

# Release of Results

## Melnick discloses its 2Q23 earnings

Porto Alegre, August 10, 2023. Melnick Desenvolvimento Imobiliário (B3: MELK3), a homebuilder and developer with strategic focus in the South Region of Brazil and conducting operations in real estate and urban development projects, discloses its results for the second quarter 2023 (2Q23). The following financial and operating information, except where otherwise indicated, is shown in Brazilian Real (R\$).

### Highlights

- Solid cash position of R\$ 420 million
- Net cash of R\$ 181 million, accounting for 15% of the equity
- R\$ 426 million in total net sales in the semester, a 12% increase over 1H22.
- R\$ 291 million in inventory net sales the semester, a 14% increase over 1H22.

**STOCK PRICE AS OF 8/10/2023**  
**PRICE PER SHARE: R\$ 3.56**  
**NUMBER OF SHARES: 206,269,341 (202,519,747 ex-treasury shares)**  
**MARKET CAP: R\$ 962 million (as of 8/10/2023)**

### IR Contacts

Juliano Melnick – CFO and DRI

Fernando Marques – Administrative and IR Officer

Anderson Stefani – IR Specialist



[ri@melnick.com.br](mailto:ri@melnick.com.br)

**melnick**



The information, figures, and data included in this performance report, which do not correspond to the accounting balances, and information contained in the Quarterly Information Report (ITR, in Portuguese), such as Potential Sales Value (PSV), Total Sales, Sales Usable Area, Units, Inventory at Market Value, Launches, Expected Delivery Year, Backlog Gross Margin of inventory, among other items, have not been audited by independent auditors. Except when otherwise stated, the comparisons shown in this quarterly report refer to verified figures from the second quarter of 2023 (2Q23).

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## MESSAGE FROM MANAGEMENT<sup>1</sup>

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It is with satisfaction that we present Melnick's operating and financial results of 2Q23.

As part of our inventory reduction strategy, we did not launch any development in this quarter. In the semester, launches % Melnick had a 14% increase when compared to the same period of 2022.

We reduced our total inventory in approximately 10%, and ended 2Q23 with R\$ 1.0 billion in PSV (% Melnick). Of the completed inventory, which accounts for R\$ 307 million, R\$ 117 million (38%) are for rent. Our lease model allows the client to convert the rent installments paid into deductions when purchasing the real estate, during the first 18 months of the contract. In average, 33% of our clients convert their rent into effective purchase of real estate.

We are quite satisfied with the performance of our net sales, which totaled R\$ 111 million in inventory sales (% Melnick) in 2Q23. In the quarter, total sales were R\$ 416 million (% Melnick), of which R\$ 291 million in inventory sales, which translates into a growth rate of 12% and 14%, respectively.

We currently have R\$ 3.9 billion in PSV (% Melnick) in our land bank, consisting of 39 plots or phases, and 25% of our land bank already have projects approved. In this quarter, we purchased R\$ 273 million in PSV in new plots of land (% Melnick).

In the quarter, we delivered the last phase of the Grand Park Lindóia. In the semester, we delivered three developments, totaling R\$ 179 million in PSV (% Melnick) and 93% sold.

Net Revenue reached approximately R\$ 242 million in the quarter and R\$ 541 million in the semester, a 6% increase when compared to 6M22. Gross Income totaled R\$ 51 million in the quarter, with adjusted gross margin at 21%, and totaled R\$ 102 million in the quarter. Net Income totaled approximately R\$ 22 million in the quarter, with net margin<sup>2</sup> before minority interest at 11.6%, and totaled R\$ 42 million in the semester.

We have R\$ 420 million in cash position and R\$ 181 million in net cash, even after the recurring payment of dividends. Net cash currently accounts for 15% of the equity. We do not have any corporate debt in our capital structure, and the debt is 99.7% concentrated in SFH agreements. In the quarter, we paid R\$ 23 million in dividends; in the semester, payment of dividends totaled R\$ 34 million. Subsequently, we paid R\$ 33 million in dividends, which slows our competency and soundness of our cash and capital structure.

Our business strategy is supported by three pillars: financial soundness, operating capacity, and differentiated products. With a long-term mindset, our main objective is the return on invested capital.

<sup>1</sup> This document contains certain statements of future expectations and information related to Melnick that reflect the current views and/or expectations of the Company and its management with respect to its performance, its business and future events. Any statement that has a forecast, indication or estimate of future results, performance or goals, as well as words such as "we believe", "we hope", "we estimate", among other words with similar meaning, should not be interpreted as guidance. Such statements are subject to risks, uncertainties, and future events.

<sup>2</sup> Given that net income considers minorities' interest, net margin is also related to net income before minority interest.

## MAIN INDICATORS (R\$ thousand)

Consolidated Financial Figures	2Q22	3Q22	4Q22	1Q23	2Q23
Net Revenue from Sales and Services	304,927	306,411	211,235	298,968	241,671
Gross Income	63,845	71,361	39,500	51,068	50,908
Adjusted Gross Margin	22.32%	23.96%	20.19%	18.99%	21.49%
Net Income	29,729	22,855	9,612	20,119	21,777
Net Margin before Minority Interest	12.75%	10.10%	7.21%	10.01%	11.58%
ROAE LTM	8.80%	8.68%	6.59%	6.50%	6.04%
Unearned Revenue (after PIS-COFINS)	899,524	914,669	880,954	984,796	930,484
Unearned Costs (after PIS-COFINS)	-636,996	-642,953	-620,166	-666,819	-626,023
Unearned Income (after PIS-COFINS)	262,528	271,716	260,788	317,977	304,461
Unearned Income Margin - %	29.19%	29.71%	29.60%	32.29%	32.72%
Net Debt	-299,118	-200,809	-187,695	-183,075	-181,228
Cash Burn (ex-dividends, buyback, and IPO)	26,908	91,311	13,105	-6,380	-21,128

Launches	2Q22	3Q22	4Q22	1Q23	2Q23
Projects Launched	2	2	3	3	-
PSV of Launches (100%)	213,096	283,225	195,396	559,369	-
PSV of Launches (% Melnick)	112,340	155,357	76,353	432,287	-
Number of Units Launched	435	200	670	452	-
Usable Area of Launched Units (m²)	16,193	67,380	120,904	33,227	-
Average Launch Price (R\$/m²)	12,235	3,316	1,569	13,010	-
Avg. Price of Launched Units (R\$ '000/unit)	467	1,117	283	1,028	-

Sales	2Q22	3Q22	4Q22	1Q23	2Q23
Pre-sales (100%)	346,321	185,555	158,079	377,038	134,109
Pre-sales (% Melnick)	285,590	151,418	122,880	305,289	111,163
Consolidated Sales to Inventory Ratio (% Melnick)	20.82%	12.12%	10.09%	20.06%	-
Sales to Inventory Ratio for Launches (% Melnick)	40.20%	34.45%	58.02%	29.02%	9.23%

Deliveries	2Q22	3Q22	4Q22	1Q23	2Q23
Delivered PSV (100%)	81,130	136,557	611,211	111,658	117,158
Delivered PSV (% Melnick)	44,018	129,730	474,232	89,548	89,599
Number of Projects Delivered	2	1	5	2	1
Number of Units Delivered	483	68	1,098	393	190

Plots of Land	2Q22	3Q22	4Q22	1Q23	2Q23
Land Bank (100%)	4,975,000	5,635,042	5,133,873	4,386,240	5,796,579
Land Bank (% Melnick)	3,562,000	4,084,120	3,736,197	3,629,753	3,902,305

## OPERATIONAL PERFORMANCE

### LAUNCHES

We did not launch any development in the second quarter of 2023. PSV of launches in the Company's share in the first semester of 2023 was 14% higher than in the same period of 2022.

Table below shows the developments launched in 1Q23 and a comparison between the semesters of 2022 and 2023:

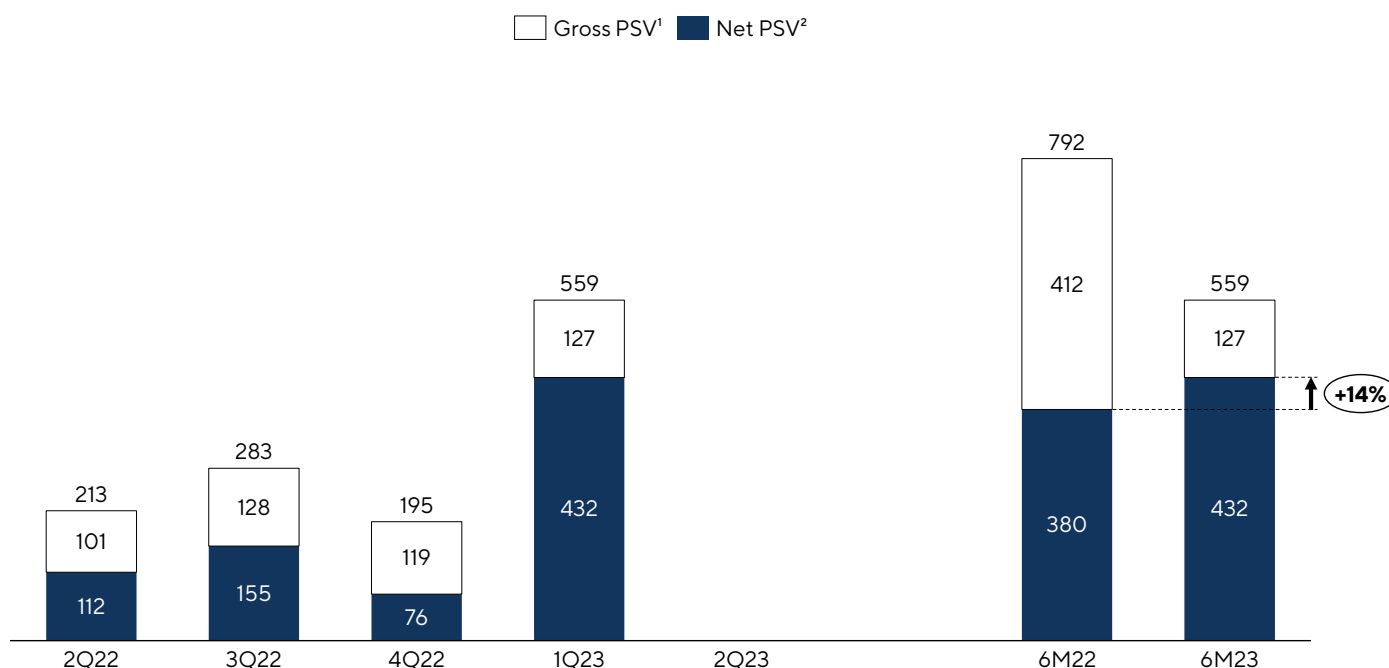
Project	Business unit	PSV 100% <sup>1</sup> (R\$ '000)	PSV Melnick <sup>2</sup> (R\$ '000)	Usable area <sup>3</sup> (m2)	Unit <sup>3</sup>	Average Value/Unit (R\$ '000)	Segment
Grand Park Moinhos - Phase 2	INC	61,289	54,361	7,467	114	477	Residential
Cidade Nilo	INC	429,334	345,443	18,205	56	6,169	Residential
Nilo Square Hotel	INC	68,746	32,483	7,555	282 <sup>4</sup>	250	Hotel
<b>Total</b>		<b>559,369</b>	<b>432,287</b>	<b>33,227</b>	<b>452</b>	<b>1,028</b>	

<sup>1</sup> PSV of physical swap and sales commissions, gross.

<sup>2</sup> PSV of physical swap and sales commissions, net.

<sup>3</sup> Physical swap, net.

<sup>4</sup> Units are the number of shares for sale.



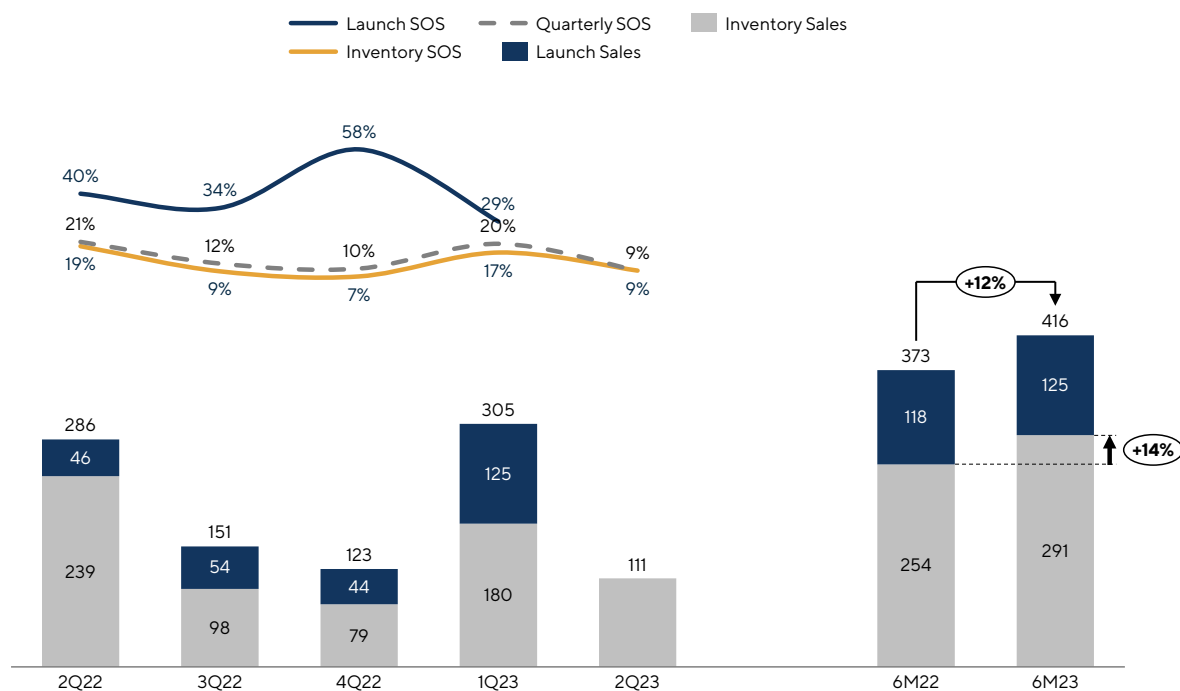
## GROSS AND NET SALES

In the second quarter of 2023, current gross and net sales totaled R\$ 129 million (% Melnick) and R\$ 111 million (% Melnick), respectively. In the semester, current gross and net sales totaled R\$ 470 million (% Melnick) and R\$ 416 million (% Melnick respectively), a 12% growth, as follows:

Sales breakdown (R\$ million, % Melnick)	2Q22	3Q22	4Q22	1Q23	2Q23
<b>Gross Sales</b>	<b>325</b>	<b>184</b>	<b>166</b>	<b>341</b>	<b>129</b>
Inventory	279	130	122	216	129
Launches	46	54	44	125	-
Current cancellations	-39	-32	-43	-36	-18
<b>Current net sales</b>	<b>286</b>	<b>151</b>	<b>123</b>	<b>305</b>	<b>111</b>

Below is the evolution of our sales velocity in the latest five quarters.

In this quarter, the average VSO and the inventory VSO reached 9%.



Net sales breakdown per business unit is shown below:

Business unit	Total Sales (R\$ '000)		Melnick Sales (R\$ '000)		Usable area (m2)		# Unit	
	2Q23	6M23	2Q23	6M23	2Q23	6M23	2Q23	6M23
Homebuilder	112,668	463,066	97,275	382,406	11,059	34,253	173	702
Lots Development	12,719	23,004	5,166	8,969	15,444	33,663	61	124
Open	8,722	25,077	8,722	25,077	1,783	4,904	29	99
<b>Total</b>	<b>134,109</b>	<b>511,147</b>	<b>111,163</b>	<b>416,452</b>	<b>28,286</b>	<b>72,821</b>	<b>263</b>	<b>925</b>

Below is the sales breakdown by year of product launch:

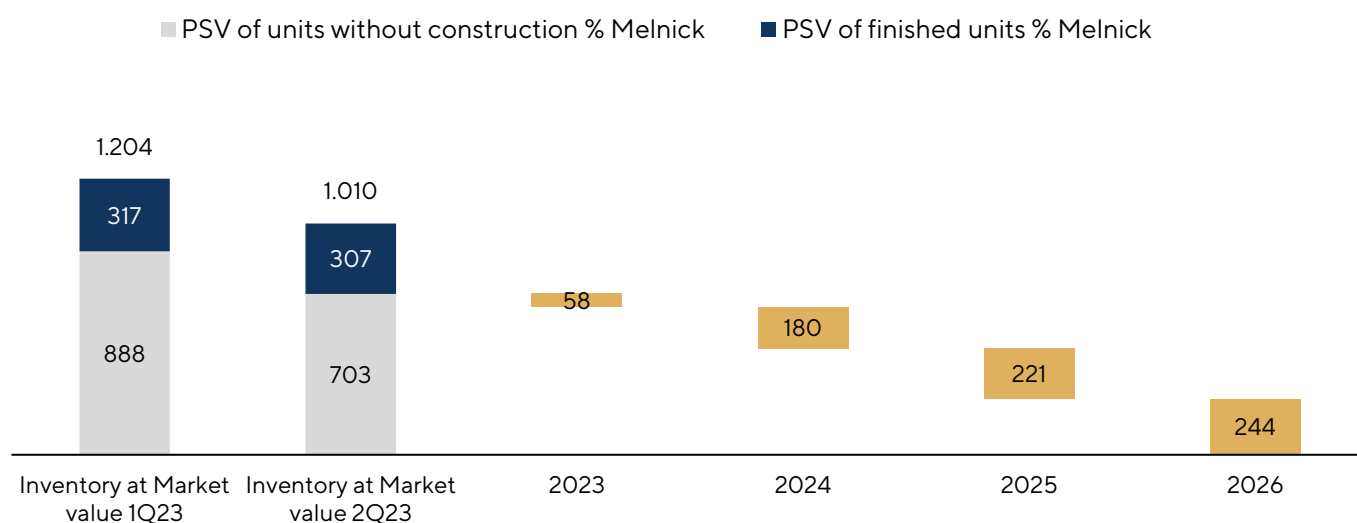
Year of launch	Total Sales (R\$ '000)		Melnick Sales (R\$ '000)		Usable area (m2)		# Unit	
	2Q23	6M23	2Q23	6M23	2Q23	6M23	2Q23	6M23
Until 2018	24,823	77,407	22,681	74,031	11,586	19,584	87	183
2019	6,667	16,397	6,667	16,397	699	2,143	11	42
2020	31,401	95,848	31,283	94,078	4,319	10,414	72	163
2021	50,976	139,710	30,782	86,766	10,412	31,195	69	198
2022	20,242	181,786	19,750	145,179	1,270	9,484	24	339
<b>Total</b>	<b>134,109</b>	<b>511,147</b>	<b>111,163</b>	<b>416,452</b>	<b>28,286</b>	<b>72,821</b>	<b>263</b>	<b>925</b>

## INVENTORY

We closed 2Q23 with R\$ 1.0 billion in inventory (% Melnick), as follows:

Year of expected completion	Total Inventory (R\$ '000)	Melnick Inventory (R\$ '000)	% Value	Units	% Units
Finished Inventory	333,379	307,322	31%	991	51%
2023	66,934	58,091	6%	264	13%
2024	182,430	179,638	18%	153	8%
2025	357,056	220,840	22%	510	26%
2026	244,247	244,247	24%	40	2%
<b>Total</b>	<b>1,184,046</b>	<b>1,010,139</b>	<b>100%</b>	<b>1,958</b>	<b>100%</b>

Below is the delivery schedule:



Below is the percentage sold of projects separated by year of expected completion.

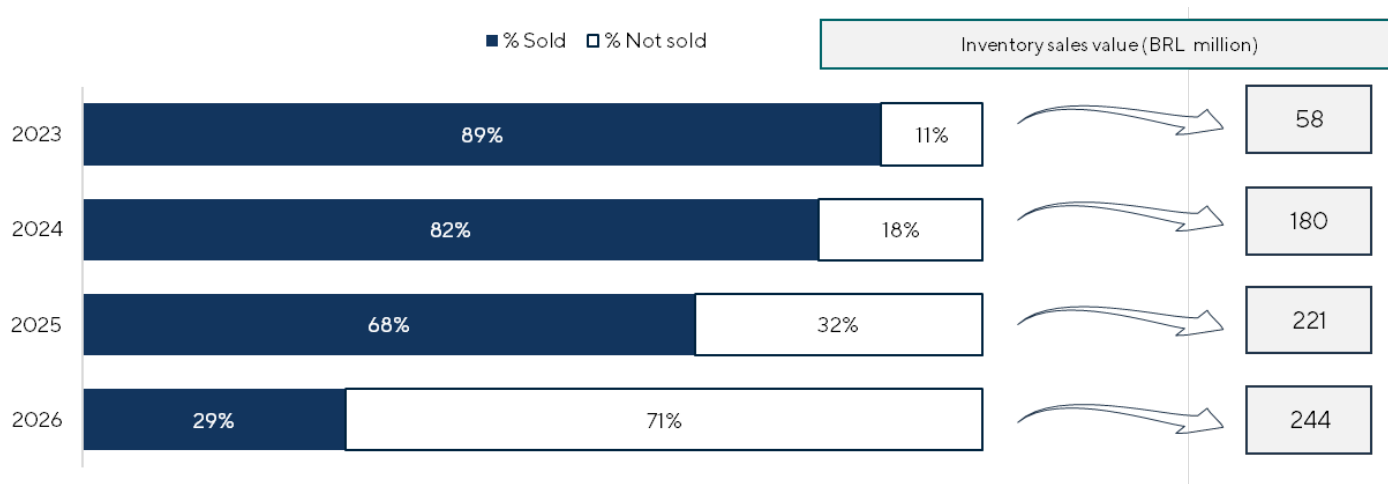




Table below shows the PSV of inventory broken down by year of launch:

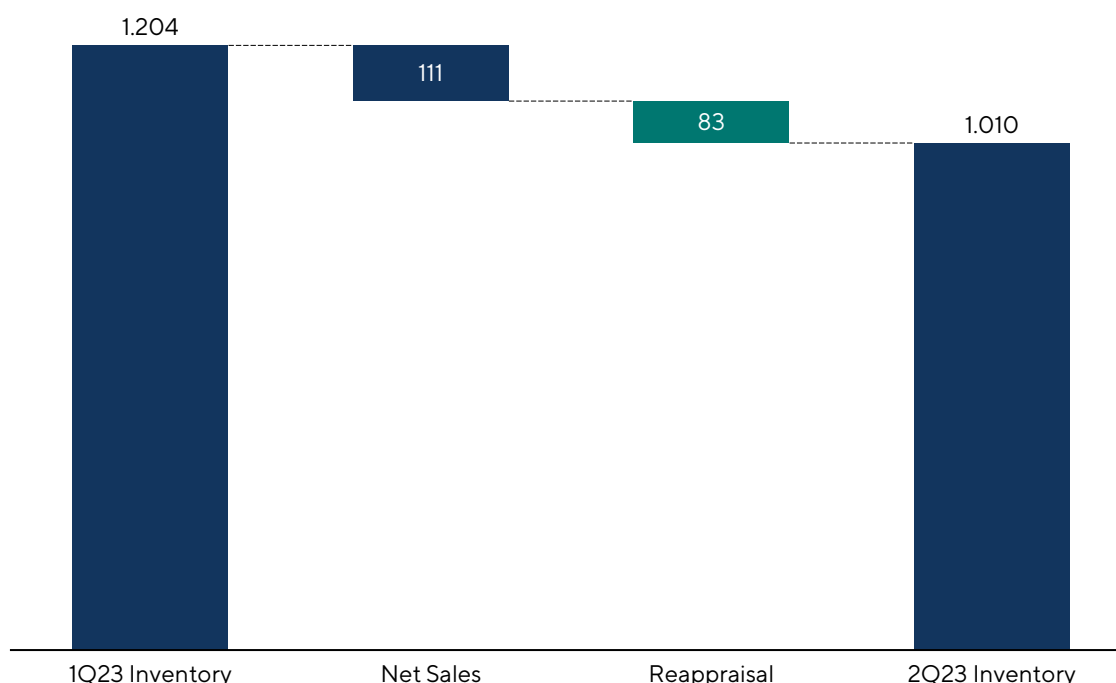
Launch	Total Inventory (R\$ '000)	Melnick Inventory (R\$ '000)	Developments <sup>1</sup>	Units	% Units
Until 2017	239,695	222,853	25	772	39%
2018	61,625	52,797	5	133	7%
2019	69,678	60,605	8	285	15%
2020	79,965	79,806	5	74	4%
2021	129,718	127,464	8	138	7%
2022	334,848	198,094	8	451	23%
2023	268,519	268,519	3	105	5%
<b>Total</b>	<b>1,184,046</b>	<b>1,010,139</b>	<b>61</b>	<b>1,958</b>	<b>100%</b>

And below, our inventory by business unit:

Segment	Total Inventory	Inventory % Melnick		Inventory % Melnick Completed		Inventory under Construction	
	(R\$ '000)	(R\$ '000)		(R\$ '000)	Units	(R\$ '000)	Units
Residential	830,631	720,436		95,440	244	624,996	398
Lots Development	114,494	60,462		33,693	340	26,769	530
Commercial	238,921	229,241		178,190	407	51,051	39
<b>Total</b>	<b>1,184,046</b>	<b>1,010,139</b>		<b>307,322</b>	<b>991</b>	<b>702,816</b>	<b>967</b>

We should mention the Company does quarterly reappraisals of its inventory's value in order to best reflect the sales pricing expectations in light of the current market, deducting commissions and marketing expenses.

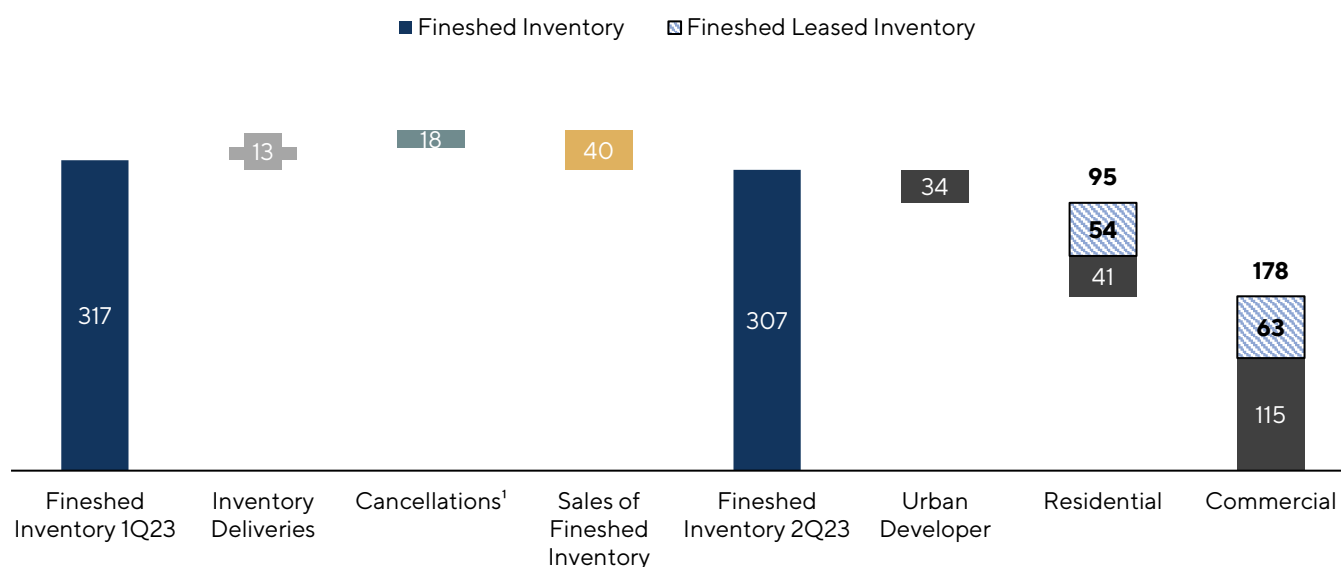
Quarterly inventory breakdown  
(PSV % Melnick in R\$ million)



<sup>1</sup> Adjustment to the market price of the latest sales

## FINISHED INVENTORY

As we can see in the graph below, we sold R\$ 40 million (% Melnick) in finished inventory in 2Q23, and closed 2Q23 with R\$ 307 million in finished inventory.



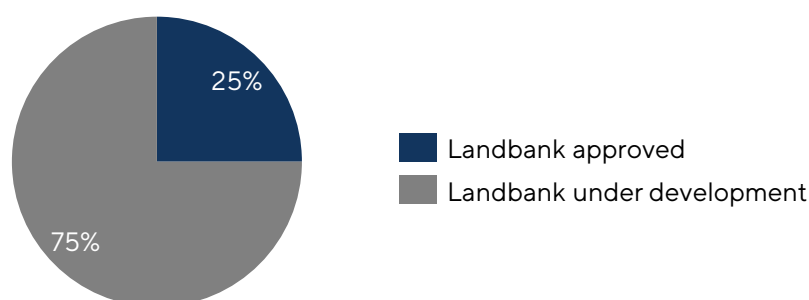
<sup>1</sup>Considering that 100% of the cancellations refer to finished units.

As a strategy to accelerate the sales of finished inventory, we offer our clients a reversible lease program, consisting of leasing our finished inventory with more units available with a purchase option by the lessee during part in the leasing period by using the amounts paid as lease as a down payment at the time of purchase. As of June 30, 2023, we had R\$ 117 million of our inventory leased under the reversible lease, corresponding to 38% of the finished inventory.

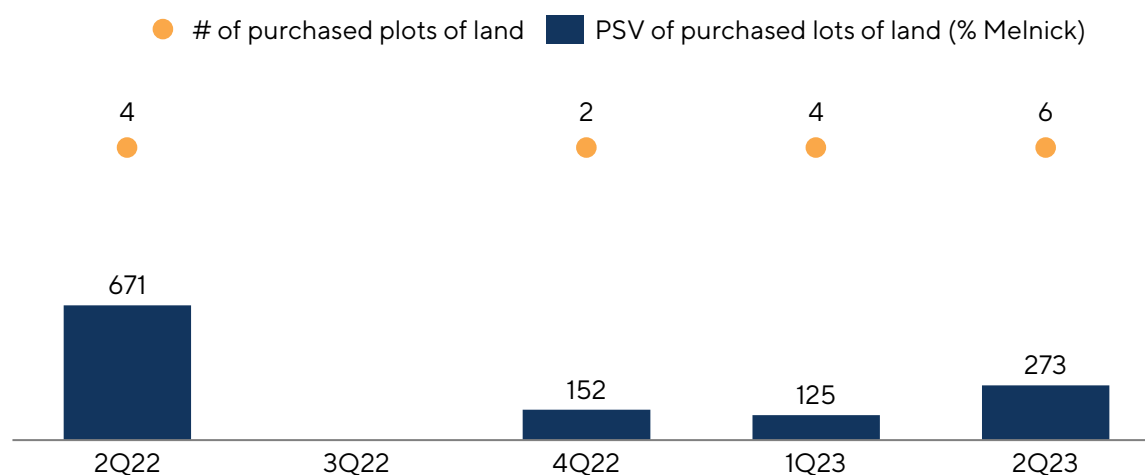
## LAND BANK

The land bank closed the second quarter of 2023 with R\$ 3.9 billion in PSV (% Melnick), with R\$ 964.8 million in projects already approved, accounting for 25% of the land bank.

Business Unit	Projects	Units	PSV 100% (R\$ million)	Net PSV % Melnick (R\$ million)
Homebuilder	21	4,347	3,566	3,071
Urban Development	18	7,009	2,231	831
<b>Total</b>	<b>39</b>	<b>11,356</b>	<b>5,797</b>	<b>3,902</b>



Below is the breakdown of our land bank acquired in the latest five quarters:



## PROJECT DELIVERY<sup>4</sup> AND EXECUTION

In the second quarter of 2023, we delivered one project, totaling R\$ 117.2 million in gross PSV (R\$ 89.6 million % Melnick): We had R\$ 228.8 million in gross PSV in the year (R\$ 179.1 million % Melnick), as follows:

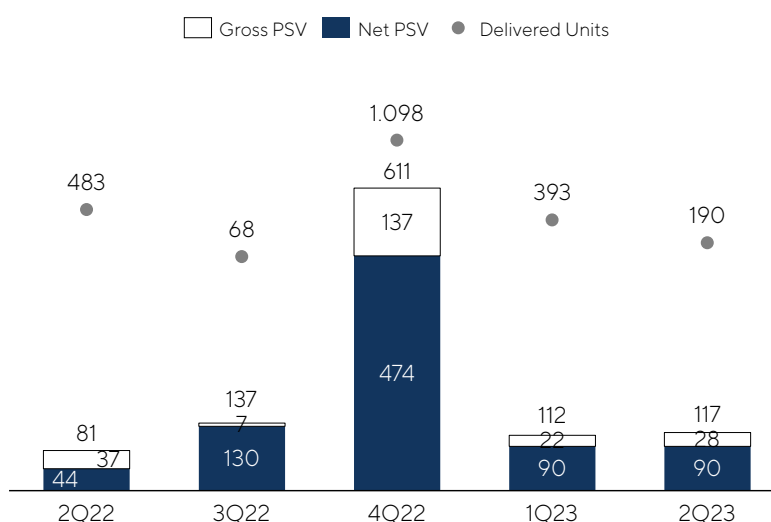
Project	Business unit	PSV 100% <sup>1</sup> (R\$ '000)	PSV Melnick <sup>2</sup> (R\$ '000)	Usable area <sup>2</sup> (m <sup>2</sup> )	Unit <sup>3</sup>	Average Value/Unit (R\$ '000)	Segment
<b>1Q23</b>		<b>111,658</b>	<b>89,548</b>	<b>14,642</b>	<b>393</b>	<b>228</b>	
GO24	INC	69,763	49,716	4,062	153	342	Residential
Open Canoas Centro – Phase 2	INC	41,895	39,832	10,580	240	153	Residential
<b>2Q23</b>		<b>117,158</b>	<b>89,599</b>	<b>12,628</b>	<b>190</b>	<b>472</b>	
Grand Park Lindóia – Phase 3	INC	117,158	89,599	12,628	190	472	Residential
<b>Total</b>		<b>228,816</b>	<b>179,147</b>	<b>27,270</b>	<b>583</b>	<b>307</b>	

<sup>1</sup> PSV of physical swap and sales commissions, gross.

<sup>2</sup> PSV of physical swap and sales commissions, net.

<sup>3</sup> Physical swap, net.

<sup>4</sup> Value considering the selling prices at the time of launch.



As of June 30, 2023, the Company had 21 active construction sites, of which, 15 of the Homebuilder, 4 of the Urban Developer, and 2 of the Open segment.

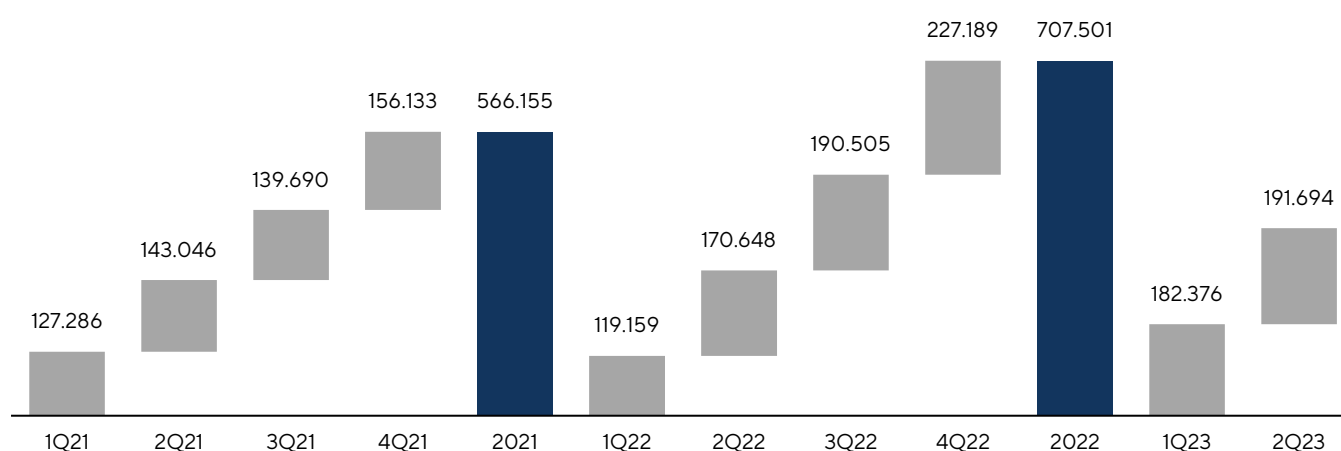


## TRANSFERS AND RECEIVABLES

The process of transfers (mortgages to customers) remains the Company's focus given its importance for the cash flow.

The following table shows total receivables from customers (units under construction and finished ones) in the second quarter of 2023, totaling R\$ 192 million.

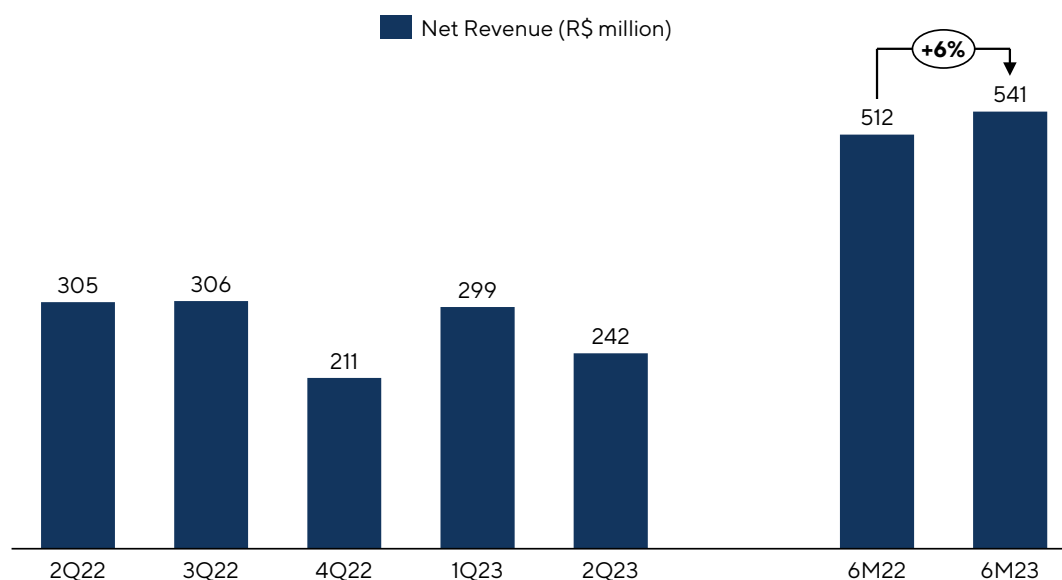
R\$ '000	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Units under construction	101,303	116,313	113,896	119,006	88,128	130,355	141,545	189,940	163,140	136,858
Units completed	25,983	26,733	25,794	37,127	31,031	40,293	48,959	37,249	19,236	54,836
<b>Total</b>	<b>127,286</b>	<b>143,046</b>	<b>139,690</b>	<b>156,133</b>	<b>119,159</b>	<b>170,648</b>	<b>190,505</b>	<b>227,189</b>	<b>182,376</b>	<b>191,694</b>



## ECONOMIC AND FINANCIAL PERFORMANCE

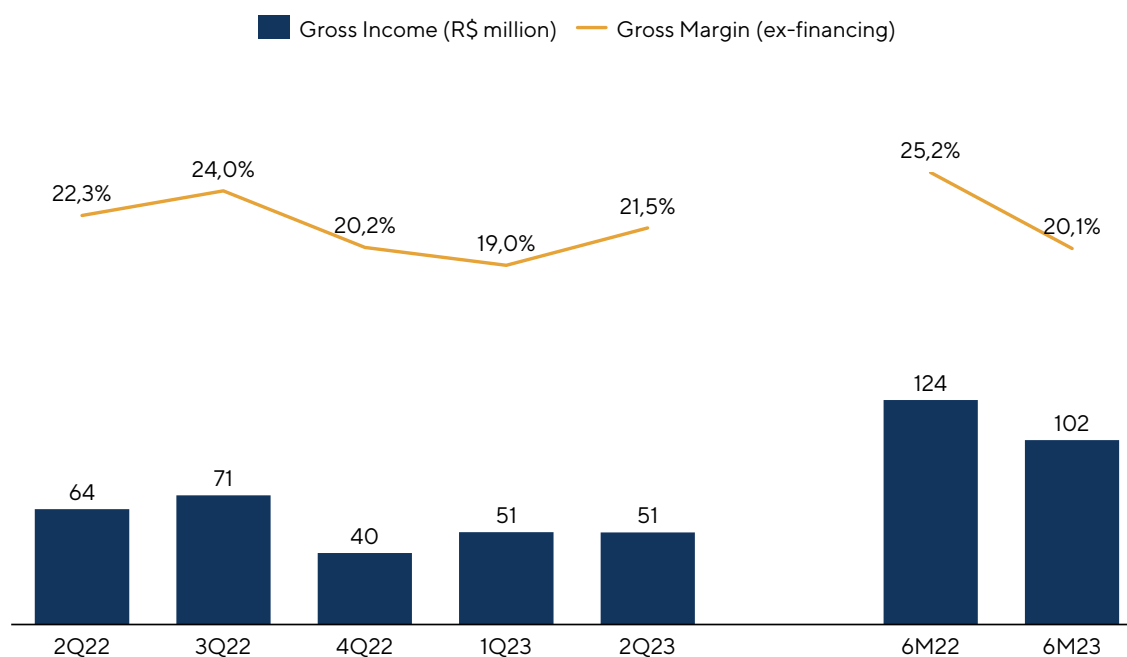
### NET REVENUE

In the 2nd quarter of 2023, we had a net operating revenue of R\$ 242 million, a 21% decrease when compared to 2Q22. In the semester, accumulated net revenue totaled R\$ 541 million, a 6% increase in relation to the same period of 2022.



### GROSS INCOME AND GROSS MARGIN

In the quarter, we had R\$ 51 million in gross income. Gross Margin reached 21.5%, excluding effects of financial charges appropriated to cost. We should note that the reduced gross margin in the semester results from higher discounts for the sale of finished inventory.



The next chart shows gross margins: (i) earned, (ii) unearned (REF), and (iii) from inventory (with the effects of financial charges recognized as cost):

Ref. 1Q23 (R\$ million)	Gross Margin	REF Margin <sup>1</sup>	Inventory Gross Margin
<b>Net Revenue</b>	241.7	930.5	1,159.4
<b>COGS</b>	<b>-190.8</b>	<b>-626.0</b>	<b>-871.1</b>
Construction and Land	-189.7	-626.0	-850.2
Financial charges	-1.0	0.0	-20.9
<b>Gross Income</b>	<b>50.9</b>	<b>304.5</b>	<b>288.4</b>
<b>Gross Margin (%)</b>	<b>21.06%</b>	<b>32.72%</b>	<b>24.9%</b>
<b>Gross Margin (%) ex-financing</b>	<b>21.49%</b>	<b>32.72%</b>	<b>26.7%</b>

<sup>1</sup> When REF Margin and Inventory margin are earned, they will benefit from the revenues from services and the indexing of the portfolio by INCC.

Please note Melnick updates the estimated costs of the projects on a monthly basis; not only considering the variation of the INCC index in the period, but also considering the estimated cost effectively updated by our technical department. In the table below, we can see the yearly cost to be incurred in all the projects currently under construction, including sold and unsold units (inventory).

Year	Unearned Cost 2Q23		
	Sold Units (R\$ million)	Units in Inventory (R\$ million)	Total (R\$ million)
2023	253,164	87,176	340,340
2024	277,807	155,935	433,742
2025	80,581	81,991	162,573
2026	14,470	12,305	26,775
<b>Total</b>	<b>626,023</b>	<b>337,407</b>	<b>963,429</b>

## SELLING, GENERAL & ADMINISTRATIVE, AND OTHER EXPENSES

In the second quarter of 2023, operating expenses totaled R\$ 40.2 million. Increased selling expenses results from the preparation for upcoming launches. When comparing the first semesters of 2023 and 2022, operating expenses are under control and had a 3.2% decrease.

The breakdown is as follows:

	2Q22	3Q22	4Q22	1Q23	2Q23	6M22	6M23
Selling	19,883	26,855	19,506	15,388	22,184	35,967	37,572
General and Administrative	16,260	13,101	13,586	16,098	14,491	27,458	30,589
Other expenses, net	6,888	9,632	1,425	3,427	3,523	14,093	6,950
<b>Operating Expenses</b>	<b>43,031</b>	<b>49,588</b>	<b>34,517</b>	<b>34,913</b>	<b>40,197</b>	<b>77,518</b>	<b>75,110</b>
<b>% of Net Revenue (LTM)</b>	<b>15.77%</b>	<b>15.23%</b>	<b>15.70%</b>	<b>14.45%</b>	<b>15.04%</b>	<b>15.14%</b>	<b>13.89%</b>
<b>% G&amp;A / Net Revenue</b>	<b>5.33%</b>	<b>4.28%</b>	<b>6.43%</b>	<b>5.38%</b>	<b>6.00%</b>	<b>5.36%</b>	<b>5.66%</b>

### Other expenses, net (Provisions):

	2Q22	3Q22	4Q22	1Q23	2Q23	6M22	6M23
Contingency fund	2,337	5,937	4,579	3,821	3,538	5,586	7,359
Provision for cancellations - IFRS 9 (e)	1,878	4,977	-3,643	-1,148	195	5,247	-953
Other expenses, net	2,673	-1,282	489	754	-210	3,261	544
<b>Other expenses, net</b>	<b>6,888</b>	<b>9,632</b>	<b>1,425</b>	<b>3,427</b>	<b>3,523</b>	<b>14,093</b>	<b>6,950</b>

<sup>1</sup> Explanatory Note 12(e) to Financial Statements.

## FINANCIAL RESULTS

We closed the second quarter with R\$ 22.9 million in income. The breakdown is as follows:

	2Q22	3Q22	4Q22	1Q23	2Q23	6M22	6M23
<b>Financial Expenses</b>	<b>-400</b>	<b>-935</b>	<b>-876</b>	<b>-680</b>	<b>-1,467</b>	<b>-1,085</b>	<b>-2,147</b>
Financial expenses	-400	-935	-876	-680	-1,467	-1,085	-2,147
<b>Financial Revenue</b>	<b>24,734</b>	<b>16,618</b>	<b>18,918</b>	<b>17,176</b>	<b>25,370</b>	<b>43,363</b>	<b>42,546</b>
Interest from investments	11,458	10,454	9,321	10,441	16,215	20,517	26,656
With customers	13,276	6,164	9,598	6,735	9,155	22,846	15,890
<b>Net Financial Revenue</b>	<b>24,334</b>	<b>15,683</b>	<b>18,042</b>	<b>16,496</b>	<b>23,904</b>	<b>42,278</b>	<b>40,399</b>
Reclassification of expenses recognized as cost	-4,220	-2,058	-3,155	-5,698	-1,027	-4,921	-6,725
<b>Financial Results</b>	<b>20,114</b>	<b>13,625</b>	<b>14,887</b>	<b>10,798</b>	<b>22,877</b>	<b>37,357</b>	<b>33,674</b>

## EBITDA<sup>1</sup>

EBITDA history is as follows<sup>1</sup>:

EBITDA Reconciliation	2Q22	3Q22	4Q22	1Q23	2Q23	6M22	6M23
<b>Profit before IRPJ and CSLL</b>	<b>45,125</b>	<b>37,519</b>	<b>22,422</b>	<b>33,497</b>	<b>35,734</b>	<b>88,811</b>	<b>69,230</b>
(+) Financial Result	-24,334	-15,683	-18,042	-16,496	-23,904	-42,278	-40,399
(+) Depreciation and Amortization	940	906	1,116	1,067	1,011	1,910	2,078
<b>EBITDA</b>	<b>21,731</b>	<b>22,742</b>	<b>5,495</b>	<b>18,068</b>	<b>12,841</b>	<b>48,443</b>	<b>30,909</b>
<b>EBITDA Margin</b>	<b>7.13%</b>	<b>7.42%</b>	<b>2.60%</b>	<b>6.04%</b>	<b>5.31%</b>	<b>9.46%</b>	<b>5.72%</b>
(+) Financial expenses recognized as cost	4,220	2,058	3,155	5,698	1,027	4,921	6,725
<b>Adjusted EBITDA</b>	<b>25,951</b>	<b>24,800</b>	<b>8,650</b>	<b>23,766</b>	<b>13,868</b>	<b>53,364</b>	<b>37,634</b>
<b>Adjusted EBITDA Margin (%)</b>	<b>8.51%</b>	<b>8.09%</b>	<b>4.10%</b>	<b>7.95%</b>	<b>5.74%</b>	<b>10.42%</b>	<b>6.96%</b>

<sup>1</sup> EBITDA: earnings before taxes, interest, financial charges recognized as cost, depreciation, and amortization.

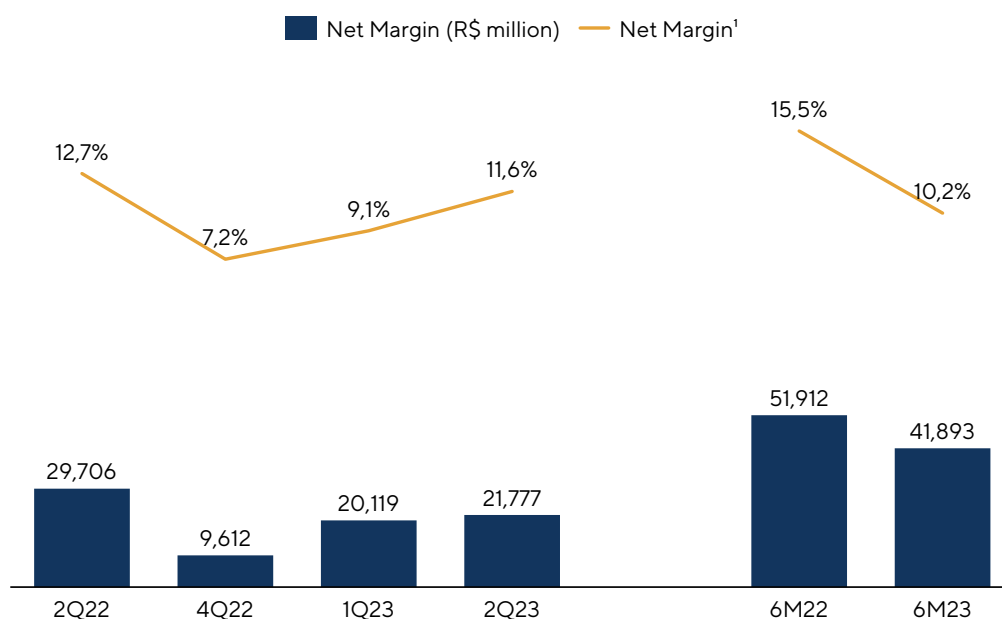
The Company understands Adjusted EBITDA offers a better determination of the operational results.

According to the accounting standards applicable to homebuilders, the financial costs related to construction financing are capitalized at the cost of real estate sold. Therefore, the EBITDA, which should not include interest, includes the part related to construction financing. The balance is presented in explanatory note 7 to the Company's Financial Statements.



## NET INCOME AND NET MARGIN

In the second quarter, net income totaled R\$ 21.8 million. Net margin before minority interest reached 11.2% in the year, which translates into a 3 p.p. increase when compared to 1Q23.



<sup>1</sup> Given that net income considers minorities' interest, net margin is also related to net income before minorities' interest.

## FINANCIAL STRUCTURE

Cash, cash equivalents, bonds and securities, and restricted cash totaled R\$ 419.2 million as of June 30, 2023.

Loans and borrowings totaled R\$ 238.6 million, which are entirely guaranteed by receivables or inventory.

Table below shows capital structure. We closed 2Q23 with R\$ 181.2 million in **Net Cash**, accounting for 15.2% of our Equity:

	Jun/2023	(R\$ million)
Production SFH	-238.0	99.7%
Production CRI	-0.6	0.3%
<b>Gross Debt</b>	<b>-238.6</b>	<b>100%</b>
Cash	419.8	
<b>Net Cash</b>	<b>181.2</b>	
<b>Equity</b>	<b>1,195.3</b>	
<b>Net Cash / PL</b>	<b>15.2%</b>	

## CASH GENERATION / CASH BURN

In the second quarter of 2023, cash generation totaled R\$ 21.1 million. In the quarter, cash generation totaled R\$ 27.5 million.

Cash burn breakdown for the latest 5 quarters is as follows:

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Initial Net Debt	-388.3	-350.4	-299.1	-200.8	-187.7	-183.1
Final Net Debt	-350.4	-299.1	-200.8	-187.7	-183.1	-181.2
Net debt variation	37.9	51.3	98.3	13.1	4.6	1.9
Dividends and contributions	-	-24.4	-7	-	-11	-23
Stock buyback	-	-	-	-	-	-
<b>Cash burn</b>	<b>37.9</b>	<b>26.9</b>	<b>91.3</b>	<b>13.1</b>	<b>-6.4</b>	<b>-21.1</b>

## ACCOUNTS RECEIVABLE FROM CUSTOMERS

We closed the second quarter of 2023 with R\$ 297.2 million in receivables from finished units. Breakdown of such amounts is as follows:

Nature	(R\$ million)
Customers with fiduciary sale	186.5
Transfers of (non-delinquent and delinquent) customers	122.4
Provision for cancellations	-11.7
<b>Total</b>	<b>297.2</b>

Recognized accounts receivables (R\$ 726.3 million) were stable in relation to the previous quarter. The balance of accounts receivable from the units sold but not finished is not fully expressed as an asset in the financial statements since this balance is recognized as the construction progresses (*percent of completion*).

As per the schedule below, of the total receivables worth R\$ 1.54 billion (earned receivables plus receivables recognized in the balance sheet), R\$ 1.44 billion will become due, and have the following collection schedule:

Year	(R\$ million)
2023	318.9
2024	498.8
2025	333.0
2025 onwards	292.9
<b>Total</b>	<b>1,443.5</b>

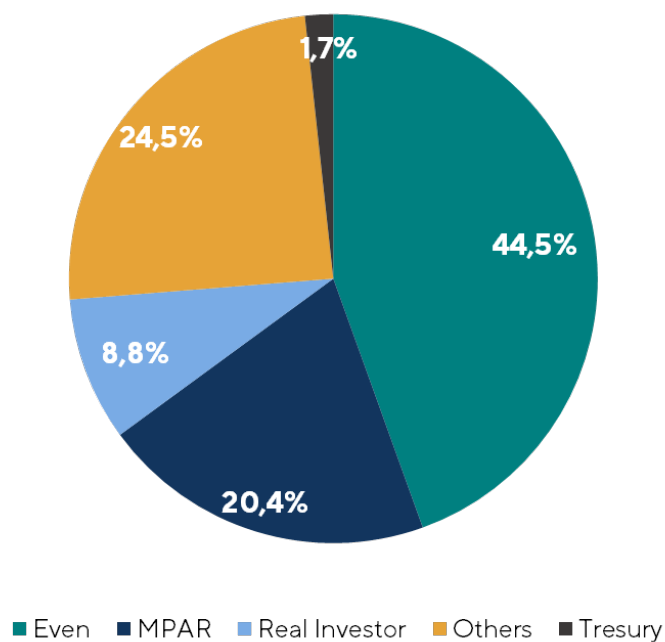
Accounts receivable are adjusted by the INCC index until the delivery of keys and then by the variation of the pricing index (IPCA) plus interest at 10% - 12% per annum recognized pro rata temporis.

Such amounts may be paid by the client, transferred to banks (mortgage to customers), or securitized.

## SHAREHOLDING STRUCTURE

### Shareholding Structure

(As of 7/31/2023 per CVM 358 + Information from shareholders with a minimum ownership of 5% – source: B3)



(Total shares: 206,269,341)

## ANNEXES

### ANNEX 1 – Income Statement

(Consolidated – R\$ thousand)

INCOME STATEMENT	2Q22	3Q22	4Q22	1Q23	2Q23	6M22	6M23
<b>Net Revenue from Sales and/or Services</b>	<b>304,927</b>	<b>306,411</b>	<b>211,235</b>	<b>298,968</b>	<b>241,671</b>	<b>511,922</b>	<b>540,639</b>
<b>Cost of Goods Sold</b>	<b>-241,082</b>	<b>-235,050</b>	<b>-171,735</b>	<b>-247,900</b>	<b>-190,763</b>	<b>-387,848</b>	<b>-438,664</b>
<b>Gross Income</b>	<b>63,845</b>	<b>71,361</b>	<b>39,500</b>	<b>51,068</b>	<b>50,908</b>	<b>124,074</b>	<b>101,975</b>
<i>Gross Margin</i>	20.94%	23.29%	18.70%	17.08%	21.06%	24.24%	18.86%
<i>Gross Margin (ex-financing)</i>	22.32%	23.96%	20.19%	18.99%	21.49%	25.20%	20.11%
<b>Operating Expenses</b>	<b>-43,031</b>	<b>-49,588</b>	<b>-34,517</b>	<b>-34,913</b>	<b>-40,198</b>	<b>-77,517</b>	<b>-75,110</b>
Selling	-19,883	-26,855	-19,506	-15,388	-22,184	-35,967	-37,572
General and Administrative	-16,260	-13,101	-13,586	-16,098	-14,491	-27,458	-30,589
Other operating expenses, net	-6,888	-9,632	-1,425	-3,427	-3,523	-14,092	-6,949
<b>Operating Income Before Financial Result</b>	<b>20,814</b>	<b>21,773</b>	<b>4,983</b>	<b>16,155</b>	<b>10,710</b>	<b>46,556</b>	<b>26,865</b>
<b>Equity Income</b>							
Equity accounting	-23	63	-604	847	1,120	-23	1,967
<b>Financial Results</b>	<b>24,334</b>	<b>15,683</b>	<b>18,043</b>	<b>16,496</b>	<b>23,904</b>	<b>42,279</b>	<b>40,398</b>
Financial Expenses	-400	-935	-876	-680	-1,466	-1,085	-2,147
Financial Revenue	24,734	16,618	18,919	17,176	25,370	43,364	42,545
<b>Profit before IRPJ and CSLL</b>	<b>45,125</b>	<b>37,519</b>	<b>22,422</b>	<b>33,498</b>	<b>35,734</b>	<b>88,812</b>	<b>69,230</b>
<b>IRPJ and CSLL</b>	<b>-6,262</b>	<b>-6,446</b>	<b>-7,200</b>	<b>-6,439</b>	<b>-7,740</b>	<b>-9,513</b>	<b>-14,180</b>
Current	-5,441	-5,670	-8,409	-4,784	-7,341	-8,325	-12,125
Deferred	-821	-776	1,209	-1,655	-399	-1,188	-2,055
<b>Net income before minority shareholders' interest</b>	<b>38,863</b>	<b>31,073</b>	<b>15,222</b>	<b>27,059</b>	<b>27,994</b>	<b>79,299</b>	<b>55,050</b>
Minority shareholders' interest	-9,134	-8,218	-5,610	-6,940	-6,216	-27,387	-13,157
<b>Net Income for the Year</b>	<b>29,729</b>	<b>22,855</b>	<b>9,612</b>	<b>20,119</b>	<b>21,778</b>	<b>51,912</b>	<b>41,893</b>
<b>Net Margin</b>	<b>9.75%</b>	<b>7.46%</b>	<b>4.55%</b>	<b>6.73%</b>	<b>9.01%</b>	<b>10.14%</b>	<b>7.75%</b>
<b>Net Margin (without minorities)</b>	<b>12.74%</b>	<b>10.14%</b>	<b>7.21%</b>	<b>9.05%</b>	<b>11.58%</b>	<b>15.49%</b>	<b>10.18%</b>



## ANNEX 2 – Balance Sheet

(Consolidated – R\$ thousand)

ASSETS	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Cash and cash equivalents	8,524	8,882	16,058	17,041	2,113
Bonds and Securities	379,101	328,744	336,366	351,103	408,341
Restricted cash	-	-	-	-	0
Accounts receivable	417,642	251,233	419,707	583,431	583,973
Properties to be sold	815,181	965,827	1,038,295	931,880	947,186
Other accounts receivable	29,443	33,545	33,809	26,851	32,077
<b>Current Assets</b>	<b>1,649,891</b>	<b>1,588,231</b>	<b>1,844,235</b>	<b>1,910,306</b>	<b>1,973,690</b>
Bonds and Securities LP	0	0	270	726	9,394
Accounts receivable	330,170	515,108	331,612	282,245	282,761
Properties to be sold	42,875	50,579	94,962	92,260	100,031
Advances for future investments	4,694	3,195	663	322	654
Related parties	9,116	11,717	236	178	797
Other accounts receivable	3,837	3,842	3,868	3,918	6,705
Investments	6,614	12,181	12,422	14,330	16,396
Right of use	4,473	4,118	4,118	3,113	2,590
Property, plant and equipment	9,035	8,864	8,486	9,541	9,454
Intangible assets	124	289	249	222	191
<b>Non-current assets</b>	<b>410,938</b>	<b>609,893</b>	<b>456,886</b>	<b>406,855</b>	<b>428,973</b>
<b>Total assets</b>	<b>2,060,829</b>	<b>2,198,124</b>	<b>2,301,121</b>	<b>2,317,161</b>	<b>2,402,663</b>
LIABILITIES	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Suppliers	54,699	39,653	27,915	30,945	49,107
Accounts Payable, Real Property Purchase	69,233	37,071	66,910	76,370	61,857
Loans and borrowing	2,857	21,736	46,358	33,162	47,585
Current taxes and contributions	5,490	5,564	8,232	6,408	5,754
Differed taxes and contributions	13,238	14,331	13,022	14,816	15,248
Advances from Customers	363,550	464,589	343,114	253,738	288,468
Proposed dividends	-	-	11,000	-	33,301
Provisions	77,443	80,087	67,587	61,946	76,790
Related parties	31,426	1,619	1,539	1,812	27,160
Other accounts payable	37,565	21,431	16,151	16,258	29,287
<b>Current Liabilities</b>	<b>655,501</b>	<b>686,081</b>	<b>601,828</b>	<b>495,455</b>	<b>634,557</b>
Advances from Customers	-	-	169,379	232,869	153,250
Accounts Payable, Real Property Purchase	26,193	56,293	72,730	74,417	76,364
Provisions	26,205	29,324	31,543	27,573	41,001
Loans and borrowing	85,651	115,082	118,641	152,633	191,035
Other accounts payable	-	-	-	-	-
Differed taxes and contributions	12,220	12,996	11,787	13,443	13,842
<b>Long-Term Liabilities</b>	<b>150,269</b>	<b>213,695</b>	<b>404,080</b>	<b>500,935</b>	<b>475,492</b>
Capital stock	1,109,029	1,109,029	1,109,029	1,109,029	1,109,029
Treasury Stock	-31,692	-31,692	-31,692	-22,378	-19,453
Costs for subscription of shares	-	-	-	-	-
Equity valuation adjustment	-	-	-	-	-
Legal reserves	-	-	-	-	-
Statutory Reserves	-	-	-	-	-
Stock Option Plan	-	-	8,946	11,129	9,637
Profit reserve	105,015	121,208	63,518	74,323	54,204
Retained Earnings	-	-	-	-	41,893
Additional proposed dividends	-	-	56,300	56,300	-
<b>Equity</b>	<b>1,182,352</b>	<b>1,198,545</b>	<b>1,206,101</b>	<b>1,228,403</b>	<b>1,195,310</b>
Non-controlling shareholders' interest	72,707	99,803	89,112	92,368	97,304
<b>Total Equity</b>	<b>1,255,059</b>	<b>1,298,348</b>	<b>1,295,213</b>	<b>1,320,771</b>	<b>1,292,614</b>
<b>Total Liabilities and Equity</b>	<b>2,060,829</b>	<b>2,198,124</b>	<b>2,301,121</b>	<b>2,317,161</b>	<b>2,402,663</b>

## ANNEX 3 – Cash Flow Statement

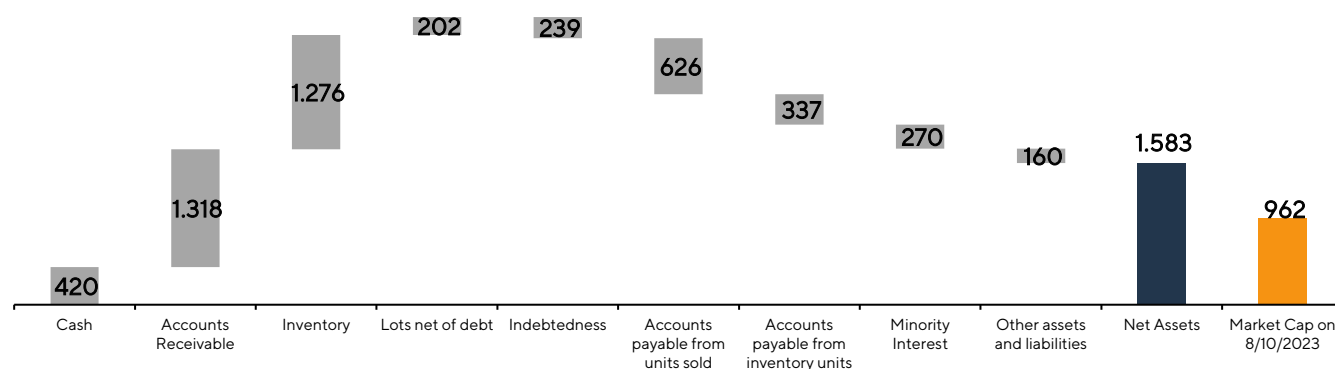
(Consolidated – R\$ thousand)

CASH FLOW FROM OPERATING ACTIVITIES	2Q22	3Q22	4Q22	1Q23	2Q23
<b>Profit before income and social contribution taxes</b>	<b>45,126</b>	<b>37,518</b>	<b>22,421</b>	<b>33,498</b>	<b>35,732</b>
Adjustments to reconcile income before income tax and social contribution					
Equity accounting	23	-63	604	-847	-1,120
Depreciation and amortization	940	906	1,116	1,067	1,011
Contingency fund, net	120	3,868	2,182	2,530	2,573
Provision for guarantees, net	19	1,472	988	1,080	459
Provision for cancellations, net	8,319	-2,091	-5,299	-15,602	29,727
Provision for profit sharing	-3,547	2,514	-8,152	2,381	-4,487
Provisioned interest	2,914	4,065	3,155	5,698	-20,391
Interest and monetary variations expenses	-701	-	-	-	-
Interest allocated in bonds and securities	-701	-	-	-	-
Variations in current and non-current assets and liabilities:	-	-	-	-	-
Accounts receivable	-108,031	-18,529	15,022	-114,357	-1,058
Properties to be sold	53,257	-158,350	-116,851	109,117	-23,077
Other accounts receivable	4,623	-4,107	-290	6,908	-7,743
Suppliers	7,892	-15,046	-11,738	3,030	18,162
Accounts Payable, Real Property Purchase	11,437	-2,062	46,276	11,147	-12,566
Advances from Customers	-24,442	101,039	47,904	-25,886	-44,889
Other liabilities	2,449	-13,854	3,815	3,916	14,640
<b>Cash generated (applied) in operations</b>	<b>-303</b>	<b>-62,720</b>	<b>1,153</b>	<b>23,680</b>	<b>-13,027</b>
Interest paid	-1,097	-1,254	-7,012	-9,514	-3,099
Paid income tax and social security	-6,264	-6,445	-7,200	-6,439	-7,741
<b>Net cash applied in operating activities</b>	<b>-7,663</b>	<b>-70,420</b>	<b>-13,059</b>	<b>7,727</b>	<b>-23,866</b>
CASH FLOW FROM INVESTMENTS					
Bonds and Securities	-8,677	50,357	-7,892	-15,193	-39,520
Acquisition of property, plant and equipment and intangible assets	-417	-545	-698	-1,090	-370
Increase in investments	-2,053	-5,504	-845	-1,061	-946
Increase of capital in holdings	-2,541	-	2,541	-	-
Income received	-	-	-	-	-
Dividends received	-	-	-	-	-
Related parties	3,538	-	-	-	-
Increase (decrease) in advance for future capital increase in investees	-2,541	1,499	2,532	341	-332
<b>Net cash from investments</b>	<b>-12,691</b>	<b>45,807</b>	<b>-4,362</b>	<b>-17,003</b>	<b>-41,168</b>
INVESTMENTS CASH FLOW					
Raised loans and borrowings	60,752	45,596	47,754	30,326	88,897
Amortized loans and borrowings	-2,853	-97	-15,716	-5,714	-39,238
Restricted cash	-	-	-	-	-
Related parties	-18,111	-32,408	11,401	331	24,729
Dividend paid	-24,365	-7,000	1	-11,000	-23,000
Acquisition of shares in treasury	-	-	-	-	-
Non-controlling shareholders' transactions	1,298	18,879	-16,302	-3,684	-1,281
<b>Net cash from financing activities</b>	<b>16,721</b>	<b>24,970</b>	<b>27,138</b>	<b>10,259</b>	<b>50,107</b>
<b>NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS</b>	<b>-3,634</b>	<b>358</b>	<b>9,717</b>	<b>983</b>	<b>-14,928</b>

## ANNEX 4 – NAV

(Consolidated – R\$ thousand)

Net Assets	6/30/2023
Cash/Cash equivalents and financial investments	419,848
Loans, Financing and Debentures to be paid	(238,620)
<b>Net indebtedness</b>	<b>181,228</b>
Accounts receivable from customers, on-balance	866,734
Accounts receivable from customers, off-balance	947,434
Advances from customers	(441,718)
Taxes on accounts receivable from customers	(54,898)
Building obligations ref. sold properties	(626,023)
<b>Accounts receivable from customers, Net</b>	<b>691,529</b>
Units in inventory at market value	1,184,046
Provision for cancellations at market value	145,616
Taxes on sale of units in inventory	(53,186)
Estimated costs to be incurred on properties in inventory	(337,407)
Adjustment of costs to be incurred from phases already accounted for	-
<b>Net inventory</b>	<b>939,069</b>
Inventory of plots of land, on-balance	340,158
Debt from plots of land, on-balance	(134,860)
Debt from plots of land already launched	(3,360)
<b>Plots of Land</b>	<b>201,938</b>
Minorities' interest (on-balance)	(97,304)
Minorities' interest (off-balance)	(173,045)
<b>Minority shareholders' interest</b>	<b>(270,349)</b>
Projects consolidated by equity method (on-balance)	16,396
Projects consolidated by equity method (off-balance)	-
<b>Projects consolidated by equity method</b>	<b>16,396</b>
Other assets	52,468
Other liabilities	(229,099)
<b>Other assets (liabilities)</b>	<b>(176,631)</b>
<b>Net Assets</b>	<b>1,583,179</b>



## ANNEX 5 – Land Bank

The chart shows land purchased by the Company, per development, as of June 30, 2023:

Plot of Land	Location	Date of Purchase	Areas (m <sup>2</sup> )		Units	Expected PSV	
			Plot of Land	Usable		Total	Melnick
Plot - I	Urban Development	May-2010	394,157	222,698	389	322,438	120,626
Plot - II	Urban Development	May-2010	275,664	155,750	243	225,506	72,160
Plot - III	Urban Development	May-2010	284,752	160,885	243	232,940	72,160
Plot - IV	Homebuilder	Sep-2014	44,145	22,541	352	152,563	135,755
Plot - IX	Homebuilder	Jan-2017	11,123	35,811	756	318,939	318,939
Plot - V	Homebuilder	Sep-2014	15,475	7,273	194	53,480	47,588
Plot - VI	Homebuilder	Sep-2014	40,206	22,447	288	138,950	123,642
Plot - VII	Homebuilder	Dec-2014	5,024	10,820	54	90,371	74,865
Plot - VIII	Urban Development	Nov-2016	375,449	137,307	393	57,184	19,071
Plot - X	Urban Development	Jan-2017	422,603	169,905	876	127,691	42,474
Plot - XIII	Homebuilder	Jan-2018	17,168	34,498	416	260,548	260,548
Plot - XIV	Homebuilder	Jan-2018	17,168	33,895	260	278,856	278,856
Plot - XIX	Homebuilder	Nov-2018	4,671	6,431	109	73,012	56,220
Plot - XV	Urban Development	Feb-2018	1,007,596	340,909	1,251	102,503	48,448
Plot - XVI	Urban Development	Feb-2018	1,166,354	289,434	1,446	253,660	115,987
Plot - XVII	Urban Development	Jul-2018	172,661	86,729	462	47,082	14,124
Plot - XVIII	Homebuilder	Nov-2018	7,947	12,726	326	174,050	138,335
Plot - XX	Homebuilder	Nov-2020	10,555	18,976	162	265,343	209,206
Plot - XXII	Homebuilder	May-2021	4,052	6,376	100	50,941	33,112
Plot - XXIII	Homebuilder	May-2021	3,197	9,140	48	106,294	106,294
Plot - XXVI	Homebuilder	Jul-2021	2,788	6,864	42	120,045	89,081
Plot - XXIX	Urban Development	Jun-2022	102,417	55,663	172	100,340	13,997
Plot - XXV	Homebuilder	Sep-2021	6,738	17,121	36	389,422	347,795
Plot - XXVI	Homebuilder	Apr-2022	2,835	7,880	14	166,433	107,850
Plot - XXVII	Homebuilder	Jun-2022	28,869	17,561	124	220,916	220,916
Plot - XXVIII	Homebuilder	Jun-2022	9,316	23,090	495	280,420	264,997
Plot - XXX	Urban Development	Oct-2022	151,576	69,549	271	86,200	28,231
Plot - XXXI	Homebuilder	Dec/22	3,813	10,571	280	153,562	89,024
Plot - XXXIII	Urban Development	Mar/23	132,166	47,849	132	78,229	22,917
Plot - XXXIV	Urban Development	Mar/23	260,569	66,719	233	107,345	36,438
Plot - XXXV	Urban Development	Mar/23	111,328	64,849	303	63,422	29,491
Plot - XXXVI	Homebuilder	Mar/23	2,237	5,920	39	102,190	35,935
Plot - XXXVIII	Homebuilder	Oct-2021	25,225	7,680	114	62,258	54,672
Plot - XXXIX	Homebuilder	May/23	1,917	6,103	138	107,136	77,637
Plot - XL	Urban Development	May/23	57,522	46,113	133	101,380	43,823
Plot - XLI	Urban Development	May/23	56,657	41,919	131	92,221	42,883
Plot - XLII	Urban Development	May/23	42,740	31,622	99	69,569	32,349
Plot - XLIII	Urban Development	May/23	57,410	31,569	99	69,452	32,295
Plot - XLIV	Urban Development	May/23	57,557	42,584	133	93,686	43,564



## ANNEX 6 – Sales Evolution and Financial Evolution of Cost

The following chart presents the sales position and the financial evolution of the cost for our projects as of 6/30/2023 when compared to 3/31/2023, 12/31/2022 and 9/30/2022:

Project	Launch	%Melnick	% Sold				% PoC			
			6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Hom	4Q10	100%	99%	99%	99%	99%	100%	100%	100%	100%
Grand Park Eucaliptos	3Q11	100%	100%	100%	100%	100%	100%	100%	100%	100%
Cobal - Rubi	4Q11	100%	100%	100%	100%	100%	100%	100%	100%	100%
Design Office Center	3Q12	100%	99%	99%	97%	98%	100%	100%	100%	100%
Hom lindaia	4Q12	100%	92%	91%	85%	91%	100%	100%	100%	100%
Nine	4Q12	100%	99%	99%	100%	99%	100%	100%	100%	100%
Icon - RS	1Q13	100%	90%	91%	90%	90%	100%	100%	100%	100%
Icon RS - 2nd phase	2Q13	100%	99%	100%	100%	99%	100%	100%	100%	100%
Window RS	4Q13	100%	99%	99%	100%	99%	100%	100%	100%	100%
Anita Garibaldi	4Q13	100%	93%	93%	92%	94%	100%	100%	100%	100%
Icon RS - 3rd phase	2Q14	100%	100%	99%	100%	99%	100%	100%	100%	100%
Viva Vida Boulevard	4Q14	100%	95%	95%	96%	93%	100%	100%	100%	100%
Hom Nilo	3Q15	100%	88%	87%	77%	85%	100%	100%	100%	100%
MaxPlaza	4Q15	100%	86%	85%	83%	83%	100%	100%	100%	100%
Central Park-1st phase	1Q16	60%	73%	72%	73%	73%	93%	93%	93%	93%
Supreme Central Parque	1Q16	100%	100%	99%	99%	99%	100%	100%	100%	100%
Central Park - 2nd phase	2Q16	60%	76%	76%	76%	74%	93%	93%	93%	93%
DOC Santana	2Q16	100%	81%	72%	53%	65%	100%	100%	100%	100%
MaxPlaza - 2nd phase	2Q16	100%	57%	59%	59%	59%	100%	100%	100%	100%
Supreme Higienopolis	3Q16	100%	100%	100%	100%	100%	100%	100%	100%	100%
Reserva Bela Vista	4Q16	60%	92%	92%	89%	92%	100%	100%	100%	100%
Reserva do Lago	4Q16	60%	41%	41%	41%	42%	100%	100%	100%	100%
Vida Viva Horizonte - 2nd phase	4Q16	100%	94%	94%	94%	93%	100%	100%	100%	100%
Grand Park Lindóia - phase 1	4Q16	100%	83%	82%	81%	81%	100%	98%	95%	94%
Linked Teresópolis	3Q17	100%	65%	63%	64%	64%	100%	100%	100%	100%
Domingos de Almeida	3Q17	60%	87%	85%	83%	84%	100%	100%	100%	100%
Grand Park Lindóia - phase 2	4Q17	100%	78%	76%	77%	75%	100%	98%	95%	94%
GO 1092	4Q17	100%	99%	100%	100%	100%	100%	100%	100%	100%
Península (Brilhante)	4Q18	100%	98%	99%	99%	99%	100%	100%	100%	100%
Vida Viva Linked	1Q18	100%	81%	79%	78%	81%	100%	100%	100%	100%
Pontal	3Q18	100%	84%	86%	85%	90%	100%	96%	94%	90%
Praça do Sol	4Q18	48%	81%	79%	68%	68%	100%	99%	98%	98%
Vivio Lindaia	4Q18	100%	92%	91%	90%	92%	100%	100%	100%	100%
Artur 505	4Q18	100%	100%	100%	100%	100%	100%	99%	99%	99%
Teena	1Q19	100%	93%	93%	93%	85%	91%	87%	85%	81%
Pontal - 2nd phase	1Q19	100%	91%	94%	80%	94%	100%	96%	94%	90%
Central Park - 3rd phase	3Q19	60%	0%	1%	1%	1%	93%	93%	93%	93%
High Garden	3Q19	100%	98%	98%	97%	96%	100%	98%	98%	96%
Central Park Passo Fundo	4Q19	35%	100%	100%	99%	100%	100%	93%	93%	93%
OPEN Canoas Centro - Phase 1	4Q19	100%	100%	100%	100%	100%	90%	86%	85%	82%
Radisson Moinhos 1903	4Q19	100%	95%	95%	95%	87%	100%	98%	99%	93%
CasaVista	4Q19	100%	83%	78%	61%	57%	95%	92%	88%	82%
Sunset	1Q20	50%	100%	100%	100%	100%	100%	100%	100%	100%
GO24	1Q20	100%	95%	93%	90%	92%	100%	98%	97%	91%
Carlos Gomes Square - Phase 1	2Q20	100%	82%	82%	80%	80%	81%	76%	72%	68%
OPEN Canoas Centro - Phase 2	4Q19	100%	99%	98%	99%	100%	90%	86%	85%	82%
Carlos Gomes Square - Phase 2	3Q20	100%	87%	85%	83%	84%	81%	76%	72%	68%
Supreme Altos do Central Parque	4Q20	100%	91%	88%	76%	83%	92%	87%	84%	79%
Gran Park Lindaia - F3	1Q21	100%	85%	81%	76%	72%	100%	98%	95%	94%
Go Rio Branco	1Q21	100%	100%	97%	85%	81%	86%	80%	74%	66%
Casaviva	1Q21	50%	100%	100%	100%	100%	95%	95%	91%	88%
Botanique Residence	1Q21	100%	93%	91%	91%	91%	78%	73%	69%	61%
Seen Boa Vista	2Q21	100%	79%	73%	54%	61%	72%	67%	62%	55%
Hillside	3Q21	100%	88%	85%	65%	71%	73%	65%	56%	48%
Arte Country Club	3Q21	82%	93%	93%	81%	82%	70%	64%	57%	51%
GO Cidade Baixa	4Q21	100%	76%	74%	77%	67%	59%	53%	46%	40%
GO Carlos Gomes	4Q21	100%	75%	66%	55%	54%	69%	61%	53%	47%
Nilo Square - Residencial	1Q22	50%	56%	48%	38%	36%	30%	26%	26%	26%
Zen Concept Resort	1Q22	35%	99%	99%	70%	99%	72%	63%	59%	54%
Open Protásio	1Q22	100%	90%	79%	62%	51%	47%	39%	33%	27%
Nilo Square F2	2Q22	50%	80%	71%	61%	60%	30%	26%	26%	26%
Open Canoas Centro - Phase 3	2Q22	100%	100%	91%	63%	38%	90%	86%	85%	82%
Seen Menino Deus	3Q22	100%	66%	61%	44%	45%	50%	47%	45%	45%
The Garden - Residencial 1	3Q22	25%	96%	95%	42%	81%	73%	67%	66%	64%
The Garden - Residencial 2	4Q22	25%	78%	72%	31%		58%	60%	60%	
Grand Park Moinhos - Phase 1	4Q22	100%	88%	82%	20%		29%	28%	27%	
Arbo Village Park	4Q22	33%	42%	35%	17%		49%	48%	38%	
Nilo Square Hotel	1Q23	50%	100%	98%			30%	26%		
Grand Park Moinhos - Phase 2	1Q23	100%	43%	22%			29%	28%		
Arte Cidade Nilo - Phase 1	1Q23	100%	29%	22%			31%	29%		

## **DISCLAIMER**

The statements within this release, which refer to business prospects, estimates of financial and operating results, and growth prospects that affect the Melnick's activities, as well as any other statements about the future of the Company's business, constitute estimates and statements about the future and involve risk and uncertainties; therefore, they are not assurances of future results. Such considerations depend significantly on changes in market conditions, governmental regulations, and pressure from the competition, performance of the industry and of the Brazilian economy among other factors. As such, they are subject to changes without notice.

## **RELATIONSHIP WITH INDEPENDENT AUDITORS**

In compliance with CVM Instruction 381/03, we inform that the independent auditors from Deloitte Touche Tohmatsu Auditores Independentes, during the quarter and year ended June 30, 2023, did not provide any services other than those related to external auditing. The Company's policy regarding the hiring of independent auditing services ensures there is no conflict of interests or loss of independence or objectivity.