(Convenience translation into English from the original previously issued in Portuguese)

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

Auditor's Review report

Quartely Information
For the quarter ended March 31, 2020

GENERAL SHOPPING E OUTLETS DO BRASIL S.A.

Quartely Information
For the quarter ended March 31, 2020

Content

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INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To
Shareholders, Advisers and Board of Directors of
General Shopping e Outlets do Brasil S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of General Shopping e Outlets do Brasil S.A. ("Company") contained within the Quarterly Financial Information – ITR, identified as Company and Consolidated, respectively, for the quarter ended on March 31, 2020, which comprise the balance sheet on March 31, 2020 and the related individual and consolidated statements of income, comprehensive income, statement of changes in equity and cash flows for the for three-month period then ended, as well as a summary of the significant accounting practices and other notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 – Interim Financial Reporting and with the International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and for the presentation of these interim financial information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Financial Information - ITR. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and International Standard on Review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim 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 International Standards on Auditing and consequently does not enable us to obtain assurance that would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that causes us to believe that the individual and consolidated interim financial information included in the Quarterly Financial information - ITR referred to above were not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to Quarterly Financial Information - ITR and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other issues

Statement of added value

The quarterly information referred to above includes the individual and consolidated of statement of value added (SVA) for the three-month period ended March 31, 2020, prepared under the responsibility of the Company's management and presented as supplementary information for IAS 34 purposes. These information have been subject to review procedures performed in conjunction with the review of the quarterly information to conclude whether they are reconciled whith the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the individual and consolidated interim financial information taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, March 12, 2020.

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1

Mauro de Almeida Ambrósio
Contador CRC 1 SP 199692/O-5

General Shopping e Outlets do Brasil S.A.

Balance sheet

As of March 31, 2020 and December 31, 2019

(Amounts stated in Thousands of Reais, except when indicated otherwise)

ASSETS

		Company		Consolidated	
	Notes	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Current assets					
Cash and cash equivalents	3	19	19	335,693	197,654
Restricted cash	5	-	-	-	70,809
Trade accounts receivable	6	-	-	27,985	32,687
Recoverable taxes	7	2,528	2,464	33,306	32,807
Other accounts receivable	8	705	543	23,233	23,468
Total current assets		3,252	3,026	420,217	357,425
Non-current assets					
Trade accounts receivable	6	-	-	1,247	1,628
Related parties	9	16,562	23,711	59,998	55,316
Loans receivables with third parties		-	-	2,951	2,979
Recoverable taxes	7	-	-	27	27
Deposits and guarantees	-	49	49	5,021	3,067
Debentures with related parties	4	-	-	220,788	215,188
Other accounts receivable	8	273	273	84,949	84,384
		16,884	24,033	374,981	362,589
Investments in associates	10	-	13,364	-	-
Investment properties	11	-	-	972,790	948,270
Fixed assets	12	1,700	1,705	18,093	18,127
Intangible assets	13	2,133	2,335	12,763	13,010
		3,833	17,404	1,003,646	979,407
Total non-current assets		20,717	41,437	1,378,627	1,341,996
Total assets		23,969	44,463	1,798,844	1,699,421

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Balance sheet

As of March 31, 2020 and December 31, 2019

(Amounts stated in Thousands of Reais, except when indicated otherwise)

LIABILITIES AND EQUITY

	Notes	Company 03/31/2020	Company 12/31/2019	Consolidated 03/31/2020	Consolidated 12/31/2019
Current liabilities					
Suppliers	-	942	812	10,214	13,592
Loans and financing	14	-	-	21,930	20,727
Payroll and social charges	-	1,612	1,418	2,202	1,986
Taxes, charges and contributions	18	20,509	23,390	161,786	132,858
Taxes in installments	17	233	230	16,685	17,832
Real Estate Credit Bills (CCI)	15	-	-	13,583	13,132
Related parties	9	15,450	13,899	34,485	26,709
Revenue from assignments to appropriated	19	-	-	3,846	4,291
Other accounts payable	16	27	27	1,353	1,416
Total current liabilities		38,773	39,776	266,084	232,543
Current non-liabilities					
Loans and financing	14	-	-	1,648,109	1,265,610
Revenue from assignments to appropriated	19	-	-	17,360	18,404
Taxes in installments	17	263	316	51,444	52,744
Deferred income taxes	26	-	-	12,267	12,267
Provisions for labor and civil risks	20	-	-	1,960	1,919
Provision for losses on investments	10	291,282	-	-	-
Real Estate Credit Bills (CCI)	15	-	-	107,969	111,563
Total non-current liabilities		291,545	316	1,839,109	1,462,507
Equity	21				
Share capital - common shares		385,064	385,064	385,064	385,064
Capital reserve		(1,907)	(1,907)	(1,907)	(1,907)
Profit reserves		12,573	12,573	12,573	12,573
Accumulated losses		(702,079)	(391,359)	(702,079)	(391,359)
		(306,349)	4,371	(306,349)	4,371
Total liabilities and equity		23,969	44,463	1,798,844	1,699,421

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of income (loss)
For the three months period ended March 31, 2020 and 2019

(Amounts stated in Thousands of Reais, except the amount for share)

		Company		Consolidated	
	Notes	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Net revenue of rent and services	22	-	-	28,345	50,387
Cost of rental and services provided	23	-	-	(8,810)	(7,682)
Gross profit		-	-	19,535	42,705
Operational (Expenses)/Income					
General and administrative expenses	24	(5,715)	(8,783)	(11,514)	(14,842)
Other income (expenses), net	27	-	(101)	532	(3,533)
Equity in earnings of subsidiaries	10	(304,646)	(15,139)	-	-
Operational profit/(loss) before financial income, net		(310,361)	(24,023)	8,553	24,330
Financial income (expense), net	25	(359)	(3,707)	(288,084)	(51,353)
Loss before taxes		(310,720)	(27,730)	(279,531)	(27,023)
Current income taxes	26	-	-	(31,189)	(4,802)
Deferred income taxes	26	-	-	-	4,095
Loss for the period		(310,720)	(27,730)	(310,720)	(27,730)
Attributable to:					
Controlling interest		(310,720)	(27,730)	(310,720)	(27,730)
Non-controlling interest		-	-	-	-
Basic loss per share – R$	21	(165.72)	(0.41)	(165.72)	(0.41)

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of comprehensive income
For the three months period ended March 31, 2020 and 2019

(Amounts stated in Thousands of Reais, except the amount for share)

	Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Loss for the period	(310,720)	(27,730)	(310,720)	(27,730)
Other comprehensive income (loss) that may be subsequently reclassified to profit or loss:				
Other comprehensive income (loss)	-	-	-	-
Comprehensive loss for the period	(310,720)	(27,730)	(310,720)	(27,730)
Total other comprehensive loss attributable to:				
Controlling interest	(310,720)	(27,730)	(310,720)	(27,730)
Non-controlling interest	-	-	-	-
	(310,720)	(27,730)	(310,720)	(27,730)

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of changes in equity - Company and Consolidated

For the three months period ended March 31, 2020 and 2019

(Amounts stated in Thousands of Reais, except when indicated otherwise)

		Share capital			Capital reserve		Profit reserves		
	Notes	Share capital	Treasury shares	Share issuance expenses	Goodwill on the Issue of shares	Capital transaction	Legal reserve	Accumlated losses	Total
Balances in January 1, 2019		389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	(357,047)	38,683
Loss for the period		-	-	-	-	-	-	(27,730)	(27,730)
Total comprehensive loss, net tax		-	-	-	-	-	-	(27,730)	(27,730)
Balances in March 31, 2019		389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	(384,777)	10,953
Balances in January 1, 2020		389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	(391,359)	4,371
Loss for the period		-	-	-	-	-	-	(310,720)	(310,720)
Total comprehensive loss, net tax		-	-	-	-	-	-	(310,720)	(310,720)
									-
Balances in March 31, 2020		389,625	(2,427)	(2,134)	6,376	(8,283)	12,573	(702,079)	(306,349)

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of cash flows - indirect method
For the three months period ended March 31, 2020 and 2019

(Amounts stated in Thousands of Reais, except when indicated otherwise)

	Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Cash flow from operating activities				
Loss for the period	(310,720)	(27,730)	(310,720)	(27,730)
Adjustments to reconcile net income (loss) to cash provided on operating activities:				
Depreciation and amortization	294	370	587	774
Allowance for doubtful accounts	-	-	1,296	254
Constitution (reversing) provision for labor and civil risks	-	-	41	-
Deferred income taxes	-	-	-	(4,095)
Income taxes	-	-	28,189	4,802
Financial charges on loans e financing, CCI and Perpetual bonds	-	-	37,976	39,247
Interests on Debentures	-	-	(5,600)	-
Financial charges on payment of taxes in installment	-	-	559	2,777
Exchange rate variation	-	-	367,537	6,979
Equity in earnings of subsidiaries	304,646	15,139	-	-
Decrease (increase) in operating activities				
Trade accounts receivable	-	-	3,788	6,883
Recoverable taxes	(64)	(107)	(499)	(233)
Other accounts receivable	(162)	(672)	(331)	1,446
Deposits and guarantees	-	-	(1,954)	3,099
Increase (decrease) in operating activities				
Suppliers	130	1,195	(3,378)	250
Taxes, charges and contributions	(2,881)	3,280	739	9,661
Payroll and social charges	194	128	216	133
Revenue from assignments to be appropriated	-	-	(1,489)	16,710
Accounts payable	-	-	-	(8,520)
Other accounts payable	-	-	(63)	8,363
Net cash provided by (used in) operating activities	(8,563)	(8,397)	116,894	60,800
Payment of interest	-	-	(18,931)	(23,230)
Net cash provided by (used in) operating activities	(8,563)	(8,397)	97,963	37,570
Cash flow from investing activities				
Write-off property investments, fixed assets and intangible assets	-	-	-	219
Disposal of property for investments intended for sale	-	-	-	132,966
Redemption (application) in financial investments and bound financial investments and restricted cash	-	-	70,809	62,785
New investments in subsidiaries and affiliates	-	(1,765)	-	-
Acquisition of investments and fixed assets and intangible assets	(87)	(8)	(24,826)	(24,731)
Net cash provided by (used in) investing activities	(87)	(1,773)	45,983	171,239
Cash flow from financing activities				
Amortization of the principal of loans, financing and CCI	-	-	(6,378)	(17,313)
New taxes installments	(50)	(66)	-	-
Payment of the principal taxes installment	-	-	(2,651)	(5,253)
Related parties	8,700	10,372	3,094	(3,068)
Loans with third parties	-	(136)	28	620
Net cash provided by (used in) financing activities	8,650	10,170	(5,907)	(25,014)
Increase in cash and cash equivalent, net	-	-	138,039	183,795
Cash and cash equivalents:				
Cash and cash equivalents at the end of the period	19	66	335,693	567,754
Cash and cash equivalents beginning of the period	19	66	197,654	383,959
Increase in cash and cash equivalent, net	-	-	138,039	183,795

The accompanying notes are integral part of these quarterly interim financial statements.

General Shopping e Outlets do Brasil S.A.

Statement of added value
For the three months period ended March 31, 2020 and 2019

(Amounts stated in Thousands of Reais, except when indicated otherwise)

	Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Revenue				
Revenue from rent, services and other	-	-	31,337	57,360
Allowance for doubtful accounts	-	-	(1,296)	(254)
	-	-	30,041	57,106
Third parties services and materials				
Third parties services, materials and other	(2,257)	(5,392)	(13,928)	(17,462)
Gross added (consumed) value	(2,257)	(5,392)	16,113	39,644
Depreciation and amortization	(294)	(370)	(587)	(774)
Net added (consumed) value generated	(2,551)	(5,762)	15,526	38,870
Net added value by transfer				
Equity in earnings of subsidiaries	(304,646)	(15,139)	-	-
Financial income	122	40	128,742	102,476
Other	-	(101)	532	(3,533)
Net added value total to distribution	(307,075)	(20,962)	144,800	137,813
Distribution of added (consumed) value				
Labor				
Salaries	2,043	1,957	2,721	2,611
Benefits	488	487	890	872
FGTS (Brazilian Labor Social Charges)	100	99	137	145
INSS (Brazilian Labor Social Security)	533	478	701	626
Taxes, charges and contributions				
Federal	-	-	33,421	6,342
Municipal	-	-	824	1,118
Capital Remuneration from third parties				
Interests expenses	481	3,747	416,826	153,829
Owned capital remuneration				
Loss for the period	(310,720)	(27,730)	(310,720)	(27,730)
	(307,075)	(20,962)	144,800	137,813

The accompanying notes are integral part of these quarterly interim financial statements.

1. Operating activities

General Shopping e Outlets do Brasil S.A. (Company) was set up on March 06, 2007 and, as from March 31, 2007, after successive ownership operations through which the interest held in the capital of the companies with shopping mall activities, as well as interest held in the capital stock of companies that provide services to the shopping malls, was grouped, respectively, into two distinct companies: (a) Levian Participações e Empreendimentos Ltda. and (b) Atlas Participações Ltda. Currently the Company's interest in the capital of the companies with activities in shopping centers are grouped in Levian Participações e Empreendimentos Ltda. and Securis Administradora e Incorporadora Ltda.

Pursuant to the Company's Board of Directors 'Meeting, which began on December 21, 2018 and concluded on December 26, 2018, after the suspension of work ("First RCA") and at the Company's Board of Directors' Meeting held on February 22 2019 ("Second RCA" and, together with the First RCA, "Meetings"), the Company approved, by referendum of the Company's General Meeting, the distribution of dividends to shareholders in the total amount of R$828,955,780.00 (eight hundred and twenty eight million, nine hundred and fifty five thousand and seven hundred and eighty reais), resulting from the realization of profits recorded in the Unrealized Profit Reserve (RLAR) verified according to the Company's balance sheet as of December 31, 2017, being the amount of (i) R$207,238,945.00 (two hundred and seven million, two hundred and thirty eight thousand, nine hundred and forty five reais) to be paid in cash to the shareholders ("Cash Portion") and (ii) R$621,716,835.00 (six hundred and twenty one million, seven hundred and sixteen thousand, eight hundred and thirty five reais) to be paid "in natura", upon delivery of quotas of the General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII ("FII") as shown below.

On April 9, 2019, the dividend payment operation was concluded, of which R $ 207,238,945.00 (two hundred and seven million, two hundred and thirty-eight thousand, nine hundred and forty-five reais) in cash and R $ 621,716,835, 00 (six hundred and twenty-one million, seven hundred and sixteen thousand, eight hundred and thirty-five reais) in natura, upon delivery of quotas of General Shopping and Outlets do Brasil Fundo de Investimento Imobiliário - FII ("FII") to shareholders.

The Company trades its stock at B3 S.A. – Brasil, Bolsa, Balcão, under the following abbreviation, GSHP3.

The Company filed with the Securities and Exchange Commission (CVM) the request for registration of a restricted program sponsored by Global Depositary Shares based on Regulation S and Rule 144A (GDSs), as approved at a meeting of the Company's Board of Directors held on July 22, 2016. On July 18, 2016, the CVM approved the request. In this context, The Bank of New York Mellon operates as the depositary institution of the GDS Program and is responsible for issuing the respective certificates. The Company's common shares are traded on the B3 S.A. – Brasil, Bolsa, Balcão and represent the GDS at the ratio of 1 (one) GDS for every 73 (seventy-three) shares.

The Itaú Unibanco S.A. operates as the custodian institution of the Company's shares in Brazil. The establishment of the GDS program involved the issuance of 11,000,000 (eleven million) new common shares as a result of the merger of the indirect subsidiary Druz Administradora e Incorporadora Ltda. The new shares issued were held by the direct subsidiary GS Investments Limited. Of the amount of the shares that did not serve as the basis for the GDS program, 6,564,301 shares were canceled as per minutes of the meeting of the board of directors held on August 4, 2017. The remaining balance of 1,923,550 shares (grouped into 53,432 shares on January 23, 2020) remains in nominal treasury at Company.

At the Extraordinary General Meeting held on December 11, 2019 and authorized by the CVM - Brazilian Securities and Exchange Commission on January 23, 2020, the reverse split of all the shares issued by the Company was approved (including the shares underlying the securities issued by General Shopping under its sponsored share deposit certificate program), at the ratio of 36 (thirty-six) shares to 1 (one) share, so that each batch of 36 (thirty-six) shares was grouped into one share, pursuant to article 12 of the Corporation Law (“Grouping”). As a result of the reverse split, the number of shares into which the Company's capital stock is divided has changed from 69,435,699 (sixty-nine million, four hundred and thirty-five thousand, six hundred and ninety-nine) to 1,928,769 (one million , nine hundred and twenty-eight thousand seven hundred and sixty-nine) common, registered, book-entry shares with no par value.

The Company’s head offices are located in São Paulo – SP, at Avenida Angélica, 2,466, 24th floor - suite 241.

The individual and consolidated quarterly interim financial information of General Shopping e Outlets do Brasil S.A. (Company) referring to the quarterly ended on March 31, 2020, have been concluded and approved by the Company’s Executive Officers on May 12, 2020. The individual and consolidated quarterly interim financial information of the Company referring to the quarterly ended on March 31, 2020 comprises the Company and its subsidiaries (collectively referred to with Group and individually referred to as entities of the Group).

General Shopping e Outlets do Brasil S.A. and its subsidiaries (hereinafter referred to as the Company), have as their main corporate activities the: (a) management of its own and third-party assets; (b) participation in securities business; and (c) real estate development and similar or related activities.

The Company’s direct and indirect subsidiaries that were included in the consolidated financial information are the following:

- ALTE Telecom Comércio e Serviços Ltda. (ALTE): is engaged in providing web server services, multimedia communication services, and voice over internet protocol (VOIP);

- Andal Administradora e Incorporadora Ltda. (Andal): the business activity of which is to manage its own assets and hold interest in other companies. Andal held an ideal fraction of 99.9% in Suzano Shopping Center. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB, in April 2019. In August 2019, it was incorporated by Delta Shopping Empreendimentos Imobiliários Ltda. and the 99.9% interest in Suzano Shopping Center was disposed of in September 2019;
- Ardan Administradora e Incorporadora Ltda. (Ardan): has the corporate purpose of managing its own assets and participating in other companies. Currently, Ardan holds an ideal fraction of 0.5% of the Internacional Guarulhos Auto Shopping Center;
- Ast Administradora e Incorporadora Ltda. (Ast): the business activity of which is to manage its own assets and third-party assets, real estate development, hold interest in other companies and real estate ventures and lease security equipment and video cameras;
- Atlas Participações Ltda. (Atlas): the business activity of which is to manage its own assets and hold interest in other companies. Currently, Atlas holds full ownership interest in I Park Estacionamentos Ltda., Energy Comércio e Serviços de Energia Ltda., Wass Comércio e Serviços de Água Ltda., General Shopping Brasil Administradora e Serviços Ltda., Internacional Guarulhos Auto Shopping Center Ltda., Vide Serviços e Participações Ltda., Ast Administradora e Incorporadora Ltda., GS Park Estacionamentos Ltda., ALTE Telecom Comércio e Serviços Ltda. and in BR Brasil Retail Administradora e Incorporadora S.A.;
- Bac Administradora e Incorporadora Ltda. (Bac): the business activity of which is real estate development;
- Bail Administradora e Incorporadora Ltda. (Bail): the business activity of which is to manage its own assets and third-party assets and real estate development;
- BOT Administradora e Incorporadora Ltda. (BOT): the business activity of which is real estate development. BOT holds 100% of Manzanza Consultoria e Administração de Shopping Centers Ltda's shares;
- Brassul Shopping Administradora e Incorporadora Ltda. (Brassul): the business activity of which is to manage its own assets and third-party assets and real estate development. Brassul holds 100% interest in the quotas of Sale Empreendimentos e Participações Ltda.;
- BUD Administradora e Incorporadora Ltda. (BUD): the business activity of which is to its own and third party assets, real estate developments, interest in other companies and real estate developments. In July 2019 BUD acquired 3% of the Premium Outlet Brasília;
- BR Brasil Retail Administradora e Incorporadora S.A. (BR Retail): the business activity of which is the development and management of projects involving planning, interest and development of retail and wholesale trade activities, as well as acquisition, creation and management of companies operating in retail trade, master franchises, franchiser companies and/or with potential to become franchiser companies, all operating in Brazil;

- Delta Shopping Empreendimentos Imobiliários Ltda. (Delta): the business activity of which is to manage its own assets and third-party assets, real estate development and hold ownership interest in other companies and real estate ventures. Delta held 0.1% interest in Suzano Shopping Center and disposed of its stake in September 2019;
- Energy Comércio e Serviços de Energia Ltda. (Energy): is engaged in purchasing, selling and leasing equipment for the generation, transfer and distribution of energy and in providing installation, maintenance and consulting services. Currently, Energy provides services referring to the lease of equipment for the generation, transfer and distribution of energy to Internacional Guarulhos Auto Shopping Center, Suzano Shopping (until September 2019), Shopping Bonsucesso, Outlet Premium São Paulo, Parque Shopping Barueri, Outlet Premium Brasília, Outlet Premium Salvador, Shopping do Vale, Parque Shopping Maia, Outlet Premium Rio de Janeiro, Parque Shopping Sulacap and Unimart Shopping;
- ERS Administradora e Incorporadora Ltda. (ERS): its corporate purpose is the management of its own and third-party assets and real estate development. The company ERS is owner of 50% of the Shopping Outlet Premium Rio de Janeiro. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- FAT Empreendimentos e Participações S.A. (FAT): has the purpose of incorporating real estate, the sale of real estate built or acquired for resale and administration of own and third parties' assets, as well as participation as a shareholder and shareholder in other companies and participation in real estate projects;
- FIPARK Estacionamentos Ltda. (FIPARK): has as its object the administration of parking lots of motor vehicles in general, own and third parties. Currently FIPARK is responsible for the administration of the parking lots of the Parque Shopping Maia, Shopping Bonsucesso and Suzano Shopping (until September 2019);
- FLK Administradora e Incorporadora Ltda. (FLK): the business activity of which is to manage its own assets and third-party assets and real estate development. FLK owns 52% of the Outlet Premium Salvador in Bahia. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- Fonte Administradora e Incorporadora Ltda. (Fonte): the business activity of which is to manage its own assets and third-party assets, and real estate development. Fonte owns 51% of the Shopping Sulacap in Rio de Janeiro. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- GAX Administradora e Incorporadora Ltda. (GAX): the business activity of which is to manage its own assets and third-party assets, real estate development, and hold interest in other companies and real estate ventures. GAX holds 50% interest in Outlet Premium São Paulo. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;

- General Shopping Brasil Administradora e Serviços Ltda. (GSB Administradora): the business activity of which is to manage its own assets and third-party assets, provide management services to commercial centers and buildings, provide other complementary, supplementary services or services associated with its activities, in addition to hold interest in other companies, whatever type they may be. Currently, GSB Administradora is the manager of Suzano Shopping (until September 2019), Poli Shopping, Cascavel JL Shopping, Shopping do Vale, Outlet Premium São Paulo, Outlet Premium Brasília, Unimart Shopping, Parque Shopping Barueri, Shopping Bonsucesso, Outlet Premium Salvador, Parque Shopping Sulacap, Parque Shopping Maia and Outlet Premium Rio de Janeiro and Outlet Premium Fortaleza;
- General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário – FII GSOB (new social denomination of FII Top Center): whose object is the acquisition of a real estate project, provided that it is approved by the Shareholders' General Meeting, aiming at obtaining revenues through the valuation of real estate, leasing or leasing and sales of real estate assets, as permitted by the Fund regulation , by law and by the provisions of the Brazilian Securities and Exchange Commission (CVM). The FII GSOB holds 99.99% of Vanti Administradora e Incorporadora Ltda. (Vanti) and as of April 9, 2019, the shares were transferred to shareholders as payment of the in natura dividends;
- General Shopping Finance Limited (General Shopping Finance): is a company headquartered in the Cayman Islands that is engaged in performing activities and transactions relating to the Company or its subsidiaries. General Shopping Finance holds 49.9% of the quotas of Levian Participações e Empreendimentos Ltda.;
- GS Finance II Limited (GS Finance II): is a company organized in the Cayman Islands that is engaged in performing activities and transactions relating to the Company or its subsidiaries;
- GS Investments Limited (GS Investments): is a company headquartered in the Cayman Islands that is engaged in performing activities and transactions relating to the Company or its subsidiaries. GS Investments holds 97.3% of the quotas of Securis Administradora e Incorporadora Ltda.;
- GS Park Estacionamentos Ltda. (GS Park): is engaged in managing parking lots for motor vehicles of all kinds, of their own or owned by third parties. Currently, GS Park is in charge of managing the parking lots of Outlet Premium Salvador, Parque Shopping Sulacap, Internacional Guarulhos Auto Shopping and Outlet Premium Rio de Janeiro;
- I Park Estacionamentos Ltda. (I Park): is engaged in exploiting the specific motor vehicle parking business, for both its own vehicles and vehicles owned by third parties, by managing such parking lots. Currently, I Park is in charge of managing the parking lots of Cascavel JL Shopping, Outlet Premium São Paulo, Outlet Premium Brasília, Unimart, Shopping do Vale and Parque Shopping Barueri;
- Indui Administradora e Incorporadora Ltda. (Indui): the business purpose of which is to manage its own assets and third-party assets, and real estate development. Indui holds 50% interest in Outlet Premium Brasília. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;

- Internacional Guarulhos Auto Shopping Center Ltda. (ASG Administradora): the business activity of which is to manage its own assets and third-party assets, provide management services to commercial centers and buildings, provide other complementary, supplementary services or services associated with its activities, in addition to hold interest in other companies, whatever type they may be. Currently, ASG Administradora is the administrator of Internacional Guarulhos Auto Shopping Center;
- Levian Participações e Empreendimentos Ltda. (Levian): the business activity of which is to manage its own assets, hold interest in other companies and other complementary and associated activities. Currently, Levian holds an ideal fraction of 99.5% of Internacional Guarulhos Auto Shopping Center and 0.5% of Shopping Unimart. Levian also holds interest in Send Empreendimentos e Participações Ltda. (100%), Delta Shopping Empreendimentos Imobiliários Ltda. (100%), Vul Administradora e Incorporadora Ltda. (100%), Zuz Administradora e Incorporadora Ltda. (100%), Bud Administradora e Incorporadora Ltda. (100%), Bac Administradora e Incorporadora Ltda. (100%), Mai Administradora e Incorporadora Ltda. (100%), Premium Outlet Administradora e Incorporadora Ltda. (100%), BR Outlet Administradora e Incorporadora Ltda. (100%), Jauá Administradora e Incorporadora Ltda. (100%), Securis Administradora e Incorporadora Ltda. (2.7%), Atlas Participações Ltda. (100%), FIPARK Estacionamentos Ltda (100%), EDO Empreendimentos e Participações S.A (100%); Poli Shopping Administradora de Bens Ltda. (50%); Babi Administradora e Incorporadora Ltda. (100%); Dan Administradora e Incorporadora Ltda. (100%) and Loa Administradora e Incorporadora Ltda. (100%);
- MAI Administradora e Incorporadora Ltda. (MAI): the business activity of which is to manage its own assets and third-party assets and real estate development;
- Manzanza Consultoria e Administração de Shopping Centers Ltda. (Manzanza): is engaged in providing consulting and management services for shopping malls and managing its own assets. Manzanza is the owner of the land in Atibaia;
- Palo Administradora e Incorporadora Ltda. (Palo): Its objective is the administration of its own assets and third parties and of commercial centers, own and third parties and real estate development. Palo owns 50% of Outlet Premium Fortaleza. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- Pentar Administradora e Incorporadora Ltda. (Pentar): the business activity of which is to manage its own assets and third-party assets and its own and third-party shopping centers, real estate development and participation in other companies and real estate projects. Pentar holds 99.5% of Unimart Shopping. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- POL Administradora e Incorporadora Ltda. (POL): is engaged in developing real estate development ventures;
- Poli Shopping Center Empreendimentos Ltda. (Poli Empreendimentos): is engaged in exploiting the shopping mall industry by leasing its own properties or subleasing third party leased properties. Currently, “Poli Empreendimentos” holds 50% interest in Poli Shopping Center. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;

- Rumb Administradora e Incorporadora Ltda. (Rumb): engaged in managing its own and third parties' assets and shopping centers, own and third parties, real estate development and participation in other companies and real estate projects;
- Sale Empreendimentos e Participações Ltda. (Sale): is engaged in purchasing, selling, leasing, urbanizing, mortgaging, developing, building and managing its own real estate or third-party real estate or jointly owned real estate. Sale holds 84.4% interest in Shopping do Vale;
- SB Bonsucesso Administradora e Incorporadora S.A. (SB Bonsucesso): the business activity of which is to manage its own assets and third-party assets and real estate development. SB Bonsucesso holds 63.4% interest in Shopping Bonsucesso. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- Securis Administradora e Incorporadora Ltda. (Securis): the business activity of which is to manage its own assets, third-party assets, real estate development and participation in other companies. Securis holds 100% of quotas of the following companies: Ardan Administradora e Incorporadora Ltda., Bail Administradora e Incorporadora Ltda., Bavi Administradora e Incorporadora Ltda., BOT Administradora e Incorporadora Ltda., Brassul Shopping Administradora e Incorporadora Ltda., FAT Empreendimentos e Participações S.A., Bavi Administradora e Incorporadora Ltda., Tequs Administradora e Incorporadora Ltda., Rumb Administradora e Incorporadora Ltda., Tela Administradora e Incorporadora Ltda. Securis also holds 0.1% interest in Shopping Bonsucesso and a fraction of less than 0.1% of Vanti Administradora e Incorporadora Ltda.;
- Send Empreendimentos e Participações Ltda. (Send): engaged in managing its own assets and holding interests in other companies. Send holds 100% of the shares of Uniplaza Empreendimentos Participação e Administração de Centro de Compras Ltda.; 85.5% of Cascavel JL Shopping and 48% of Parque Shopping Barueri (acquired in July 2019);
- Tela Administradora e Incoporadora Ltda. (Tela): the business activity of which the real estate development activities, the sale of properties built or acquired for sale, the management of own and third parties' assets, participation in other companies and real estate projects. Tela owns 85% of the Outlet Premium Grande São Paulo currently under construction;
- Uniplaza Empreendimentos Participações e Administração de Centros de Compras Ltda. (Uniplaza): its corporate purpose is the administration of its own assets and third parties and its own and third-party centers, real estate development and participation in other companies and real estate projects;
- Vanti Administradora e Incorporadora Ltda. (Vanti): Its objective is the management of its own assets and of third parties and of its own commercial centers and of third parties, the real estate development and participation in other companies. Vanti owns 100% of the quotas of the companies: Andal Administradora e Incorporadora Ltda. (alienated in August 2019) , ERS Administradora e Incorporadora Ltda., FLK Administradora e Incorporadora Ltda., GAX Administradora e Incorporadora Ltda., SB Bonsucesso Administradora e Incorporadora S.A., XAR Administradora e Incorporadora Ltda., Indui Administradora e Incorporadora Ltda., Palo Administradora e Incorporadora Ltda., Pentar Administradora e Incorporadora Ltda., Poli Shopping Center Empreendimentos Ltda. and Fonte Administradora e Incorporadora Ltda. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;

- Vide Serviços e Participações Ltda. (Vide): is engaged in providing services referring to institutional disclosures, managing its own properties and third-party properties, real estate development and holding interest in other companies and real estate development ventures;
- Vul Administradora e Incorporadora Ltda. (Vul): the business activity of which is to manage its own assets and third-party assets, real estate development and hold ownership interest in other companies and real estate ventures. Vul is the owner of 50.1% of Parque Shopping Maia;
- Wass Comércio e Serviços de Águas Ltda. (Wass): is engaged in leasing water exploration, treatment and distribution equipment, as well as providing installation, maintenance and consultancy services, inherent. Currently, Wass is in charge of leasing water exploration, treatment and distribution equipment to Internacional Guarulhos Auto Shopping Center, Cascavel JL Shopping, Suzano Shopping (until September 2019), Outlet Premium São Paulo, Outlet Premium Brasília, Shopping do Vale, Parque Shopping Barueri, Poli Shopping, Shopping Bonsucesso, Outlet Premium Salvador, Parque Shopping Maia and Outlet Premium Rio de Janeiro;

  XAR Administradora e Incorporadora Ltda. (XAR): the business activity of which is to manage its own assets and third-party assets, real estate development, hold interest in other companies and in real estate ventures. Currently, XAR holds 48% interest in Parque Shopping Barueri. Granted to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB in April 2019;
- Zuz Administradora e Incorporadora Ltda. (Zuz): the business activity of which is to manage its own assets and third-party assets, real estate development and hold interest in other companies and real estate ventures.

The following subsidiaries: BR Outlet Administradora e Incorporadora Ltda. (BR Outlet), Premium Outlet Administradora e Incorporadora Ltda. (Premium Outlet), Jauá Administradora e Incorporadora Ltda. (Jauá), Bavi Administradora e Incorporadora Ltda. (Bavi), Tequs Administradora e Incorporadora Ltda. (Tequs), Poli Shopping Administração e Serviços Ltda. (Poli Adm.), BAC Administradora e Incorporadora Ltda. (BAC), Mai Administradora e Incorporadora Ltda (MAI), Zuz Administradora e Incorporadora Ltda. (ZUZ), Babi Administradora e Incorporadora Ltda. (BABI), Dan Administradora e Incorporadora Ltda (DAN), Loa Administradora e Incorporadora Ltda. (LOA) and EDO Empreendimentos e Participações S.A. (EDO), have as their purpose managing its own properties and third-party properties and real estate development. The companies have no records of operations as of March 31, 2020.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The Company holds direct participation, as of March 31, 2020 and December 31, 2019, in the following undertakings:

	03/31/2020			12/31/2019		
	Share	Total GLA (m²)	Own GLA (m²)	Shate	Total GLA (m²)	Own GLA (m²)
Shopping Center						
Auto Shopping	100%	11,477	11,477	100%	11,477	11,477
Cascavel JL Shopping	85.5%	8,877	7,590	85.5%	8,877	7,590
Shopping do Vale	84.4%	16,882	14,247	84.4%	16,882	14,247
Unimart Shopping Campinas	0.5%	15,878	79	0.5%	15,878	79
Parque Shopping Barueri	48.0%	36,300	17,424	48.0%	36,300	17,424
Outlet Premium Brasília	3.0%	16,162	485	3.0%	16,162	485
Shopping Bonsucesso	0.1%	25,273	25	0.1%	25,273	25
Parque Shopping Maia (*)	50.1%	31,711	15,887	50.1%	31,711	15,887
		162,560	67,214		162,560	67,214

(*) According to the Material Fact published on April 26, 2019, the ideal fraction of 13.4% of the property was donated as part of the payment for the usufruct extinction operation, highlighted in note 19.

2. Presentation of quarterly information and main accounting policies

2.1. Basis of preparation of the individual and consolidated quarterly information

2.1.1. Compliance statement

The Company presents its Interim and Consolidated Interim Financial Information, contained in the Quarterly Information Form - ITR, prepared simultaneously in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Statements and with the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and presented in a manner consistent with the rules issued by the CVM, applicable to the preparation of the Quarterly Information - ITR, and are identified as "Parent Company" and "Consolidated" respectively.

The Company's Management declares and confirms that all relevant information contained in the interim financial information is being disclosed and that corresponds to that used by the Company's Management in its management.

As there is no difference between the consolidated shareholders 'equity and the consolidated results attributable to the shareholders of the parent company, included in the consolidated interim financial information and shareholders' equity and the results of the parent company, included in the individual interim financial information, the Company elected to present such accounting information and consolidated in a single set, side by side.

Operational continuity

Based on our best of our knowledge, there are no material facts or contingencies that have not been reported and that may (i) prevent the ordinary business continuity of the Company and its subsidiaries, and / or (ii) significantly affect the financial and equity position. influence its assessment as a continuing venture. Accordingly, the individual and consolidated interim financial information was prepared taking this assumption into account.

The company is attentive to COVID-19 and its repercussions in a global scenario, as well as to the measures eventually adopted by government authorities. However, it is not yet possible to measure the impacts of COVID-19 on the Company's activities.

The eventual impacts on the Brazilian and international economy caused by Covid-19 may contribute, among other consequences, (i) to negatively impact sales, operating income and cash flows; (ii) impair the financial condition of certain customers and suppliers; and (iii) reducing certain investment programs. The Company regularly monitors interest rate and exchange rate risks, credit risk management and capital management. The Company believes that it has no evidence of a risk of operational continuity to date.

Capital structure and net working capital

The Company shows a reduction in the equity position of R$4,371 on December 31, 2019, to a negative equity of R$306,349 on March 31, 2020, mainly due to non-monetary factors and without cash effect, that is, generated due to the impact of the 29% exchange variation on the Company's perpetual debt, which is indexed to the dollar. Accordingly, in accordance with Brazilian accounting standards, the exchange rate variation is recorded in the financial expenses item and affects the result, being reflected in the profit or loss for the period, but has no cash effect or definitive character.

Consolidated net working capital on March 31, 2020 was positive at R$154,133 and the Company has cash and cash equivalents in the amount of R$355,693. Therefore, the Company's Management understands that the planning combined with the efficient management of the results and balance sheet must guarantee its sustainability and demonstrate the elements necessary for the continuity of the operation.

2.1.2. Functional currency and presentation of the individual and consolidated quarterly information

The individual quarterly information of each subsidiary included in the consolidation are prepared by using their functional currency (the currency of the main financial economic environment in which each subsidiary operates).

Upon defining the functional currency of each subsidiary, Management considered which currency has a significant influence in the selling price of the services provided and the currency in which most of the cost of their services provided is paid or incurred. The consolidated quarterly information is presented in Reais (R$), which is the Company's functional and presentation currency.

The subsidiaries located abroad (General Shopping Finance, GS Finance II and GS Investments) neither have their own management team nor administrative, financial, and operational independence. Therefore, the Real (R$) was chosen as the functional currency, which is the functional currency of the Parent Company.

2.1.3. Foreign currency

Upon preparing the Company's individual and consolidated quarterly information, the transactions in foreign currency are recorded in accordance with the foreign exchange rates in effect on the date of each transaction. At the year end, the monetary items in foreign currency are converted at the rates in effect. Translation adjustments on monetary items are recognized in the income for the period/year in which they occur.

2.2. Consolidation basis

The consolidated quarterly information includes the information of the Company and its subsidiaries, closed on the same date, and are consistent with the accounting practices described in Note 2.1.

Control is obtained when the Company has the power to control the financial and operating policies of an entity to earn benefits from its activities. In the applicable cases, the existence and the effect of potential voting rights, which are currently exercisable or convertible, are taken into consideration when assessing whether the Company controls, or does not control, another entity. The subsidiaries are fully consolidated as from the date on which the control is transferred to the Company and they cease to be consolidated, where applicable, as from the date on which the control ceases.

The subsidiaries were fully consolidated including the assets accounts, liabilities accounts, revenues accounts and expenses accounts according to the nature of each account, complemented with the elimination of (a) investment and equity balances; (b) checking account balances and other balances that integrate the assets and/or liabilities held between the consolidated companies; and (c) revenues and expenses, as well as unrealized profits, where applicable, arising from business transactions between the consolidated companies. On March 31, 2020, the Company does not have any non-controlling interest to be presented. The profit or loss of the subsidiaries (including real estate investment funds) acquired or disposed of during the period/year are included in the income statement as from the date of the effective acquisition or up to the date of the disposal, as applicable.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The consolidated quarterly information is presented in Brazilian Reais, the Company's functional currency. The Company reviewed the accounting practices adopted by the subsidiaries abroad and did not identify any differences as compared to the practices adopted in Brazil, to be adjusted in the shareholders' equity and in the income for the period of such investments before determining the profit or loss and the adjusted equity result.

The consolidated quarterly information includes the transactions of the Company and of the following subsidiaries, the percentage interest of which, held as of the balance sheet date, is summarized as follows:

	% – 03/31/2020 – Interest in capital	% – 12/31/2019 – Interest in capital
Direct Subsidiaries		
Levian	100%	100%
General Shopping Finance	100%	100%
GS Finance II	100%	100%
GS Investments	100%	100%
Indirect Subsidiaries		
Alte	100%	100%
Ardan	100%	100%
ASG Administradora	100%	100%
Ast	100%	100%
Atlas	100%	100%
Babi (no operation)	100%	100%
Bac	100%	100%
Bail	100%	100%
Bavi (no operation)	100%	100%
Bot	100%	100%
Br Outlet (no operation)	100%	100%
BR Retail	100%	100%
Brassul	100%	100%
Bud	100%	100%
Dan (no operation)	100%	100%
Delta	100%	100%
EDO (no operation)	100%	100%
Energy	100%	100%
FAT	100%	100%
FIPARK	100%	100%
GSB Administradora	100%	100%
GS Park	100%	100%
Ipark	100%	100%
Jauá (no operation)	100%	100%
Loa (no operation)	100%	100%
MAI	100%	100%
Manzanza	100%	100%
POL	100%	100%
Poli Shopping Administração e serviços	50%	50%
Premium Outlet (no operation)	100%	100%
Rumb	100%	100%
Sale	100%	100%
Securis	100%	100%
Send	100%	100%
Tela	100%	100%
Tequs (no operation)	100%	100%
Uniplaza	100%	100%
Vide	100%	100%
Vul	100%	100%
Wass	100%	100%
Zuz	100%	100%

2.3. Investments in subsidiaries

The Company's investments in its subsidiaries are evaluated based on the equity method, according to CPC 18 (R2) (IAS 28) - Investments in Associates and Joint Ventures, for the purposes of the Parent company's financial information. Based on the equity method, the investment in subsidiaries is accounted for in the balance sheet of the parent company at cost, plus the changes after the acquisition of interest in the subsidiary.

The ownership interest in the subsidiaries is presented in the Company's income statement as equity accounting, representing the net income or loss assignable to the Parent Company's shareholders.

The quarterly information of the subsidiaries is prepared in the same reporting period as that of the Company. Where necessary, adjustments are made so that the accounting policies are in accordance with those adopted by the Company.

After applying the equity method of accounting, the Company determines whether it is necessary to recognize impairment on the Company's investment in its subsidiaries. The Company determines at each interim closing date whether there is objective evidence that the investment in a subsidiary suffered impairment. If so, the Company calculates the amount of the impairment as the difference between the recoverable amount of the subsidiary and its book value, and then it recognizes the amount in the income statement.

2.4. Presentation of segment information

The segment information is presented in a manner that is consistent with the internal report provided to the chief operating decision maker. The chief operating decision maker, in charge of allocating resources and assessing the performance of the operating segments, is represented by the CEO.

2.5. Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits, other immediately liquid short-term investments at a known amount of cash and subject to an insignificant risk of having its value changed, which are recorded at cost plus yield earned up to the balance sheet dates, which do not exceed their market or realization value.

2.6. Financial instruments

Recognition and Measurement

Financial assets and liabilities are initially measured at fair value. The costs of the transactions that are directly attributable to the acquisition or issuance of financial assets and liabilities (except for financial assets and liabilities recognized at fair value in the Company's income statement) are increased by, or deducted from, the fair value of financial assets or liabilities, where applicable, after initial recognition.

The transactions costs that are directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the income statement.

The Company's financial instruments are represented by cash and cash equivalents, accounts receivable, financial investments, accounts payable, perpetual bonds, loans and financing and derivative financial instruments.

Classification

The financial instruments of the Company and its subsidiaries were classified under the following categories:

a) Measured at fair value through profit or loss

   Financial assets measured at fair value through profit or loss are financial assets held for negotiation, when acquired for that purpose, mainly in the short term. Derivative financial instruments are also classified in this category. The assets of that category are classified in current assets. The balances referring to gains or losses arising from unsettled transactions are classified in current assets or liabilities and the changes in the fair value are respectively recorded in "Financial income" or "Financial expenses".

b) Financial assets and liabilities at amortized cost

   Non-derivative financial instruments with fixed or determinable payments or receipts that are not quoted in active markets. They are classified as current assets, except for those with a maturity of more than 12 months after the date of preparation of the interim accounting information, which are classified as non-current assets. The Company's financial assets correspond to loans to related parties, trade accounts receivable, cash and cash equivalents, financial investments and other accounts receivable.

c) Financial liabilities at amortized cost

   Represented by bank loans and financing, and amounts balances of checking accounts with related parties, except for the checking account, the others are stated at original value, plus interest, inflation adjustments and translation adjustments incurred up to the dates of the financial statements. Financial liabilities are initially measured at fair value, net of transaction costs. Later, they are measured at amortized cost using the effective interest rate method, and the financial expenses are recognized based on the effective yield.

2.7. Derivative financial instruments

The Company has derivative financial instruments to manage its exposure to foreign exchange rate and interest rate risks. Explanatory Note 28 contains further and more detailed information on derivative financial instruments.

Derivatives are initially recognized at fair value on the date they are entered into and are later re-measured at fair value at the closing of each period/year. Eventual gains or losses are immediately recognized in P&L.

When a derivative financial instrument is listed in a stock exchange, its fair value must be measured by means of valuations techniques based on stock market quotations, where the price used to calculate the fair value is the one at the closure of each month. For those cases of derivatives not listed, that is, over the counter, the fair value must be calculated by means of valuation methods at present value by discounted future cash flow method, and based on market information as of the last day of the month.

2.8. Impairment on Financial Instruments

Financial assets, except for those at fair value through profit or loss, are evaluated according to impairment indicators at the end of each period or year. Losses due to impairment are recognized when there is objective evidence of the impairment of the financial assets as a result of one or more events that have occurred after their initial recognition, with an impact on the estimated future cash flows of such assets.

The criteria that the Company and its subsidiaries use to determine whether there is objective evidence of impairment of financial assets include:

- significant financial difficulties of the issuer or debtor;
- agreement breach, such as default or the late payment of interest or the principal amount;
- likelihood of the debtor declaring bankruptcy or financial reorganization;
- the extinguishment of an active market for that financial asset by virtue of financial problems.

The book value of the financial assets is directly reduced due to impairment, except for accounts receivable where the book value is reduced due to the use of a provision. The subsequent recovery of amounts previously written off is credited to the provision. Changes in the book value of the provision are recognized in P&L.

2.9. Trade accounts receivable and related parties

Trade accounts receivable and related parties are initially recorded at the amounts invoiced on the basis of the lease agreements and of the services provided, adjusted by the effects arising from the recognition of revenue from rents on a straight-line basis calculated in accordance with the terms provided for in the agreements, including, where applicable, yield and inflation adjustment gains.

The allowance for doubtful accounts is created at an amount considered sufficient by Management to cover probable losses in the realization of accounts receivable, considering the following criterion: the individual analysis of debtors, regardless of the maturity dates, as described in Note 6.

The expenses with the creation of an allowance for doubtful accounts were recorded in "General and administrative expenses" in the income statement.

2.10. Investments properties

Investment properties are represented by land and buildings in shopping malls held for earn yield from rent and/or capital valuation, as disclosed in Explanatory Note 11.

Investment properties are initially recorded at acquisition or construction cost. After the initial recognition, the investment properties are presented at fair value, except for properties under construction ("greenfields") and land for future expansion. Gains or losses from fair value variations of investment properties are included in the year's statement of income in the period and fiscal year in which they are generated.

Properties held for investment construction ("greenfields") are recognized by the construction cost up to the moment in which operations start or when the Company is able to measure the fair value of assets reliably.
The costs incurred relating to investment properties under use, such as maintenance, repairs, insurance and property taxes are recognized as costs in the income statement to which they refer.

Investment properties are written off after disposal or when they are permanently withdrawn from use and there are not future economic benefits resulting from disposal. Any gains or losses resulting from the write off of the property (calculated as the difference between net revenues from disposal and the book value of the asset) is recognized in the income for the periods in which the property is written off. For transactions in which the investment is realized under a co-venture regime, in which the amounts paid by the partner to the Company are held in liabilities as advance payments until the effective transfer of the risks and rewards of ownership of the asset (completion of construction), when the difference between the net amounts from disposal and book value amounts are recognized in Profit and Loss (P&L).

Financial charges with regard to loans and financing incurred during the construction period, where applicable, are capitalized.

2.11. Fixed assets

These are stated at acquisition cost. Depreciation is calculated on a straight-line basis at the rates described in Explanatory Note 12, which consider the estimated economic life-cycles of the assets.

Residual values and the life-cycles of the assets are annually reviewed and adjusted, if applicable.

An item of the fixed item is written off after disposal or when there is no any future economic benefit resulting from the continuous use of the asset. Any gains or losses on the sale or write off of an item of the fixed assets are determined by the difference between the amounts received on the sale and the book value of the asset and are recognized in P&L.

2.12. Intangible assets

Intangible assets with definite useful lives, acquired separately, are recorded at cost, minus amortization and accumulated impairment losses. Amortization is recognized according to the straight-line method based on the estimated useful lives of the assets. The estimated useful life and the amortization method are reviewed at the end of each fiscal year and the effect of any changes in the estimates is accounted for, prospectively.

2.13. Impairment of tangible and intangible assets

Items of the fixed assets, investment properties, intangible assets and other noncurrent assets are annually evaluated to identify evidence of impairment or whenever significant events or changes in the circumstances indicate that the book value might be impaired. When there is loss deriving from the situations in which the book value of the asset exceeds its recoverable amount, in this case defined by the value in use of the asset, using the discounted cash flow method, such loss is recognized in the income for the fiscal period/year.

As of March 31, 2020 and December 31, 2019, there have been no evidences suggesting the assets would not be recoverable. Investment properties are evaluated at fair value, changes in appraisal report values are recorded in the fiscal year's income statement.

Until the date of the issuance of the interim accounting information, Management cannot estimate any variation in the fair value of investment properties, due to the pandemic COVID-19.

2.14. Other assets (current and non-current)

An asset is recognized in the balance sheet when it is a resource controlled by the Company deriving from past events and from which it is expected that future economic benefits will inure to the Company. Other current and noncurrent assets are stated at cost or realization value, including, where applicable, the yield and inflation and translation adjustments earned up to the dates the period are closed.

2.15. Other liabilities (current and non-current)

A liability is recognized in the balance sheet when the Company has a legal or constructive obligation resulting from an event in the past and it is probable that an economic resource will be required to settle it.

Other current and noncurrent liabilities are stated at known or calculable amounts, plus the corresponding charges and inflation and /or translation adjustments incurred up to the balance sheet date, where applicable.

2.16. Provisions

Provisions are recognized to present liabilities (either legal or presumed) resulting from past events in which it is possible to reliably estimate the amounts and the settlement of which is probable. The amount recognized as a provision is the best estimate of the considerations required to settle a liability at the end of each period or year, considering the risks and uncertainties pertaining to the liability.

2.17. Provision for labor, tax, civil and social security risks

A provision for civil, tax, labor and social security risks is created for lawsuits, the future disbursement probabilities of which are considered probable by the legal advisors and Management of the Company and its subsidiaries, considering the nature of the lawsuits and the experience of Management with similar lawsuits, as described in Explanatory Note 20.

2.18. Borrowing costs – interest capitalization

The financial charges of loans obtained that are directly linked to the acquisition, construction or production of investment properties in progress are capitalized and thus are part of the cost of the asset. The capitalization of such charges starts after the beginning of the preparation of an asset's construction or development activities and is interrupted soon after the beginning of its use or the end of its production or construction.

The borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which necessarily take a substantial period of time to be ready for use or sale, are added to the cost of such assets up to the date in which they are ready for the intended use or sale.

Gains on investments deriving from the temporary investment of resources obtained with specific loans not yet spent with the qualifying asset are deducted from the costs with loans that are entitled to be capitalized. All of the other costs with loans are recognized in the income for the period/year in which they are incurred.

2.19. Current and deferred tax income

The provision for income tax and social contribution is accounted for the actual and assumed profit regime and was established at the rate of 15%, plus the additional 10% rate on annual taxable income exceeding R$ 240. Social contribution was calculated at the rate of 9% on the adjusted book profit.

As allowed by the tax legislation, certain subsidiaries included in the consolidated financial information chose to be taxed according to the presumed profit tax regime. The basis of calculation of income tax and social contribution is calculated at the rate of 32% on the gross revenues from services provided, 8% on the fair value adjustment and on sale of investment properties, 100% of financial revenues, on which the regular rate of 15% applies, plus the additional 10% for income tax and 9% for social contribution. For that reason, such consolidated companies did not record deferred income tax and social contribution assets on tax losses, negative bases and temporary differences and are not inserted in the context of non-cumulativeness in determining the Tax on Gross Revenues for the Social Integration Program (PIS) and the Tax on Gross Revenues for Social Security Financing (COFINS).

Deferred income tax and social contribution are recognized on the temporary differences arising from the differences between the tax bases of assets and liabilities and their book values in the financial information. Deferred income tax and social contribution are determined by using enacted, or substantially enacted, tax rates (and tax laws) at the balance sheet date, and must be applied when the respective deferred tax asset is realized or when the deferred tax liability is settled. The rates of these taxes, currently defined for the determination of such deferred credits, are 25% for income tax and 9% for social contribution.

2.20. Revenue recognition

Revenue from rents is recognized according to the straight-line method based on the duration of the agreements, taking into consideration the contractual readjustment and the collection of the 13th rent, and the revenue from services provided is recognized when the services are effectively provided.

Our revenues mainly come from the following activities:

a) Rent

“Rent” refers to the lease of space to tenants and other commercial spaces such as sales stands and includes the lease of commercial spaces for publicity and promotion purposes. The lease of stores to tenants in shopping malls corresponds to the largest percentage of the Company’s revenues.

b) Parking lots

“Parking lots” refers to the revenue from exploiting parking lots.

c) Services

“Services” refers to revenue from managing energy and water supplies in the shopping malls.

Revenue from assignments to appropriated

Revenues from the transfer of rights of use to tenants, equipment rental and usufruct of ideal fractions of the parking of Shopping Bonsucesso, Parque Shopping Maia and Shopping Suzano are appropriated to P&L according with the respective term of the first lease agreement, or rights of use agreement, or the usufruct agreement.

2.21. Investment property in negotiation for sale

When the Company is committed to a sale plan for the disposal of an investment property, these assets are classified for current assets, following the premises of CPC 28 - Investment Properties. Investment property must be written off (removed from the balance sheet) in the disposal or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

2.22. Basic and diluted Profit/Loss per share

In compliance with Technical Standard CPC 41 (IAS 33), basic profit or loss per share is calculated by taking into account the income for the period/year and the weighted average of outstanding shares in the respective period/year. In the Company's case, the diluted profit or loss per share is equal to the basic profit or loss per share, once the Company does not have any potential dilutive common or preferred shares.

2.23. Statement of added value

The purpose of the statement of value added is to evidence the wealth created by the Company and how it is distributed during certain period of time and is presented by the Company, as required by the Brazilian corporate legislation as part of its individual financial information and as supplementary information to the consolidated financial information, for it is not a statement provided for nor compulsory according to the IFRS.

The Statement of Value Added was prepared based on information obtained from the accounting records that serve as the preparation basis of the quarterly information.

2.24. Use of estimates and critical judgment

The preparation of the quarterly information according to the accounting practices adopted in Brazil and in conformity with the IFRS require Management to use estimates to record certain transactions that affect the assets, liabilities, revenues and expenses of the Company and of its subsidiaries, as well as the disclosure of information about the data in their quarterly information.

The estimates must be determined based on the best existing knowledge, as of the date of approval of the quarterly information, concerning ongoing events and transactions and according to the experience of past and / or current events.

The final results of such transactions and information, when they are effectively performed in subsequent periods, may differ from such estimates.

The main assumptions relative to sources of uncertainty in future estimates and other significant sources of uncertainties in estimates as of balance sheet date, involving a significant risk of causing a significant adjustment to the book value of assets and liabilities in the next financial period are discussed below:

a) Fair value of investment properties

The Company hired an external and independent appraisal firm that has renowned appropriate professional qualification in the region and in the type of property that is being appraised, to evaluate the Company's investment properties every year.

The fair values are based on the market values of investment properties and the estimated value at which a property could be exchanged on the date of the appraisal between the knowledgeable and interested parties in a transaction at arm's length. This calculation is based on a detailed inspection, including historic analysis, current situations, future perspectives, and location of investment properties appraised outside markets in general.

b) Deferred taxes income and social contribution

The Company and its subsidiaries, when applicable, recognize deferred assets and liabilities based on the differences between the book value presented in the quarterly information and the tax base of the assets and liabilities using the rate in effect.

Deferred tax assets are recognized for all of the tax losses not used in the extent to which the Company has taxable temporary differences (deferred IRPJ and CSLL tax liabilities). Such losses refer to the Company that presents a history of losses that do not prescribe. Accumulated tax loss carry-forwards are restricted to the limit of 30% of the taxable income generated in a certain fiscal year.

Deferred income tax and social contribution on equity evaluations of investment properties are calculated according to the assumed profit system.

c) Fair value of financial instruments

When the fair value of financial assets and liabilities presented in the balance sheet cannot be obtained on active markets, it is determined by using valuation techniques, including the discounted cash flow method. The data for such methods are based on those practiced on the market, where possible; however, when that is not viable, a certain level of judgment is required to establish the fair value. Such judgment includes considerations about the data used, such as liquidity risk, credit risk and volatility. Changes in the assumptions about such factors could affect the fair value presented in the financial information.

2.25. New standards, amendments and interpretations

The IASB has issued / revised certain IFRS standards, which have been adopted for annual periods beginning on or after January 1, 2020, and the Company has assessed and is evaluating the impacts on its interim financial information of the adoption of these standards:

- Amendment of IFRS 3 - Definition of business. Clarifies aspects for the definition of business, in order to clarify when a transaction should have accounting treatment of business combination or acquisition of assets.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

This change in the standard is effective for years beginning on or after 1/01/2020. The Company does not expect significant impacts on possible future events of business combinations or acquisition of assets;
- Amendment of IAS 1 and IAS 8 - Definition of materiality. Clarifies aspects of materiality for the framework of the accounting standard where this concept is applicable. These policy changes are effective for fiscal years beginning on or after 1/01/2020. The Company does not expect significant impacts on its Financial Statements;
- Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest rate reform. Clarifies aspects related to interest rates in hedge financial instruments. These rule changes are effective for periods / years beginning on / or after 1/01/2020. The Company does not expect significant impacts on its Financial Statements;
- Amendment to IAS 1 - Classification of liabilities as Current or Non-current. Clarifies aspects to be considered for the classification of liabilities as Current Liabilities or Non-current Liabilities. This amendment to the standard is effective for periods / years beginning on / or after 1/01/2022. The Company does not expect significant impacts on its Financial Statements.

3. Cash and cash equivalents and financial investments

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Cash and banks				
In Brazilian Reais				
Cash	16	14	52	51
Banks	3	2	1,403	1,720
In US Dollar				
Banks (a)	-	-	337	10
	19	16	1,792	1,781
Financial investments				
In Brazilian Reais				
CDB (b)	-	-	31,834	33,066
Committed (b)	-	-	73,981	238
Interest-bearing account	-	3	396	533
Exclusive Investment Fund (c)				
Cash	-	-	10	10
Investment Fund	-	-	114	40,140
LFT	-	-	165,927	96,724
Financial Treasury	-	-	12,589	22,922
Committed	-	-	49,050	2,240
Total financial investments		3	333,901	195,873
Total cash and cash equivalents	19	19	335,693	197,654

(a) On Mach 31, 2020, the balance of cash and banks is of R$ 1,792 (consolidated), whereas the amount of R$ 337 is deposited in a checking account abroad is indexed to the US Dollar. As of December 31, 2019, from the total balance of R$ 1,781 (consolidated), the amount of R$ 10 was deposited in a checking account abroad is indexed to the US Dollar;
(b) Resources invested in Bank Deposit Certificates (CDB) and Committed in banks Santander and Itaú with average yield of 97.3% of CDI;
(c) On March 31, 2020, the Exclusive Investment Fund portfolio is substantially composed of securities issued by Brazilian financial institutions and highly liquid federal government bonds, recorded at their realization values, which yield, on average 97.9% do CDI. Such fund does not have any significant obligations with third parties and such obligations are limited to asset management fees and other services inherent in fund transactions;

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

Financial investments classified as cash and cash equivalents are investments that may be redeemed within 90 days, composed of highly liquid securities, convertible into cash and that have an insignificant risk of changes in value.

4. Debentures with related parties

	Consolidated	
	03/31/2020	12/31/2019
Debentures Receivable (a)	220,788	215,188
Total	220,788	215,188

(a) On February 18, 2019, the non-convertible simple unsecured debentures of a single type were issued for private distribution, with maturing on February 18, 2029, at the rate of 4.18% per year + IPCA, with payment of interest and annual amortization as of 2023, except in the case of early maturity, optional early maturity or early redemption in the event of an IPCA absence event of the Issuer Vanti Administradora e Incorporadora S.A., currently in favor of the subsidiary Levian Participações e Empreendimentos Ltda. Between August 28, 2019 and October 31, 2019 there was a partial settlement in the amount of R$154,893.

	Consolidated
	03/31/2020
Balance on 12/31/2019	215,188
Insterest	5,600
Total	220,788

5. Restricted cash

	Consolidated	
	03/31/2020	12/31/2019
Fixed income fund(a)	-	70,809
Total	-	70,809

(a) Amount deposited in Fixed Income Fund at Banco Itaú S.A. with daily liquidity, referring to the additional guarantee of real estate loan and credit transactions (CCI), as described in Notes 14 and 15. On March 23, 2020, the total amount was redeemed.

6. Trade accounts receivable

	Consolidated	
	03/31/2020	12/31/2019
Rental receivable and other	55,060	58,847
Allowance for doubtful accounts	(25,828)	(24,532)
Total	29,232	34,315
Current	27,985	32,687
Non-current	1,247	1,628

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The accounts receivable from clients are stated at the nominal values of the securities that represent the credits, including, where applicable, yields, inflation adjustments earned and effects arising from linearizing the revenue, calculated on a pro rata day basis up to the balance sheet date. Such nominal amounts correspond, approximately, to their respective present values because they are realizable within the short term.

The Company's maximum exposure to credit risk is the book value of the abovementioned accounts receivable. To mitigate such risk, the Company follows the practice of analyzing the types of collection (rents, services and other items), considering the average history of losses, Management periodically monitoring its clients' equity and financial position, establishing credit limits, analyzing credits that have been past due for more than 180 days and permanently monitoring their debit balance, among other practices. The client portfolio that has not been accrued refers to clients whose individual analysis of their financial position did not show that they would not be realizable.

In order to evaluate the quality of the credit of potential clients, the Company considers the following assumptions: the amount of the guarantee offered must cover at least 12 months of occupancy costs (rent, plus common charges and promotion funds, multiplied by 12); the guarantees accepted (properties, letter of guarantee, insurance, etc.); the good standing of the individuals and legal entities involved in the rental (partners, guarantors, debtors) and the use of SERASA as reference for consultations.

The provision movements transaction for doubtful account for the periods ended on March, 31 2020 and December 31, 2019 is the following:

	Consolidated	
	03/31/2020	12/31/2019
Balance at the beginning of the period	(24,532)	(34,312)
Credits provisioned and written off in the period	(1,296)	(4,484)
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário - FII GSOB	-	14,264
Balance at the end of the period	(25,828)	(24,532)

The composition of the accounts receivable billed, per maturity period, is the following:

	Consolidated	
	03/31/2020	12/31/2019
Current receivables	16,610	20,527
Overdue		
Up to 30 days	1,837	723
From 31 to 60 days	346	414
From 61 to 90 days	474	502
From 91 to 180 days	5,092	6,274
Above 180 days	30,701	30,407
	38,450	38,320
Total	55,060	58,847

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

As of March 31, 2020, the amount of R$4,873 in accounts receivable from clients (R$5,875 as of December 31, 2019) is overdue for more than 180 days, but no provision has been made for it. The Company understands that the other past due amounts have been duly negotiated with the clients and there have not been any significant changes in the quality of their credit, and the amounts are considered recoverable.

During the month of March 2020, due to the COVID-19 pandemic, the Company reassessed the estimate of allowance for loan losses and supplemented it by R$1,463. The Company is evaluating the possible impacts that the new pandemic may have on its operation, depending on the duration of travel restrictions and maintenance of shopping center closings.

7. Taxes Recoverable

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Withholding Income Tax (IRRF) on investment	-	-	-	4,994
IRRF Recoverable	3	3	682	791
Services Taxes (ISS)	-	-	65	49
PIS and COFINS recoverable	-	-	133	85
Income Tax – anticipation	1,892	1,833	27,085	21,634
Social contribution – anticipation	633	628	5,175	5,100
Other taxes recoverable	-	-	193	181
Total	2,528	2,464	33,333	32,834
Current	2,528	2,464	33,306	32,807
Non-current	-	-	27	27

8. Other accounts receivable

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Extinction of usufruct (a)	-	-	18,350	18,350
Receivable amounts	-	-	23,512	23,512
Amounts receivable Suzano	-	-	58,696	58,234
Insurance expenses to record	160	10	404	63
Suppliers advances	7	7	3,407	3,654
Advance of labor benefits	10	56	22	86
Expenses to record	385	367	687	367
Accounts receivable from other enterprises	273	273	1,557	2,327
Commissions to be apportioned	-	-	1,074	1,018
Other accounts receivable	143	103	473	241
Total	978	816	108,182	107,852
Current asset	705	543	23,233	23,468
Non-current asset	273	273	84,949	84,384

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

(a) Amounts receivable arising mainly from the extinction of usufruct in the projects granted to the FII GSOB as mentioned Note 19.

9. Related parties transactions

a) Balances and transactions with related parties

During the course of the Company's business, the shareholders, the subsidiaries and the civil condominiums (jointly-owned properties) enter into financial and commercial transactions among themselves, which include: (i) the provision of consulting services and operating assistance relating to the supply of water and energy and to the electrical installations; (ii) management of shopping malls; (iii) management of shopping mall parking lots; (iv) commercial lease agreements; and (v) agreements and decisions made with respect to condominium rules.

Generally speaking, all of the terms and conditions of the agreements entered into by and between the Company and related parties are in accordance with the terms and conditions that are usually adopted in loan agreements on commutative and market bases, as if the loan occurred with a non-related party, except for the balance of current account agreements on which financial charges are not levied.

Management individually negotiates agreements with related parties, analyzing their terms and conditions in the light of the terms and conditions usually adopted in the market, the particularities of each transaction, including timeframes, amounts, compliance with quality standards, thus having the agreement with the related party reflect the option that best meets the interests of the Company with respect to timeframes, amounts and quality conditions, when compared with other similar providers.

The balances as of March 31, 2020 and December 31, 2019, in the Parent Company, are presented in following:

	Company	
	03/31/2020	12/31/2019
Assets		
Levian	-	7,152
Vanti	12,459	12,459
General Shopping e Outlets do Brasil Fundo de Investimentos Imobiliário – FII GSOB	1,766	1,766
Other	2,337	2,334
Total	16,562	23,711

	Company	
	03/31/2020	12/31/2019
Liabilities		
I Park (a)	6,569	6,569
Delta (a)	7,330	7,330
Levian (a)	1,551	-
Total	15,450	13,899

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

(a) They refer to costs to liabilities on which no financial charges are levied and which have no maturity dates.

The balances as of March 31, 2020 and December 31, 2019, in the consolidated, are the following:

	Consolidated	
	03/31/2020	12/31/2019
Assets		
Condomínio Outlet Premium Brasília (c)	2,466	2,466
Condomínio do Vale (c)	2,110	2,110
Condomínio Bonsucesso (c)	346	346
Condomínio Volunt. Civil Parque Shop Maia (c)	5,762	5,810
Golf Participações Ltda. (a)	36,744	35,663
Nova Poli Shopping Center	102	102
Individuals (c)	163	163
Group VANTI (c)	11,429	7,772
Other (c)	876	884
Total – Não circulante	59,998	55,316

	Consolidated	
	03/31/2020	12/31/2019
Liabilities		
SAS Venture LLC (b)	32,426	24,650
Condomínio Unimart Campinas	493	493
Other (c)	1,566	1,566
Total	34,485	26,709

(a) Transactions between related parties to the controlling shareholder is subject to financial charges of 1% per month. There is no timeframe to receive it;
(b) Upon ownership reorganization, the capital stock of the subsidiary “Park Shopping Administradora” was reduced and has been being returned to the then shareholder SAS Ventures LL, semi-annual installments actualized by exchange rate, since September 14, 2007;
(c) On the transactions between related parties do not financial charges are levied and there are no maturity dates set forth;

b) Remuneration of key management

On the quarterly ended March 31, 2020 and 2019, the Company paid its managers short-term benefits (salaries, wages, contributions to social security, profit sharing and medical insurance) in the amount of R$ 1,397 and R$ 1,351, respectively, as evidenced below:

	Consolidated	
	03/31/2020	03/31/2019
Director’s fee	969	954
Variable remuneration and charges	193	191
Benefits	235	206
Total	1,397	1,351

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

No amount was paid by way of: (i) post-employment benefits (pensions, other retirement benefits, post-employment life insurance and post-employment medical assistance); (ii) long-term benefits (leaves due to years of service or other leaves, jubilees or other benefits for years of service and benefits for long-term disability); and (iii) share-based compensation.

In the Ordinary and Extraordinary General Shareholders' Meeting held on April 30, 2020, the global remuneration of R$13,330 for fiscal year 2020 (R$13,330 for fiscal year 2019) was approved.

10. Investments

	% – Interests	Stocks /share quantity held	Share Capital	Profit (Loss) of the period	Equity	Equity in earnings of subsidiaries	Investments 03/31/2020	Investments 12/31/2019
Direct subsidiaries – Investments								
Levian	50.1	347,798,356	693,707	104,463	882,064	52,336	441,914	389,578
Vanti	-	-	-	-	-	-	-	-
FII – GSOB	-	-	-	-	-	-	-	-
			693,707	104,463	882,064	52,336	441,914	389,578
Provision for losses on Investments In subsidiaries								
General Shopping Finance	100	50,000	81	(97,460)	(209,421)	(97,460)	(209,421)	(111,962)
GS Investments	100	50,000	-	(259,522)	(522,961)	(259,522)	(522,961)	(263,438)
GS Finance II	100	50,000	81	-	(814)	-	(814)	(814)
			162	(356,982)	(733,196)	(356,982)	(733,196)	(376,214)
Net balance			693,869	(252,519)	148,868	(304,646)	(291,282)	13,364

	% – Interests	Stocks /share quantity held	Share capital	Profit (Loss) of the period	Equity
Indirect subsidiaries – Levian					
Atlas	100%	3,816,399	3,816	5,747	172,222
Babi	100%	10,000	10	-	10
Bac	100%	10,000	29,302	-	14,692
BR Outlet	100%	10,000	10	(5)	(52)
Bud	100%	10,000	10	77	4,610
Dan	100%	10,000	10	-	10
Delta	100%	89,693	89,693	581	251,305
Edo	100%	10,000	1	(1)	(4)
Fipark	100%	10,000	563	54	7,979
Jauá	100%	10,000	10	(1)	25
Loa	100%	10,000	10	-	10
Mai	100%	1,409,558	1,410	(3)	1,563
Poli Adm.	50%	100,000	100	(3)	(9)
Premium Outlet	100%	10,000	10	(1)	(5)
Securis	2.7%	194,579,548	178,825	(8,060)	185,715
Send	100%	262,581,624	289,000	3,499	458,481
Uniplaza	100%	42,948,318	42,948	(37)	35,754
Vul	100%	350,689,894	424,382	776	238,473
Zuz	100%	58,139,780	58,140	24	95,264

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

	% – Interests	Stocks /share quantity held	Share Capital	Profit (Loss) of the period	Equity
Indirect subsidiaries – Atlas					
Alte	100%	50,000	1,582	(2)	(255)
ASG Administradora	100%	20,000	1,945	11	2,177
Ast	100%	1,497,196	1,497	220	8,887
BR Brasil Retail	100%	100	3,864	(334)	(551)
Energy	100%	10,000	10	3,767	98,698
GS Park	100%	10,000	2,774	163	5,079
GSB Administradora	100%	1,906,070	4,212	925	57,314
Ipark	100%	3,466,160	3,466	46	33,651
Vide	100%	10,000	10	-	(199)
Wass	100%	10,000	10	961	30,938

	% – Interests	Stocks /share quantity held	Share capital	Profit (Loss) of the period	Equity
Indirect subsidiaries – GS Investment					
Ardan	100%	10,000	10	4	130
Bail	100%	10,000	10	(1)	516
Bavi	100%	10,000	10	-	(26)
Bot	100%	51,331,650	51,332	48	72,091
Brassul	100%	25,630,617	25,631	48	69,154
FAT	100%	10,000	11,618	(1)	1,003
Manzanza	100%	21,078,331	52,813	(59)	49,685
POL	100%	58,921,553	58,922	-	43,455
Rumb	100%	10,000	10	-	(157)
Sale	100%	14,702,069	14,702	73	69,898
Securis	97.3%	178,825,570	178,825	(8)	185,715
Tela	100%	10,000	-	(45)	(486)
Tequs	100%	10,000	10	-	4

The changes for the quarterly ended on March 31, 2020 are the following:

Balances on December 31, 2019	13,364
Equity in earnings of subsidiaries	(304,646)
Balances on March 31, 2020	(291,282)

11. INVESTMENT PROPERTIES

	Consolidated		
	Em operação	"Greenfields" projects under construction	Total
Balances on December 31, 2018	2,001,203	127,581	2,128,784
Acquisition / Additions (iv)	359,818	184,716	544,534
Disposal (iii)	(321,772)	-	(321,772)
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário – FII GSOB (ii)	(1,412,425)	(24,354)	(1,436,779)
Transfer to fixed assets	(11,592)	-	(11,592)
Fair value adjustments (i)	45,095	-	45,095
Balances on December 31, 2019	660,327	287,943	948,270
Acquisition / Additions (iv)	1,051	23,469	24,520
Balances on March 31, 2020	661,378	311,412	972,790

(i) Amounts recognized in income for the year;

(ii) Contribution to General Shopping e Outlets do Brazil Fundo de Investimento Imobiliário - FII GSOB, as mentioned note 1.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

(iii) Sale of 13.4% of Parque Shopping Maia and sale of 100% of Shopping Suzano;
(iv) Acquisition of 100% of Shopping Suzano, 48% of Shopping Barueri and 3% of Outlet Brasília and construction of the Premium Outlet Grande São Paulo.

Investment properties given to guarantee loans are described in Explanatory Notes 14 and 15.

Fair value assessment

The fair value of each investment property in operation was determined by the appraisal performed by a specialist independent firm (CB Richard Ellis).

The methodology adopted to appraise such investment properties at fair value is the one prescribed by The Royal Institution of Chartered Surveyors (R.I.C.S.), in Great Britain, and by the Appraisal Institute in the United States, which are internationally used and well known for appraisal cases and other analyses.

All of the calculations are based on the physical qualification analysis of the property studied and on the several pieces of information obtained in the market, which are properly treated to be used in determining the value of the undertaking.

For the appraisals, ten-year cash flows were prepared, not considering the inflation that might exist in that period. The weighted average discount rate applied to the cash flow was 9.40% and the average capitalization rate (perpetuity) adopted in the 10th year was 7.73%.

Until the date of issuance of the interim financial information, Management does not expect a reduction in the fair value of investment properties, due to the COVID pandemic.

12. Fixed assets

	Company						
		03/31/2020			12/31/2019		
	% – Depreciation rate	Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
Buildings	2 to 4	587	(256)	331	587	(250)	337
Furniture and fixtures	8 to 15	523	(335)	188	523	(326)	197
Machinery and equipment	8 to 15	1,414	(709)	705	1,414	(704)	710
Computer equipment	15 to 25	1,541	(1,400)	141	1,508	(1,385)	123
Improvements on third parties properties	8 to 15	739	(711)	28	701	(670)	31
Suppliers advances	-	307	-	307	307	-	307
Total		5,111	(3,411)	1,700	5,040	(3,335)	1,705

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

		Consolidated					
		03/31/2020			12/31/2019		
	% – Depreciation rate	Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
Buildings	2 to 4	1,596	(1,264)	332	1,596	(1,258)	338
Furniture and fixtures	8 to 15	3,456	(3,227)	229	3,448	(3,188)	260
Machinery and equipment	8 to 15	13,186	(1,255)	12,561	13,811	(1,244)	12,567
Vehicles	15 to 25	122	(51)	71	122	(41)	81
Computer equipment	8 to 15	2,404	(2,140)	264	2,346	(2,115)	231
Improvements on third parties properties	8 to 15	6,740	(6,500)	240	6,700	(6,446)	254
Suppliers advances		4,396	-	4,396	4,396	-	4,396
Total		32,530	(14,437)	18,093	32,419	(14,292)	18,127

Changes to Fixed assets, as show subsequently, for the quarterly ended on March 31, 2020:

	Company				
	12/31/2019	Additions	Disposals	Depreciation	03/31/2020
Buildings	337	-	-	(6)	331
Furniture and fixtures	197	-	-	(9)	188
Machinery and equipment	710	-	-	(5)	705
Computers equipment	123	33	-	(15)	141
Improvements on third parties properties	31	38	-	(41)	28
Suppliers advances	307	-	-	-	307
Total	1,705	71	-	(76)	1,700

	Consolidated				
	12/31/2019	Additions	Disposals	Depreciation	03/31/2020
Buildings	338	-	-	(6)	332
Furniture and fixtures	260	8	-	(39)	229
Machinery and equipment	12,567	5	-	(11)	12,561
Vehicles	81			(10)	71
Computers equipment	231	58	-	(25)	264
Improvements on third parties properties	254	40	-	(54)	240
Suppliers advances	4,396	-	-	-	4,396
Total	18,127	111	-	(145)	18,093

13. Intangible assets

		Company					
		03/31/2020			12/31/2019		
	% – Amortication rate	Cost	Accumulated amortization	Net amount	Cost	Accumulated amortization	Net amount
Undefined Useful Life							
Trademarks and patents	-	454	-	454	447	-	447
Defined Useful Life							
Software	20	19,065	(17,386)	1,679	19,056	(17,168)	1,888
Total		19,519	(17,386)	2,133	19,503	(17,168)	2,335

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

		Consolidated		
		03/31/2020		
	% – Amortization rate	Cost	Accumulated amortization	Net amount
Undefined Useful Life				
Trademarks and patents	-	4,443	-	4,443
Defined Useful Life				
Software	20	21,809	(19,379)	2,430
Use right of Shopping Suzano (a)	1.67	4,505	(555)	3,950
Agreements Renewal Right (b)	10	7,970	(6,030)	1,940
Total		38,727	(25,964)	12,763

		Consolidated		
		12/31/2019		
	% – Amortization rate	Cost	Accumulated amortization	Net amount
Undefined Useful Life				
Trademarks and patentes	-	4,391	-	4,391
Defined Useful Life				
Software	20	21,666	(19,136)	2,530
Use right of Shopping Suzano (a)	1.67	4,505	(555)	3,950
Agreements Renewal Right (b)	10	7,970	(5,831)	2,139
Total		38,532	(25,522)	13,010

(a) On July 30, 2012, the Company pledged to pay to the Municipal Government of Suzano the amount of R$ 4,505 for property right use with charges of an area totaling 11,925.71 m² in the City of Suzano/SP to set up shopping malls. Such right has a 60-year term and is amortized over that period on a straight-line basis;

(b) By means of an appraisal report, we identified as an intangible asset with definite useful life, arising from the acquisition of 100% of the shares of SB Bonsucesso Administradora de Shopping S.A., the right to renew contracts (contract management), which refers to the automatic renewal of lease contracts of the tenants of Shopping Bonsucesso. The method used was the discounted cash flow method with a 10-year useful life span.

The changes in Intangible Assets for the quarterly ended on March 31, 2020 is the following:

	Company						
	Useful life term	Amortization Method	12/31/2019	Additions	Amortization	Disposals	03/31/2020
Undefined Useful Life							
Trademarks and patents	-	-	447	7	-	-	454
Defined Useful Life							
Software	5 years	Linear	1,888	9	(218)	-	1,679
Total			2,335	16	(218)	-	2,133

	Consolidado						
	Useful life term	Amortization Method	12/31/2019	Additions	Amortization	Disposals	03/31/2020
Undefined Useful Life							
Trademarks and patents	-		4,391	52	-	-	4,443
Defined Useful Life							
Software	5 years	Linear	2,530	144	(243)	-	2,430
Right to use Shopping Suzano	60 years	Linear	3,950	-	-	-	3,950
Agreements renewal right	10 years	Linear	2,139	-	(199)	-	1,940
Total			13,010	195	(442)	-	12,763

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

14. Loans and financing

	Currency	% – Average annual interest rate	Maturity	Consolidated 03/31/2020	12/31/2019
Loans and financing					
Perpetual bonds (a)	U$	10%	-	610,875	473,629
Perpetual bonds (b)	U$	13%	-	994,096	754,212
Debt bonds (b)	U$	10%/12%	2026	47,032	37,365
Banco Nacional de Desenvolvimento Econômico e Social (BNDES) Bradesco FINEM (c)	R$	6.8% + TJLP	2021	10,829	12,739
Banco Nacional de Desenvolvimento Econômico e Social (BNDES) Bradesco FINEM (d)	R$	6.8% + Selic	2021	7,207	8,392
Total				1,670,039	1,286,337
Current liabilities				21,930	20,727
Non-current liabilities				1,648,109	1,265,610

(a) On November 9, 2010, the subsidiary General Shopping Finance obtained, by issuing perpetual bonds, the amount of US$ 200,000 corresponding to R$ 339,400, as of the date it was obtained. The perpetual bonds are denominated in US dollars, with quarterly payments of interest at the rate of 10% per year. General Shopping Finance has the option to repurchase the perpetual bonds as from November 9, 2015. According to the perpetual bond issue prospect, the funds obtained are intended for the advance settlement of the CCI and for investing in “Greenfields” and expansions. All of the subsidiaries, except for GSB Administradora, ASG Administradora and FII Top Center, have given sureties to guarantee the transaction. The cost of issue of the perpetual bonds was R$ 11,483 and the effective cost of the transaction totaled 10.28%.

On April 19, 2011, the subsidiary General Shopping Finance obtained, by issuing perpetual bonds, the amount of US$ 50,000 corresponding to R$ 78,960, as of the date it was obtained.
The perpetual bonds are denominated in US dollars, with quarterly payments of interest at the rate of 10% per year. General Shopping Finance has the option to repurchase the perpetual bonds as from November 9, 2015. All of the subsidiaries, except for GSB Administradora, ASG Administradora and FII Top Center, have given sureties to guarantee the transaction. The cost of issue of the perpetual bonds was R$ 758 and the effective cost of the transaction totaled 10.28%.
On October 27, 2015, part of the “Perpetual Bonds” were repurchased for US$ 85,839 corresponding to R$ 335,750 on the date of repurchase.

On August 8, 2018, part of the perpetual bonds, in the amount of US$ 48,297, corresponding to R$ 181,206 was redeemed on the repurchase date.

(b) On March 20, 2012, the subsidiary GS Investments Limited obtained, by issuing perpetual bonds, the amount of US$ 150,000 corresponding to R$ 271,530, as of the date it was obtained. The perpetual bonds are denominated in US dollars, with interest of 12% per year paid every six months up to the 5th year counting from the date of issue, after the 5th year through the 10th year counting from the date of issue, 5 Year US Treasury Constant Maturity plus 11.052% per year, paid every six months, and from the 10th year onwards, USD LIBOR rate for three months plus 10.808% and 1% paid every quarterly. The Company will be able to opt to defer interest, indefinitely on the deferred amounts will bear interest at the applicable rate indicated above, plus 1% per annum. In any deferral of interest, the Company should distribute only the equivalent of 25% net profit for the mandatory minimum dividend provided for in Brazilian legislation. GS Investments Limited may totally or partially redeem the bonds at its own discretion in the 5th year counting from the date of issue, in the 10th year counting from the date of issue, and at each interest payment date after then.

The bonds will be guaranteed by the sureties from General Shopping and from the following subsidiaries: General Shopping e Outlets do Brasil S.A., Ast Administradora e Incorporadora Ltda., BOT Administradora e Incorporadora Ltda., BR Outlet Administradora e Incorporadora Ltda., Brassul Shopping Administradora e Incorporadora Ltda., Bud Administradora e Incorporadora Ltda., Cly Administradora e Incorporadora Ltda. (incorporated into the Levian), Delta Shopping Empreendimentos Imobiliários Ltda., ERS Administradora e Incorporadora Ltda., FLK Administradora e Incorporadora Ltda., Intesp Shopping Administradora e Incorporadora Ltda. (incorporated into the Securis), I Park Estacionamentos Ltda., Levian Participações e Empreendimentos Ltda., MAI Administradora e Incorporadora Ltda., Manzanza Consultoria e Administração de Shopping Centers Ltda., Poli Shopping Center Empreendimentos Ltda., PP Administradora e Incorporadora Ltda. (incorporated into the Securis), Premium Outlet Administradora e Incorporadora Ltda., Sale Empreendimentos e Participações Ltda., Securis Administradora e Incorporadora Ltda., Send Empreendimentos e Participações Ltda. (incorporated into the Securis), Sulishopping Empreendimentos Ltda., Uniplaza Empreendimentos, Participações e Administração de Centros de Compra Ltda., Vide Serviços e Participações Ltda., Vul Administradora e Incorporadora Ltda., and Zuz Administradora e Incorporadora Ltda. The cost of issue of the perpetual bonds was R$ 12,581.

There are no financial covenants in the perpetual bond issue transactions. The covenants refer to: (i) the limitation of encumbrances on the assets (except for the encumbrances allowed, including the BNDES financing, the refinancing of existing transactions and certain securitizations, among others), where the proportion of the non-encumbered assets/unsecuritized debts should be maintained pari passu with the conditions given to encumbered assets/securitized debts; (ii) limitation of sale and lease-back transactions concerning current assets with maturity exceeding three years, under the same conditions of (i) above and (iii) limitation of transactions with affiliates, building in, merging, or transferring of assets.

On August 10, 2016, the amount of U$S 34,413 was settled in the exchange offer. For this operation, new perpetual senior debt bonds were issued in the amount of U$S 8,923 with guarantee and maturity in 2026 (10% / 12% Senior Secured PIK Toggle Notes due 2016) and 34,413 Global Depositary Share (GDS) as the Issued by the Company in the proportion of 73 common shares for each 1 GDS, totaling 2,512,149 common shares. The Perpetual Bonds that were exchanged under the Exchange Offer were canceled;

(c) On November 25, 2014, R$ 25,900 was released, R$ 9,100 was released on March 11, 2015, R$ 7,700 was released on May 18, 2015, R$ 1,494 was released on July 28, 2015, totaling the amount of R$ 44,194. Such amounts were raised through the financing operation under FINEM/BNDES program. This operation was carried out by Banco Bradesco, at 6.8% rate per annum. + TJLP and it has a total 84 months term, which has 12 months grace period and 72 months amortization;

(d) On November 25, 2014 were transferred R$ 11,100, on March 11, 2015, R$ 3,900, was released, R$3,300 was released on May 18, 2015, R$ 640 was released on July 28, 2015, totaling the amount of R$18,940. These amounts were raised through a financing operation transacted in modality FINEM/ BNDES. This operation was transacted by Banco Bradesco, at the rate of 6.8% p.a. + SELIC for the total period of 84 months, 12 of grace period and 72 months of amortization.

The agreements do not provide for the maintenance of financial indicators (borrowing rate, coverage of expenses with interest etc.).

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The composition of the installments as of March 31, 2020, by year of maturity, is composed in the following manner:

	Consolidated
Year	
2020	18,760
2021	8,453
2022	-
2023	-
2024 onwards*	1,642,826
	1,670,039

* Because the obtainments through the issuance of perpetual bonds do not have a maturity date, such obtainments were classified as debt payable from 2024 onwards.

Changes in loans and financing for the quarterly ended on March 31, 2020 are the following:

	Company	Consolidated
Balances on December 31, 2018	-	1,238,522
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário – FII GSOB		(49,886)
Amortization of Funding Cost	-	202
Payment – principal	-	(14,249)
Payment – Interest	-	(52,183)
Exchange Variation	-	47,847
Financial charges	-	116,084
Balances on December 31, 2019	-	1,286,337
Amortization of Funding Cost	-	11
Payment – principal	-	(3,176)
Payment – Interest	-	(14,876)
Exchange Variation	-	367,537
Financial charges	-	34,206
Balances on March 31, 2020	-	1,670,039

Financial charges and transaction costs

Financial charges and transaction costs of loans and financing are capitalized and allocated to P&L because the duration of the instrument entered into has been elapsing according to the amortized cost, using the effective interest rate method.

15. Real estate credit Bills

				Consolidated	
	Currency	% – Rate	Maturity	03/31/2020	12/31/2019
Subsidiaries					
Levian (a)	R$	9.7% + TR	2026	121,552	124,695
				121,552	124,695
Current liabilities				13,583	13,132
Non-current liabilities				107,969	111,563

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

(a) On March 26, 2014, the subsidiary Eler Administradora e Incorporadora Ltda. (incorporated in the Levian in 2018) obtained resources by issuing CCIs, to securitize the rents receivable referring to the property where Internacional Guarulhos Shopping Center is located. The total amount of the CCIs issued is R$ 275,000. The amount obtained will be paid in 144 monthly installments (until April 2026), plus 9.7% interest per year and annual inflation adjustments according to the changes in the Referential Rate (TR). The following were granted to guarantee the CCIs: (i) secured fiduciary sale of the property, with book value of R$ 201,829; (ii) collateral transfers of credits arising from the agreement; and (iii) statutory lien of the shares and quotas of the subsidiaries Nova União and Eler. The costs of obtainment in the amount of R$10,706 of the CCIs were deducted from the principal and are being amortized in 144 installments on a straight-line basis. On August 1, 2014 Itaú Unibanco assigned the CCIs to Ápice Securitizadora. The transaction was partially settled on October 8, 2018, in the amount of R$ 150,000. As of March 31, 2019, this operation had an additional guarantee as described in note 5. On March 23, 2020, the full amount of the guarantee was redeemed;

The agreements do not provide for the maintenance of financial indicators (indebtedness, coverage of expenses with interest etc.).

The breakdown of installments as of March 31, 2020, by year of maturity, is the following:

	Consolidated
2020	9,989
2021	14,596
2022	16,237
2023	18,029
2024 onwards	62,701
Total	121,552

The changes in the CCIs for the quarterly ended on March 31, 2020 is the following:

	Consolidated
Balances on December 31, 2018	426,492
Contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário – FII GSOB	(281,842)
Incorporation	26,596
Raising Cost amortization	3,505
Payment - principal	(50,472)
Payment – Interest	(20,076)
Financial charges	20,492
Balances on December 31, 2019	124,695
Cost amortization	562
Raising Cost amortization	(3,700)
Payment - principal	(3,202)
Financial charges	3,197
Balances on March 31, 2020	121,552

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

16. Other accounts payable

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Transfer of key money and rentals - partners (a)	-	-	563	540
Transfers to condominium	-	-	96	96
Advances from customers	-	-	535	728
Dividends	27	-	27	-
Other	-	27	132	52
Total	27	27	1,353	1,416

(a) It refers to key money and rents to be transferred to the partners of the following ventures: Parque Shopping Barueri, Poli Shopping, Cascavel JL Shopping, Shopping Bonsucesso, Parque Shopping Sulacap, Parque Shopping Maia, Outlet Premium São Paulo, Outlet Premium Brasília, Outlet Premium Salvador and Outlet Rio de Janeiro.

17. Taxes in installments

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
PIS and COFINS	116	119	13,364	13,650
INSS	380	427	380	426
ISS	-	-	2,991	2,992
Income taxes and social contribution	-	-	51,394	53,508
Total	496	546	68,129	70,576
Current liabilities	233	230	16,685	17,832
Non-current liabilities	263	316	51,444	52,744

In 2009 and 2014, the Company adhered to the tax installment plan under Law No. 11.941/2009 (REFIS), Law No. 12.996/2014 (REFIS) and to the simplified tax installment plan.

The Company's Management estimate is that the balance, as of March 31, 2020, of the aforementioned installments of REFIS and simplified taxation system are settled within 180 and 60 months, respectively, using the flat number of installments, adjusted through the Liquidation Special System for Settlement and Custody Rate (SELIC).

The permanence in the installment programs depends on the payment of current federal and social security taxes and installment payments. Delinquency may lead to the exclusion of payment programs.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The change of debts for the quarterly ended on March 31, 2020, projected by the Company, in connection to tax-installments pay plan, contemplating the amount of the principal added of interests and fines in the period, is the following:

Balances on December 31, 2018	84,312
New installments	4,850
Payment – principal	(18,950)
Payment – interest	(2,059)
Financial charges	5,625
Transfer to VANTI	(3,202)
Balances on December 31, 2019	70,576
New installments	-
Payment – principal	(2,651)
Payment – interest	(355)
Financial charges	559
Balances on March 31, 2020	68,129

18. Taxes, Charges and Contributions

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Income taxes and social contribution	19,090	21,867	119,199	91,293
PIS and COFINS	143	141	33,923	32,451
ISS	-	-	1,383	1,588
Other taxes	1,276	1,382	7,281	7,526
Total	20,509	23,390	161,786	132,858

Due to COVID-19 and guided by the current legislation and normative acts issued by the Federal Government, the Company postponed the payment of taxes, in order to preserve liquidity.

19. Revenue from assignments to be appropriated

The Company controls, in liabilities, revenues from transfer of property rights to be appropriated.

Revenues from assignments of rights of use to tenants, equipment rental and usufruct of ideal fractions of the parking of Shopping Bonsucesso, Parque Shopping Maia and Shopping Suzano are appropriated to the result in accordance with the respective term of the first rental agreement or the agreement of Rights of use, or of the usufruct agreement.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The change in the agreements and recognition of revenue in the quarterly ended on March 31, 2020 is the following:

	Consolidated
Balances on December 31, 2019	22,695
New contracts	164
Revenues recognition	(1,653)
Balances on March 31, 2020	21,206
Current liabilities	3,846
Non-current liabilities	17,360

20. Provisions for labor and civil procedural risks

For all matters in litigation, a provision is made in an amount considered sufficient to cover probable losses, based on the assessment of external legal advisors. The amounts reserved include those referring to tax, labor and civil matters.

There are no deposits in court escrow accounts linked to these reserves. The breakdown of the reserves/provisions are the following:

	Company		Consolidated	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Civil (a)	-	-	1,906	1,866
Labor	-	-	54	53
Total	-	-	1,960	1,919

(a) It refers to the lawsuits due to pecuniary injury and pain and suffering damages, lawsuits referring to the renewal of lease agreements, lawsuits regarding collection of amounts owed, and lawsuits concerning contractual termination.

On March 31, 2020, Company as other proceedings in progress approximately R$ 7,871 (R$ 5,940 in December 31, 2019), with loss probabilities classified as possible by external legal advisors. No provision was recorded thereto on the interim financial information.

From time to time, proceedings are evaluated and reserves are supplemented when necessary.

The changes in reserves for these risks, as of the quarterly ended on March 31, 2020, are the following:

	Consolidated		
	12/31/2019	Inclusion/(exclusion)	03/31/2020
Civil	1,866	40	1,906
Labor	53	1	54
Total	1,919	41	1,960

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

21. Equity

Share capital

Company's capital on March 31, 2020 is R$ 385,064, represented by 1,928,769 common shares without par value, as follows:

	03/31/2020	12/31/2019
Golf Participações	446,923	16,089,235
L.H.Y.S.P.E.	446,923	16,089,236
L.H.X.S.P.E.	446,923	16,089,236
General Shopping e Outlets do Brasil S.A.	53,431	1,923,550
Board of Directors	80	2,899
Officers	7	3,148
Stockholders Ballast in GDSs	69,781	2,512,149
Other Stockholders	464,701	16,726,246
Total shares	1,928,769	69,435,699
Treasury shares	(53,431)	(1,923,550)
Total shares in circulation	1,875,338	67,512,149

The Company may, through a decision made by the Board of Directors and in accordance with the plan approved by the Shareholders at a Shareholders' Meeting, grant stock option or share subscription, without shareholders being entitled to preemptive right, on behalf of Management, employees or individuals that provide services to the Company, or the Company's direct or indirect subsidiaries.

According to the minutes of the meeting of the board of directors of August 4, 2017, 6,564,301 treasury shares were canceled, with the balance of 1,923,550 registered shares remaining with the Company. Treasury shares in the amount of R$10,710 went to R$2,427, with a reduction of R$8,283, deducted from the capital transaction.

According to the General Extraordinary Meeting (called AGE) of December 11, 2019, the reverse split of all the shares issued by the Company was approved (including the shares that support the securities issued by General Shopping within the scope of its sponsored program of deposit certificates), at the rate of 36 (thirty-six) shares for 1 (one) share, so that each batch of 36 (thirty-six) shares is grouped into a single share, pursuant to article 12 of the Brazilian Corporation Law ("Grouping").

As a result of the reverse split, the number of shares into which the Company's capital stock is divided will change from 69,435,699 (sixty-nine million, four hundred and thirty-five thousand, six hundred and ninety-nine) to 1,928,769 (one million, nine hundred and twenty-eight Thousand, seven hundred and sixty-nine) common share, registered, book-entry shares with no par value.

A period of 30 (thirty) days was granted so that the Company's shareholders, at their free and exclusive discretion, could adjust their shareholding position in multiple lots of 36 (thirty-six) shares, through trading at B3 S.A. - Brasil, Bolsa, Balcão ("B3"), in order to ensure ownership of an entire number of shares as a result of the reverse split ("Adjustment Period").

As a result of this amendment, the caput of article 5 of the Company's Bylaws will come into force with the following wording: "Article 5 - The Company's capital stock, fully subscribed and paid in, is R$ 389,625,569.00 (three hundred and eighty-nine million, six hundred and twenty-five thousand, five hundred and sixty-nine reais), divided into 1,928,769 (one million, nine hundred and twenty-eight Thousand, seven hundred and sixty-nine) common shares, all registered, book-entry and without nominal value."

The Securities and Exchange Commission - CVM approved, on January 23, 2020, the modification of the conditions of the sponsored program of deposit certificates for shares issued by the Company ("GDS"), in order to reflect: (i) the correct reason General Shopping; and (ii) the reverse split, passing the number of shares represented by each GDS from the current 73 (seventy-three) common shares for each 1 (one) GDS to 2 (two) common shares for each 1 (one) GDS.

Capital reserve

Goodwill on the issue of shares: Variation of the nominal value of the 2,512,149 shares issued at the time of the Perpetual Bonds exchange, in relation to their effective value at the date of the transaction.

Legal reserve

Legal reserve shall be created in conformity to the Corporate Law and Bylaws, at the basis of 5% of the net profit of each year up to 20% of capital stock. Legal reserve is intended to assure the integrity of the capital stock and can only be used to compensate losses and increase capital.

Profit reserves to realize

On December 31, 2014, due to a change in accounting policies regarding measurement of investment properties, the Company withheld the adjustment at fair value payment of investment properties, recorded in the opening balance sheet (January 01, 2013). Consequently, the Company's Management proposed that the amount to be paid of R$ 958,644 of accumulated profit was withhold by the Company to set up the account profit reserve to realize.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

According to a meeting of the Board of Directors of the Company commenced on December 21, 2018 and was concluded on December 26, 2018, after the suspension of the work ("First RCA") and at the Company's Board of Directors Meeting held on February 22 of 2019 ("Second RCA" and in conjunction with the First RCA, the "Meetings"), the approval of the General Shareholders Meeting of the Company, the distribution of dividends to the shareholders in the aggregate amount of R$ 828,955,780.00 (eight hundred and twenty-eight million, nine hundred and fifty-five thousand, seven hundred and eighty reais), arising from the realization of profits recorded in the Profit Reserve to be realized (RLAR) verified according to the Company's balance sheet as of December 31, 2018, the amount of (i) R$ 207,238,945.00 (two hundred and seven million, two hundred and thirty-eight thousand and nine hundred and forty-five reais) to be paid in cash to shareholders ("Portion in Cash") and (ii) R$ 621,716,835.00 (Six hundred and twenty-one million, seven hundred and sixteen thousand and eight hundred and thirty-five reais) to be paid in natura, upon delivery of quotas of General Shopping and Outlets of Brazil Fundo de Investimento Imobiliário - FII ("FII"), pursuant to the Meetings ("Portion in Natura") The dividends were settled on April 9, 2019. General Shopping and Outlets do Brasil Fundo de Investimento Imobiliário - FII started trading at “B3” on April 30, 2019.

The table below shows the basic loss per share:

	03/31/2020	03/31/2019
Basis numerator		
Loss for the period	(310,720)	(27,730)
Denominator		
Weighted average of the shares – basic	1,875	67,512
Basic loss per share in Brazilian Reais	(165.72)	(0.41)

22. Net revenue of rent and services

	Consolidated	
	03/31/2020	03/31/2019
Gross operating revenues		
Rental	11,958	36,047
Services	20,194	21,313
	32,152	57,360
Deductions		
Taxes on Rentals and Services	(2,992)	(4,739)
Deductions and discount	(815)	(2,234)
Net revenue	28,345	50,387

The variation in rental costs was substantially due to the contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário FII GSOB as mentioned in the note 1, as well as the change in the elimination of services in the consolidation process, due to the new corporate structure of the Company.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

Additionally, we observed a reduction in the flow of vehicles in the second half of March 2020. Although the company cannot estimate the duration or severity of the impact of COVID-19 up to that moment, continuing, it may result in an adverse effect on the results of operations Company's future activities in 2020.

23. Cost of rental and services provided by nature

	Consolidated	
	03/31/2020	03/31/2019
Personnel cost	(991)	(710)
Depreciation cost	(293)	(404)
Occupation cost	(4,795)	(4,860)
Third-party services cost	(2,731)	(1,708)
Total	(8,810)	(7,682)

The variation in rental costs was substantially due to the contribution to General Shopping e Outlets do Brasil Fundo de Investimento Imobiliário FII, as mentioned in the note 1.

24. General and administrative expenses by nature

	Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
IPTU	(34)	(32)	(134)	(160)
Commercialization	-	-	(1,053)	(1,050)
Allowance for doubtful accounts	-	-	(1,296)	(254)
Publicity And advertising	(51)	(53)	(185)	(277)
Facilities conservation	-	-	(14)	(3)
Materials	(76)	(57)	(284)	(214)
Electric power	(28)	(28)	(43)	(37)
Personnel expenses	(3,168)	(3,025)	(3,444)	(3,340)
Third parties services	(1,206)	(4,639)	(3,228)	(7,470)
Depreciation and Amortization	(294)	(370)	(294)	(370)
Rental	(169)	(145)	(193)	(310)
Fee and contributions	(37)	(23)	(87)	(90)
Telephony/Internet	(198)	(147)	(232)	(196)
Travels and lodging	(11)	(59)	(95)	(94)
Insurances	(75)	(54)	(148)	(142)
Courier service	(51)	(60)	(51)	(60)
Legal expenses	(275)	(42)	(508)	(457)
Contingencies	-	-	(41)	-
Other	(42)	(49)	(184)	(318)
Total	(5,715)	(8,783)	(11,514)	(14,842)

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

25. Net Financial Result

	Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Financial income				
Interests on financial investments	-	-	2,828	7,208
Gains on operations - derivatives	-	-	117,356	25,331
Assets exchange rate variation	-	1	837	67,909
Asset monetary variation	-	-	7,257	-
Other	122	39	464	2,027
	122	40	128,742	102,476
Financial expenses				
Interest on Loans, Financing and CCIs	-	-	(38,546)	(39,989)
Loss on derivative transactions	-	-	-	(23,660)
Liabilities monetary variation	-	-	(5)	(10)
Liability exchange rate variation	(2)	(1)	(374,852)	(74,772)
Penalty on taxes in arrears	(347)	(3,720)	(1,680)	(10,755)
Other	(132)	(26)	(1,743)	(4,644)
	(481)	(3,747)	(416,826)	(153,829)
Total	(359)	(3,707)	(288,084)	(51,353)

As a result of the current market condition, the Brazilian real has experienced a devaluation in relation to the quotation of other currencies, mainly the US dollar. On 3/31/2020, the quotation of the US dollar against the real was US$ 1.00 = R$5.1987 (R$4.0307 on 12/31/2019), registering a devaluation of the real of approximately 29%.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

26. Income taxes and social contribution

Income taxes debited against the income for the period are composed as follows:

	03/31/2020		03/31/2019	
	Company	Consolidated	Company	Consolidated
Loss before Legal Entity Income Tax (IRPJ) and the Social Contribution on Net Profits (CSLL)	(310,720)	(279,531)	(27,730)	(27,730)
Combined rate in force	34%	34%	34%	34%
Estimated credits of income tax and social contribution	105,645	95,041	9,428	9,188
IRPJ and CSLL effects on				
Equity accounting method	(103,580)	-	(5,147)	-
Other net permanent differences	-	(2)	-	(4)
IRPJ and CSLL from previous periods	-	(559)	-	-
Deferred IRPJ and CSLL on tax losses and non-established temporary differences	(2,065)	(19,884)	(4,281)	1,544
Effects of IRPJ and CSLL of companies taxed by presumed profit	-	(105,785)	-	(12,487)
Effects of IRPJ and CSLL on the constitution / reversal of deferred tax assets	-	-	-	4,095
Effects of IRPJ and CSLL on fair value adjustment	-	-	-	-
Reversal of IRPJ and CSLL on the fair value adjustment of properties for disposed investments	-	-	-	(3,043)
Income taxes and social contribution recognized in income	-	(31,189)	-	(707)
Current	-	(31,189)	-	(4,802)
Deferred	-	-	-	4,095

Deferred Income Taxes are composed as below:

	Consolidado	
	03/31/2020	12/31/2019
Calculation basis		
Assessing the fair value of investment properties and properties intended for sale	347,990	347,990
Presumption for Income Tax 8%-25% rate for income tax	2%	2%
Presumption for Social Contribution 12%- 9% of rate for Social Contribution	1.08%	1.08%
Deferred income tax and social contribution, liabilities on investment properties for sale	(10,718)	(10,718)
Deferred Income tax and social contribution, liabilities on agreements renewal rights	(1,549)	(1,549)
Liabilities Deferred income tax and social contributions	(12,267)	(12,267)

Basis for realizing Deferred Income Taxes

a) Realization of deferred taxes liabilities on adjustment at fair value of investment properties based on the taxation according to assumed profit as of its respective disposal.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

27. Other income (expenses), net

	Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Net proceeds from sale of properties for investment	-	-	-	132,966
Cost of selling from properties for investments	-	-	-	(132,966)
Adjustment to fair value of sale of properties for Investment	-	-	(167)	(4,807)
Adjustment to fair value	-	-	-	-
Gain on sale of fixed assets	-	-	171	171
Termination of rental agreement	-	-	-	-
Other income (expenses)	-	(101)	377	331
Recovery of expenses	-	-	151	772
Total	-	(101)	532	(3,533)

28. Financial instruments by category

The Company's financial instruments were classified according to the following categories:

	Consolidated							
	03/31/2020				12/31/2019			
	Fair value by the result	Financial assets at amortized cost	Other liabilities at amortized cost	Total	Fair value by the result	Financial assets at amortized cost	Other liabilities at amortized cost	Total
Assets								
Cash and Cash Equivalents	-	335,693	-	335,693	-	197,654	-	197,654
Financial investments and restricted cash	-	-	-	-	70,809	-	-	70,809
Debentures receivable	220,788	-	-	220,788	215,188	-		215,188
Derivative financial instruments	47,812	-	-	47,812	-	-	-	-
Trade accounts receivable and other receivables	-	137,414	-	137,414	-	142,167	-	142,167
Total	268,600	473,107	-	741,707	285,997	339,821	-	625,818
Liabilities								
Loans and Financing	-	1,670,039	-	1,670,039		1,286,336	-	1,286,336
CCIs	-	121,552	-	121,552	-	124,695	-	124,695
Derivative financial instruments	-	-	-	-	1,805	-	-	1,805
Suppliers	-	-	15,214	10,214	-	-	13,592	13,592
Other accounts payable	-	-	1,343	1,343	-	-	1,416	1,416
Total	-	1,791,591	11,557	1,803,148	1,805	1,411,031	15,008	1,427,844

28.1. RISK FACTORS

The Company's main source of revenues, as well as of its subsidiaries is rents from tenants in shopping malls.

The Company and its subsidiaries have a risk management policy to manage market risks through financial instruments. The main market risks to which the Company is exposed are translation adjustments and the flotation of inflation indexes inherent to its operations. The policy is monitored by the Board of Directors ensuring that the financial instruments do not exceed the limits of the policy, in consonance with the best corporate governance practices. The primary objective of risk management is to protect the Company's cash flows, where the operations must respect the limits of exposure, coverage, maturity and instrument, thus minimizing operating costs. According to their nature, financial instruments may involve known risks, or unknown risks, so it is important to the Company to assess potential risks according to the Company's and its subsidiaries' judgment. Therefore, there may be risks with guarantees or without guarantees, depending on circumstantial or legal aspects. The policy allows the Company to use derivative financial instruments only for hedging purposes. The Company is forbidden to enter into any derivatives that result in the net sale of options and structured financial transactions with embedded derivatives.

The main market risk factors that can affect the business of the Company and its subsidiaries are presented below:

a) Credit risk

The client portfolio is broadly diversified. By means of internal controls, the Company and its subsidiaries permanently monitor the level of their accounts receivable, which limits the risk of bad debt.

The Company's risk management policy allows transactions where cash funds are invested only with first line counterparties, that is, with low credit risk, according to the international rating agencies. The policy allows derivative financial instrument transactions to be directly entered into at B3 S.A. – Brasil, Bolsa, Balcão. Both the financial institutions and the brokers must be previously approved by the Risks Management Committee.

b) Liquidity risk

The forecast of the cash flow is performed at the operating entities of the Company by financial professionals that continually monitor liquidity in order to ensure that the Company has sufficient cash to meet its operating needs. Such forecast takes into consideration the plans for financing the debt, the achievement of the internal goals of the balance sheet quotient and, if applicable, external or legal regulatory requisites.

The cash and cash equivalents held by the operating entities, in addition to the balance required for managing working capital, is transferred to the treasury, which substantially invests cash and cash equivalents in CDBs, LTNs (Federal Treasury Bonds) and investment funds with their yield linked to the changes in the CDI rate and by choosing instruments with appropriate maturity dates or sufficient liquidity to provide the necessary margin, as established by the above-mentioned provisions.

c) Capital risk

The Company and its subsidiaries manage their capital to make sure that the companies will be able to continue their going concern at the same time that they maximize the return to all of the interested parties or all those involved in their operations by optimizing the balance of the debts and equity.

The capital structure of the Company and of its subsidiaries is formed by net indebtedness (loans and financing and CCIs described in Explanatory Notes 14 and 15 deducted from cash and cash equivalents and actives financial instruments) and by the consolidated shareholders' equity (which includes capital issued and reserves, as presented in Explanatory Note 19).

The Company's Management periodically reviews the capital structure of the Company. As a part of such review, it considers the cost of capital and the risks associated to each class of capital.

d) Liquidity risk management

The Company and its subsidiaries manage liquidity risk by maintaining appropriate reserves, bank credit lines e credit lines to obtain loans they deem appropriate, by continually monitoring the forecast and actual cash flows, and by combining the maturity profiles of financial assets and liabilities.

Interest and liquidity risk table

The table below shows the details of the remaining contractual maturity term of the bank liabilities of the Company and its subsidiaries and the contractual amortization periods. The tables have been prepared in accordance with the cash flows not discounted of financial liabilities, based on the closer date on which the Company and its subsidiaries must settle their respective liabilities.

The tables include the cash flows of the interest and principal amount. While the interest flows were post-fixed, the amount not discounted was obtained on the basis of the interest curves at the end of the period.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The contractual maturity is based on the most recent date in which the Company and its subsidiaries must settle their respective liabilities:

Consolidated	% – Weighted Average Effective Interest Rate	Less than one month	From one to three months	From three months to one year	From one to five years	Over five years	Total
Loans and Financing (*)	22.34%	1,203	17,439	60,125	200,053	2,101,074	2,379,894
CCI	9.90%	2,301	4,601	20,707	82,826	69,022	179,457
Total		3,504	22,040	80,832	282,879	2,170,096	2,559,351

(*) So as to obtain perpetual bonds, the interest to be incurred up to the date of the purchase option and the principal amount were considered and, because they have no maturity dates, they were classified as debt maturing after more than 05 years.

e) Interest rate risk

- Loans for working capital and CCIs: the Company's subsidiaries also have a series of loan and financing obtained for working capital, as described in Explanatory Notes 14 and 15, on which average interest rates are levied of up to 21.5% per year.

f) Foreign currency exchange rate risk

The Company, through its subsidiary, has financing and amounts payable to non-related parties entered into in foreign currency in the amount of R$ 1,684,092 in March 31, 2020 (R$1,289,846 in December 31, 2019).

The Company measures its exposures according to the Company's own forecasting and budgeting model. Through its subsidiary, the Company enters into derivatives, such as dollar future in the "B3 (B3 S.A. – Brasil, Bolsa, Balcão)", with the purpose of protecting its exposure to exchange variation. The main risk that the Company intends to reduce is the exposure to translation adjustments linked to its liabilities in foreign currency.

On March 31, 2020, the Company is using derivatives for protecting exchange rate variation risks in connection to the issue of perpetual bonds.

The Company does not have derivative or non-derivative instrument transactions to hedge the balance of the principal amount of the perpetual bonds.

For protecting from exchange rate variation in payment of interests on perpetual bonds, the Company uses derivative of dollar future at "B3 (B3 S.A. – Brasil, Bolsa, Balcão)", as described at CPC 40 and NDFs exchange rate classified as level 2.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The mark-to-market of the derivative instruments as of March 31, 2020 was:

Instruments	Notional	Maturity	Fair Value in 03/31/2020
FUT DOL B3	49,500	05/04/2020	692
NDFs	52,000	05/04/2020	47,120
TOTAL	101,500		47,812

The Company manages and monitors its derivative position on a daily basis, suiting itself to the best hedge strategy with less cost in relation to others.

Sensitivity analysis – derivative

NDF of Dollar – Counter

				Impact on the curve DI/TJLP			
				-25%	-50%	-25%	-50%
Notional (US$ Thousands)	Contractual Price	Price in 03/31/2020	Fair Value	Adjust	Adjust	Fair Value	Fair Value
52,000	R$4.2935/US$	R$5.2022/US$	47,120	(67,437)	(134,875)	(20,317)	(87,755)
52,000			47,120	(67,437)	(134,875)	(20,317)	(87,755)

Future of Dollar - B3

			Impact on the curve DI/TJLP			
			-25%	-50%	-25%	-50%
Notional (US$ Thousands)	Price in 03/31/2020	Fair Value	Adjust	Adjust	Fair Value	Fair Value
49,500	R$5.2022/US$	692	(64,378)	(128,755)	(63,686)	(128,064)
49,500		692	(64,378)	(128,755)	(63,686)	(128,064)

In order to carry out the operations on "B3 (B3 S.A. – Brasil, Bolsa, Balcão)", the margin deposit was made through public securities (LFT). The margin deposit, as of March 31, 2020, totaled R$ 31,961.

Financial assets, except for those designated at fair value through profit or loss, are evaluated by impairment indicator at the end of each fiscal year. Impairment losses are recognized when there is objective evidence of a reduction in the recoverable amount of a financial asset, as a result of one or more events that have occurred after their initial recognition, with an impact on the estimated future cash flows of such asset.

The criteria that the Company and its subsidiaries use to determine whether there is objective evidence of impairment of a financial asset include:

- significant financial difficulties of issuer or debtor;
- contract breach, such as nonperformance or late payments of interest or principal amount;
- the probability of the debtor declaring bankruptcy or financial reorganization;
- extinguishment of the active market for that financial asset by virtue of financial problems.

The book value of financial assets is directly reduced by impairment losses for all of the financial assets, except for the accounts receivable, where the book value is reduced by using a provision. Subsequent recoveries of amounts previously written off are credited to the provision. Changes in the book value of the provision are recognized in P&L.

g) Sensitivity analysis– loans, financing and CCI

Considering the aforementioned financial instruments, the Company developed a sensitivity analysis, as provided for by Instruction No. 475/2008 issued by the CVM, which requires the presentation of two other scenarios with 25% and 50% impairment of the risks variable considered. Those scenarios may generate impacts on the Company's profit or loss and/ or on the future cash flows as described below:

- base scenario: maintenance of the levels of interest at the same levels observed as of March 31, 2020;
- adverse scenario: impairment of 25% in the principal risk factor of the financial instrument in relation to the levels verified on March 31, 2020;
- remote scenario: impairment of 50% in the principal risk factor of the financial instrument in relation to the levels verified on March 31, 2020;

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

h) Loans, financing and CCI

Premises

As described above, the Company understands that it is primarily exposed to risks referring to the changes in the TR and IPCA rates, US-dollar translation adjustments, which are the basis for updating a substantial part of the loans, financing and CCIs and perpetual bonds it has entered into. Thus, the table below demonstrates the rates used to calculate the sensitivity analysis:

Premises	Base scenario	Adverse scenario	Remote scenario
Increase of IPCA rate	0.27%	0.33%	0.40%
TJLP Increase	0.41%	0.52%	0.62%
DI Increase	0.30%	0.37%	0.45%
Real devaluation against US Dollar	10.00%	12.50%	15.00%

The net exposure in US-dollars, without considering the effects of derivative instruments is demonstrated below:

	Consolidated
	No effect of derivative operations – 03/31/2020
Loans and Financing (perpetual bonds)	1,652,003
Related Parties	32,426
Cash and Cash Equivalents	(337)
Net exposure	1,684,092

		Scenarios		
Operation	Risk	Basis	Adverse	Remote
Interest on Loans subject to TR variation	TR increase	41,085	42,125	43,165
US$ forward agreements (*)	Dollar increase	331,323	372,739	381,022

(*) Calculated on the net exposure of the Company, without considering the effects of derivative instruments.

The table above shows the effects of interest and changes in the indices up to the maturity of the contracts.

The interest on the perpetual bonds are flat. Thus, the sensitivity analysis was not carried out.

i) Cash and cash equivalents

Premises

As described above, the Company understands that it is mainly exposed to the changes in the CDI rate and in foreign exchange rates.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

Thus, the table below demonstrates the indexes and the rates used to calculate the sensitivity analysis:

Premises	Base scenario	Adverse scenario	Remote scenario
Deterioration of CDI rate	3.65%	2.74%	1.83%

Operation		Consolidated		
Risk factor	Risk	Base scenario	Adverse scenario	Remote scenario
Subject to CDI variation	Reduction of CDI rate	12,153	9,190	6,126

The exchange variation sensitivity analysis of cash and cash equivalents indexed to USD was presented net of other liabilities indexed to USD, as mentioned in item (i).

j) Fair value of bonds

Type	Currency	% – Contract rates per year	Maturity	Fair Value in 03/31/2020	Fair Value in 12/31/2019
Perpetual credit bonds (a)	U$	10%	-	413,771	316,909
Perpetual credit bonds (b)	U$	13%	-	540,415	424,395
Debt Bonus (b)	U$	10%/12%	2026	33,073	25,803
	TOTAL			987,259	767,107

The prices used to calculate the market value of the Company's Bonds were obtained from “Bloomberg”. Prices are indicative of the market as of March 31, 2020 and December 31, 2019.

28.2. Determining the fair value of financial instruments

The Company discloses its financial assets and liabilities at fair value, based on the relevant accounting pronouncements, which refer to valuation concepts and disclosure requirements.

Specifically regarding the disclosure, the Company applies the hierarchy requirements set forth in Deliberation CVM No. 699/12, which involves the following aspects:

- Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in a transaction without favor; and
- Hierarchy in 3 levels for the measurement of the fair value, according to observable inputs for the valuation of an asset or liability at the measurement date.

Valuation in 3 levels of hierarchy for the measurement of fair value is based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect valuation techniques adopted by the Company. These two types of inputs create the following fair value hierarchy:

- Level 1 — Observed (unadjusted) prices for identical instruments in active markets. In this category are allocated the investments in Financial Treasury Bills ("LFT") and other Financial Bills;
- Level 2 — Prices observed in active markets for similar instruments, observed prices for identical or similar instruments in non-active markets and valuation models for which inputs are observable. At this level, investments in CDB, Committed DI, other financial investments remunerated by DI and derivatives, which are valued by pricing models widely accepted in the market. In addition to the indicators of operations, observable market inputs such as interest rates, volatility factors and exchange parity quotations are used; and
- Level 3 — Instruments whose significant inputs are not observable. The Company does not have financial instruments in this classification.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

The table below presents the general classification of financial instruments assets and liabilities in accordance with the valuation hierarchy. For the period ended March 31, 2020, there was no change among the three levels of hierarchy.

	Company			Consolidated		
	03/31/2020			03/31/2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial assets						
At amortized cost						
CDBs	-	-	-	-	31,834	-
Committed DI	-	-	-	-	123,031	-
Bearing account	-	-	-	-	396	-
Financial Treasury Bills – LFT	-	-	-	165,927	-	-
Financial treasury	-	-	-	12,589	-	-
Debentures reveivable	-	-	-		220,788	
Derivatives not designated as hedge	-	-	-	-	47,812	-
	-	-	-	178,516	423,861	-
	12/31/2019			12/31/2019		
	Level 1	Levle 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial assets						
At amortized cost						
CDBs	-	-	-	-	33,066	-
Committed DI	-	-	-	-	2,478	-
Bearing account	-	3	-	-	533	-
Fixed income fund				-	70,809	-
Financial Treasury Bills – LFT	-	-	-	96,724	-	-
Financial treasury	-	-	-	22,922	-	-
Debentures reveivable	-	-	-		215,188	
	-	3	-	119,646	322,074	-
Liabilities						
Financial liabilities measured at fair value						
Other financial liabilities						
Derivatives not designated as hedge accounting	-	-	-	-	(1,805)	-
	-	-	-	-	(1,805)	-

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

29. INSURANCE COVERAGE

The Companies and its subsidiaries take out insurance to cover possible risks on their assets and/ or civil liabilities.

As of March 31, 2020, the insurance coverage is the following:

Modality	Insured amount
Civil responsibility	89,000
Comprehensive Usual fire	1,040,595
Business interruption	82,642
Windstorm/Smoke	58,251
Shopping Mall Operations	42,980
Pain and suffering	24,542
Material Damage	82,632
Employer	6,200

The risk assumptions adopted and the amounts of coverage involved, were considered by the Company's management to be sufficient to cover eventual claims that may occur and that may impede the normal continuity of the business. These assumptions, given their nature, are not part of the audit scope of the interim accounting information, and consequently were not audited by our independent auditors.

30. Segment information

The segment information is used by the Company's Management for decision making concerning the allocation of resources and performance assessment.

The accounting practices for the reportable segments are the same as those of the Company, described in Explanatory Note 2. The P&L per segment consider the items that are directly attributable to the segment, as well as those that may be allocated on a reasonable basis. The assets and liabilities per segment are not being presented, because they are not the subject matter of analyses for Management's strategic decision-making.

Therefore, the reportable segments of the Company are the following:

a) Rent
Rent refers to the lease of space to tenants and other commercial spaces such as sales stands, lease of commercial spaces for publicity and promotion and fees concerning the transfer of rights to use property spaces.

b) Services
Services provided refer to the revenue from managing the energy and power supply of shopping malls as well as exploitation of parking lots.
The total revenue of the Company is made in Brazil.

(In Thousand of Brazilian Reais – R$, except when indicated otherwise)

Statement of Income per Segment

	Consolidated					
	03/31/2020			Elimination		03/31/2020
	Rental	Services	Corporative	Debit	Credit	Consolidated
Net Revenue	10,839	19,382	-	-	(1,876)	28,345
Cost of rentals and services	(1,604)	(8,573)	-	1,367	-	(8,810)
Gross profit	9,235	10,809	-	1,367	(1,876)	19,535
Operational (Expenses) / Income	7,042	3,307	(266,561)	244,560	-	(11,652)
Profit (Loss) Before Financial Income (Expense)	16,277	14,116	(266,561)	245,927	(1,876)	7,883
Net Financial Result	(6,849)	(1,692)	(278,873)	-	-	(287,414)
Profit / (loss) before taxes	9,428	12,424	(545,434)	245,927	(1,876)	(279,531)
Income taxes	(1,084)	(871)	(29,234)	-	-	(31,189)
Net income (loss) for the period	8,344	11,553	(574,668)	245,927	(1,876)	(310,720)

	Consolidated					
	03/31/2019			Elimination		03/31/2019
	Rental	Services	Corporative	Debit	Credit	Consolidated
Net Revenue	32,227	21,753	-		(3,593)	50,387
Cost of rentals and services	(3,743)	(6,061)	-	2,122		(7,682)
Gross profit	28,484	15,692	-	2,122	(3,593)	42,705
Operational (Expenses) / Income	2,866	7,147	(17,202)	-	(11,186)	(18,375)
Profit (Loss) Before Financial Income (Expense)	31,350	22,839	(17,202)	2,122	(14,779)	24,330
Net Financial Result	(13,183)	(1,299)	(36,871)	-	-	(51,353)
Profit / (loss) before taxes	18,167	21,540	(54,073)	2,122	(14,779)	(27,023)
Income taxes	1,301	(2,008)	-	-	-	(707)
Net income (loss) for the period	19,468	19,532	(54,073)	2,122	(14,779)	(27,730)

31. Statement of Cash Flow

The Company has transacted the following operations, which have not involved cash and cash equivalents:

	Consolidated	
	03/31/2020	03/31/2019
Fair value adjustment of investment properties	-	(4,807)

32. COVID-19

Impacts of COVID-19 (Coronavirus) on the Company's business

As reported by the general press, on January 30, 2020, the World Health Organization ("WHO") announced a global health emergency due to a new outbreak of Coronavirus originating in Wuhan, China (the "outbreak of COVID-19 ") and the risks to the international community, considering the virus's ability to spread globally, going beyond its point of origin. In March 2020, WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in global exposure.

The full impact of the COVID-19 pandemic was still evolving as of the date of this report. Thus, the magnitude that the pandemic will have on the Company's financial condition, liquidity and future results of operations is uncertain. Management is actively monitoring any impacts on its financial conditions, liquidity, operations, suppliers, sector and workforce. Given the daily evolution of the COVID-19 pandemic and the global responses to reduce its spread, the Company cannot yet estimate the effects of the COVID-19 pandemic on its operating results, financial condition or liquidity for the year 2020.

Although the Company cannot estimate the duration or severity of the impact of COVID-19 up to that point, continuing, it may result in an adverse and material effect on the results of future operations of the Company, financial position and liquidity in the fiscal year 2020.

Francisco José Ritondaro
Chief Executive Officer
Chief Planning and Expansion Officer

Marcio Snioka
Chief Investors Relations Officer

Vicente de Paula da Cunha
Chief Financial Officer

Djalma Pereira da Silva
Chief Marketing and of Relationship with Retailerers

Francisco Antonio Antunes
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