of lease agreements;
- ii) investment in expanding and improving properties;
- iii) efficient portfolio recycling;
- iv) positive leverage to acquire new properties and/or other FII's shares.

Main Features

Corporate Taxpayer's:

08.924.783/0001-01

Fund's IPO:

2012

Administrator:

BTG Pactual Serviços Financeiros S.A. DTVM

Administrator Fee:

0.25% p.a. on the market cap

Manager:

BTG Pactual Gestora de Recursos LTDA

Management Fee:

1.10% p.a. on the market cap as a discount (after September 9, 2022, the rate will return to 1.50%)

Number of Emissions:

7

Quantity of Quotas:

26.638.202

Trading Tickers:

BRCR11

Deadline:

Undetermined

Target Public:

Investor in general

KPI Summary

Market Cap ¹ (R\$ billion) 1.58	Market Cap ¹ (R\$/share) 59.30	Equity Value ² (R\$ billion) 2.66	Equity Value ² (R\$/share) 99.92	Monthly Earning ³ (R\$/share) ³ 0.41	Dividend Yield (12 months) 8.6%
ADTV ¹ (R\$ million/day) 2.82	Shareholders 148,698	Financial Vacancy 15.4%	Physical Vacancy 21.7%	Assets 15	A/AAA 82.0%

Latest News

Quarterly Report

On December 12, the Fund disclosed to the market its 3Q23 earnings release and held its earnings conference call, for the third quarter of 2023, on December 13. In the presentation, as usual, Management addressed the main highlights in recent months and the short- and medium-term market overview, as well as the ongoing asset sale operation. The earnings release and the webcast are available on our website.

Semiannual Portfolio Reappraisal

This month, following our commitment to more transparency and visibility to our shareholders, we concluded the semi-annual portfolio reappraisal. We point out that, in May and November of every year, the Fund performs the appraisal of its portfolio, which is conducted by an independent expert. The result of this appraisal, which impacted the financial statements for November, generated a decrease of R\$ 9.2 million in the value of assets. Thus, the Fund's equity reached R\$ 2.66 billion, or R\$ 99.92/share.

Shareholder Return

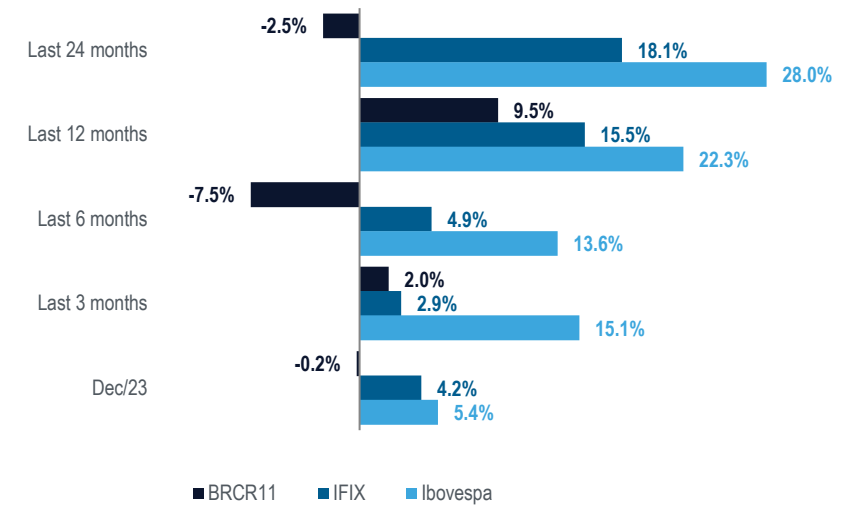
The total return for shareholders last month, considering the distributed income and the share value, was a negative 0.2%, while the Ibovespa increased by 4.2%. The average daily liquidity on the stock exchange (BRCR11) was R\$2.8 million in the period, and the share price in the secondary market closed the month at R\$ 59.30 per share. Based on the last shareholder return, the annualized dividend yield was 8.6%.

Market Indicators

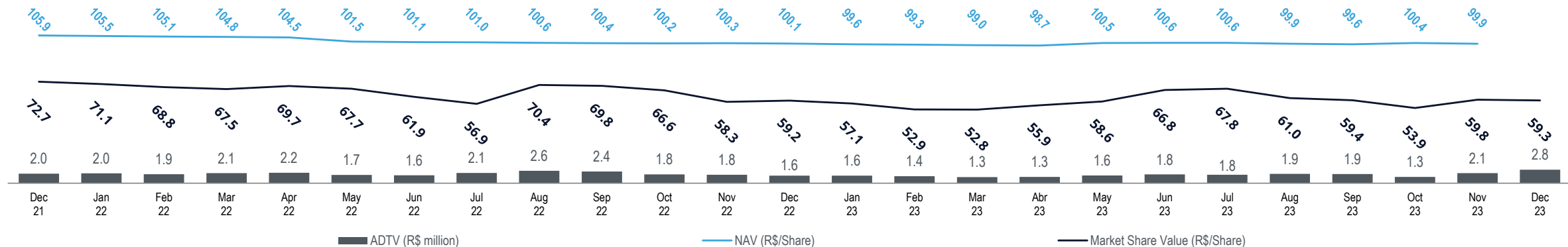
B3's Performance

		NAV	Market
Adjusted Closing Share's Market Value*	[R\$/share]	99.92	59.30
Discount to NAV	[%]	0.0%	-40.7%
Dividend per share	[R\$/share]	0.41	0.41
Monthly profitability	[%]	0.4%	0.7%
Annual profitability (compound)	[%]	5.0%	8.6%
Shares outstanding	[# mn]	26.6	26.6
Market cap	[R\$ mn]	2,661.6	1,579.6
(+) Net debt (Cash)	[R\$ mn]	783.6	783.6
(+) Minorities stake	[R\$ mn]	58.0	58.0
Implicit value of Real Estate assets	[R\$ mn]	3,503.2	2,421.3
Contracted lease revenue	[R\$ mn]	215	215
Implicit Cap rate	[%]	7.4%	10.7%
Adj. Cap rate (incl. vacant areas)	[%]	7.4%	12.6%
Portfolio GLA	[th m ²]	239.8	239.8
Average per m ²	[R\$/m ²]	14,608	10,097
Total Volume Traded in the month	[R\$ mn]		53.5
Average Daily Trading Volume in the month	[R\$ mn]		2.8
% of Fund Traded in the month	[%]	#	2.2%
% of Fund Traded in the last 12 months	[%]	#	17.5%
Variation from previous month closing	[%]	#	-0.9%
Return for Shareholder (including distribution)	[%]	#	-0.2%

Return for Shareholders⁴



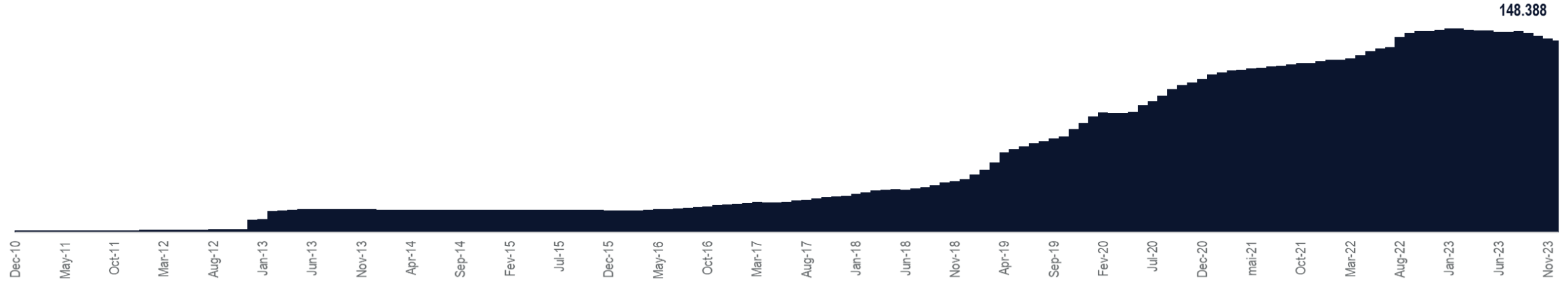
Evolution of the Share Price and Average Daily Trading Volume



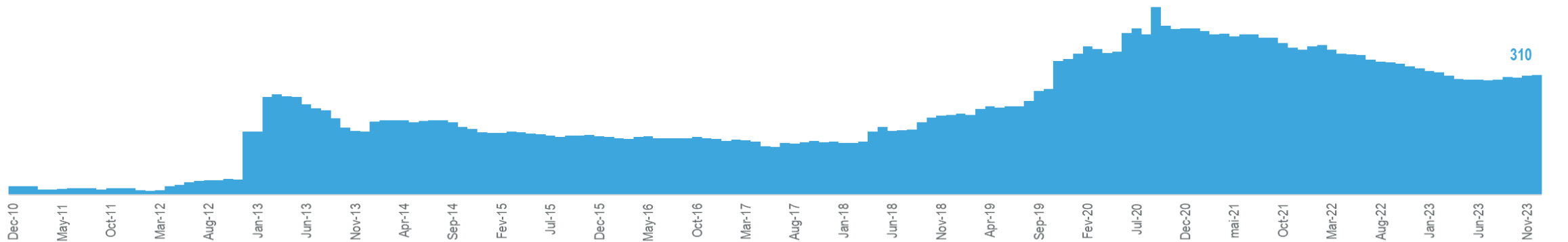
(4) Considers share appreciation in the period (closing value on the last day of the month M / closing value on the last day of the month M-1) + Yield received by shareholders in the period.

Evolution of the Number of Shareholders

Individuals



Legal Entities



Individual investors currently hold 71% of the Fund's share base, while companies hold 29% of the shares.

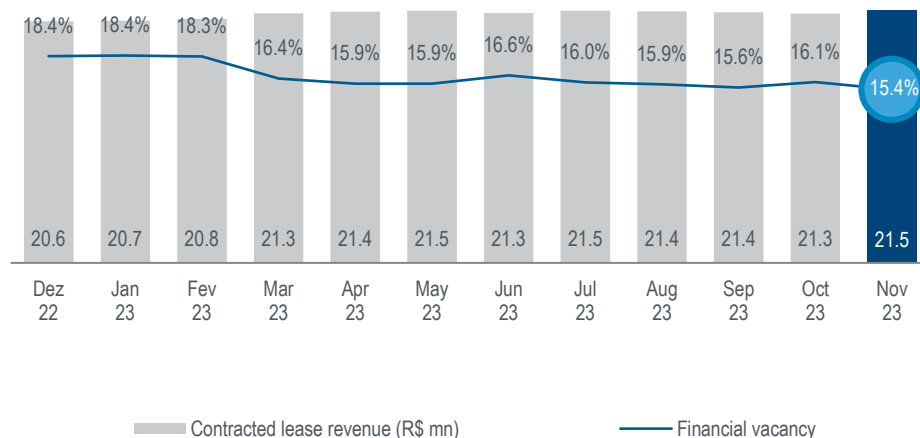
Financial and Operational Performance

November 2023, the financial vacancy of the portfolio accounted for 15.4% of potential lease revenue, and 21.7% of total GLA in m², lower than the previous month given the start of a new lease term for a new tenant in Diamond Tower, as informed in the October monthly report.

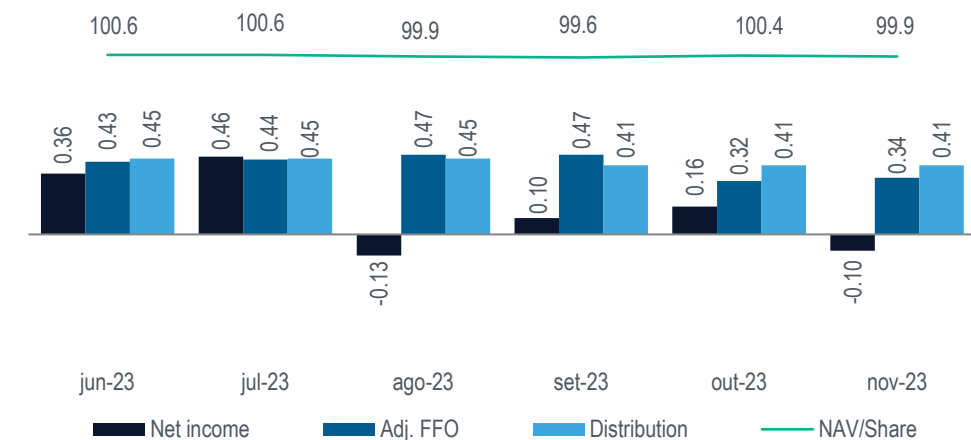
At the end of November 2023, vacancy totaled 27,498 m² in the Cenesp building; 13,886 m² in the Torre Almirante building; 3,203 m² in the EZ Towers building; 3,077 m² in the Diamond Tower building; 1,600 m² in the Burity building; 1,507 m² in the Sucupira building; 525 m² in the Transatlântico building; 393 m² in the Eldorado building and 274 m² in the BFC building.

Over the next three months, 25.2% of the contract portfolio will be adjusted for inflation, while 1.2% of the contracts will be under renewal. Net income per share was negative by R\$0.10/share in November 2023. Adjusted FFO(4) was R\$0.34/share, impacted by the return of interest payments on one of the debt tranches for the Diamond Tower building, in October, and the amount distributed as shareholder return totaled R\$0.41/share.

Evolution of the Financial Vacancy and Contracted Lease Revenue ⁽⁵⁾



Result Indicators (R\$/Share) ⁽⁶⁾⁽⁷⁾



Notes: Adjusted history, considering the adjustment of the GLA share in Cenesp; (5) A non-accounting measure corresponding to the total amount of lease agreements in force in the reference month, excluding discounts, grace periods, fines, and other adjustments impacting the book value of leasing revenue. (6) FFO is a non-accounting metric that corresponds to net income, excluding (adding) the effects of gains (losses) on the sale of investment properties, fair value gains from investment properties, non-recurring income and expenses, and non-cash financial expenses; (7) Managerial values adjusted based on the result of the quarterly auditing process.

Financial Information

Consolidated Income Statement

<i>(R\$ thousand)</i>	Oct-23	Nov-23	Last 12 months
Lease Revenue	19,348	21,417	227,828
Provision for impairment of trade receivables	-	-	(23)
Other Revenues from Properties	(814)	(857)	(8,682)
Adjustment to Fair Value	-	(9,245)	45,794
Financial Expenses of Properties	(10,994)	(10,364)	(147,563)
Administrative Expenses of Properties	(1,499)	(1,862)	(18,335)
Results from Properties	6,041	(911)	99,019
Revenues from CRI, LCI and other FII Shares	128	212	18,503
Adj. to Fair Value of CRI, LCI and other FII Shares	(147)	(747)	9,430
Other Financial Assets	400	340	4,360
Fund's Operating Income (Expenses)	(2,001)	(2,220)	(25,260)
Minority Interest ⁽⁸⁾	(44)	731	(733)
Net Income	4,377	(2,595)	105,319
Adjusted FFO	8,445	8,934	135,353
Adjusted FFO / share (R\$/Share)	0.32	0.34	5.08
Distribution to Shareholders	10,922	10,922	143,580

Balance Sheet

<i>(R\$ thousand)</i>	Nov-23	% of Assets
Assets	3,718,247	100.0%
Properties	3,417,117	91.9%
LCI	-	0.0%
CRI	-	0.0%
Other FII Shares	112,093	3.0%
Lease Receivable	60,861	1.6%
Fixed Income	38,532	1.0%
Other Assets	89,644	2.4%
Liabilities	984,328	26.5%
Liabilities from Acquisition of Properties	959,622	25.8%
Other Liabilities	24,706	0.7%
Equity	2,675,099	71.9%
Minority Interest⁽³⁾	58,820	1.6%
Total Liabilities and Equity	3,718,247	100.0%

Portfolio

Eldorado BFC Senado CJ Cenesp Sucupira Diamond Volkswagen Burity Transatlântico Montreal MV9 CEO EZ Torre Almirante

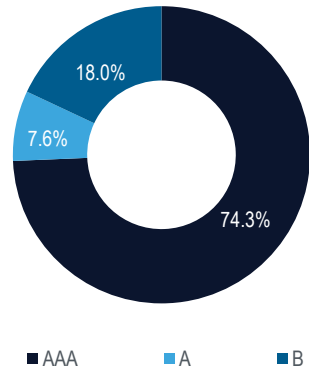


Asset	Class	Location	Acquisition	Fund Ownership	GLA (m ²)	Vacancy (m ²)	Lease (R\$ 000)	R\$/m ²	% of Potential Revenue ⁽⁶⁾	Main Tenants ⁽⁷⁾
BFC	A	São Paulo	Mar-10	23%	9,984	2.7%	1,322	136.2	5.1%	Grupo Pan, Itaú, WeWork
Burity	B	São Paulo	Apr-11	100%	10,550	15.2%	829	92.6	2.5%	Banco GMAC, Grupo Pan
CENESP ⁹	B	São Paulo	Jul-08	24%	50,319	54.6%	837	36.7	8.0%	Ernst & Young, Fidelity, BB
CEO Office	AAA	R. de Janeiro	Feb-19	27%	4,782	0.0%	383	80.0	1.5%	Tim
Cidade Jardim	AAA	São Paulo	Feb-19	50%	7,458	0.0%	1,748	234.3	7.1%	Aqua, Banco ABC, Felsberg, Patria
Diamond Tower	AAA	São Paulo	Jul-20	100%	36,918	8.3%	4,120	121.7	20.3%	Samsung, Cargill
Eldorado	AAA	São Paulo	Apr-09	34%	22,246	1.8%	3,801	173.9	17.8%	ACE Seguradora, Anbima, LinkedIn, Via Varejo
EZ Towers - B	AAA	São Paulo	Oct-20	16%	7,520	42.6%	529	122.6	3.8%	UnitedHealth, Marsh
Montreal	A	R. de Janeiro	Dec-07	100%	6,439	0.0%	323	50.1	1.7%	Estácio, Patrys
MV9	B	R. de Janeiro	Feb-19	100%	15,174	0.0%	883	58.2	4.1%	INPI
Senado	AAA	R. de Janeiro	Feb-19	20%	19,035	0.0%	3,377	177.4	8.1%	Petrobras
Sucupira	AAA	São Paulo	Nov-19	21%	7,534	20.0%	671	111.4	3.5%	Sanofi
Torre Almirante	AAA	R. de Janeiro	Dec-21	60%	25,087	55.4%	1,365	121.9	12.1%	WeWork, BankRio, Marsh
Transatlântico	B	São Paulo	Mar-08	28%	4,208	12.5%	197	53.5	0.8%	Mattel, Rockwell
Volkswagen	B	São Paulo	Jan-08	100%	12,560	0.0%	1,130	90.0	3.5%	Volkswagen
Total					239,814	21.7%	21,515	114.5	100.0%	

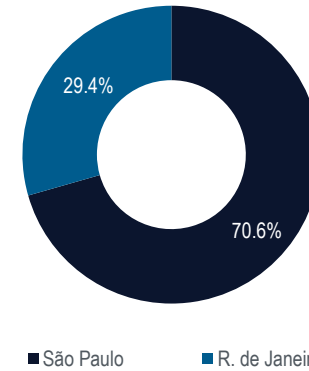
Notes: (9) Considers BC's share in total assets; (10) Considers the EZ Tower building's monthly guarantee minimum income (RMG) and the Sucupira building's supplementary guaranteed income; (11) Considers the potential market revenue for each asset determined by the Fund's semiannual reappraisal of its property portfolio conducted by Cushman & Wakefield in November 2023; (12) Considers tenants based on the contracted leasing revenue.
Base Date: November 2023

Portfolio

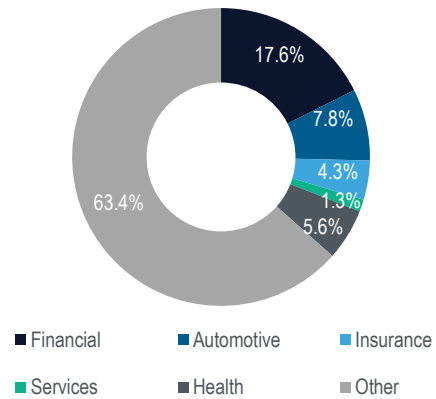
Revenue by Asset Class
(% Total Contracted Revenue)¹⁰



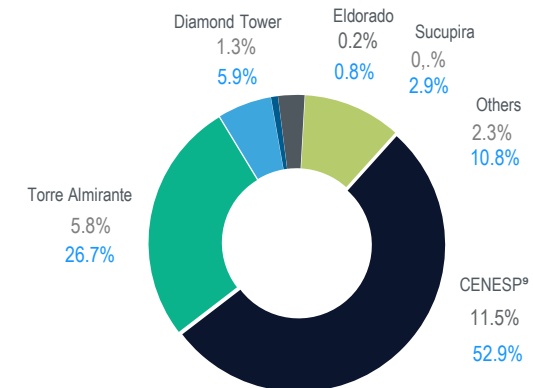
Revenue by Region
(% Total Contracted Revenue)¹⁰



Revenue by Sector
(% Total Contracted Revenue)¹⁰



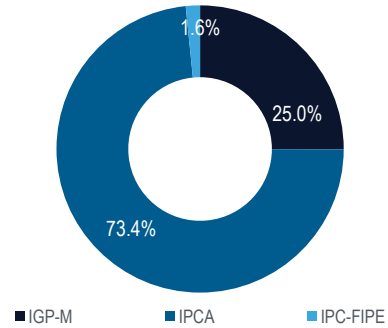
Breakdown - Vacancy by Asset
(% al Gross Leasable Area)



Portfolio

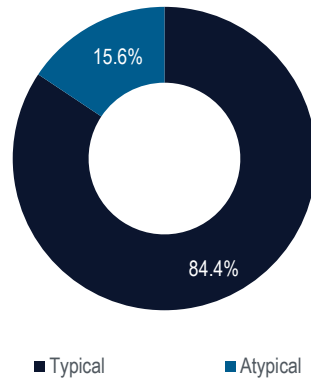
Readjustment Rates

(% Total Contracted Revenue)¹⁰



Type of Agreements

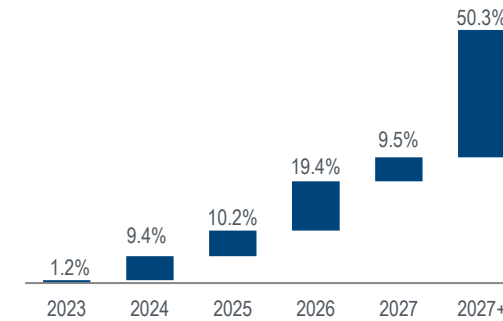
(% Total Contracted Revenue)¹⁰



Note: Base Date: November 2023

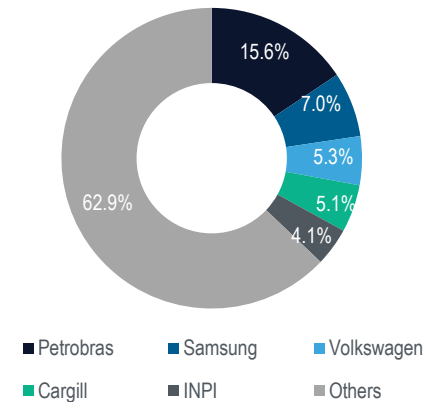
Maturity Schedule

(% Total Contracted Revenue)¹⁰



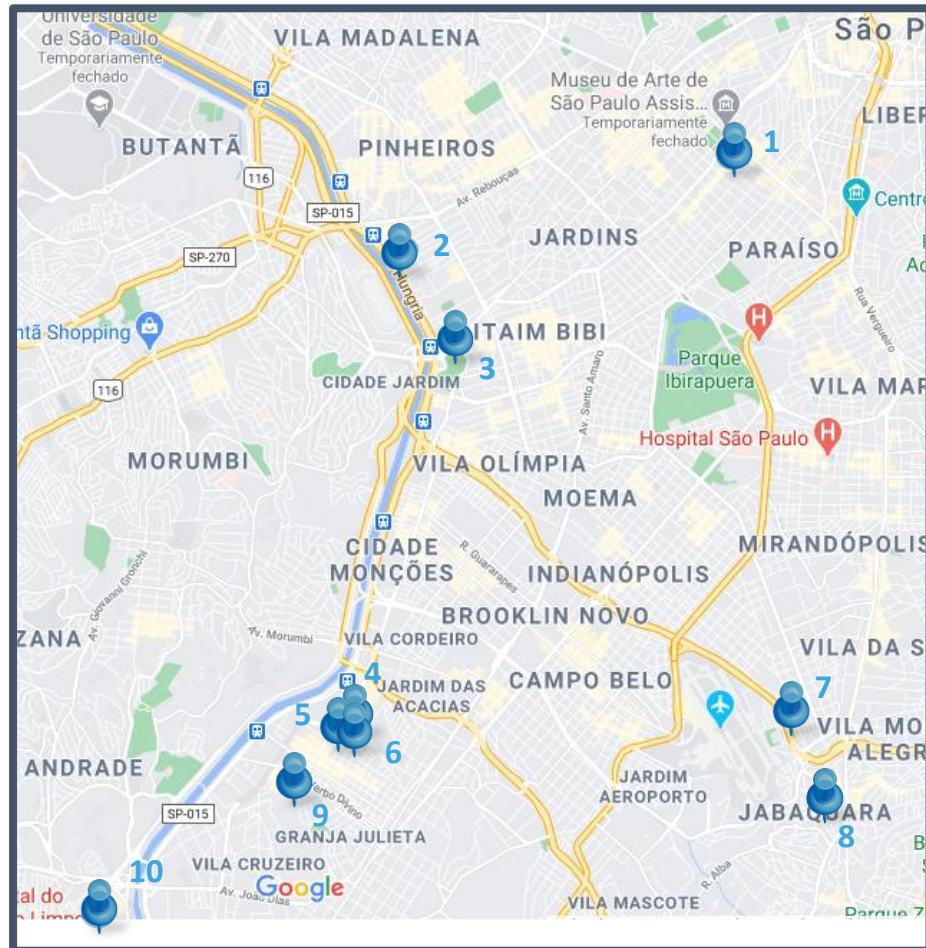
Main Tenants

(% Total Contracted Revenue)¹⁰



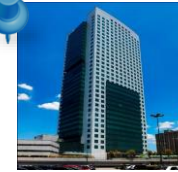
Geographical Portfolio Presentation

São Paulo



BFC

Classe: A
ABL: 9.984 m²
Ocupação: 97%



Eldorado

Classe: AAA
ABL: 22.248 m²
Ocupação: 98%



Cidade Jardim

Classe: AAA
ABL: 9.984 m²
Ocupação: 100%



Diamond Tower

Class: AAA
GLA: 36,198 m²
Occupancy: 92%



Sucupira

Class: AAA
GLA 7,534 m²
Occupancy: 80%



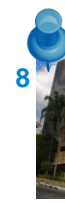
EZ Towers (B)

Class: AAA
GLA 7,520 m²
Occupancy: 57%



Burity

Class: B
GLA: 10,550 m²
Occupancy: 85%



Volkswagen

Class: B
GLA: 12,560 m²
Occupancy: 100%



Transatlântico

Class: B
GLA: 4,208 m²
Occupancy: 88%

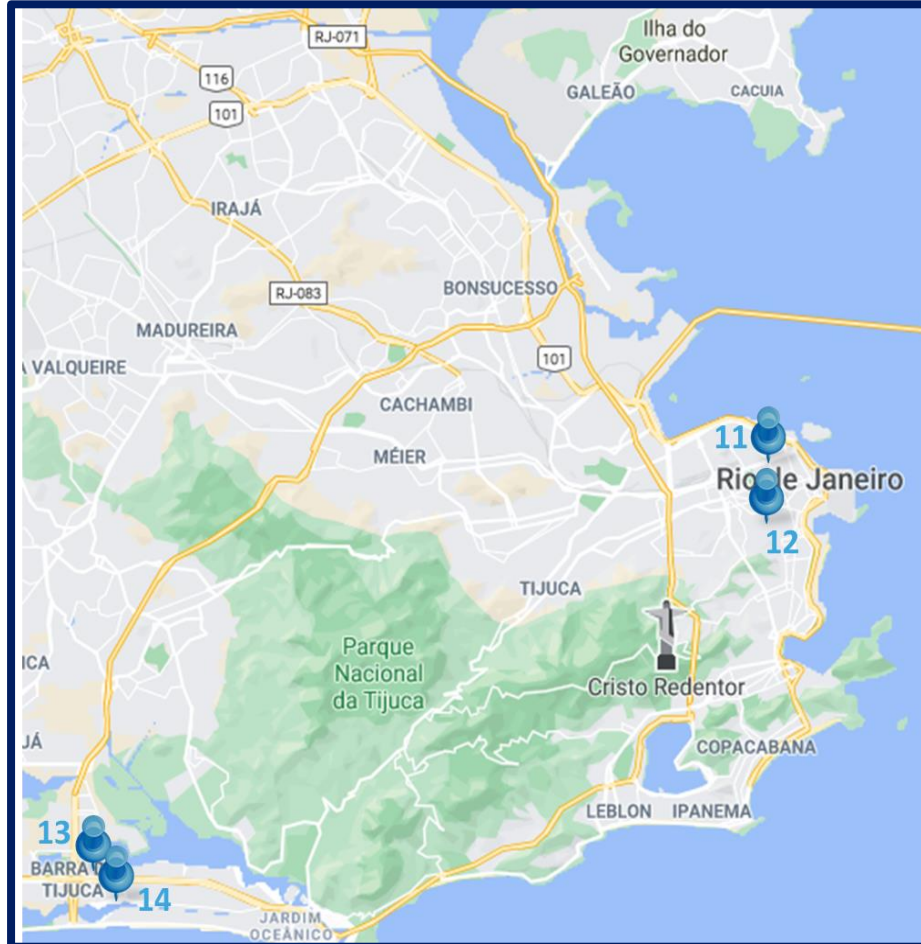


Cenesp

Class: B
GLA: 50,319 m²
Occupancy: 45%

Geographical Portfolio Presentation

Rio de Janeiro



11

MV9

Class: B
GLA: 15,174 m²
Occupancy: 100%



12

Senado

Class: AAA
GLA: 19,035 m²
Occupancy: 100%



13

CEO Office

Class: AAA
GLA: 4,782 m²
Occupancy: 100%



14

Montreal

Class: A
GLA: 6,439 m²
Occupancy: 100%

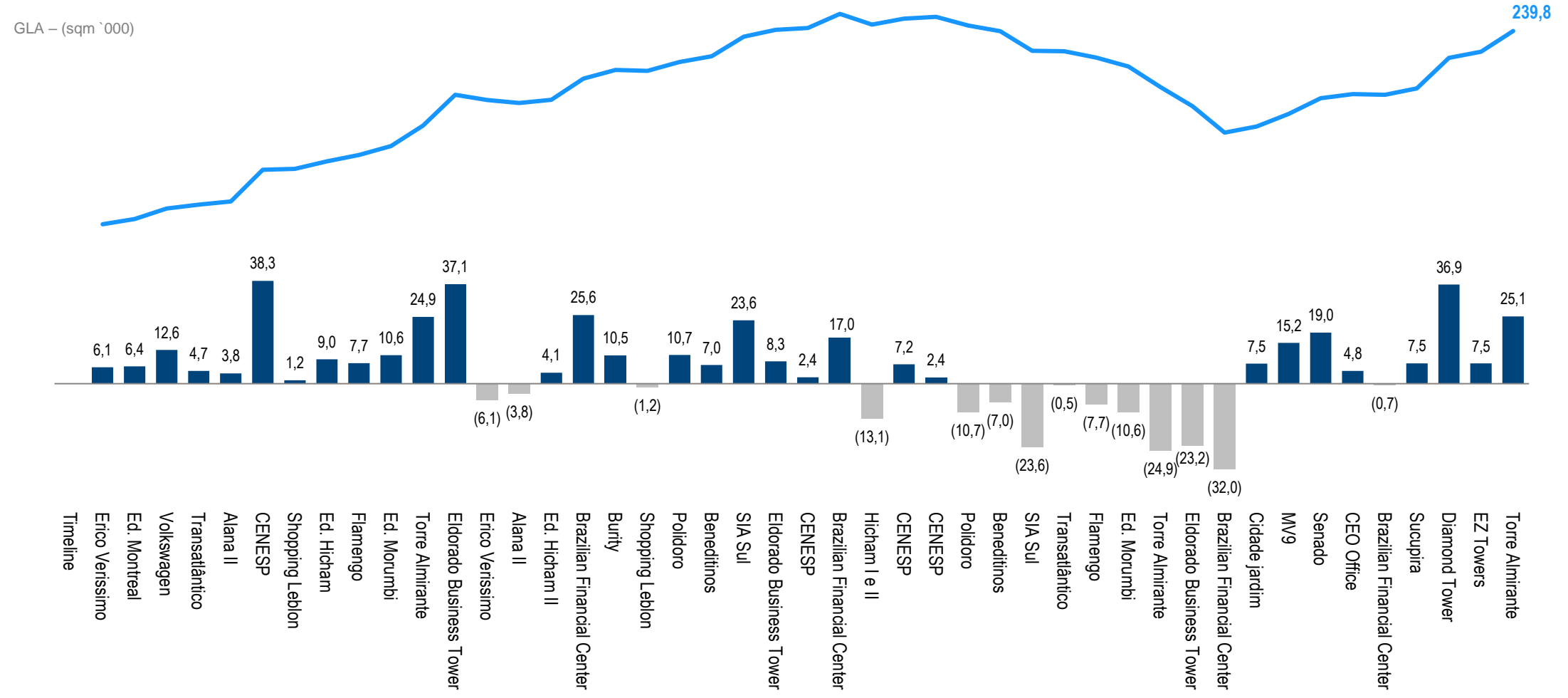


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Torre Almirante

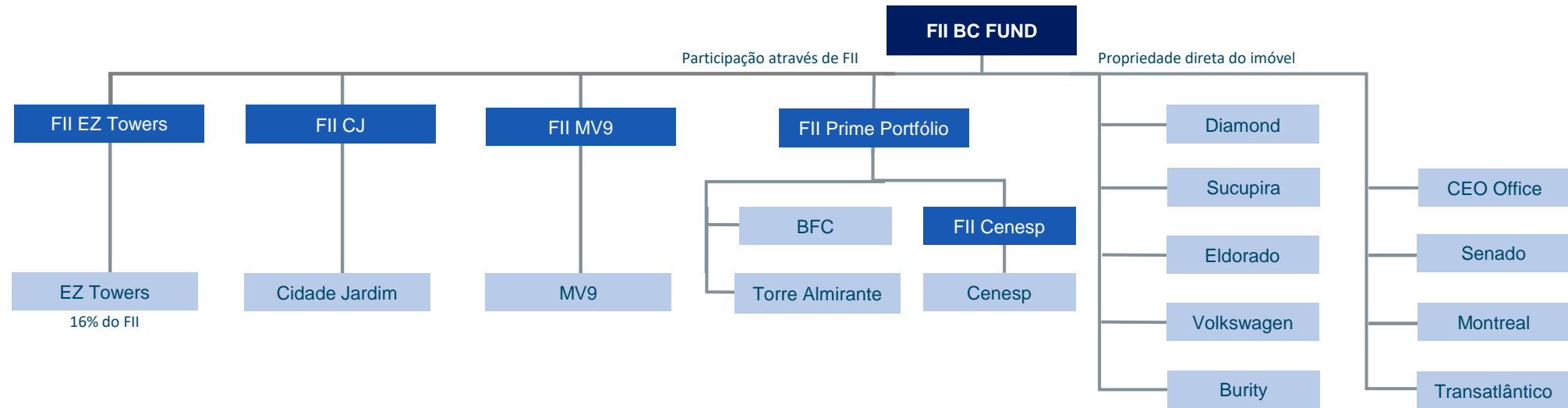
Class: AAA
GLA: 25,087 m²
Occupancy: 45%

Investments / Divestments Timeline



Note: Bars match GLA invested or uninvested
 Note: Base Date: November 2023

Fund's Organizational Structure



Disclaimer

Real estate investment funds are not guaranteed by the fund administrator, the portfolio manager, any insurance mechanism, or the Credit Guarantor Fund (FGC). The profitability obtained in the past does not represent a guarantee of future profitability. It is recommended that investors carefully read the investment fund's prospectus and regulations when investing their funds. Investors should be prepared to accept the risks inherent to the various markets in which the investment funds operate and, consequently, possible variations in the equity invested.

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The management of all the Funds invested by the BC Fund is performed by its internal team, thus generating greater synergy for the portfolio





BC FUND

Fundo Imobiliário BTG Pactual Corporate Office Fund