



Earnings Release

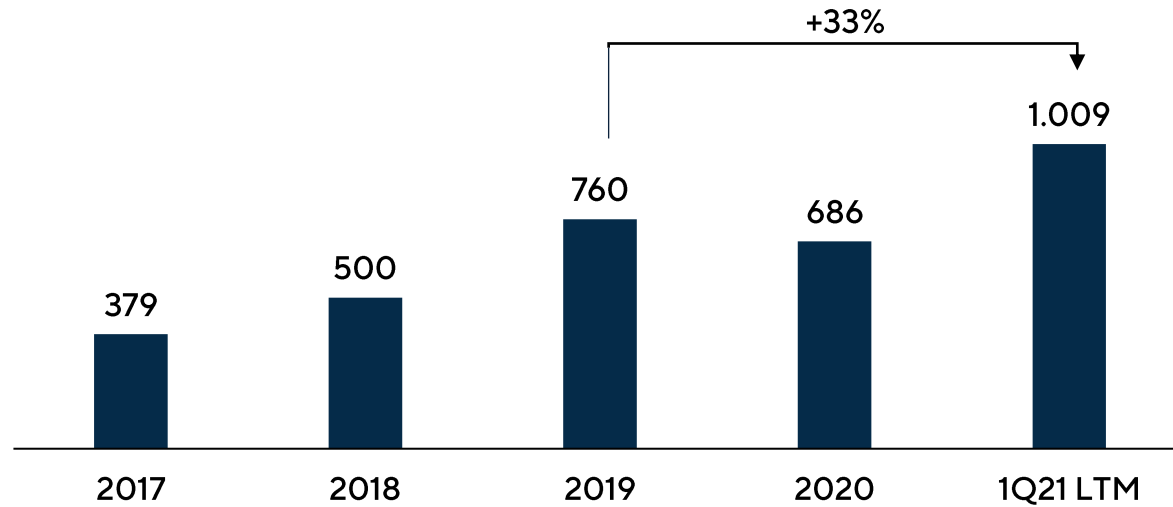
1Q21

May 14, 2021

1Q21 HIGHLIGHTS



Lauches (R\$ '000, Gross PSV)



Launches totaled **R\$ 470 million** in 1Q21 and in the last twelve months exceeded the volume of **R\$ 1 billion**



NAV (R\$ '000)

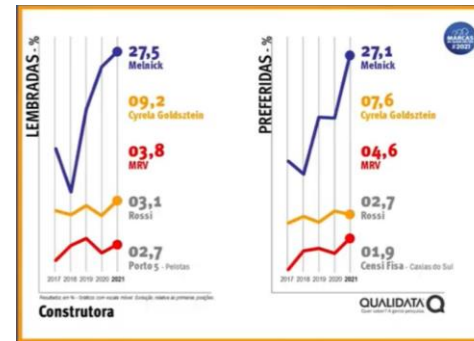


54% of the market value is represented by **cash**, and is below the Company's **net assets**.



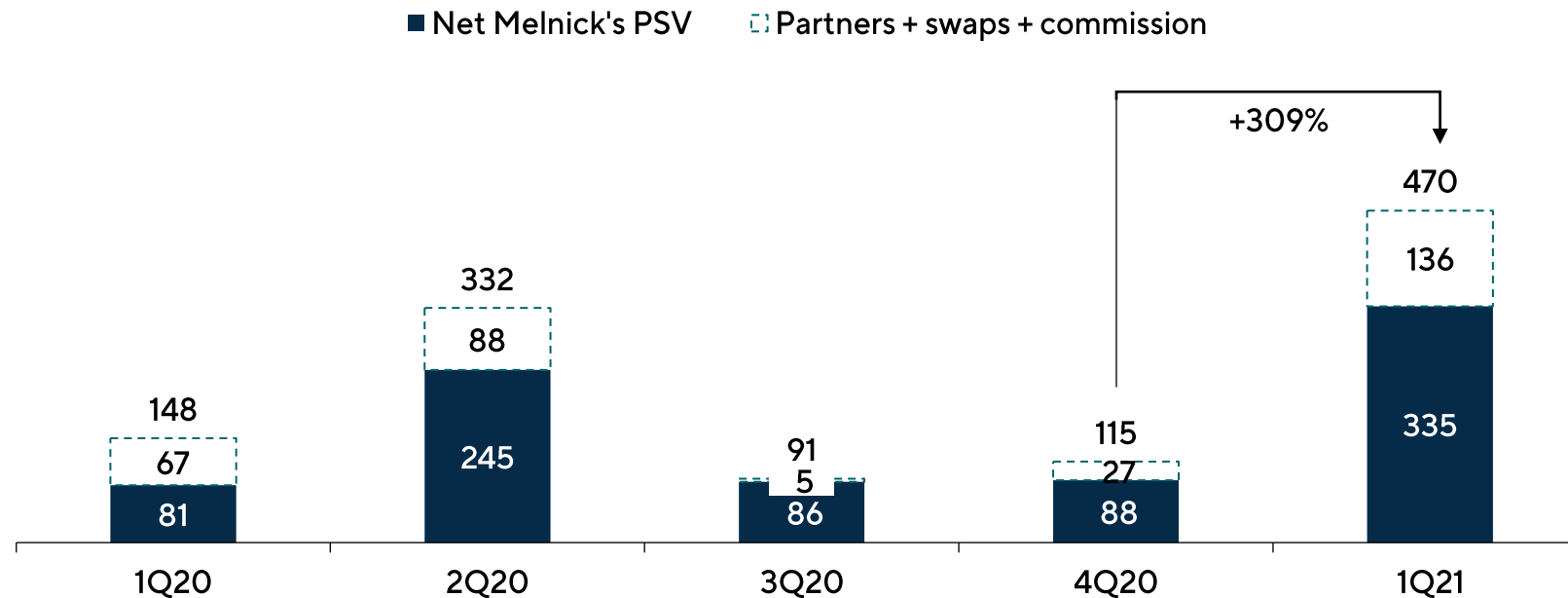
Brands that decide

In 2021 we were elected again the **most remembered** and **most preferred** brand among construction companies in Rio Grande do Sul



- ♦ Leaders for the 5th time
- ♦ 3 times more remembered
- ♦ 4 times more preferred

Projects	Business	Gross PSV ⁽¹⁾ (R\$ '000)	Melnick's PSV (R\$ '000)	Unit ⁽¹²⁾	Segment
1st quarter					
Go Rio Branco	R.E.	93,933	71,394	183	Residencial
Grand Park Lindóia – F3	R.E.	117,158	89,599	190	Residencial
Casa Viva	LOT	77,721	43,582	332	Lot development
Botanique	R. E.	181,676	130,346	103	Residencial
Total		470,487	334,921	808	



(1) PSV gross of swaps and commission. (2) Net of swaps.




Gross PSV: R\$94MM
Melnick's PSV: R\$71MM




Gross PSV: R\$117MM
Melnick's PSV: R\$90MM



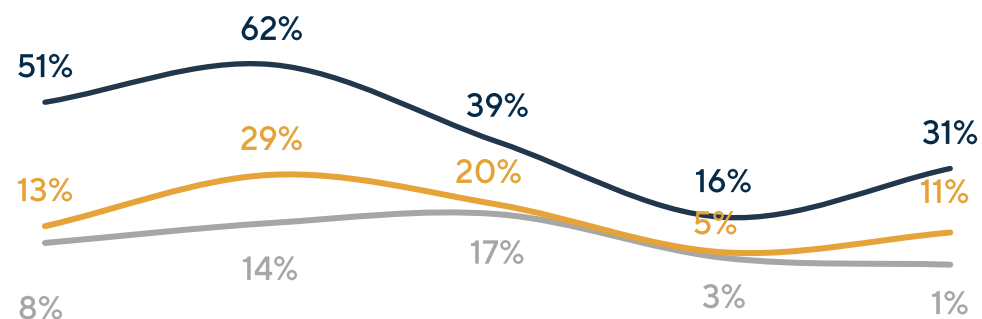

Gross PSV: R\$78MM
Melnick's PSV: R\$44MM




Gross PSV: R\$182MM
Melnick's PSV: R\$130MM

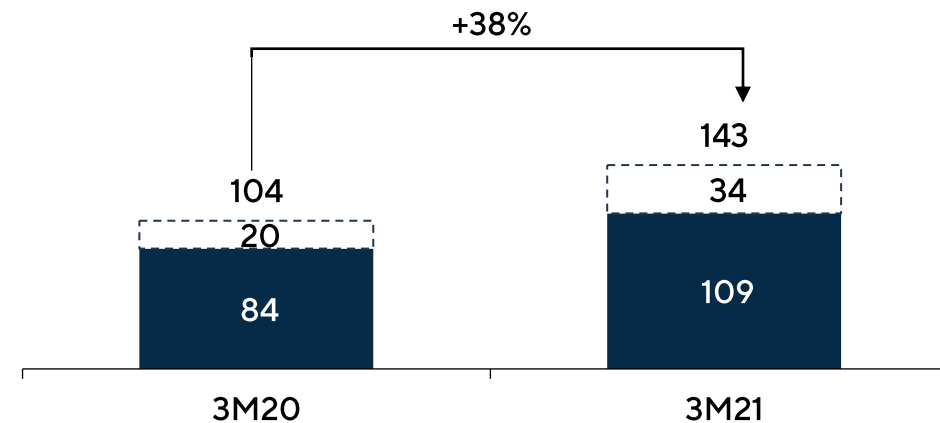
Opening per quarter (Melnick's share – R\$'000):

■ Launch Sales ■ Inventory Sales — Inventory SOS
— Launch SOS — Quarterly SOS

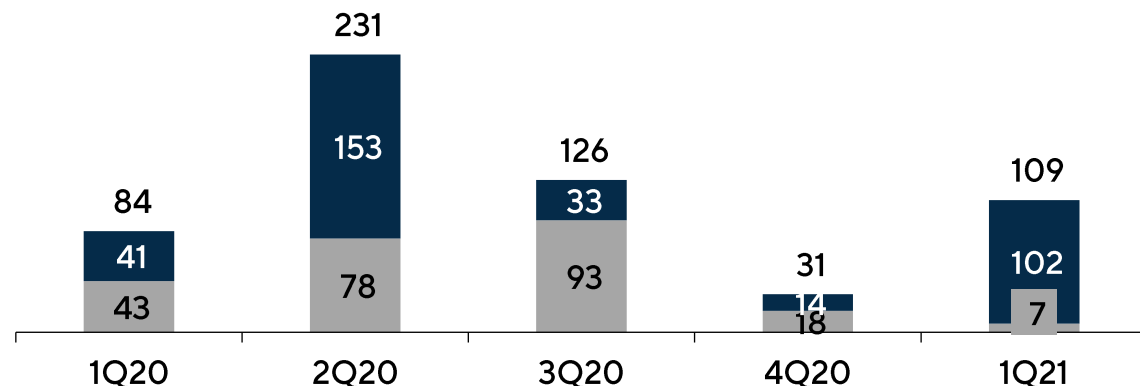
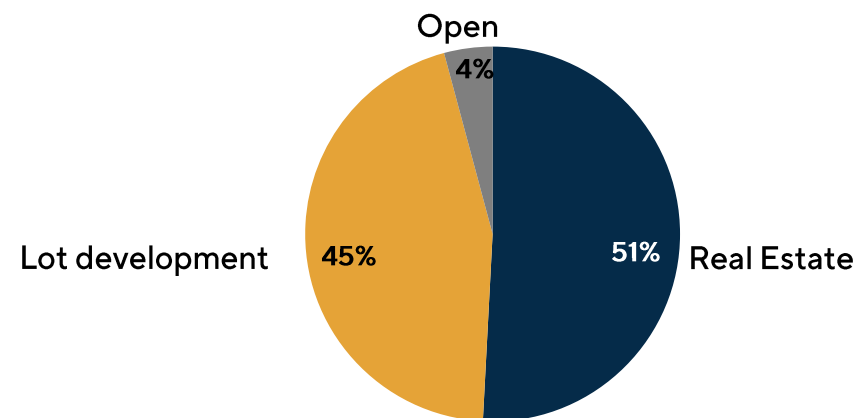


Total sales in the quarter: (R\$'000):

▤ Sales (partners) ■ Sales (Melnick's share)



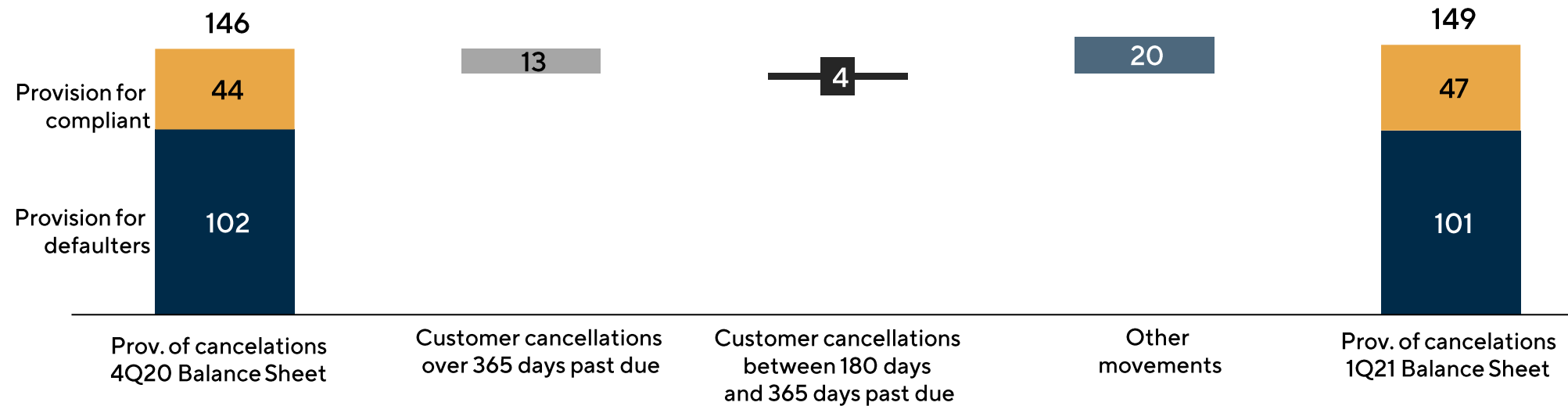
Distribution by bussiness (% Melnick):



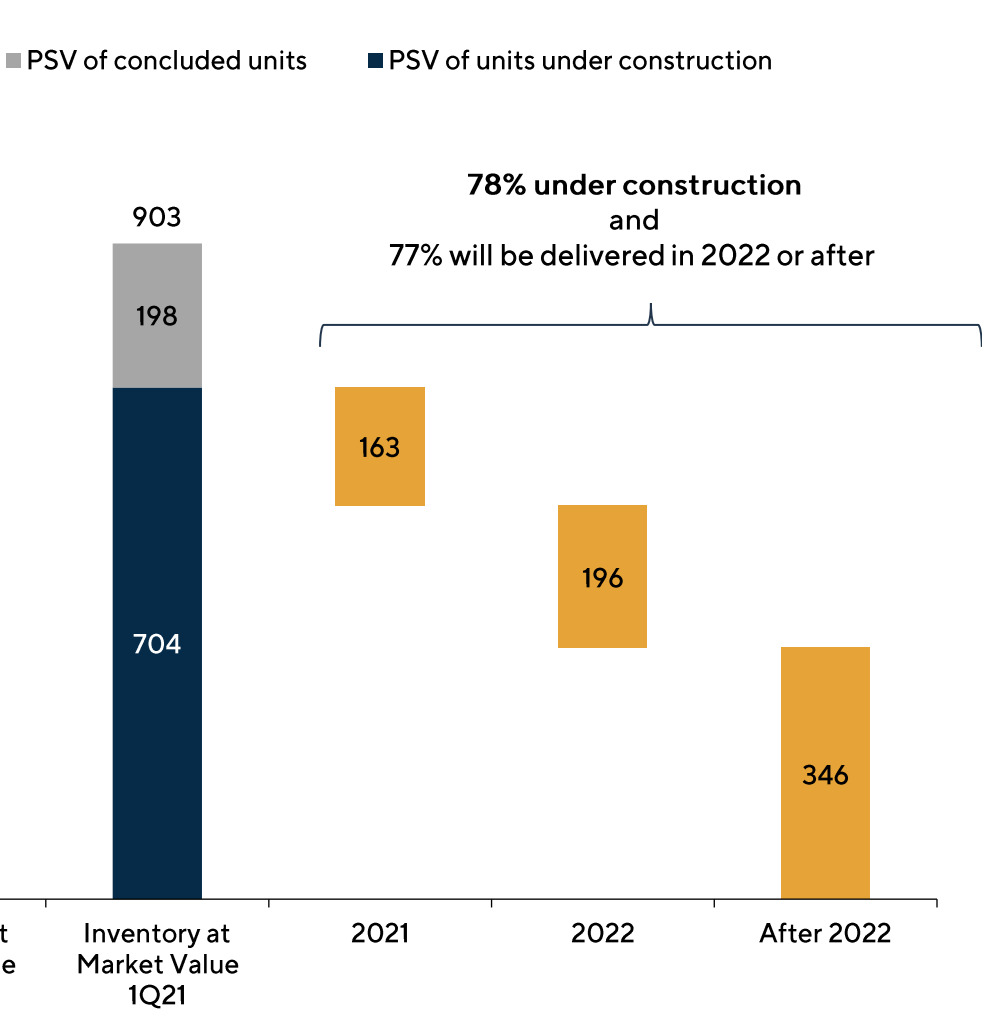
CANCELATIONS AND GROSS SALES

Cancellation (R\$ '000, Melnick's share)	1Q20	2Q20	3Q20	4Q20	1Q21
Net Sales	84	231	127	31	109
Cancellation	31	26	28	52	26
Gross Sales	103	257	154	83	135
Inventory	74	104	121	69	33
Launches	41	153	33	14	102
Cancellation / Gross Sales	27%	10%	18%	62%	19%

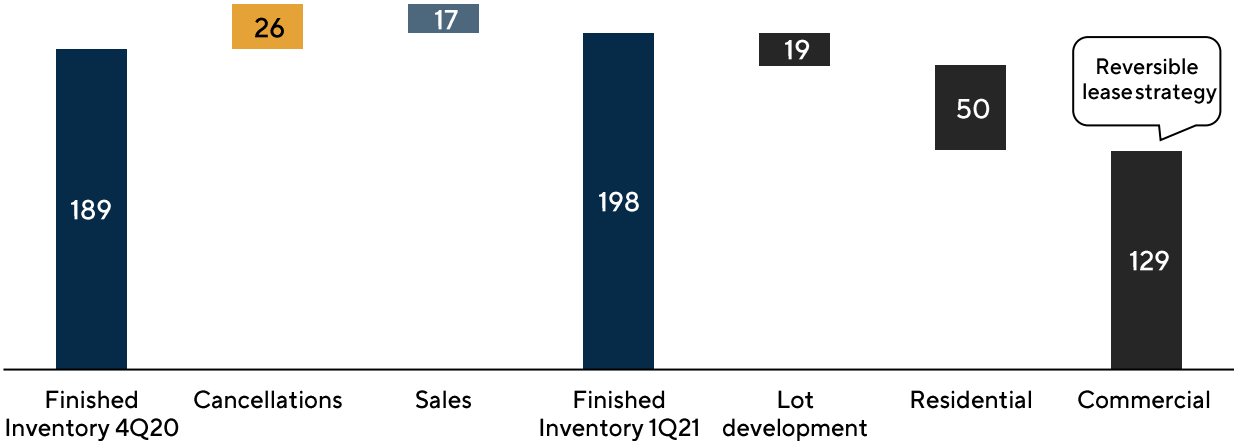
Breakdown Provision of Cancellations (PSV R\$'000):



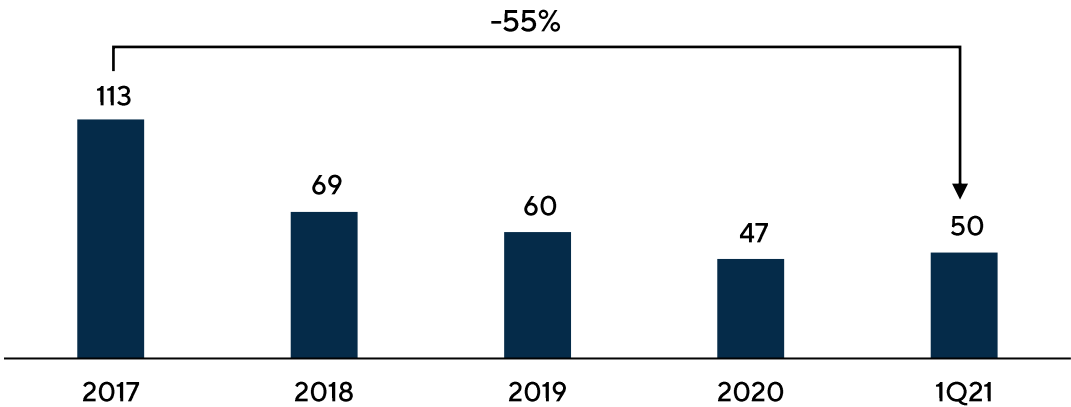
Opening by year of completion (Melnick's share- R\$ '000):



Finished inventory (Melnick's share- R\$ '000):



Residential Finished Evolution (Melnick's share- R\$ '000):



(1) Considerando que a totalidade dos distratos são de unidades prontas.

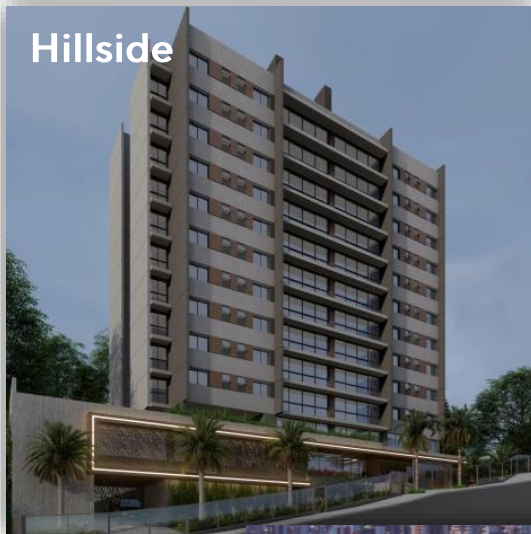
The Land Bank approved by the Company's Internal Committee ended 1Q21 with **R\$3,4 billions** in potencial PSV.

Acquisition of PSV potential in the quarter

- ◆ Nilo Peçanha Avenue, commercial center in Porto Alegre
- ◆ Addition of R\$ 46 million (Melnick's share), totaling R\$ 279 million (Melnick's share).
- ◆ 37% reduction in the swap percentage.



APPROVED LAND BANK



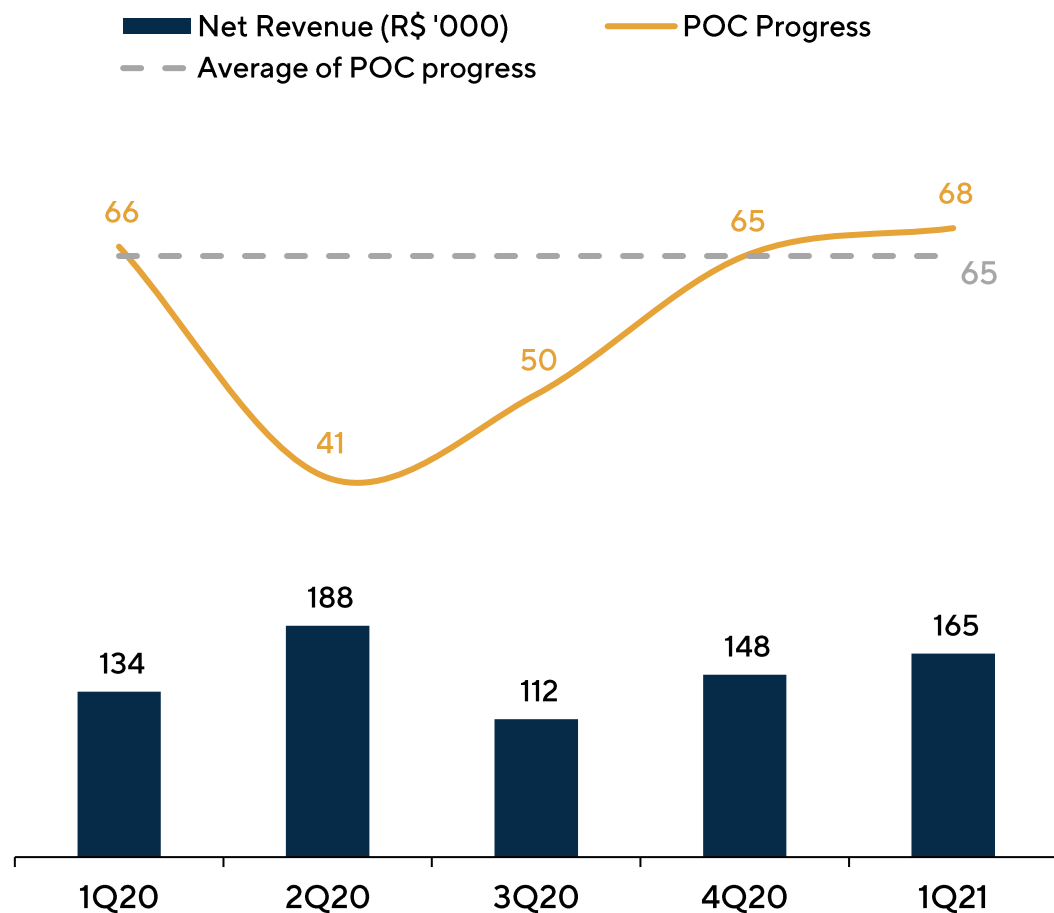
R\$1 billion¹ in
approved projects



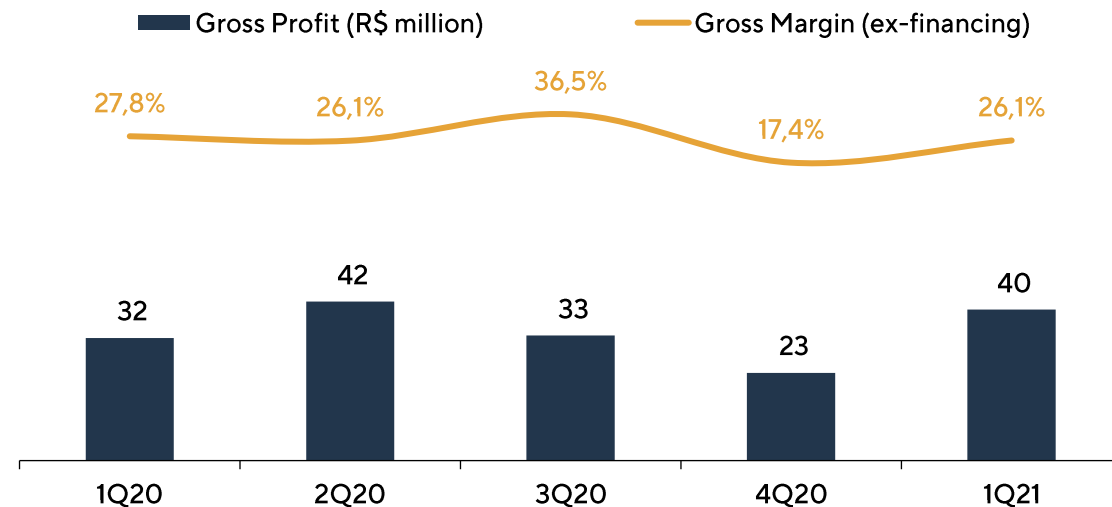
We continue approving our projects **consistently** and generating **value** to our land bank.

(1) Total of R\$ 618.4 mm for land bank projects and R\$ 390.6 mm for optional projects are approved. Projects not approved by the Company's Internal Land Purchasing Committee. They are optional land and in pre-deed, whose resolutive clause of the land was linked to the approval of the project by the city and market conditions.

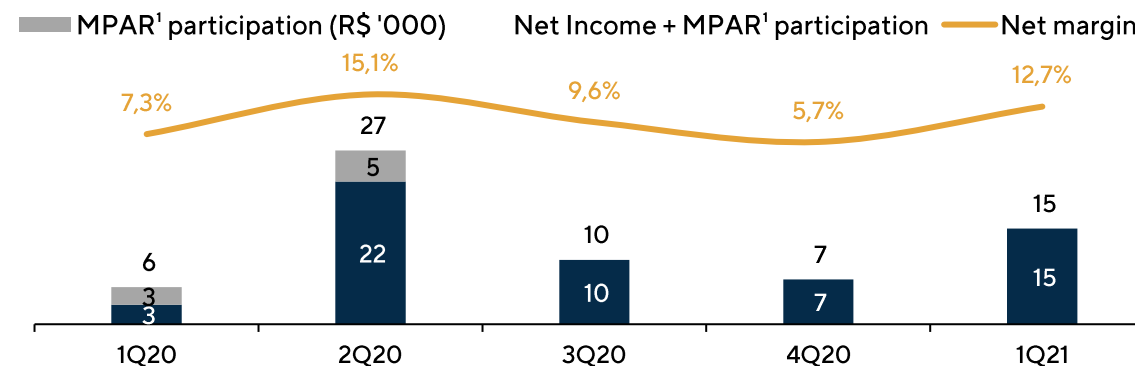
Evolution of Net Revenue:



Evolution of Gross Profit and Gross Margin:



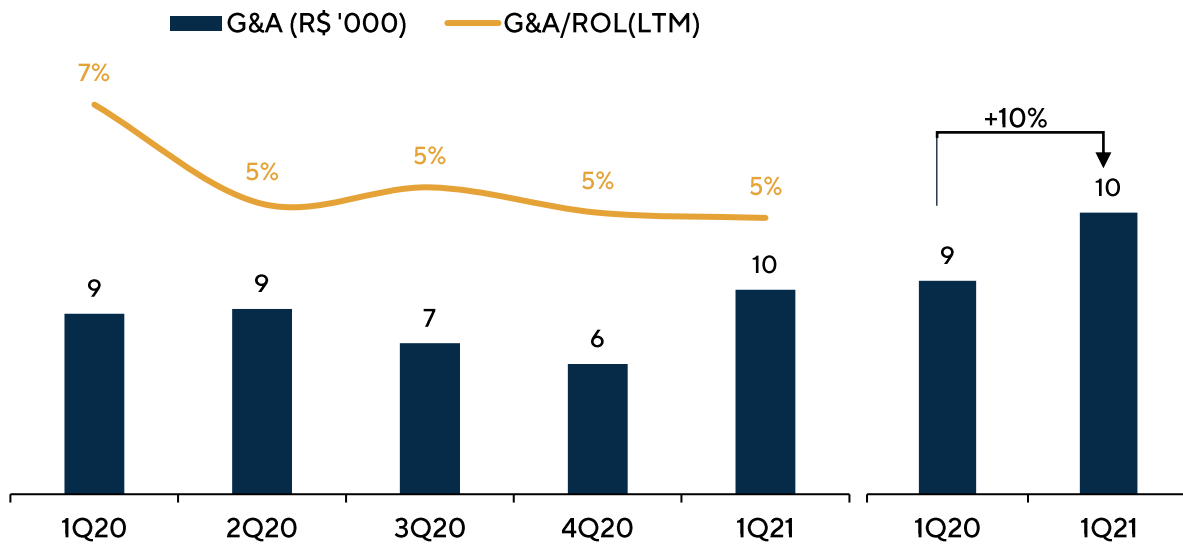
Evolution of Net Income:



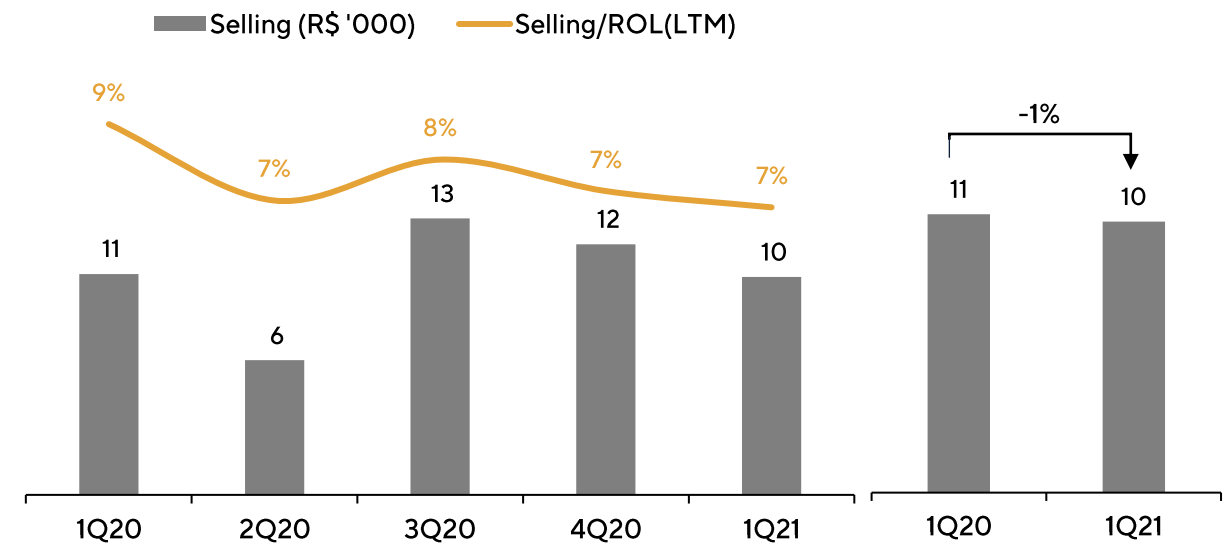
(1) Considering the profit from the direct stake held by MPAR of 15% in the Company's SPEs, due to the corporate reorganization of July 10, 2020. (2) Given that net income considers minorities' interest, net margin is also related to net income before minorities' interest.

EXPENDITURE STRUCTURE

Evolution of General and Administrative Expenses:



Evolution of Selling Expenses:



CAPITAL STRUCTURE AND CASH GENERATION

Leverage:

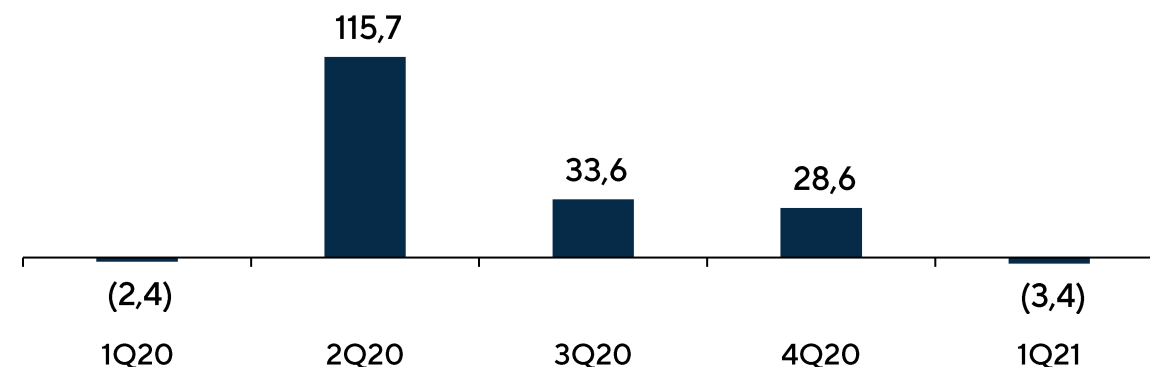
	03/31/2021 (R\$ '000)	
Financing to production - SFH	72.6	99%
Financing to production - CRI	0.8	1%
Gross Debt	73.4	100%
Cash	(676.8)	
Net Debt	(603.4)	
Shareholders' Equity	1,203.5	
Net debt /Shareholders' equity	-50.1%	

Cash position of **R\$ 676.8 mm** in 4Q20.

During the last six months, we paid **R\$ 145 mm** in production debts with an average interest rate of **9% p.a.**

Cash generation/cash burn:

Cash Generation/Burn (R\$ '000)	1T20	2T20	3T20	4T20	1T21
Initial net debt	119.6	104.3	(14.7)	(595.4)	(622.3)
Final net debt	104.3	(14.7)	(595.4)	(622.3)	(603.4)
Net debt variation	(15.3)	(119.1)	(580.7)	(26.9)	18.9
	17.7	3.3	547.1	(1.7)	(15.5)
Total	2.4	(115.7)	(33.6)	(28.6)	3.4



In this quarter, we invested **R\$ 13,1mm** in payment of land.

THANK YOU!

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