

Recent News

In the opposite direction of the market trend in Rio de Janeiro, which was strongly impacted by the COVID-19 pandemic, and in line with what we had commented in our latest bulletins, this month the Fund entered into a new lease agreement in the Montreal building with a consumer goods company. The new agreement refers to an area available on the last floor of the building, representing a GLA of 937 m². The new lease will be effective for 5 years. As a result, our portfolio in Rio de Janeiro is now fully leased, with well-defended and recently revised/renewed lease agreements, and more than 95% of the region's portfolio will mature only after 2025 and around 2/3 of the revenue comes from an atypical long-term lease agreement.

On March 15, the Fund disclosed to the market its 4Q20 earnings release and held its 2020 earnings conference call on March 16. Besides the financial and operational results, we addressed the main challenges of 2020 and the asset management company's view of the current market scenario. Our commercial team focused on maintaining low delinquency in the lease agreements. In addition, given the high quality of the portfolio, the Fund was better hedged against possible market fluctuations and did not see an increase in its delinquency in the year, which is mainly the result of a lawsuit expected to be settled in the short/medium term.

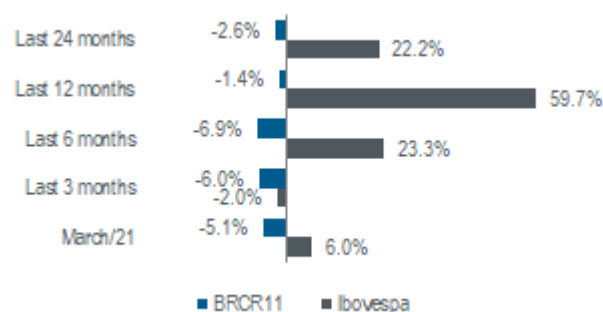
Also this month, the Fund allowed the formal consultation of the following agenda that will be resolved at the AESM: On an ordinary basis, the approval of the financial statements for 2020. On an extraordinary basis, the voting of the asset management company's monitoring committee, with the election of the candidates registered in accordance with the notice to the market disclosed on March 25. The Annual Shareholders' Meeting will be held remotely, and the voting instructions are described in the material made available. Only votes cast and received by April 30 will be counted.

The total return for shareholders last month, considering distributed income and the share value was a negative 5.1%, while the Ibovespa increased by 6.0%. The average daily liquidity on the stock exchange (BRCR11) was R\$3.6 million in the period, and the share price in the secondary market closed the month at R\$82.00 per share.

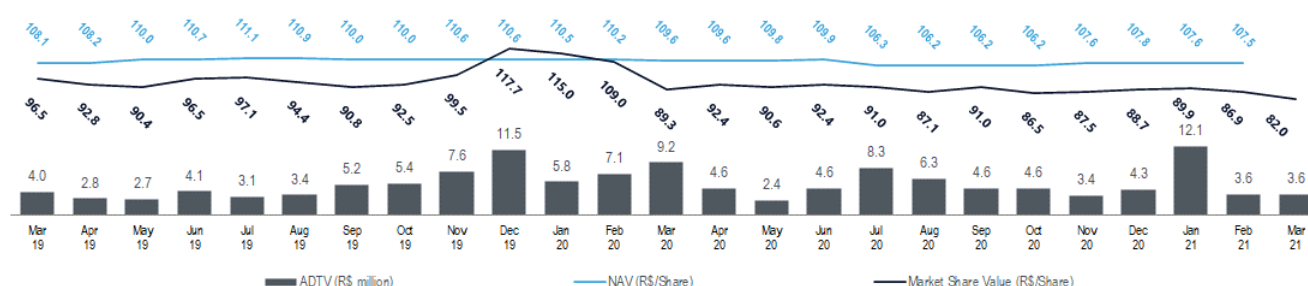
Performance on B3

		NAV	Market
Adjusted Closing Share's Market Value*	[R\$/share]	107.60	86.91
Discount to NAV*	[%]	0.0%	-19.2%
Dividend per share	[R\$/share]	0.49	0.49
Monthly profitability	[%]	0.5%	0.6%
Annual profitability (compound)	[%]	5.6%	7.0%
Shares outstanding	[# mn]	26.6	26.6
Market cap	[R\$ mn]	2,866.3	2,315.1
(-) Net debt (Cash)	[R\$ mn]	308.6	308.6
(-) Minorities stake	[R\$ mn]	59.5	59.5
Implicit value of Real Estate assets	[R\$ mn]	3,234.3	2,683.2
Contracted lease revenue	[R\$ mn]	19.7	19.7
Implicit Cap rate	[%]	6.9%	8.4%
Adj. Cap rate (incl. vacant areas)	[%]	7.7%	9.3%
Portfolio GLA	[th m ²]	228.9	228.9
Average per m ²	[R\$/m ²]	14,131	11,723
Total Volume Traded in the month	[R\$ mn]		69.6
Average Daily Trading Volume in the month	[R\$ mn]		3.9
% of Fund Traded in the month	[%]	#	2.4%
% of Fund Traded in the last 12 months	[%]	#	60.0%
Variation from previous month closing	[%]	#	-3.3%
Return for Shareholder (including distribution)	[%]	#	-5.1%

Return for Shareholders ⁽¹⁾



Share Price and Average Daily Trading Volume



Financial and Operating Performance – February/2021

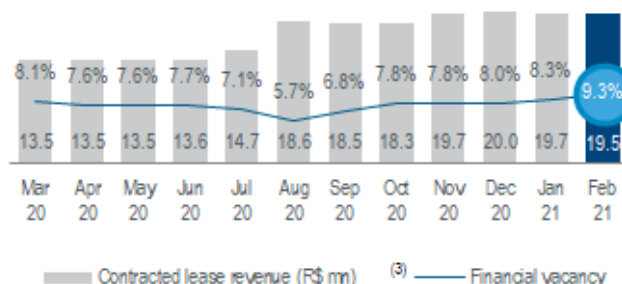
In February 2021, the financial vacancy of our portfolio accounted for 9.3% of potential lease revenue, and 21.2% of total GLA in m². The increase in vacancy compared to the previous month was mainly due to the partial exit scheduled by a tenant of the Eldorado building. Also, a tenant from the CENESP building that remained indefinitely on it after the end of his lease agreement, returned ¼ of a floor, showing no interest in renewing the agreement.

At the end of February 2021, vacancy totaled 35,124 m² in the CENESP building; 7,179 m² in the Diamond Tower building; 3,511 m² in the Eldorado building; 828 m² in the Montreal building; 828 m² in the BFC building; 586 m² at EZ Towers; and 525 m² in the Transatlântico building.

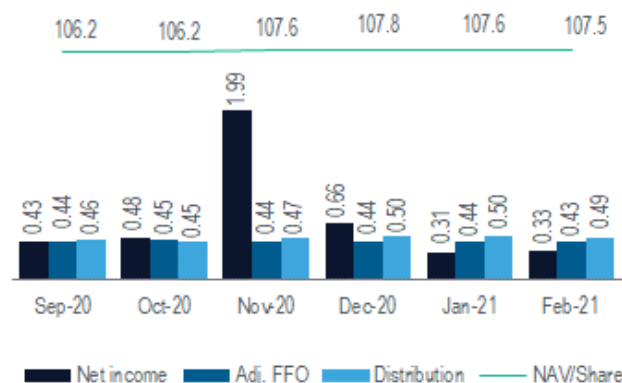
Over the next three months, 13.2% of the agreements will be readjusted for inflation, and 0.8% of the agreements will be renewed.

Net income per share was a positive R\$0.33 in February 2021. Adjusted FFO (4) was R\$0.43/share, and the amount distributed as return for shareholder totaled R\$0.49/share.

Financial Vacancy and Contracted Lease Revenue⁽²⁾



Results Indicators (R\$/share)⁽⁴⁾⁽⁵⁾



Consolidated Income Statement ⁽⁵⁾

(R\$ thousand)	Jan21	Feb21	Last 12 months
Lease Revenue	18,740	18,575	194,777
Provision for impairment of trade receivables	-	-	2,838
Other Revenues from Properties	(200)	164	3,435
Adjustment to Fair Value	-	-	39,101
Financial Expenses of Properties	(3,922)	(3,461)	(28,690)
Administrative Expenses of Properties	(435)	(809)	(8,253)
Results from Properties	14,183	14,469	203,208
Revenues from CRI, LCI and other FII Shares	1,011	743	9,610
Adj. to Fair Value of CRI, LCI and other FII Shares	(4,140)	(2,769)	(21,470)
Other Financial Assets	59	28	1,796
Fund's Operating Income (Expenses)	(2,735)	(3,589)	(30,306)
Minority Interest ⁽³⁾	(99)	(42)	685
Net Income	8,279	8,840	163,523
Adjusted FFO	11,656	11,530	134,069
Adjusted FFO / share ⁽⁴⁾ (R\$/Share)	0.44	0.43	5.12
Distribution to Shareholders	13,319	13,058	139,127

Balance Sheet ⁽⁵⁾

(R\$ thousand)	Feb21	% of Assets
Assets	3,614,210	100.0%
Properties	3,037,800	84.1%
LCI	-	0.0%
CRI	130,090	3.6%
Other FII Shares	122,422	3.4%
Lease Receivable	38,250	1.1%
Fixed Income	37,903	1.0%
Other Assets	247,745	6.9%
Liabilities	691,014	19.1%
Income to be Distributed	24,588	0.7%
Liabilities from Acquisition of Properties	638,623	17.7%
Other Liabilities	27,803	0.8%
Equity	2,863,712	79.2%
Minority Interest ⁽³⁾	59,484	1.6%
Total Liabilities and Equity	3,614,210	100.0%

Notes: (1) Includes the share's appreciation in the period (the Closing Price on the last day of the month M/Closing Price of the last day of the month M-1) + Income received by the shareholder in the period. (2) The non-accounting measure that corresponds to the total amount of the lease agreements in force for the base month, disregarding discounts, grace periods, fines and other adjustments that have an impact on the accounting revenue from leases. (3) Refers to the 23% interest of FII CIESP held by third parties. (4) Adjusted FFO is a non-accounting measure that corresponds to the net income, excluding (adding) the effects of the gain (loss) from the sale of investment property, the gain from the fair value of the investment property, non-recurring revenues and expenses and non-cash financial expenses. (5) Monthly management figures adjusted in accordance to the quarterly audit process. (6) The total shareholders' equity is already deducted from the equity gain of the cash installment of the transaction for the purchase and sale of assets with Brookfield.

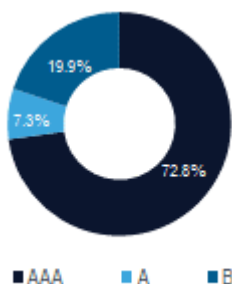
Portfolio

Base Date: February/2021

Asset	Class	Location	Acquisition	Fund Ownership	GLA (m²)	Vacancy (m²)	Lease (R\$ '000)	R\$/m²	% of Potential Revenue ⁽⁶⁾	Main Tenants ⁽⁷⁾
BFC	A	São Paulo	Mar-10	23%	9,984	8.3%	1,143	124.9	6.5%	Grupo Pan, Itaú, WeWork
Burity	B	São Paulo	Apr-11	100%	10,550	0.0%	733	69.5	2.3%	Banco GMAC, Grupo Pan
CENESP	B	São Paulo	Jul-08	31%	64,480	54.5%	1,057	36.0	12.0%	Ernst & Young, Acticall, BB
CEO Office	AAA	R. de Janeiro	Feb-19	27%	4,782	0.0%	406	85.0	1.9%	Tim
Cidade Jardim	AAA	São Paulo	Feb-19	50%	7,458	0.0%	1,371	183.9	5.7%	Aqua, Banco ABC, Felsberg, Patria
Diamond Tower	AAA	São Paulo	Jul-20	100%	36,918	19.4%	4,894	132.6	24.1%	Samsung, Cargill
Eldorado	AAA	São Paulo	Apr-09	34%	22,246	15.8%	2,949	157.4	16.6%	ACE Seguradora, Anbima, LinkedIn
EZ Towers - B	AAA	São Paulo	Oct-20	16%	7,520	7.8%	954	126.9	5.0%	UnitedHealth, Marsh
Montreal	A	R. de Janeiro	Dec-07	100%	6,439	12.9%	289	51.5	1.9%	Estácio, Patrys
MV9	B	R. de Janeiro	Feb-19	100%	15,174	0.0%	759	50.0	5.3%	INPI
Senado	AAA	R. de Janeiro	Feb-19	20%	19,035	0.0%	2,735	143.7	9.9%	Petrobras
Sucupira	AAA	São Paulo	Nov-19	21%	7,534	0.0%	911	120.9	4.2%	Sanofi
Transatlântico	B	São Paulo	Mar-08	28%	4,208	12.5%	215	58.3	1.1%	Mattel, Rockwell
Volkswagen	B	São Paulo	Jan-08	100%	12,560	0.0%	1,117	89.0	3.4%	Volkswagen
Total					228,888	21.2%	19,534	103.9	100.0%	

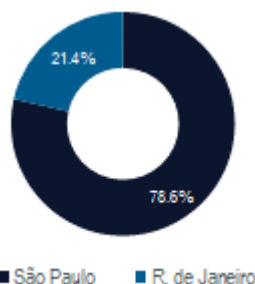
Revenue by Asset Class

(% Total Contracted Lease Revenue)



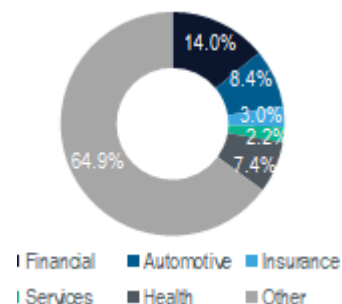
Revenue by Region

(% Total Contracted Lease Revenue)



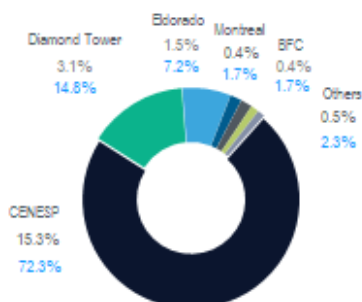
Revenue by Sector

(% Total Contracted Lease Revenue)



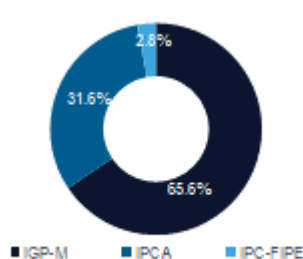
Vacancy by Asset

(% Total Gross Leasable Area)
(% Vacant Gross Leasable Area)



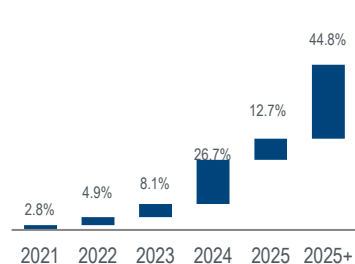
Adjustment Index

(% Total Contracted Lease Revenue)



Maturity Schedule

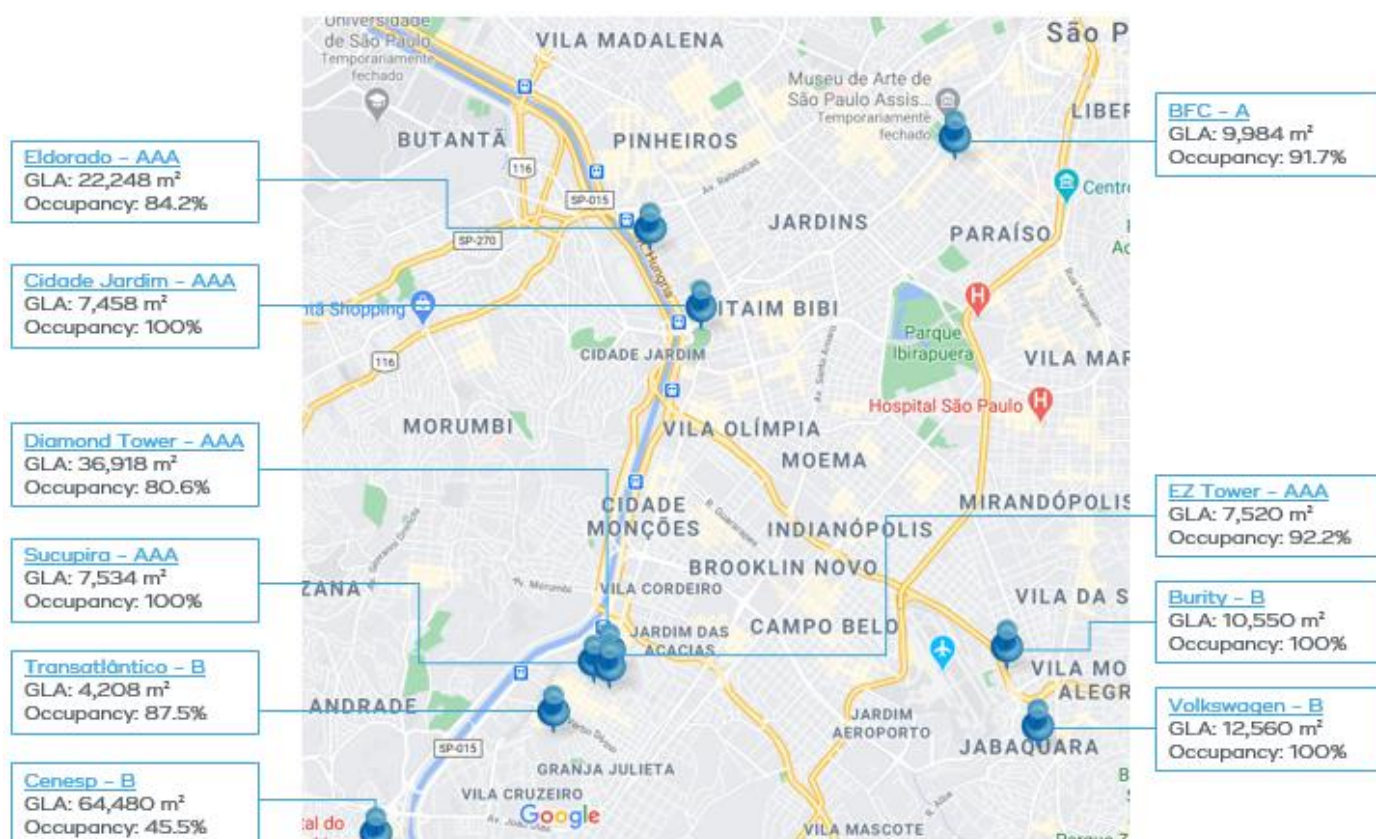
(% Total Contracted Lease Revenue)



Notes: (6) Considers the monthly guaranteed minimum income (RMG) amounts for the Sucupira Diamond Tower and EZ Tower assets. (7) Considering the potential market lease revenue for each asset defined by the semiannual reappraisal of the Fund's portfolio of properties carried out by Cushman & Wakefield in November 2020. (8) Considers tenants based on the contracted leasing revenue. (9) Considers the 100% interest of FII Cenesp in the composition

Geographical Portfolio Presentation

São Paulo



Rio de Janeiro



BC Fund Overview

Administrator: BTG Pactual Serviços Financeiros
Administration fee: 0.25% of market value
Manager: BTG Pactual Gestora de Recursos
Management fee: 1.5% of market value (the fee will be 1.1% until 09/09/22, as a discount)

Number of properties: 14
Number of lease contracts: 69
Gross leasable area: 228,888 m²
(base February/2021)

Trading code: BRCR11
Number of shareholders – individuals: 125,218
Number of shareholders – legal entities: 414
(base 03/31/2021)

BC Office Fund is one of the 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 objective of investing in corporate towers generating income in Brazil, which are strategically located in major commercial centers, through the acquisition of office buildings or real estate rights, either under construction or finished. BC Fund's active management policy is based on four pillars: (i) efficient negotiation of lease agreements at market value in the minimum intervals permitted by law; (ii) investment in expansion and real estate improvements aiming higher rental values and lower vacancy; (iii) efficient recycling of the portfolio in order to increase revenue and generate capital gains and; (iv) positive leverage in the acquisition of new properties and/or shares of other real estate investment funds in order to ensure greater flexibility in regard to managing cash reserves and maximizing shareholder returns.

Current Situation

On the operational side, the main challenge has been the leasing of vacant areas of the portfolio, especially Cenesp. The São Paulo market already shows a significant improvement for well-positioned and high-quality properties such as those of the fund. At Cenesp, we have concentrated efforts on the operational part of the property, seeking to reduce condominium costs in order to make it more competitive. This has resulted in savings of over R\$10.00/m² in monthly condominium costs since January 2017.

On the other hand, Rio de Janeiro is proving to be challenging for new leases, with a low number of effective leases. However, there has been an increase in visitation to vacant areas, which may result in an improved absorption of these areas in the medium term.

Regarding new investments, BC Fund has a robust cash position to be invested in acquisition opportunities, in addition to leverage potential.

Administrator: BTG Pactual Serviços Financeiros
Ombudsman: 0800 722 0048 / SAC: 0800 772 2827

If the shareholders whose shares are held by the Fund's custodian wish to change their registration data or deposit account details, they must email us at: ri.fundolistados@btgpactual.com, or call us at (11) 3383-2469. Shareholders who acquired shares in the secondary market must contact their brokerage companies.