

# Moura Dubeux Engenharia S.A.

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

Interim financial information and independent auditor's report on review

As of June 30, 2022



# Contents

	<b>Page</b>
Report on review of the individual and consolidated interim financial information	3
Individual and consolidated interim financial information	5
Notes to the individual and consolidated interim financial information for the three-month period ended June 30, 2022	12
Appendix I	52

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail. See Note 29 to the interim financial information.)

# Report on review of the interim financial information

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**Grant Thornton Auditores  
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To the Shareholders and Management of  
**Moura Dubeux Engenharia S.A.**  
Recife – PE

## Introduction

We have audited the accompanying individual and consolidated interim financial information of Moura Dubeux Engenharia S.A. ("Company"), included in the Interim Financial Information Form (ITR) for the quarter ended June 30, 2022, which comprises the statement of financial position as of June 30, 2022, and the related statement of profit or loss, statement of comprehensive income (loss), statement of changes in equity, and statement of cash flows for the three-month period then ended, including the explanatory 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 IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), applicable to real estate development entities in Brazil, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

## Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial 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 the standards on auditing and consequently does not enable us to obtain assurance that we 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, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the Interim Financial Information Form (ITR) referred to above is not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of interim financial information and presented in accordance with the standards issued by the Brazilian Securities Commission (CVM).

## Emphasis of matter

### Recognition of revenues from uncompleted units

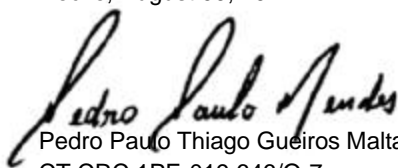
As described in Note 2.1, the individual and consolidated interim financial information contained in the Financial Information Form (ITR) was prepared in accordance with Technical Pronouncement NBC TG 21 and IAS 34, applicable to real estate development entities in Brazil registered with the Brazilian Securities Commission (CVM). Therefore, the determination of the accounting policy adopted by the Company to recognize revenue from contracts relating to purchase and sale of uncompleted real estate units, on aspects relating to the transfer of control, is in accordance with the Company's management's understanding of the application of NBC TG 47, aligned with that expressed in CVM Official Circular Letter/SNC/SEP No. 02/2018.

## Other matters

### Statements of value added

The interim financial information referred to above includes the individual and consolidated statements of value added ("DVA") for quarter ended June 30, 2022, prepared under the responsibility of the Company's management and presented as additional information for IAS 34 purposes, applicable to real estate development entities in Brazil registered with the Brazilian Securities Commission (CVM). These statements were subject to review procedures performed together with the review of the interim financial information in order to conclude whether they are reconciled to the interim financial information and accounting records, as applicable, and whether their form and substance 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 such statements of value added were not prepared, in all material respects, according to the criteria defined in that Standard and consistently in relation to the individual and consolidated interim financial information taken as a whole.

Recife, August 09, 2022



Pedro Paulo Thiago Gueiros Malta Mendes  
CT CRC 1PE-019.646/O-7

Grant Thornton Auditores Independentes Ltda.  
CRC 2SP-025.583/O-1

# Moura Dubeux Engenharia S.A.

## Statements of financial position as of June 30, 2022 and December 31, 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais)

ASSETS					
		Parent		Consolidated	
	Notes	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Current assets					
Cash and cash equivalents	4	40,953	46,215	149,042	113,881
Financial investments	5	32,138	71,005	32,138	71,005
Trade receivables	6	8,772	6,037	302,682	308,798
Properties for sale	7	144,933	403,754	489,123	712,595
Recoverable taxes	-	3,572	3,316	6,475	5,847
Prepaid expenses	-	1,164	1,756	20,408	15,016
Other receivables	11	176	96	506	356
Total current assets		231,708	532,179	1,000,374	1,227,498
Noncurrent assets					
Trade receivables	6	57,925	58,589	376,598	343,059
Properties for sale	7	388,266	337,689	475,833	421,393
Related parties	8	-	3,961	-	3,961
Judicial deposits	14	320	306	4,714	5,084
Other receivables	11	53,851	101,833	452,487	341,108
Investments	9	916,306	866,115	107,061	118,267
Investment properties	10	128,778	128,778	213,182	213,182
Property and equipment	-	13,154	8,562	16,747	11,919
Intangible assets	-	8,368	8,056	8,368	8,056
Total noncurrent assets		1,566,968	1,513,889	1,654,990	1,466,029
Total do assets		1,798,676	2,046,068	2,655,364	2,693,527

The accompanying notes are an integral part of these individual and consolidated interim financial information.

# Moura Dubeux Engenharia S.A.

## Statements of financial position as of June 30, 2022 and December 31, 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais)

### LIABILITIES

		Parent		Consolidated	
	Notes	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Current liabilities					
Trade payables	-	6,944	8,651	21,390	21,367
Financing and debentures	12	-	-	30,360	85,195
Payables for acquisition of properties	-	8,411	31,569	24,204	52,196
Payroll and related taxes	-	13,486	13,780	23,847	22,180
Taxes payable	-	3,584	3,005	17,829	15,768
Related parties	8	47,935	122,635	11,548	18,469
Advances from customers	13	108,513	322,793	194,545	374,211
Sales agreement cancellations	-	299	316	20,931	28,031
Warranty provision	-	5,940	4,691	10,376	9,098
Deferred taxes	15	228	210	15,231	14,881
Other payables	-	14,674	16,923	24,743	21,932
Total current liabilities		210,014	524,573	395,004	663,328
Noncurrent liabilities					
Financing and debentures	12	24,750	34,817	46,064	39,670
Payables for acquisition of properties	-	15,887	28,486	54,633	41,650
Payroll and related taxes	-	1,280	2,215	2,769	4,598
Taxes payable	-	3,516	4,271	9,239	12,349
Deferred taxes	15	5,449	5,449	21,380	20,430
Advances from customers	13	384,659	338,146	979,259	818,840
Warranty provision	-	550	496	1,811	1,973
Allowance for investment losses	9	15,303	25,670	-	-
Provision for risks	14	1,316	1,362	12,319	12,960
Other payables	-	5,294	5,967	5,294	5,966
Total noncurrent liabilities		458,004	446,879	1,132,768	958,436
Equity					
Capital	17	1,298,934	1,296,985	1,298,934	1,296,985
Capital reserve	17	24,864	25,179	24,864	25,179
Valuation adjustments to equity	17	96,861	96,861	96,861	96,861
Accumulated losses	-	(290,001)	(344,409)	(290,001)	(344,409)
Equity attributable to Company's owners	-	1,130,658	1,074,616	1,130,658	1,074,616
Noncontrolling interests	-	-	-	(3,066)	(2,853)
Total equity		1,130,658	1,074,616	1,127,592	1,071,763
Total liabilities					
		668,018	971,452	1,527,772	1,621,764
Total liabilities and equity					
		1,798,676	2,046,068	2,655,364	2,693,527

The accompanying notes are an integral part of these individual and consolidated interim financial information.

# Moura Dubeux Engenharia S.A.

## Statements of profit and loss for the periods ended June 30, 2022 and 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais, except per share value)

	Notes	Parent				Consolidated			
		04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
Net operating revenue	18	8,880	17,360	9,956	27,970	209,479	381,531	155,433	316,640
Costs of properties sold and services rendered	19	(6,080)	(11,112)	(3,504)	(6,289)	(136,953)	(240,061)	(99,591)	(209,758)
Gross profit		2,800	6,248	6,452	21,681	72,526	141,470	55,842	106,882
Operating income (expenses)									
Selling expenses	21	(4,659)	(8,723)	(4,171)	(9,231)	(17,869)	(38,742)	(18,625)	(35,960)
General and administrative expenses	20	(15,658)	(30,400)	(11,306)	(23,220)	(17,941)	(35,167)	(14,000)	(28,219)
Share of profit (loss) of investees	9	49,640	90,654	33,529	52,495	99	(353)	56	1,294
Other operating income (expenses), net	22	(3,634)	(8,563)	(1,614)	(2,921)	(8,252)	(17,555)	(6,479)	(13,402)
Total operating income (expenses)		25,689	42,968	16,438	17,123	(43,963)	(91,817)	(39,048)	(76,287)
Profit (loss) from operations before finance income (costs) and taxes		28,489	49,216	22,890	38,804	28,563	49,653	16,794	30,595
Finance income	23	3,282	6,610	2,985	5,087	15,385	28,587	16,179	27,995
Finance costs	23	(647)	(1,418)	(321)	(3,123)	(7,308)	(13,794)	(3,200)	(9,578)
Finance income (costs), net		2,635	5,192	2,664	1,964	8,077	14,793	12,979	18,417
Profit (loss) before taxes		31,124	54,408	25,554	40,768	36,640	64,446	29,773	49,012
Income tax and social contribution - current	15	-	-	-	-	(4,837)	(9,581)	(3,393)	(6,148)
Income tax and social contribution - deferred	15	-	-	-	1,833	(850)	(670)	(104)	1,231
Income tax and social contribution	-	-	-	-	1,833	(5,687)	(10,251)	(3,497)	(4,917)
Profit (loss) for the period		31,124	54,408	25,554	42,601	30,953	54,195	26,276	44,095
Attributable to:									
Company's owners		31,124	54,408	25,554	42,601	31,124	54,408	25,554	42,601
Noncontrolling interests		-	-	-	-	(171)	(213)	722	1,494
Earnings (loss) per thousand shares - R\$									
Earnings (loss) per common share - basic (in R\$)	17. b	0.37	0.64	0.30	0.50				
Number of outstanding shares at the end of the period		84,909,375	84,909,375	84,909,375	84,909,375				

The accompanying notes are an integral part of these individual and consolidated interim financial information.

## Moura Dubeux Engenharia S.A.

### Statement of comprehensive income (loss) for the periods ended June 30, 2022 and 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais)

	Parent				Consolidated			
	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021	04/01/2022 to 06/30/2022	01/01/2022 to 06/30/2022	04/01/2021 to 06/30/2021	01/01/2021 to 06/30/2021
<b>Profit (loss) for the period</b>	31,124	54,408	25,554	42,601	30,953	54,195	26,276	44,095
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Total comprehensive income (loss) for the period</b>	31,124	54,408	25,554	42,601	30,953	54,195	26,276	44,095
<b>Total comprehensive income (loss) for the period attributable to:</b>								
Company's owners	31,124	54,408	25,554	42,601	31,124	54,408	25,554	42,601
Noncontrolling interests	-	-	-	-	(171)	(213)	722	1,494
<b>Profit (loss) for the period</b>	<u>31,124</u>	<u>54,408</u>	<u>25,554</u>	<u>42,601</u>	<u>30,953</u>	<u>54,195</u>	<u>26,276</u>	<u>44,095</u>

The accompanying notes are an integral part of these individual and consolidated interim financial information.



## Moura Dubeux Engenharia S.A.

### Statements of changes in equity for the periods ended June 30, 2022 and 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais)

	Capital			Capital reserve		Accumulated losses	Valuation adjustment to equity	Total	Noncontrolling interests	Total equity
	Capital	(-) Costs on capital transaction	(-) Treasury shares	Share-based compensation plan	Capital reserve					
<b>Balances at December 31, 2020</b>	1,391,513	(81,541)	-	-	25,179	(427,363)	96,861	1,004,649	(4,842)	999,807
Costs on capital transaction	-	-	(1,800)	-	-	-	-	(1,800)	-	(1,800)
Profit for the period	-	-	-	-	-	42,601	-	42,601	1,494	44,095
<b>Balances at June 30, 2021</b>	1,391,513	(81,541)	(1,800)	-	25,179	(384,762)	96,861	1,045,450	(3,348)	1,042,102
<b>Balances at December 31, 2021</b>	1,391,513	(81,541)	(12,987)	-	25,179	(344,409)	96,861	1,074,616	(2,853)	1,071,763
Shares buyback	-	-	(1,991)	-	-	-	-	(1,991)	-	(1,991)
Disposal of shares	-	-	3,482	-	-	-	-	3,482	-	3,482
Discount on disposal of shares	-	-	458	-	(458)	-	-	-	-	-
Recognition of share-based compensation plan	-	-	-	143	-	-	-	143	-	143
Profit for the period	-	-	-	-	-	54,408	-	54,408	(213)	54,195
<b>Balances at June 30, 2022</b>	<u>1,391,513</u>	<u>(81,541)</u>	<u>(11,038)</u>	<u>143</u>	<u>24,721</u>	<u>(290,001)</u>	<u>96,861</u>	<u>1,130,658</u>	<u>(3,066)</u>	<u>1,127,592</u>

The accompanying notes are an integral part of these individual and consolidated interim financial information.

# Moura Dubeux Engenharia S.A.

## Statements of cash flows for the periods ended June 30, 2022 and 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais)

	Parent		Consolidated	
	01/01/2022 to 06/30/2022	01/01/2021 to 06/30/2021	01/01/2022 to 06/30/2022	01/01/2021 to 06/30/2021
<b>Cash flow from operating activities</b>				
Loss for the period	54,408	42,601	54,195	44,095
<b>Adjustments to reconcile profit (loss) for the period to net cash from the operating activities:</b>				
Deferred taxes	18	(2,319)	1,300	(559)
Depreciation and amortization	2,151	1,678	2,259	1,885
Share of profit (loss) of investees	(90,654)	(52,495)	353	(1,294)
Financial costs	2,772	1,971	3,698	4,756
Provision for sales cancellations and allowance for expected credit losses	152	(102)	2,984	7,750
Properties for sales - reversal of sales cancellations cost	-	-	1,888	(1,174)
Adjustment to present value	-	-	3,020	2,624
Warranty provision	1,303	446	1,116	954
Provision for risks	(46)	(178)	(641)	1,088
Stock impairment	-	-	(1,646)	(261)
Recognition of share-based compensation plan	143	-	143	-
<b>Decrease (increase) in assets:</b>				
Trade receivables	(2,223)	(765)	(33,428)	(74,318)
Properties for sale	40,708	(10,515)	3,666	82,431
Recoverable taxes	(256)	(490)	(628)	(370)
Prepaid expenses	592	(678)	(5,392)	(3,889)
Judicial deposits	(14)	717	370	1,362
Other receivables	(4,584)	(433)	4,456	(5,868)
<b>Increase (decrease) in liabilities:</b>				
Trade payables	(1,707)	1,150	23	(868)
Payables for acquisition of properties	(35,757)	10,749	(15,009)	20,909
Payroll and related taxes	(1,405)	(3,215)	7,432	121
Advances from customers	(231)	(1,548)	32,305	(5,884)
Sales agreements cancellations	(17)	119	(7,100)	(13,993)
Noncontrolling interests	-	-	-	1,494
Other payables	(2,462)	2,216	2,599	6,424
Income tax and social contribution paid	-	-	(8,643)	(6,390)
Pagamento de juros	(1,560)	(1,839)	(4,912)	(5,803)
<b>Net cash provided by operating activities</b>	<b>(38,669)</b>	<b>(12,930)</b>	<b>44,408</b>	<b>55,222</b>
<b>Cash flow from investing activities</b>				
Investments	-	(105)	-	-
Financial investments	38,867	6,616	38,867	6,616
Property and equipment	(6,654)	(3,006)	(6,998)	(4,540)
Intangible assets	(401)	(663)	(401)	(658)
<b>Net cash provided by investing activities</b>	<b>31,812</b>	<b>2,842</b>	<b>31,468</b>	<b>1,418</b>
<b>Borrowings and financing</b>				
<b>Repayments</b>				
Related parties	11,843	(19,463)	7,893	(8,911)
Repayment of borrowings and financing	(11,739)	(1,633)	(76,865)	(62,994)
Releases of funds	-	53,329	26,766	65,448
Shares buyback	(1,991)	(1,800)	(1,991)	(1,800)
Disposal of shares	3,482	-	3,482	-
<b>Net cash used in financing activities</b>	<b>1,595</b>	<b>30,433</b>	<b>(40,715)</b>	<b>(8,257)</b>
<b>Net cash provided by (used in) operating activities, investments and financing</b>	<b>(5,262)</b>	<b>20,345</b>	<b>35,161</b>	<b>48,383</b>
<b>Cash and cash equivalents</b>				
At the beginning of the period	46,215	37,277	113,881	49,538
At the end of the period	40,953	57,622	149,042	97,921
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(5,262)</b>	<b>20,345</b>	<b>35,161</b>	<b>48,383</b>

The accompanying notes are an integral part of these individual and consolidated interim financial information.

# Moura Dubeux Engenharia S.A.

## Statement of value added for the periods ended June 30, 2022 and 2021

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

(In thousands of reais)

	Parent		Consolidated	
	01/01/2022 to 06/30/2022	01/01/2021 to 06/30/2021	01/01/2022 to 06/30/2022	01/01/2021 to 06/30/2021
<b>Revenues</b>				
Revenue from properties sold and services rendered	19,029	30,198	407,566	338,405
( - ) Sales deductions	(1,669)	(2,228)	(26,035)	(21,765)
	17,360	27,970	381,531	316,640
<b>Inputs acquired from third parties</b>				
Cost of properties sold and services rendered	(11,112)	(6,289)	(240,061)	(209,758)
Outside services	(7,398)	(6,031)	(10,783)	(10,005)
Other operating expenses	(9,770)	(4,147)	(3,803)	(14,279)
	(28,280)	(16,467)	(254,647)	(234,042)
<b>Gross value added</b>	(10,920)	11,503	126,884	82,598
Depreciation and amortization	(2,151)	(1,678)	(2,259)	(1,885)
<b>Wealth created by the entity</b>	(13,071)	9,825	124,625	80,713
<b>Wealth received in transfer</b>				
Share of profit (loss) of investees	90,654	52,495	(353)	1,294
Finance income	6,610	5,087	28,587	27,995
	97,264	57,582	28,234	29,289
<b>Total wealth for distribution</b>	84,193	67,407	152,859	110,002
<b>Wealth distributed</b>				
Salaries, wages and related taxes (except INSS)	23,717	18,973	53,730	36,884
Taxes and contributions (except INSS)	4,041	2,271	25,188	16,935
Interest and finance charges	1,418	3,123	13,794	9,578
Rentals	609	439	5,952	2,510
Noncontrolling interests	-	-	(213)	1,494
Loss for the period	54,408	42,601	54,408	42,601
	84,193	67,407	152,859	110,002

The accompanying notes are an integral part of these individual and consolidated interim financial information.

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

# Notes to the individual and consolidated interim financial information for quarter ended June 30, 2022

(Amounts in thousands of reais - R\$, except value per share or unless otherwise stated)

## 1. General information

Moura Dubeux Engenharia S.A. ("Company"), with registered office at Avenida Engenheiro Domingos Ferreira, 467, in the city of Recife, State of Pernambuco, started operations in August 1987, registered with the Brazilian Securities Commission (CVM), category "B", No. 21.067, obtained on August 23, 2007. On February 12, 2020, the Company's shares were admitted for trading on "Novo Mercado", which is a special corporate governance listing segment of São Paulo's stock exchange B3 S.A. – Brasil, Bolsa, Balcão ("B3"), under the ticker symbol "MDNE3".

The Company, through its subsidiaries and associates (collectively "Group"), whose respective equity interests are listed in Appendix I thereto, are primarily engaged in the following activities: **(a)** purchase and sale of properties; **(b)** rental, split of land allotment; **(c)** real estate development or construction of properties intended for sale; **(d)** management and administration of own or third parties' real properties; **(e)** provision of engineering services; and **(f)** holding equity interests in other profit or nonprofit entities either as a partner or shareholder.

The Company participates in real estate development projects along with other partners, either directly or by means of related parties. The management structure of these real estate projects is, as a general rule, centralized in the Company, which manages the development of the works and budgets, ensuring that the funds necessary are used and allocated as planned.

Additionally, the Company provides technical construction management services and provides technical advisory services to the condominiums developed "at cost". These condominiums are owned by the joint owners (condominium residents) and, therefore are not included in the Company's consolidated interim financial information under CPC 36 (R3) – Consolidated financial information. Under this scope, the Company is responsible for the technical construction advisory management services and certain administrative activities. Whereas, the joint owners are responsible for monthly providing the capital required to finance 100% of the construction and the administrative costs incurred thereon until the completion of the works. Joint owners are also responsible for inspecting the physical and financial progress of the works, as established by Federal Law No. 4.591/64.

As of June 30, 2022, projects under construction in the condominium format are the following:

Condominium	UF	Expected delivery date
Cond. Ed. Mirante Capibaribe	PE	Aug./22
Cond. Ed. Parque Shopping	PE	Aug./22
Cond. Ed. Hilson Macedo	PE	Nov./22
Cond. Ed. Jardins da Ilha	PE	Feb./23
Cond. Ed. Zélia Macedo	PE	Jun./23
Cond. Ed. Mirante do Cais Sul e Norte	PE	Sep./23
Cond. Ed. Parque do Cais	PE	Sep./23
Cond. Ed. Beach Class Summer	PE	Oct./24
Cond. Ed. Beach Class Verano	PE	Feb./25
Cond. Ed. Beach Class Solare	PE	Feb./25
Cond. Ed. Moinho Silo 215	PE	Feb./25
Cond. Ed. Moinho Silo 240	PE	Feb./25
Cond. Ed. Novo Lucsim	PE	Feb./25
Cond. Ed. Mimi e Léo monte	PE	Apr./25
Cond. Ed. Verdano	PE	Apr./25
Cond. Ed. Arthur Bruno Schwambach	PE	May./25
Cond. Ed. Mirage	PE	Jan./26
Cond. Ed. Undae Residence - Beach Class Salvador	BA	Aug./23
Cond. Ed. Undae Residence - Undae Residence	BA	Aug./23
Cond. Ed. Mirat Martins de Sá	BA	Apr./25
Cond. Ed. Olhar Caminho das Árvores	BA	Apr./25
Cond. Ed. Horto Essence	BA	Nov./25

### Impacts of Covid-19

In preparing the interim financial information, Management considered Official Circular Letter SNC/SEP 01/2022("CVM Circular Letter"), issued by the Brazilian Securities Commission (CVM), which provides guidelines to public companies as to the need to ensure disclosure and transparency regarding the pandemic (Covid-19) impacts, if any, as well as the risks and uncertainty that may affect their operations and, also, the need to reflect such risks and uncertainty in preparing their financial information to fairly reflect the economic reality.

In this respect, the Company's Management maintains ongoing monitoring measures in the operation:

- i) **Works:** all works continue underway, with all safety protocols and measures recommended by the government of the States where the Company operates being followed. Regarding the scheduled delivery terms. The pandemic is not expected to impact the delivery schedule; the originally agreed-upon delivery terms remain unchanged;
- ii) **Sales:** In Management's view, while the pandemic persists, there is a risk that sales will be impacted. However, since the third quarter of 2020, we have been recording a volume of sales and adhesions higher than the expected, both for stock and the projects launched since then;
- ii) **Cash flow:** the Company's Management continues to be cautious in cash management, pursuing a balance between liquidity and security.

No other operational, economic, or financial risks were detected in our activities other than those presented in Note 27(d) - Market risk, with the main risk being the complete or partial suspension of works in certain regions, by virtue of government authorities' decrees requiring social distancing in the event of an increase in the number of Covid-19 infection cases.

## 2. Presentation of individual and consolidated interim financial information

### 2.1. Statement of compliance

The individual and consolidated interim financial information have been prepared and are presented in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) applicable to real estate entities registered with the Brazilian Securities Commission (CVM).

The aspects relating to the transfer of control in sales of real estate units follow the Company's Management's understanding, aligned with that expressed in Official Circular Letter/CVM/SNC/SEP No. 02/18 on the application of Technical Pronouncement NBC TG 47 (IFRS 15).

The accounting practices adopted in Brazil comprise those included in the Brazilian Corporate Law and the technical standards, instructions and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM) and the Federal Accounting Council (CFC).

The Company's Management asserts that all relevant information presented in this individual and consolidated interim financial information, and only this information, is disclosed and corresponds to that used by Management in managing the Company.

The individual and consolidated interim financial information were prepared in the normal course of business. In preparing the individual and consolidated interim financial information, Management evaluates the Company's ability to continue as a going concern.

On August 09, 2022, the Company's Board of Directors approved the individual and consolidated interim financial information and authorized their disclosure.

### 2.2. Basis of preparation

The individual and consolidated interim financial information have been prepared by the Company's Management and are presented at historical cost, except for investment property, bartered land and financial instruments measured at fair value. The individual and consolidated interim financial information have been prepared by Management under the assumption that the Company will continue as a going concern and did not find any doubts as to its production capacity.

### 2.3. Basis of consolidation and investments in subsidiaries

The consolidated interim financial information includes the operations of the Company and those of its subsidiaries described in Appendix I thereto. All transactions, balances, unrealized profits, revenues and expenses between the subsidiaries and the Company are fully eliminated in the consolidated interim financial information, and noncontrolling interests are disclosed separately.

#### a) **Subsidiaries**

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to: **(i)** govern key activities; **(ii)** exposure/rights to variable returns from its involvement with the investee; and **(iii)** capacity to use its power over the investee to affect the value of the investor's returns.

Under this method, the components of assets, liabilities, profit and loss are fully consolidated and the equity value of noncontrolling interests is calculated by applying their percentage of interest on the subsidiaries' equity.

**b) Investees with significant influence**

The investments in subsidiaries are accounted for under the equity method of accounting. Such investments are initially recognized at cost. After the initial recognition, the consolidated interim financial information include the Company' share in the investee's profit or loss for the year through the date when significant influence or joint control ceases to exist.

In the Parent's individual interim financial information, equity interests in subsidiaries and investees with significant influence are recognized under the equity method.

## **2.4. Functional and presentation currency**

The interim financial information is presented in Brazilian Reais (R\$), which is the functional and presentation currency of the Company and its subsidiaries.

The interim financial information of each subsidiary included in the Company's consolidation and those used as a basis for measuring investments under the equity method were prepared based on each entity's functional currency. The functional currency of an entity is the currency of the primary economic environment where it operates. In defining the functional currency of each subsidiary, Management considered which currency significantly influences the sale price of its products and services rendered, and the currency in which most of the cost of its inputs production is paid or incurred.

## **2.5. Critical accounting judgments and key estimates and assumptions**

The preparation of the individual and consolidated interim financial information of the Company and its subsidiaries requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, as well as the disclosures of contingent liabilities on the reporting date.

The main assumptions related to the sources of estimation uncertainties in future and other key sources of estimation uncertainties at the end of the reporting period involving the risk of material adjustments to the carrying amounts of assets and liabilities in the next reporting period are discussed below:

**a) Budgeted costs**

Budgeted costs are periodically revised as works progress, and any adjustments resulting from such revision are reflected in profit or loss based on the percentage of completion of each project ("POC method"). The POC method takes into account the cost incurred to the total budgeted cost of the respective projects and revenue is determined by multiplying such POC ratio by the contracted sales. The total cost of the projects is initially estimated when projects are launched, and such costs are revised on a periodic basis; any adjustments identified in this estimate based on such revisions are reflected in the Company's profit or loss.

**b) Taxes and disputes at the judicial and administrative levels**

The Company and its investees are subject, in the normal course of business, to investigations, audits, lawsuits and administrative proceedings involving civil, tax, labor, environmental, corporate and consumer law matters, among others. Depending on the matter under investigation, any lawsuits or administrative proceedings that are started against the Company and its subsidiaries may be adversely impacted, regardless of the respective final outcome. Based on its best estimate, supported by the opinion of its legal advisors, the Company evaluates whether recognizing a provision is necessary.

**c) Fair value of financial instruments**

When the fair value of financial assets and financial liabilities reported in the statement financial position cannot be obtained from active markets, it is determined based on valuation techniques, including the discounted cash flow method. Inputs for these methods are based on market values, if possible; otherwise, Management is required to make judgment to determine the fair value.

Management's judgment includes considerations on the data used, such as liquidity risk, credit risk and volatility. Changes in the assumptions related to these factors may affect the reported fair value of financial instruments.

**d) Warranty provisions**

Measured based on the historical maintenance expenses incurred on projects completed.

**e) Fair value measurement of investment property:**

An external independent firm, having professional qualification and recent recognized experience in the region and in the type of property being appraised, appraises the Company's property investment portfolio on an annual basis. The fair values are based on the market values and the estimated value for which a property could be exchanged at the measurement date as of the appraisal date between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction under normal market conditions, according to the definitions established in IFRS 13 (CPC 46).

**Methodology for measuring the fair value of investment property**

To measure the fair value of the properties, the appraisal firm used the direct market data comparison approach. Under such method, the market value applicable to a property is defined based on comparable market evidence, that is, similar properties being recently offered or negotiated. This market evidence was made homogenous by weighing certain factors, so as to subsidize the definition of a value range. In the absence of comparable elements, other methods were also used to define the value.

**f) Property barter**

These are recognized in properties for sale as a contra entry to advances barter receivables. A barter transaction is only recorded when the project to be developed is defined and the amounts are stated at their realizable fair values. Revenue is recognized in line item "Property sales."

**g) Impairment of stock**

Units in stock are valued at average cost pricing versus average market pricing. If the average cost price is higher than the average market price, an allowance is recognized.

Land in stock is valued annually when the strategic plan for the following year is prepared. In case we incur expenditures on land stock for which a real estate project is not expected to be developed, an estimated stock loss is then recognized.



### 3. Significant accounting policies

The information related to the basis for preparation and presentation of the interim financial information, the summary of the significant accounting policies and the use of estimates and judgment did not change significantly when compared to the information disclosed in Notes 2 and 3 to the annual individual and consolidated financial information for the year ended December 31, 2021, which were published on the Federal Official Gazette ("D.O.U.") on March 10, 2022 as well as on newspaper *Folha de Pernambuco*, and also made available on websites [www.cvm.gov.br](http://www.cvm.gov.br) and [www.mouradubeux.com.br/ri](http://www.mouradubeux.com.br/ri).

This interim financial information does not include all requirements of the annual or complete financial information and, therefore, should be read together with the financial information as of December 31, 2021.

### 4. Cash and cash equivalents

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Cash	44	38	80	70
Banks	729	180	5,056	7,129
Bank Certificates of Deposit (CDBs) (a)	32,892	45,997	124,999	106,682
Funds (b)	7,288	-	18,907	-
<b>Total</b>	<b>40,953</b>	<b>46,215</b>	<b>149,042</b>	<b>113,881</b>

- (a) Represented by highly liquid fixed income short-term investments subject to an insignificant risk of change in value. Bank Certificates of Deposit (CDBs) are pegged to the CDI variation in which yield ranges, Parent and consolidated, from 90% to 104% of the CDI as of June 30, 2022 and 90% to 105.25% of the CDI as of December 31, 2021.
- (b) The funds of investment funds are invested in fixed income transactions backed by government securities and debentures. These funds are pegged to the Interbank Certificate of Deposit (CDI) rate, with yields ranging from 101.27% to 106.65% of CDI as of June 30 2022 for the parent and on a consolidated basis, respectively.

### 5. Financial investments

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Bank Certificates of Deposit (CDBs) (a)	32,138	68,880	32,138	68,880
Funds (b)	-	2,125	-	2,125
<b>Total</b>	<b>32,138</b>	<b>71,005</b>	<b>32,138</b>	<b>71,005</b>
<b>Current</b>	<b>32,138</b>	<b>71,005</b>	<b>32,138</b>	<b>71,005</b>

- (a) Represented by fixed income financial investments subject to an insignificant risk of change in value. Bank Certificates of Deposit (CDBs) are pegged to the CDI variation in which yield ranges, Parent and consolidated, from 98% to 103% of the CDI as of June 30, 2022 and as of December 31, 2021. These investments are pledged as collateral of a borrowing.
- (b) Investment funds have their funds invested in fixed income transactions (backed by government bonds and debentures).

## 6. Trade receivables

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Units under construction	-	-	195,843	186,447
Units built	1,351	1,168	107,871	82,113
Units under construction quotas (a)	1,114	1,117	114,459	113,840
Land sales (b)	46,714	45,712	288,905	289,922
Sales of equity interests (c)	21,743	21,000	21,743	21,000
Services rendered	690	392	1,316	3,387
Allowance for expected credit losses	(3,594)	(3,582)	(8,868)	(7,744)
Allowance for sales cancellations	(1,321)	(1,181)	(30,345)	(28,485)
Adjustment to present value (d)	-	-	(11,644)	(8,623)
<b>Total trade receivables</b>	<b>66,697</b>	<b>64,626</b>	<b>679,280</b>	<b>651,857</b>
Current	8,772	6,037	302,682	308,798
<b>Noncurrent</b>	<b>57,925</b>	<b>58,589</b>	<b>376,598</b>	<b>343,059</b>

- (a) Refers to receivables arising from the resale of condominium units previously acquired by the Company;
- (b) The total Parent balance and part of the consolidated balance refer to related parties, as shown in Note 8 (a);
- (c) As of June 30, 2022, the Parent and consolidated balances are substantially comprised of R\$18,243, relating to the outstanding balance due to the sale of the 100% equity interest in MD PE Novo Horizonte Construções Ltda. (R\$17,500 as of December 31, 2021) to related party (held by the Company's controlling shareholder) MJMD Empreendimentos Ltda. (Note 8 (a)), whose final maturity was rescheduled on December 18, 2020, under the new payment schedule, the balance will be settled by 2026;
- (d) The effect of the adjustment to present value on the consolidated profit (loss) as of June 30, 2022 was R\$(3,020) (R\$(2,624) as of June 30, 2021) and the discount rate used was 7.97% p.a. (6.45% p.a. as of June 30, 2021).

The aging list of trade receivables is as follows:

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
<b>Past due</b>				
Up to 60 days	2,501	97	26,766	12,113
61 to 90 days	57	10	1,489	1,175
91 to 180 days	185	30	7,328	2,081
Over 180 days	4,893	4,725	35,637	35,645
<b>Total past due</b>	<b>7,636</b>	<b>4,862</b>	<b>71,220</b>	<b>51,014</b>
<b>Current</b>				
Up to 01 year	6,052	5,936	272,165	297,207
01 to 03 years	10,665	10,605	276,007	232,623
Over 03 years	47,259	47,986	110,745	115,865
<b>Total current</b>	<b>63,976</b>	<b>64,527</b>	<b>658,917</b>	<b>645,695</b>
Allowance for expected credit losses	(3,594)	(3,582)	(8,868)	(7,744)
Allowance for sales cancellations	(1,321)	(1,181)	(30,345)	(28,485)
Adjustment to present value	-	-	(11,644)	(8,623)
<b>Total</b>	<b>(4,915)</b>	<b>(4,763)</b>	<b>(50,857)</b>	<b>(44,852)</b>
<b>Total</b>	<b>66,697</b>	<b>64,626</b>	<b>679,280</b>	<b>651,857</b>

Out of the past-due amounts as of June 30, 2022, approximately 65.40% refers to customers whose request for bank financing to settle their debt balance is being analyzed. The expected losses on such receivables, if applicable, are already recorded in the financial information. Such transactions are collateralized by the financed properties.

Changes in expected credit losses, allowance for sales cancellations, and adjustment to present value in the period ended June 30, 2022 and year ended December 31, 2021 are as follows:

	Parent	Consolidated
<b>Balance at December 31, 2020</b>	<b>(1,219)</b>	<b>(30,251)</b>
Additions	(3,834)	(31,286)
Write-offs	-	1,351
Reversals	290	15,334
<b>Balance at December 31, 2021</b>	<b>(4,763)</b>	<b>(44,852)</b>
Additions	(156)	(14,081)
Write-offs	-	412
Reversals	4	7,664
<b>Balance at June 30, 2022</b>	<b>(4,915)</b>	<b>(50,857)</b>

## 7. Properties for sale

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Completed properties	-	-	33,892	73,241
Properties under construction (a)	-	-	61,593	66,910
Properties under construction (b)	-	-	167,010	111,155
Land acquired	39,914	80,655	104,327	115,731
Land acquired - barter	492,699	660,235	576,403	743,940
Advances to suppliers	133	100	6,791	3,056
Properties held for sale – Reversal of sales cancellation costs	453	453	17,485	19,373
(-) Impairment	-	-	(7,893)	(9,539)
Capitalized interest	-	-	5,348	10,121
<b>Total properties for sale</b>	<b>533,199</b>	<b>741,443</b>	<b>964,956</b>	<b>1,133,988</b>
Current	144,933	403,754	489,123	712,595
<b>Noncurrent</b>	<b>388,266</b>	<b>337,689</b>	<b>475,833</b>	<b>421,393</b>

(a) Refers to units acquired or bartered under the pool-based (condominium) business model.

(b) These refer to units under construction in Company projects and units to be received from condominiums as a result of land barter.

Land for future development is classified in current assets or noncurrent assets based on the expected launch period of the real estate projects, which is periodically revised by Management. Properties under construction and completed units are classified in current assets, according to their availability for sale;

Finance costs on borrowings are capitalized in "Properties for sale" during the construction phase and realized in profit or loss in "Cost of properties sold" as units are sold.

Changes in capitalized interest as of June 30, 2022 and 2021 are as follows:

	Consolidated	
	06/30/2022	06/30/2021
<b>Balance of properties for sale at the beginning of the period</b>	<b>10,121</b>	<b>23,868</b>
Interest incurred in the period	2,412	1,948
Recognition of finance charges in cost of sales	(7,185)	(11,822)
<b>Balance of properties for sale at the end of the period</b>	<b>5,348</b>	<b>13,994</b>

## 8. Related parties

The Company conducted financial transactions with its subsidiaries and the related receivables are used in the real estate development activities to acquire plots of land and pay construction costs and expenses inherent in the development of projects. These transactions do not generate losses to noncontrolling shareholders or the Company and do not favor associates, the Parent, or subsidiaries.

Additionally, the Company conducts financial transactions with related parties other than subsidiaries under conditions that vary according to the amounts, terms, and other variables. The conditions agreed upon between the parties are generally in line with usual market conditions. Therefore, there is no loss and no parties are favored.

The receivables from related parties are collateralized by the own assets of real estate projects.

The Company does not expect to recognize losses on related-party balances.

The Company has related-party balances included in accounts receivable, and balances recorded in specific accounts named “related parties” in assets and liabilities, as shown in the tables below:

**a) Related-party balances included in accounts receivables (Note 6):**

	<b>Parent</b>		<b>Consolidated</b>	
	<b>06/30/2022</b>	<b>12/31/2021</b>	<b>06/30/2022</b>	<b>12/31/2021</b>
<b>Current assets</b>				
Receivables from sales of equity interests (Note 6.c) <b>(i)</b>	5,505	3,500	5,505	3,500
Receivables from sales of properties (Note 6) <b>(ii)</b>	-	-	2,890	3,174
Receivables from sales of land (Note 6.b) <b>(iii)</b>	1,638	1,575	1,638	1,575
<b>Current</b>	<b>7,143</b>	<b>5,075</b>	<b>7,855</b>	<b>8,249</b>
<b>Noncurrent assets</b>				
Receivables from sales of equity interests (Note 6.c) <b>(i)</b>	12,738	14,000	12,738	14,000
Receivables from sales of properties (Note 6) <b>(ii)</b>	-	-	-	134
Receivables from sales of land (Note 6.b) <b>(iii)</b>	45,076	44,137	45,076	44,137
<b>Noncurrent</b>	<b>57,814</b>	<b>58,137</b>	<b>59,992</b>	<b>58,271</b>

- (i)** Refers to the sale of equity interest to MJMD Empreendimentos Ltda. for R\$39,674 on September 30, 2014, with a balance receivable through June 15, 2026, monthly adjusted by INCC;
- (ii)** Refers to sales of properties to shareholders and officers under usual market conditions. There are no sales in the first semester and sales totaled R\$160 in the period ended December 31, 2021; and
- (iii)** Refers to sale of land to related party VV São José Empreendimentos S.A., in the amount of R\$57,524 on March 29, 2018, with a balance receivable through December 26, 2028, monthly adjusted by INCC.

b) Balances of other related-party transactions:

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	03/31/2021
<b>Noncurrent assets</b>				
Intragroup loans - non-subsidiaries or other related parties (see item 8.1)	-	3,961	-	3,961
<b>Total noncurrent assets</b>	-	<b>3,961</b>	-	<b>3,961</b>

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	03/31/2021
<b>Current liabilities</b>				
Intragroup borrowings - subsidiaries (see item 8.1)	38,545	105,875	-	-
Current account with partners (see item 8.3)	-	5,635	2,158	7,344
Profit distribution advances (a)	9,390	11,125	9,390	11,125
<b>Total current liabilities</b>	<b>47,935</b>	<b>122,635</b>	<b>11,548</b>	<b>18,469</b>

(a) These profit distribution advance balances refer to MD PE Polidoro Construções SPE Ltda. and are not subject to financial charges.

## 8.1. Intragroup loans and borrowings

In the normal course of business, the Company has entered loan/borrowings agreements with its subsidiaries, associates, and other related parties for better cash management.

### Noncurrent assets

Loans to non-subsidiaries or other related parties	Charges	Maturity	Parent		Consolidated	
			06/30/2022	12/31/2021	06/30/2022	12/31/2021
Selezione Comércio e Representação Ltda. (a)	130% of CDI	02/27/2026	-	3,961	-	3,961
<b>Total</b>			-	<b>3,961</b>	-	<b>3,961</b>

(a) Refers to assignment of debt of related party Marcos José Moura Dubeux to Selezione Comércio e Representação Ltda. with settlement in the first quarter of 2022.

Current liabilities		Parent		Consolidated	
Borrowings from subsidiaries (b)	Maturity (c)	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Moura Dubeux Engenharia e Empreendimentos Ltda.	12/31/2025	-	8,497	-	-
MD PE Novo Jardim Construções S.A.	12/31/2025	-	250	-	-
MD BA Ondina Construções S.A.	12/31/2025	-	8,624	-	-
MD PE Freguesia Construções SPE Ltda.	12/31/2025	2,225	2,400	-	-
MD PE Serrana Construções SPE Ltda.	12/31/2025	1,369	1,675	-	-
MD Participações e Empreendimentos Ltda.	12/31/2025	391	310	-	-
MD CE Dias da Rocha Construções SPE Ltda.	12/31/2025	6,875	7,007	-	-
MD CE Theberge Construções SPE Ltda.	12/31/2025	480	794	-	-
MD RN Aurea Guedes Construções SPE Ltda.	12/31/2025	-	3,080	-	-
SPE Lote 01 Empreendimentos Imobiliários Ltda.	12/31/2022	691	983	-	-
SPE Lote 02 Empreendimentos Imobiliários Ltda.	12/31/2025	366	2,821	-	-
MD BA Graça Empreendimentos SPE Ltda.	12/31/2025	1,117	13,425	-	-
MD PE Paulista Empreendimentos Ltda.	12/31/2025	36	2,353	-	-
MD BA Bela Vista Empreendimentos SPE Ltda.	12/31/2025	468	16,479	-	-
Graça Empreendimentos Imobiliários SPE Ltda.	12/31/2025	3,732	-	-	-
Global MD Evolution Beach Park Empreendimento S.A.	12/31/2025	19,009	31,930	-	-
MD BA Sapucaia Construções Ltda.	12/31/2025	-	2,146	-	-
Other related parties	12/31/2025	1,884	3,101	-	-
<b>Total</b>		<b>38,545</b>	<b>105,875</b>	<b>-</b>	<b>-</b>

(b) These intragroup borrowings are not subject to finance charges; and

(c) The Company classifies all intragroup borrowings in noncurrent liabilities, regardless of the agreed-upon maturity dates.



## 8.2. Rental agreements

The Company has rental contracts with shareholders in the controlling block relating to office spaces where its administrative activities are performed, in the cities of Recife (head office), Salvador, and Fortaleza. The total monthly rental cost of these properties is approximately R\$ 236, subject to annual adjustment based on the positive IGP-M variance. The rental contracts are subject to the same market terms and conditions as those applicable to third parties.

City	Leased properties	Effective term
Recife - Empresarial Moura Dubeux	Annex, Storeys 1 and 2 - 6, 10, 11, 12 and 13 floors	06/01/2020 to 05/31/2025
Salvador - ITC Salvador	Rooms 412, 413, 414, 415 and 416	10/01/2019 to 09/30/2024
Fortaleza - Torre ITC Central Park	Suite 01	10/01/2019 to 09/30/2024

In the first semester of 2022, the Company incurred expenses with the rent of commercial rooms in the amount of R\$1,417 (which includes R\$1,185 arising from the recognition of the right-of-use asset) with the controlling shareholders (R\$1,302 on June 30, 2021). As of June 30, 2022, the lease liability presents the balance of R\$8,300, included in other payables.

## 8.3. Current accounts with project partners

The balances recorded in noncurrent assets and current liabilities refer to contributions made and received by the Company, followed (or not) by the partner in the real estate business, for use in real estate projects. Such agreements generally establish an inflation adjustment based on the IGP-M or CDI variation and are settled when cash flows are generated from the real estate projects (or when these are completed).

The corresponding balances are as follows:

Current liabilities	Adjustment (a)	Maturity	Equity interest - %		Parent		Consolidated	
			2022	2021	06/30/2022	12/31/2021	06/30/2022	12/31/2021
MRV MD PE Mar de Espanha Incorporações Ltda.	N/A	12/31/2022	50%	50%	-	-	1,724	1,289
MD PE Polidoro Construções SPE Ltda.	N/A	12/31/2022	50%	50%	-	5,635	-	5,635
Other related parties	N/A	12/31/2022	50%	50%	-	-	434	420
<b>Total</b>					-	<b>5,635</b>	<b>2,158</b>	<b>7,344</b>

- (a) As there is no collection or payment of compensation, by the Company, based on indices agreed upon between the parties, there are, consequently, no losses to any noncontrolling shareholders, nor in the Company's losses, favoring an associate, Parent company or subsidiary.

## 8.4. Key management personnel compensation

In the individual and consolidated interim financial information as of June 30, 2022, the compensation of key management personnel, which includes directors and statutory officers, totaled R\$9,365, corresponding to short-term benefits and social security charges (R\$6,951 as of June 30, 2022). On November 16, 2021, the Company's Board of Directors approved the creation of a share-based Long-Term Incentive Plan (the "Plan") based on shares, which were granted in May 10, 2022. Of the compensation mentioned above, the amount R\$4,780 was paid in the form of shares granted under said plan. The Plan establishes the conditions for the granting of matching shares to eligible people approved by the Board of Directors of the Company. The Plan aims to: **(a)** stimulate the expansion, success, and achievement of the Company's corporate objectives; **(b)** align the interests of the Company's shareholders with those of the Eligible Persons; and **(c)** enable the Company and its investees to attract and keep the Eligible Persons linked to them (See Note 17(i)).

## 8.5. Other transactions

On June 30, 2022, the Company has a balance receivable from its subsidiaries of R\$42,587 referring to refundable capital (R\$95,073 as of December 31, 2021, see Note 11(b)).

In the first semester of 2022, the Parent company transferred to its subsidiaries the amount R\$2,245 referring to interest on the debenture fund raising transaction, the proceeds of which were contributed to the subsidiaries. (See Note 12.)

## 9. Investments and allowance for losses on investments

Investments are broken down as follows:

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Subsidiaries	809,245	747,848	-	-
Associates	48,672	59,878	48,672	59,878
Capitalized interest (i)	58,389	58,389	58,389	58,389
<b>Total</b>	<b>916,306</b>	<b>866,115</b>	<b>107,061</b>	<b>118,267</b>
(-) Allowance for losses on investees (ii)	(15,303)	(25,670)	-	-
<b>Investments balance, net</b>	<b>901,003</b>	<b>840,445</b>	<b>107,061</b>	<b>118,267</b>

- (i) Refers to finance charges arising from borrowings and financing (debentures, CCBs and other) raised by the Company and transferred to its subsidiaries, with no finance charges, to be invested in the construction of real estate projects, and correspond to the capitalized financial cost of land and real estate units under construction. Interest allocated to real estate projects of investees are capitalized to the respective investments in Parent and consolidated in line item "Properties for sale,"; and
- (ii) Investments in investees that record equity deficiency were reclassified to line item "Allowance for investment losses," since the Company assumes all the obligations, including the legal obligations prescribed by the Brazilian legislation.

Changes in investments and allowance for investment losses for the periods ended June 30, 2022 and December 31, 2021 are as follows:

	Parent	Consolidated
<b>Balance at December 31, 2020</b>	<b>618,138</b>	<b>107,688</b>
Share of profit (loss) of investees	121,236	1,101
Increase in (return of) AFCI's	99,291	-
Profit distribution	(55,735)	-
Transfer to capital increase	57,736	9,311
Other	(221)	167
<b>Balance at December 31, 2021</b>	<b>840,445</b>	<b>118,267</b>
Share of profit (loss) of investees	90,654	(353)
Increase in (return of) AFCI's (see Note 24)	(21,759)	(10,853)
Profit distribution (see Note 24)	(89,879)	-
Transfer to capital increase (see Note 24)	81,542	-
<b>Balance at June 30, 2022</b>	<b>901,003</b>	<b>107,061</b>

The investments and the balances of assets and liabilities, equity and profit and loss for the periods ended June 30, 2022 and December 31, 2021 of investees are as follows (and detailed in Appendix I thereto):

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
<b>Total assets</b>	<b>1,846,972</b>	<b>1,719,051</b>	<b>97,074</b>	<b>117,649</b>
<b>Total liabilities</b>	<b>1,079,771</b>	<b>1,033,542</b>	<b>42,671</b>	<b>62,539</b>
<b>Total equity</b>	<b>767,201</b>	<b>685,509</b>	<b>54,403</b>	<b>55,110</b>
Profit (loss) for the year	89,747	124,334	(1,052)	2,203
Advance for future capital increase	105,483	127,257	27,406	38,259
Investments in subsidiaries and joint ventures	810,823	738,858	79,655	80,008
Allowance for investment losses	(15,303)	(25,670)	-	-
Share of profit (loss) of investees	90,654	121,236	(353)	1,101

## 10. Investment property

Management maintains plots of land as investment properties since the Company plans to hold them for appreciation or earn future income.

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Cost	47,809	47,809	108,216	108,216
Adjustment to fair value	80,969	80,969	104,966	104,966
<b>Total</b>	<b>128,778</b>	<b>128,778</b>	<b>213,182</b>	<b>213,182</b>

The plots of land held as investment property are listed below:

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
<b>Moura Dubeux Engenharia S.A.</b>				
Land 3C - Register No. 54.844, part of which located in Jaboatão dos Guararapes, part in Cabo de Santo Agostinho	91,973	91,973	91,973	91,973
Portion of Land 4E, Register No 54.846 - Prazeres, Jaboatão dos Guararapes	7,605	7,605	7,605	7,605
Sítio Garantia - Jaboatão dos Guararapes	29,200	29,200	29,200	29,200
<b>Moura Dubeux Engenharia e Empreendimentos S.A.</b>				
Portion of Land 4E, Register No 54.846 - Prazeres, Jaboatão dos Guararapes	-	-	52,606	52,606
<b>MD Imóveis Ltda.</b>				
Portion of Land 4E, Register No 54.846 - Prazeres, Jaboatão dos Guararapes	-	-	22,358	22,358
Unit 501 of building Edif. Antonio Pereira intended for rental	-	-	1,500	1,500
<b>AGM Empreendimentos Imobiliários Ltda.</b>				
Land B3 - Cabo de Santo Agostinho	-	-	7,940	7,940
<b>Total</b>	<b>128,778</b>	<b>128,778</b>	<b>213,182</b>	<b>213,182</b>

Changes in investment property are as follows:

	Parent	Consolidated
<b>Balance at December 31, 2020 (i)</b>	<b>128,778</b>	<b>213,182</b>
<b>Balance at December 31, 2021 (i)</b>	<b>128,778</b>	<b>213,182</b>
<b>Balance at June 30, 2022 (i)</b>	<b>128,778</b>	<b>213,182</b>

- (i) As In the periods ended June 30, 2022 and December 31, 2021, there was no significant change in the fair value of investment properties.

The investment properties were evaluated and recognized at fair value, which was determined based on a valuation performed by the firm Binswanger Brasil Ltda, for reporting dates December 31, 2021 and 2020. The valuation was performed by an outside, independent firm with appropriate recognized professional credentials and experience in the region and valuing the type of property being appraised.

The fair values are based on market values calculated using the direct comparative method (see Note 2.5 (e)).

## 11. Other receivables

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Receivables from barterers - projects launched (a)	-	-	443,186	327,201
Refundable capital (b)	42,587	95,073	-	-
Other receivables	11,440	6,856	9,807	14,263
<b>Total other receivables</b>	<b>54,027</b>	<b>101,929</b>	<b>452,993</b>	<b>341,464</b>
Current	176	96	506	356
<b>Noncurrent</b>	<b>53,851</b>	<b>101,833</b>	<b>452,487</b>	<b>341,108</b>

- (a) As a result of the barter of land with condominiums, the Company now has the right to receive real estate units. These plots were bartered with the original owners, therefore generating an obligation of the Company before to owners (see Note 13). Upon receiving the real estate units from the condominium, the Company transfers them to the original owners of the land to settle the barter liability; and
- (b) Amounts relating to the capital reduction made in the Company's subsidiaries, according to the underlying corporate documents.

## 12. Financing and debentures

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Financing - SFH and SFI (a)	-	-	51,674	90,048
Debentures (b)	25,882	36,409	25,882	36,409
<b>Total gross</b>	<b>25,882</b>	<b>36,409</b>	<b>77,556</b>	<b>126,457</b>
(-) Transaction costs (b)	(1,132)	(1,592)	(1,132)	(1,592)
<b>Total</b>	<b>24,750</b>	<b>34,817</b>	<b>76,424</b>	<b>124,865</b>
Current	-	-	30,360	85,195
<b>Noncurrent</b>	<b>24,750</b>	<b>34,817</b>	<b>46,064</b>	<b>39,670</b>

Changes in the balances above are as follows:

	Parent	Consolidated
<b>Balance at December 31, 2020</b>	-	<b>125,813</b>
Releases	55,687	99,223
Principal repayment	(20,955)	(99,517)
Interest paid	(4,103)	(12,985)
Capitalized interest	-	5,204
Interest incurred	5,780	8,719
Transaction costs	(2,515)	(2,515)
Amortization of transaction costs	923	923
<b>Balance at December 31, 2021</b>	<b>34,817</b>	<b>124,865</b>
Releases	-	26,766
Principal repayment	(11,739)	(76,865)
Interest paid	(1,560)	(4,912)
Capitalized interest	-	2,412
Interest incurred (i)	2,772	3,698
Amortization of transaction costs	460	460
<b>Balance at June 30, 2022</b>	<b>24,750</b>	<b>76,424</b>

- (i) Total interest incurred in the parent results from the debt of debentures raised for SPEs. The interest was proportionally transferred to the subsidiaries according to the amounts passed on, totalizing, in the first semester of R\$2,245 (see Note 23).

The debt payment schedule is as follows:

Year	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Up to 1 year	-	-	30,360	85,195
1 to 2 years	2,993	6,520	19,368	9,548
2 to 3 years	22,889	14,000	23,141	14,000
Over 3 years	-	15,889	4,687	17,714
<b>Total</b>	<b>25,882</b>	<b>36,409</b>	<b>77,556</b>	<b>126,457</b>

The transaction costs mature as follows:

Year	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
1 to 2 years	(552)	(682)	(552)	(682)
2 to 3 years	(580)	(910)	(580)	(910)
<b>Total</b>	<b>(1,132)</b>	<b>(1,592)</b>	<b>(1,132)</b>	<b>(1,592)</b>

**a) Financing – SFH and SFI**

Borrowings under programs SFH (Financial Housing System) and SFI (Financial Real Estate System) are collateralized by the financed property under construction.

In the period ended June 30, 2022, the Company repaid borrowings totaling R\$68,478, of which R\$65,126 in principal and R\$3,352 in interest. Additionally, during the year, the Company raised financing lines totaling R\$26,766 maturing between August 2023 and December 2027. The rates of these transactions are subject to the CDI fluctuation plus 3.90% to 4.04% and TR (benchmark rate) plus 9.75% to 11,79%.

Financing - SFH	Borrowing rate	Maturity	Parent		Consolidated	
			06/30/2022	12/31/2021	06/30/2022	12/31/2021
Banco ABC S.A.	3.95% + CDI	12/26/2025	-	-	200	200
Banco Safra S.A.	1.60% + CDI	07/04/2022	-	-	30,360	60,436
Caixa Econômica Federal	9.75% + TR	12/26/2027	-	-	4,487	1,625
Banco Santander S.A.	4.10% + CDI	04/10/2022	-	-	-	7,587
Banco Santander S.A.	3.90% + CDI	08/05/2023	-	-	8,797	20,200
Banco Santander S.A.	4.04% + CDI	06/05/2024	-	-	7,578	-
Banco Itaú S.A.	11.79% + TR	09/05/2024	-	-	252	-
<b>Total</b>			-	-	51,674	90,048
Current			-	-	30,360	85,195
<b>Noncurrent</b>			-	-	21,314	4,853

**b) Debentures**

Description	Borrowing rate	Maturity	Parent		Consolidated	
			06/30/2022	03/31/2021	06/30/2022	12/31/2021
True Securitizadora S.A. (i)	6% + IPCA	03/21/2025	25,882	36,409	25,882	36,409
Transaction costs			(1,132)	(1,592)	(1,132)	(1,592)
<b>Total</b>			<b>24,750</b>	<b>34,817</b>	<b>24,750</b>	<b>34,817</b>
Current			-	-	-	-
<b>Noncurrent</b>			<b>24,750</b>	<b>34,817</b>	<b>24,750</b>	<b>34,817</b>

- (i) Relating to the 6<sup>th</sup> issue of simple, unsecured, nonconvertible collateralized debentures, in a single series, for private placement. These debentures were issued on March 26, 2021, generating proceeds in the amount of R\$41,738 in the period and, subsequently, R\$13,949, amounting to R\$55,687, with maturity on March 21, 2025. Such issuance transaction is part of a securitization operation backed by Real Estate Receivables Certificates ("CRIs") which is collateralized by the Company's investees' financed properties. The effective rate used in the operation is 7.46% p.a. plus IPCA. In the semester ended June 30, 2022, the Company repaid debentures totaling R\$13,299, of which R\$11,739 refers to principal and R\$1,560 to interest.



### Collaterals

As of June 30, 2022, all effective guarantees were obtained by the Company and are shown below:

Transaction	Bank	Collateral
SFH	Banco Santander S.A.	Assignment of receivables / First mortgage
SFH	Banco ABC S.A.	Assignment of receivables / First mortgage
SFH	Caixa Econômica Federal	Assignment of receivables / First mortgage
SFH	Banco Safra	Collateral assignment / Financial Investments / Assignment of receivables / First mortgage
SFH	Banco Itaú S.A.	Unit assignment / Assignment of receivables / First mortgage
Debentures	True Securitizadora S.A.	Collateral assignment of properties

The Company's SFH and Debenture transactions have coverage indices that are determined on a monthly basis by the transaction's creditors for the purpose of monitoring their financial health. If any of these indices falls below the contractually agreed level, the Company will need to reconstitute the transaction guarantee, either by adding guarantees or repaying part of the debt thus stabilizing again the transaction indices. As of June 30, 2022, the Company met all the debt coverage indices.

### Restrictive covenants

As of June 30, 2022, the Company no longer has restrictive contractual obligations that would require compliance with financial ratios. As of December 31, 2021, the Company was compliant with all the covenants.

## 13. Advances from customers

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Due to amounts received for sales of properties (a)	473	704	102,844	99,991
Advance from customers - barbers - projects yet to be launched (b)	492,699	660,235	576,403	743,940
Advance from customers - barbers - projects yet to be launched (c)	-	-	443,186	327,201
Advance from customers - barbers - projects in progress (b)	-	-	51,371	21,919
<b>Total</b>	<b>493,172</b>	<b>660,939</b>	<b>1,173,804</b>	<b>1,193,051</b>
Current	108,513	322,793	194,545	374,211
<b>Noncurrent</b>	<b>384,659</b>	<b>338,146</b>	<b>979,259</b>	<b>818,840</b>

(a) Refers to the portion of amounts received from customers that exceeds the recognized revenue amounts of properties under construction;

- (b) Refers to plots of land acquired through physical barter in projects, whose conditions precedent were satisfied, stated at fair value at the date of their initial recognition or at the date such appraisal is possible. The fair value was determined based on the amount of the consideration, using the quotation price of the assets to which the plot of land is related; and
- (c) See Note 11.

#### 14. Provision for risks and judicial deposits

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Civil (a)	86	65	8,831	8,853
Labor (b)	1,230	1,297	3,446	4,063
Tax (c)	-	-	42	44
<b>Total</b>	<b>1,316</b>	<b>1,362</b>	<b>12,319</b>	<b>12,960</b>

##### (a) Civil lawsuits

Refer to lawsuits claiming brokerage fees on sales and indemnity for delays in delivering the units and discussing contractual clauses relating to the amounts retained by the Company when sales are cancelled. As of June 30, 2022, a provision was recognized in an amount sufficient to cover potential losses from lawsuits assessed as probable loss. Lawsuits assessed as possible loss amount to R\$17,227 and R\$70,204, Parent and consolidated, respectively (R\$18,395 and R\$65,441, respectively, as of December 31, 2021).

##### (b) Labor lawsuits

Labor claims basically refers to lawsuits started by ex-employees of the Company and of service firms (joint liability) claiming salary equalization, overtime and other severance costs. As of June 30, 2022, a provision was recognized in an amount sufficient to cover potential losses from lawsuits assessed as probable loss. Lawsuits assessed as possible loss amount to R\$1,071 and R\$3,842, Parent and consolidated, respectively (R\$798 and R\$5,462, respectively, as of December 31, 2021).

##### (c) Tax lawsuits

Tax lawsuits basically refer to claims questioning of the constitutionality of using reduced rates on gross revenues and also the tax discussion. As of June 30, 2022, a provision was recognized in an amount sufficient to cover potential losses from lawsuits assessed as probable loss. Lawsuits assessed as possible loss amount to R\$3,907 and R\$9,327, Parent and consolidated, respectively (R\$3,926 and R\$9,117, respectively, as of December 31, 2021).

Changes in provisions for risks may be summarized as follows:

Provisions	Parent	Consolidated
<b>Balance at December 31, 2020</b>	<b>756</b>	<b>9,487</b>
Provisions recognized in the period	606	3,473
<b>Balance at December 31, 2021</b>	<b>1,362</b>	<b>12,960</b>
Provisions recognized in the period	(46)	(641)
<b>Balance at June 30, 2022</b>	<b>1,316</b>	<b>12,319</b>

Changes in judicial deposits are summarized as follows:

<b>Judicial deposits</b>	<b>Parent</b>	<b>Consolidated</b>
<b>Balance at December 31, 2020</b>	<b>1,135</b>	<b>8,338</b>
Additions and inflation adjustment	71	2,315
Deposits redeemed	(900)	(5,569)
<b>Balance at December 31, 2021</b>	<b>306</b>	<b>5,084</b>
Additions and inflation adjustment	65	323
Deposits redeemed	(51)	(693)
<b>Balance at June 30, 2022</b>	<b>320</b>	<b>4,714</b>

## 15. Deferred taxes

### a) Breakdown of balances are as follows:

<b>Deferred Tax Liabilities:</b>	<b>Parent</b>		<b>Consolidated</b>	
	<b>06/30/2022</b>	<b>12/31/2021</b>	<b>06/30/2022</b>	<b>12/31/2021</b>
<b>Temporary differences - Taxable Income</b>				
PIS - Liability	567	564	567	564
Cofins - Liability	2,616	2,601	2,616	2,601
IRPJ - Liability	1,619	1,619	1,619	1,619
CSLL - Liability	875	875	875	875
<b>Total</b>	<b>5,677</b>	<b>5,659</b>	<b>5,677</b>	<b>5,659</b>
<b>Temporary differences - Deemed Income</b>				
PIS - Liability	-	-	2,067	2,089
Cofins - Liability	-	-	9,541	9,641
IRPJ - Liability	-	-	6,373	6,428
CSLL - Liability	-	-	3,439	3,471
<b>Total</b>	<b>-</b>	<b>-</b>	<b>21,420</b>	<b>21,629</b>
<b>Temporary differences - RET</b>				
PIS - Liability	-	-	885	742
Cofins - Liability	-	-	4,089	3,430
IRPJ - Liability	-	-	2,975	2,527
CSLL - Liability	-	-	1,565	1,324
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,514</b>	<b>8,023</b>
<b>Total deferred tax liabilities</b>	<b>5,677</b>	<b>5,659</b>	<b>36,611</b>	<b>35,311</b>
Current	228	210	15,231	14,881
<b>Noncurrent</b>	<b>5,449</b>	<b>5,449</b>	<b>21,380</b>	<b>20,430</b>

b) Reconciliation of IRPJ and CSLL - current and deferred:

Description	Parent		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Loss before income tax and social contribution	54,408	40,768	64,446	49,012
Tax rate - 34%	(18,499)	(13,861)	(21,912)	(16,664)
Share of profit (loss) of investees	30,822	17,848	(120)	440
Other additions (deductions)	(344)	964	(344)	964
Effect of profit or loss of subsidiaries taxed based on deemed income/ RET	-	-	(10,251)	(6,750)
Unrecognized tax credits on tax loss carryforwards and temporary differences (i)	(12,667)	(3,118)	21,688	17,093
<b>Total taxes</b>		<b>1,833</b>	<b>(10,251)</b>	<b>(4,917)</b>
<b>Income tax and social contribution</b>				
Current	-	-	(9,581)	(6,148)
Deferred	-	1,833	670	1,231

(i) The Parent adopted the taxable income regime and does not record tax credits; they are only recorded when future earnings are realized.

c) The breakdown of temporary differences of taxes on income (taxable income) is as follows:

	06/30/2022	12/31/2021
<b>Temporary differences - parent</b>		
Real estate allocation	2,465	2,268
<b>Base – Taxable income and noncumulative regime</b>	<b>2,465</b>	<b>2,268</b>
Measurement at fair value	80,969	80,969
<b>Deemed income tax base and cumulative regime</b>	<b>80,969</b>	<b>80,969</b>
Statutory rate - noncumulative regime	9.25%	9.25%
Statutory rate - Deemed Income and cumulative regime	6.73%	6.73%
<b>Deferred liability – Parent</b>	<b>5,677</b>	<b>5,659</b>
<b>Temporary differences – subsidiaries</b>		
Real estate allocation	291,293	277,278
Measurement at fair value	23,997	23,997
<b>Deemed income tax base and cumulative regime</b>	<b>315,290</b>	<b>301,275</b>
Real estate allocation	242,845	234,409
<b>Base – RET</b>	<b>242,845</b>	<b>234,409</b>
Statutory rate - Deemed Income and cumulative regime	6.73%	6.73%
Statutory rate - RET	4.00%	4.00%
<b>Deferred liability - subsidiaries</b>	<b>30,934</b>	<b>29,652</b>
<b>Deferred liabilities</b>	<b>36,611</b>	<b>35,311</b>

## 16. Real estate development and sale operations

The total amounts of sale of units under construction, including the amounts already received and recorded in balance sheet accounts and the amounts not yet recorded, due to the revenue recognition method applicable to real estate activities, are as follows:

### a) Unrecognized revenue from sales of properties (consolidated)

	Consolidated	
	06/30/2022	06/30/2021
Contracted property sales of properties - Projects under construction	1,143,317	527,097
(-) Gross revenue recognized from properties sold	(491,531)	(267,756)
(-) Sales cancellations - revenues reversed	(3,639)	(2,128)
<b>Unrecognized revenues from properties sold (i)</b>	<b>648,147</b>	<b>257,213</b>
Estimated costs of properties sold	771,837	328,998
(-) Costs incurred on units sold	(326,573)	(156,680)
(-) Sales cancellations - reversed costs	(2,053)	(1,066)
<b>Unrecognized commitments to budgeted costs (ii)</b>	<b>443,211</b>	<b>171,252</b>
<b>Receivables from properties sold to be recognized (i) – (ii)</b>	<b>204,936</b>	<b>85,961</b>

- (i) Unrecognized revenue from properties sold is stated at the contractual amounts, plus contractual adjustments, less sales cancellations, net of the portion of recognized revenue and does not include adjustment to present value and taxes levied thereon;
- (ii) Unrecognized budgeted costs of properties sold do not include financial charges, which are allocated to properties for sale and profit or loss (cost of sales), proportionately to the real estate units sold, to the extent they are incurred, and do not include an accrued warranty, which is allocated to real estate units sold to the extent of the percentage-of-completion of the work.

### b) Cost incurred and to be incurred for units for sale

Total costs incurred and to be incurred for real estate units sold and for sale, estimated through the completion of real estate projects under construction, as of December 31, 2021, are as follows:

	Consolidated	
	06/30/2022	06/30/2021
Cost incurred on units for sale	123,512	71,132
Total unincurred budgeted cost of units for sale	350,100	179,234
<b>Cost incurred and to be incurred for units for sale</b>	<b>473,612</b>	<b>250,366</b>

The amounts above do not include unincurred financial costs capitalized and unincurred warranty provision costs.

### c) Commitments to the acquisition of land

The commitments assumed by the Company with the purchase of land in the first semester of 2022, the accounting entry of which has not yet been made due upon waiting the approval of the project and the final deed that evidences the transfer of the property to the Company and its subsidiaries totaled R\$335,260.

**d) Segregated assets**

Since certain projects have restrictions, the related funds may not be transferred to the Company due to the need to segregate the developer's assets (referred to as "segregated assets") to ensure the continuity and the delivery of units to future buyers.

As of June 30, 2022, projects included in 'Segregated assets', as required by Law No. 10.931/04, account for 15.34% of the total consolidated asset (14.33% as of December 31, 2021).

## 17. Equity

**a) Capital**

As of June 30, 2022 and December 31, 2021, the subscribed and fully paid-in capital amounts to R\$1,391,513, comprised of 84,909,375 registered, book-entry common shares, without par value.

Shareholders	Number of shares (unit)	Ownership interest - %
Controlling shareholders	29,031,665	34.19%
Executive Board	735,975	0.87%
Board of Directors	10,000	0.01%
Treasury shares	1,480,149	1.74%
Other shareholders	53,651,586	63.19%
<b>Total</b>	<b>84,909,375</b>	<b>100.00%</b>

Capital, net of transaction costs, as shown in item **(e)** and **(h)** below, is R\$ 1,298,934.

**b) Net earnings (loss) per share**

Basic net earnings (loss) per share are calculated by dividing profit (loss) for the period attributable to the holders of common shares by the weighted average number of common shares outstanding during the period.

There are no other equity or debt instruments with a dilutive effect on capital. Therefore, the diluted earnings per share is compatible with the basic earnings per share. The table below shows the data and number of shares used to calculate basic and diluted earnings (loss) per share for the period indicated in the statement of profit and loss.

Basic/ diluted	Parent	
	06/30/2022	06/30/2021
Net earnings (loss) attributable to Company's owners (in thousands)	54,408	42,601
Weighted average of outstanding common shares	84,814,383	84,846,392
<b>Basic and diluted earnings (loss) per share – in reais</b>	<b>0.64</b>	<b>0.50</b>

**c) Valuation adjustment to equity**

Represented by the difference between the acquisition cost and the fair value of property investment, less deferred taxes.

**d) Capital transaction between shareholders**

Refers to amounts recognized in prior years arising from a capital transaction in the amount of R\$24,864, relating to the effect of gains on transactions between shareholders.

**e) Costs on capital transaction**

On February 12, 2020, the Company conducted its Initial Public Offering (IPO) and the costs incurred on the process were classified as a reduction of equity, in the amount of R\$81,541.

**f) Allocation of profit for the years**

The Company's bylaws establish the payment of an annual minimum dividend of 25% of profit for the year, adjusted as established by article 202 of Law No. 6.404/76.

**g) Public offering of shares**

On February 13, 2020, the Company made an Initial Public Offering, resulting in a cash inflow, through the issuance of 58,150,895 new registered, book-entry, common shares, with a par value of R\$19.00 each, totaling a net amount of R\$1,104,867, in accordance with the Brazilian capital market rules and the standards set forth by the Brazilian Securities Commission (CVM).

The common shares issued by the Company will be traded in the "Novo Mercado" segment of B3 S.A. - Brasil, Bolsa, Balcão ("B3") as from February 13, 2020, under the ticker symbol "MDNE3".

**h) Treasury shares**

On April 19, 2021, the Board of Directors approved a share buyback program whose final settlement term is April 19, 2022, and whereby up to five million, seven hundred fifteen thousand and seven hundred fifty-nine (5,715,759) common shares of the Company may be bought, without capital reduction, and for the purpose of maximizing the shareholder value. The shares are valued based on their market value, obtained using as reference the quotation of the Company's shares on B3 S.A. - Brasil Bolsa Balcão - *Novo Mercado*.

On December 22, 2021, the Board of Directors approved the discontinuation of the share buyback program mentioned above.

In connection with this program, the Company holds one million, six hundred and ninety thousand (1,690,000) common shares in treasury.

On March 25, 2022, the Board of Directors approved a new share buyback program for the Company, with settlement term up to March 28, 2023, for a maximum amount of 2,703,860 common shares issued by the Company, representing up to 5% of total Company common shares, without capital reduction, and for the purpose of maximizing shareholder value. The shares are valued based on their market value, obtained using as reference the quotation of the Company's shares on B3 S.A. - Brasil Bolsa Balcão - *Novo Mercado*.

In the first half of 2022, the Company bought back three hundred, eighteen thousand, five hundred (318,500) common shares relating to this new program, totaling two million, eight thousand, five hundred (2,008,500) common shares in treasury.

On June 30, 2022, the Company sold five hundred and twenty-eight thousand, three hundred and fifty-one (528,351) common shares to settle the bonuses paid to eligible individuals under the share-based Long Term Incentive Grant Plan (Plan), and kept one million, four hundred and eighty thousand, one hundred and forty-nine (1,480,149) own common shares in treasury.

The movements in treasury shares during the reporting period are as follows:

	Number of shares (units)	R\$
1 <sup>st</sup> share buyback program	1,690,000	(12,987)
2 <sup>nd</sup> share buyback program	318,500	(1,991)
Disposal of shares	(528,351)	3,482
Discount on disposal of shares	-	458
<b>Total</b>	<b>1,480,149</b>	<b>(11,038)</b>

**i) Share-based compensation plan**

The Stock Option Plan was approved on November 16, 2021 by the Board of Directors and its beneficiaries are the officers and employees selected by top management and approved in a consistency review with HR and the People Committee, defined as eligible by the Company's Board of Directors. Each Program Participant has the option to choose the percentage of his or her short-term incentive (STI) receivable in cash or in shares. Beneficiaries are allowed to buy these shares at a preset price of R\$6.59, corresponding to the arithmetic average of the thirty trading sessions preceding the date the bonus is actually paid. Payment is contingent to the achievement of corporate goals, as well as the beneficiary's being in the Company when each share allotment is released. The program's vesting period five 5 years. Once a beneficiary elects to receive his bonus in shares, at the time of STI payment ("investment shares"), the shares are subject to a lockup period.

The Company shall grant each participant shares in addition to the number of investment shares actually purchased ("matching shares") for each share conversion band of the STI. The percentage of matching shares delivered by the Company to each participant is different for each elected conversion band of the STI. Unlike the investment shares, the matching shares are only delivered to the participant on the vesting dates and in the percentages set by the Program.

The table below shows the STI conversion bands into shares and multipliers for the matching shares:

Participant's Option % of the STI on shares	MD Matching Shares	Cash
100.0%	100.0%	0.0%
75.0%	50.0%	25.0%
50.0%	25.0%	50.0%
25.0%	8.75%	75.0%
0.0%	0.0%	100.0%

Participants forfeit their right to matching shares in the case of a resignation request or a dismissal with cause. In the cases of dismissal without cause, permanent retirement, disability, or death, the matching shares are paid proportionally to the period worked.

The total number of common shares granted under the Plan on May 10, 2022 is 528,351, equivalent to R\$3,482.

The STI is accounted for at fair value, as a 'Stock option plan', and monthly grants are recognized in administrative expenses as a contra entry to equity, which for the period ended June 30, 2022 totaled R\$143.



## 18. Net operating revenue

Breakdown of net operating revenue:

	Parent				Consolidated			
	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021
<b>Gross operating revenue</b>								
Properties sold	117	187	-	-	219,960	382,000	153,578	310,929
Services rendered	9,605	18,842	10,938	30,198	13,075	42,232	23,628	42,978
<b>Total gross operating revenue</b>	<b>9,722</b>	<b>19,029</b>	<b>10,938</b>	<b>30,198</b>	<b>233,035</b>	<b>424,232</b>	<b>177,206</b>	<b>353,907</b>
<b>Deductions from gross operating revenue</b>								
Sales cancelations	-	-	-	-	(20,129)	(31,901)	(20,059)	(30,800)
Provision for cancelations	-	-	-	-	6,362	5,257	5,744	6,778
Adjustment to present value	-	-	-	-	(3,304)	(3,020)	(2,072)	(2,624)
Taxes on sales and services	(842)	(1,669)	(982)	(2,228)	(6,485)	(13,037)	(5,386)	(10,621)
<b>Total deductions from gross operating revenue</b>	<b>(842)</b>	<b>(1,669)</b>	<b>(982)</b>	<b>(2,228)</b>	<b>(23,556)</b>	<b>(42,701)</b>	<b>(21,773)</b>	<b>(37,267)</b>
<b>Net operating revenue</b>	<b>8,880</b>	<b>17,360</b>	<b>9,956</b>	<b>27,970</b>	<b>209,479</b>	<b>381,531</b>	<b>155,433</b>	<b>316,640</b>

## 19. Cost of properties sold and services rendered

Cost of properties sold and services rendered classified by nature:

	Parent				Consolidated			
	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021
Cost of properties sold	(158)	(299)	-	-	(120,000)	(203,865)	(94,990)	(189,069)
Provision for cancelations	-	-	-	-	2,016	3,187	4,553	5,347
Costs of services rendered	(5,922)	(10,813)	(3,504)	(6,289)	(16,057)	(32,198)	(4,189)	(14,214)
Finance charges allocated to cost	-	-	-	-	(2,912)	(7,185)	(4,965)	(11,822)
<b>Cost of properties sold and services rendered</b>	<b>(6,080)</b>	<b>(11,112)</b>	<b>(3,504)</b>	<b>(6,289)</b>	<b>(136,953)</b>	<b>(240,061)</b>	<b>(99,591)</b>	<b>(209,758)</b>

## 20. General and administrative expenses

	Parent				Consolidated			
	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021
Salaries, payroll taxes and benefits	(9,498)	(19,102)	(7,650)	(15,131)	(10,728)	(21,664)	(8,991)	(17,415)
Services rendered	(3,483)	(6,253)	(2,143)	(5,132)	(4,736)	(8,025)	(2,978)	(6,693)
Depreciation and amortization	(1,100)	(1,979)	(760)	(1,301)	(1,154)	(2,086)	(816)	(1,470)
Other expenses	(1,577)	(3,066)	(753)	(1,656)	(1,323)	(3,392)	(1,215)	(2,641)
<b>Total administrative expenses</b>	<b>(15,658)</b>	<b>(30,400)</b>	<b>(11,306)</b>	<b>(23,220)</b>	<b>(17,941)</b>	<b>(35,167)</b>	<b>(14,000)</b>	<b>(28,219)</b>

## 21. Selling expenses

	Parent				Consolidated			
	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021
Salaries, payroll taxes and benefits	(1,665)	(2,855)	(1,134)	(2,262)	(2,343)	(3,947)	(1,554)	(3,004)
Stock maintenance	(67)	(111)	-	-	(1,336)	(2,634)	(2,520)	(5,913)
Advertising and publicity	(1,942)	(3,622)	(1,236)	(2,692)	(5,422)	(10,680)	(3,239)	(6,653)
Brokerage commission	(239)	(853)	(1,494)	(3,623)	(6,581)	(17,102)	(9,362)	(17,601)
Other expenses	(746)	(1,282)	(307)	(654)	(2,187)	(4,379)	(1,950)	(2,789)
<b>Total selling expenses</b>	<b>(4,659)</b>	<b>(8,723)</b>	<b>(4,171)</b>	<b>(9,231)</b>	<b>(17,869)</b>	<b>(38,742)</b>	<b>(18,625)</b>	<b>(35,960)</b>

## 22. Other operating income (expenses), net

	Parent				Consolidated			
	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021
Impairment of stock	-	-	-	-	(268)	(936)	-	-
Losses on receivables and changes in allowances recognized	(67)	(111)	-	-	(1,336)	(2,634)	(2,520)	(5,913)
Expenses on lawsuits and provisions	(3,029)	(7,898)	(1,746)	(2,600)	(4,710)	(11,997)	(5,498)	(10,848)
Other expenses	(605)	(665)	128	(571)	(1,491)	(2,887)	55	(919)
<b>Total other income and expenses</b>	<b>(3,634)</b>	<b>(8,563)</b>	<b>(1,614)</b>	<b>(2,921)</b>	<b>(8,252)</b>	<b>(17,555)</b>	<b>(6,479)</b>	<b>(13,402)</b>

## 23. Finance income (costs), net

	Parent				Consolidated			
	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021	04/01/2022 a 06/30/2022	01/01/2022 a 06/30/2022	04/01/2021 a 06/30/2021	01/01/2021 a 06/30/2021
<b>Finance income</b>								
Income from financial investments <b>(b)</b>	1,779	3,871	596	1,021	4,305	8,017	836	1,439
Fine, interest and inflation adjustments <b>(a)</b>	1,456	2,555	2,348	3,998	10,967	20,295	15,244	26,385
Other finance income	47	184	41	68	113	275	99	171
<b>Total finance income</b>	<b>3,282</b>	<b>6,610</b>	<b>2,985</b>	<b>5,087</b>	<b>15,385</b>	<b>28,587</b>	<b>16,179</b>	<b>27,995</b>
<b>Finance costs</b>								
Interest on bank borrowings and financing	(1,467)	(2,772)	-	-	(1,044)	(3,698)	(1,055)	(2,494)
Discounts and inflation adjustments <b>(c)</b>	(351)	(810)	(201)	(2,901)	(5,053)	(9,508)	(1,891)	(6,629)
Commissions and banking fees	(54)	(132)	(26)	(44)	(486)	(788)	(155)	(257)
Other finance costs <b>(b)</b>	1,225	2,296	(94)	(178)	(725)	200	(99)	(198)
<b>Total finance costs</b>	<b>(647)</b>	<b>(1,418)</b>	<b>(321)</b>	<b>(3,123)</b>	<b>(7,308)</b>	<b>(13,794)</b>	<b>(3,200)</b>	<b>(9,578)</b>
<b>Finance income (costs), net</b>	<b>2,635</b>	<b>5,192</b>	<b>2,664</b>	<b>1,964</b>	<b>8,077</b>	<b>14,793</b>	<b>12,979</b>	<b>18,417</b>

**(a)** Refers to the corrections of receivables from completed construction projects, land sales, and construction shares.

**(b)** On March 26, 2021, the parent company acquired debentures to contribute to the Company's wholly-owned subsidiaries. In the semester ended June 30, 2022, the Company recognized R\$2,281 in finance costs and R\$36 in finance income arising from this transaction, of which R\$2,245 were transferred to said subsidiaries (see Note 12); and

**(c)** Refers to discounts on receivables and adjustments of the acquired construction shares.

## 24. Transactions not affecting cash and cash equivalents

The Company and its subsidiaries conducted the following investing and financing activities not affecting cash and cash equivalents, and these activities were not included in the statements of cash flows:

	<b>Parent</b>		<b>Consolidated</b>	
	<b>06/30/2022</b>		<b>06/30/2022</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
<b>Land under barter transactions:</b>				
Properties for sale	(167,536)	-	(167,536)	-
Other receivables	-	-	115,985	-
Advance from customers	-	167,536	-	51,551
<b>Capital to be reimbursed:</b>				
Related parties	52,486	-	-	-
Other receivables	(52,486)	-	-	-
<b>Profit distribution:</b>				
Related parties	89,979	-	-	-
Investment	(89,979)	-	-	-
<b>Increase of AFCI's:</b>				
Related parties	(21,759)	-	-	-
Investments	21,759	-	-	-
<b>Capital increase (reduction):</b>				
Related parties	81,542	-	10,853	-
Investment	(81,542)	-	(10,853)	-

	Parent		Consolidated	
	06/30/2021		06/30/2021	
	Assets	Liabilities	Assets	Liabilities
<b>Land under barter transactions:</b>				
Properties for sale	128,995	-	137,382	-
Advance from customers	-	(128,995)	-	(137,382)
<b>Land recorded in cash:</b>				
Related parties	9,000	-	(9,000)	-
Properties for sale	-	(9,000)	-	9,000
<b>Land under barter transactions:</b>				
Other receivables	-	-	58,710	-
Advance from customers	-	-	-	(58,710)
<b>Profit distribution:</b>				
Related parties	31,306	-	-	-
Investments	(31,306)	-	-	-
<b>Capital increase (reduction):</b>				
Related parties	(326,510)	-	-	-
Investments	326,510	-	-	-

## 25. Operating segments

The Company evaluates the performance of its business segments by means of the results from operations. The information presented in the real estate development and of works on a management basis is related to the income statements and include revenues and operating costs.

	Development		Administration		Total	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021	06/30/2022	06/30/2021
<b>Net operating revenue</b>	<b>226,380</b>	<b>221,657</b>	<b>155,151</b>	<b>94,983</b>	<b>381,531</b>	<b>316,640</b>
Cost of properties sold and services rendered	(171,705)	(156,723)	(61,171)	(41,213)	(232,876)	(197,936)
Costs on capitalized loans	(7,185)	(11,822)	-	-	(7,185)	(11,822)
<b>Gross profit</b>	<b>47,490</b>	<b>53,112</b>	<b>93,980</b>	<b>53,770</b>	<b>141,470</b>	<b>106,882</b>
Gross margin %	20.98%	23.96%	60.57%	56.61%	<b>37.08%</b>	<b>33.76%</b>
<b>Adjusted gross profit (a)</b>	<b>54,675</b>	<b>64,935</b>	<b>93,980</b>	<b>53,773</b>	<b>148,655</b>	<b>118,708</b>
% Gross profit - adjusted	24.15%	29.30%	60.57%	56.61%	<b>38.96%</b>	<b>37.49%</b>

- (a) Refers to administration services, sale to land, and sale of properties acquired in construction quotas; and
- (b) Adjusted gross profit does not include finance charges, which are allocated to properties for sale to the extent they are incurred and recognized in profit or loss (cost of properties sold) proportionately to the units sold.

## 26. Insurance

The Company has the policy of insuring risk-exposed assets to cover probable losses, in light of the nature of its business. The policies are in effect and insurance premiums have been duly paid.

Insurance coverage is as follows:

	06/30/2022	03/31/2021
Engineering risks (a)	537,586	393,539
Property damages (b)	27,176	30,373
Sundry risks	28,317	25,591
Civil liability of directors and officers	50,000	50,000
<b>Total</b>	<b>643,079</b>	<b>499,503</b>

- (a) **Engineering risk** - civil works in process - "all risks" policy, offering guarantee against all risks involved in the construction of a real estate development, such as fire, theft and execution damage, among others. This type of policy allows additional coverage according to construction risks, including general civil and cross liability, extraordinary expenses, riots, employer's civil liability, and pain and suffering;
- (b) **Physical property damages** - designed for units completed that still are under the warranty term, this insurance covers property loss from fire, lightening, explosion, flooding, roof tile damage, total and partial structure collapse and collapsing threat, that is, all damages that may be caused to the property due to external factors.

## 27. Financial instruments

### a) Capital risk management

The Company and its subsidiaries manage their capital to ensure regular business continuity and, at the same time, maximize return to all stakeholders or parties involved in their operations, by optimizing the debt and equity balance.

The capital structure of the Company and its subsidiaries consists of net indebtedness (borrowings and debentures detailed in Note 12, less cash and cash equivalents disclosed in Note 4 and short-term investments disclosed in Note 5) and the Company's equity (Note 17). As of June 30, 2022 and December 31, 2021, the capital structure is as follows:

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Financing and debentures	24,750	34,817	76,424	124,865
Cash and cash equivalents and financial investments	(73,091)	(117,220)	(181,180)	(184,886)
Net debt	(48,341)	(82,403)	(104,756)	(60,021)
Equity	1,130,713	1,074,616	1,127,647	1,071,763
<b>Net debt-to-equity</b>	<b>(4.28%)</b>	<b>(7.67%)</b>	<b>(9.26%)</b>	<b>(5.60%)</b>

The Company is not subject to any external capital requirement.

**b) Categories of financial instruments**

	Parent		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
<b>Financial assets</b>				
<b>Amortized cost:</b>				
Cash and cash equivalents	40,953	46,215	149,042	113,881
Financial investments	32,138	71,005	32,138	71,005
Trade receivables	66,697	64,626	679,280	651,857
Related parties	-	3,961	-	3,961
Judicial deposits	320	306	4,714	5,084
<b>Financial liabilities</b>				
<b>Amortized cost:</b>				
Trade payables	6,944	8,651	21,390	21,367
Borrowings and financing	24,750	34,817	76,424	124,865
Payables for acquisition of properties	24,298	60,055	78,837	93,846
Related parties	47,935	122,635	11,548	18,469

**c) Financial risk management objectives**

The Company monitors and manages financial risks inherent in its operations. These risks comprise market risk (changes in interest rates), credit risk and liquidity risk. The main purpose of the financial risk management strategy is to maintain the Company's exposure to these risks at minimum levels by using non-derivative financial instruments and assessing and controlling credit and liquidity risks.

**d) Market risk management**

The Company is engaged in real estate development, construction and sale of real estate projects, and construction technical administration services and technical advisory services to condominiums developed at cost price. The risks generally affecting the real estate market may arise from the interruption of supply and volatility of prices of materials and construction equipment, and changes in the supply of and demand for real estate developments in certain regions. Additionally, the Company's activities may be affected by the following risks:

- The civil construction industry is impacted by adverse economic conditions; therefore, factors such as slowdown of economy, high unemployment rate, restrictions on housing financing, may adversely affect the growth of the real estate sector as a whole;
- The Company may face difficulty in identifying plots of land at the expected price for its operations, thus making the project to be less profitable than expected;
- In case of bankruptcy or significant financial problems faced by a large real estate company, the sector may be adversely affected as a whole, which could decrease the customers' confidence in other companies operating in the sector;
- Non-obtainment or unexpected changes in the regulations governing the approval of projects by the regulatory bodies, thus adversely affecting the Company's launch plan;
- Fluctuations in the price to build condominiums at cost price may cause buyers to have a negative perception as to the Company's ability to meet the budget;
- Changes in the tax legislation, thus affecting the profitability of the projects, such as taxes on revenue, property taxes, and government fees;



- Changes in the construction schedule may cause the works to be completed after the scheduled completion date, thus resulting in termination of sales contracts, increased construction costs and decreased profitability margins;
- Default to pay the units acquired. The Company has the right to file collection lawsuits, whose objective is to receive amounts due and/or repossess the unit from the defaulting buyer; however, the Company cannot assure that it will be able to recover the total debt balance or, once the property is repossessed, to sell it under reasonable conditions;
- Devaluation of the market price of the properties held for sale, either plots of land, due to lack of ability to maintain the originally estimated margins for the respective projects, or completed units, due to reduction in the market perception of the property value.

**e) Exposure to currency risks**

The Company and its subsidiaries are not exposed to currency risks since they do not carry out foreign currency-denominated transactions.

**f) Exposure to interest rate risks**

The Company conducted a sensitivity analysis for financial instruments exposed to interest rate fluctuations, taking into consideration their exposure to fluctuations in the indices of financial assets and financial liabilities as of June 30, 2022. Subsequently, the Company projected the estimated effect of the changes in the balances in profit or loss and equity by adopting the following assumptions:

- Definition of a probable scenario for the risk behavior which, if materialized, might generate adverse results for the company, considering the variance between the rate estimated for 2022 and the effective rate recorded in the 12-month period ended June 30, 2022, multiplied by the outstanding financial asset or financial liability in the period (Scenario I);
- Definition of two additional scenarios with a 25% variance in the rate estimated for 2021 in a possible scenario and 50% in a remote scenario (Scenario II and Scenario III, respectively).

The following table shows the consolidated amounts, including assets classified as held for sale and liabilities directly associated to assets held for sale.

Financial instrument / Indicators	Assets/ Liabilities:	Risk	Effective rate for the period	Estimated annual rate	Variance %	Estimated effect on profit or loss	Estimated effect on equity
<b>Probable Scenario</b>							
Debentures IPCA	Liability	25,882	11.89%	7.96%	(i) (3.93%)	1,017	1,017
Financing in CDI	Liability	46,936	8.64%	13.65%	(i) 5.01%	(2,353)	(2,353)
Financing in TR	Liability	4,739	0.60%	0.76%	(i) 0.16%	(8)	(8)
Short-term investments in CDI	Asset	157,137	8.64%	13.65%	(i) 5.01%	7,876	7,876
Short-term investments in funds	Asset	18,907	8.64%	13.65%	(i) 5.01%	948	948
<b>Scenario II (25% variance)</b>							
Debentures IPCA	Liability	25,882	11.89%	9.95%	(1.94%)	502	502
Financing in CDI	Liability	46,936	8.64%	17.06%	8.42%	(3,954)	(3,954)
Financing in TR	Liability	4,739	0.60%	0.95%	0.35%	(17)	(17)
Short-term investments in CDI	Asset	157,137	8.64%	17.06%	8.42%	13,238	13,238
Short-term investments in funds	Asset	18,907	8.64%	17.06%	8.42%	1,593	1,593
<b>Scenario III (50% variance)</b>							
Debentures IPCA	Liability	25,882	11.89%	11.94%	0.05%	(13)	(13)
Financing in CDI	Liability	46,935	8.64%	20.48%	11.84%	(5,556)	(5,556)
Financing in TR	Liability	4,739	0.60%	1.14%	0.54%	(26)	(26)
Short-term investments in CDI	Asset	157,137	8.64%	20.48%	11.84%	18,601	18,601
Short-term investments in funds	Asset	18,907	8.64%	20.48%	11.84%	2,238	2,238

(i) Data obtained from the Central Bank of Brazil website.

#### g) Liquidity risk management

The Company and its subsidiaries manage the liquidity risk by maintaining proper reserves and bank lines of credit deemed appropriate, by means of continuous monitoring of projected and actual cash flows, and the combination of the maturity profiles of financial assets and financial liabilities.

As of June 30, 2022 and December 31, 2021, the Company projected the contractual cash flow not discounted from obligations and added contractual interest to the repayment amounts, the maturity of which is as shown below:

Year	Parent			
	06/30/2022		12/31/2021	
	Financing and debentures	Payables for purchase of properties	Financing and debentures	Payables for purchase of properties
Up to 1 year	-	8,411	-	31,569
1 to 2 years	1,923	6,384	5,838	1,148
Over 2 years	22,827	9,503	28,979	27,338
<b>Total</b>	<b>24,750</b>	<b>24,298</b>	<b>34,817</b>	<b>60,055</b>

Year	Consolidated			
	06/30/2022		12/31/2021	
	Financing and debentures	Payables for purchase of properties	Financing and debentures	Payables for purchase of properties
Up to 1 year	30,360	24,204	85,195	52,195
1 to 2 years	18,298	13,777	8,866	6,548
Over 2 years	27,766	40,856	30,804	35,103
<b>Total</b>	<b>76,424</b>	<b>78,837</b>	<b>124,865</b>	<b>93,846</b>

#### h) Risk concentration

The Company and its subsidiaries maintain bank accounts and financial investments with prime financial institutions approved by Management according to objective criteria for diversification of credit risks. Trade receivables include several customers and no customer accounts for 10% or more of total net operating revenue or balance receivable.

#### i) Fair value of financial instruments

The carrying amounts of the Company's and its subsidiaries' main financial instruments as of June 30, 2022 and December 31, 2021, stated at amortized cost, approximate their fair values, since the nature and characteristics of conditions negotiated are similar to those available in the market on the reporting date of the interim financial information.

The balance of cash and cash equivalents, as well as financial investments, is indexed to the CDI rate; accordingly, the amounts recorded approximate their fair values.

#### Fair value hierarchy

The Company adopts the following hierarchy to determine and disclose the fair value of financial instruments by valuation technique:

- **Level 1:** traded prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** inputs other than traded prices in active markets included in Level 1, that are observable for the asset or liability, directly (prices) or indirectly (derived from prices).
- **Level 3:** inputs for assets or liabilities that are not based on observable market variables (unobservable inputs).

As of June 30, 2022 and December 31, 2021, the Company and its subsidiaries did not have derivative instruments and/or transactions involving embedded derivative instruments.

## 28. Events after the reporting period

Through the date the individual and consolidated financial interim information was authorized for issue, no subsequent events occurred that might require disclosure.

## 29. Explanation added to the translation into English

The accompanying interim financial information were translated into English from the original Portuguese version prepared for local purposes. Certain accounting practices applied by the Company that conform to those accounting practices adopted in Brazil may not conform to the generally accepted accounting principles in the countries where these interim financial information may be used.

\* \* \*

# Appendix I

As of June 30, 2022, the balances of assets, liabilities, equity, and profit (loss) of investees are as follows:

	Parent						
	Assets	Liabilities	Equity	Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
Investments (a)	1,802,623	1,017,047	785,576	95,712	98,209	810,823	96,406
Allowance for losses on investments (b)	44,349	62,724	(18,375)	(5,965)	7,274	(15,303)	(5,752)
<b>Total</b>	<b>1,846,972</b>	<b>1,079,771</b>	<b>767,201</b>	<b>89,747</b>	<b>105,483</b>	<b>795,520</b>	<b>90,654</b>

	Consolidated						
	Assets	Liabilities	Equity	Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
Investments	97,074	40,533	54,403	(1,052)	27,406	79,656	(353)
<b>Total</b>	<b>97,074</b>	<b>40,533</b>	<b>54,403</b>	<b>(1,052)</b>	<b>27,406</b>	<b>79,656</b>	<b>(353)</b>

06/30/2022

## Statement of financial position

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD PE Shopping Residence Incorporações SPE Ltda.	99.999846%	402,482	294,538	107,944	62,594	4,660	107,943	62,595
MD PE São Pedro Construções Ltda.	99.999967%	140,086	50,850	89,236	3,717	3,720	89,236	3,717
MD PE Litorânea Construções Ltda.	99.999982%	261,406	183,900	77,506	(779)	7,252	77,506	(779)
MD CE Palmeiras Construções Ltda.	99.999970%	83,535	8,597	74,938	(153)	-	74,938	(153)
MD BA Ondina Construções Ltda.	99.999979%	101,458	54,976	46,482	(33)	350	46,481	(33)
Moura Dubeux Engenharia e Empreendimentos S.A.	99.999991%	63,838	26,045	37,793	3,778	6,788	37,795	3,778
MD PE Novo Recife Empreendimentos Ltda.	33.333333%	51,264	15,650	35,614	-	6,292	11,871	-
MD Imóveis Ltda.	99.999956%	25,691	1,433	24,258	(100)	87	24,258	(100)
SPE Lote 03 Empreendimentos Imobiliários Ltda.	99.999953%	27,047	3,400	23,647	1,978	802	23,647	1,978
MD CE Acácias Construções Ltda.	99.999860%	33,926	12,001	21,925	(1,649)	187	21,925	(1,649)
MD CE BC Meirelles Construções Ltda.	99.999925%	34,661	14,752	19,909	2,870	-	19,909	2,870
MD PE Polidoro Construções SPE Ltda.	50.000000%	45,809	27,020	18,789	(1,052)	21,114	9,395	(353)
MD PE Recife Construções Ltda.	99.999900%	19,335	1,743	17,592	1,650	-	17,591	1,650
MD BA Caminho das Arvores Ltda.	99.999924%	20,896	6,662	14,234	1,401	632	14,234	1,401
MD BA Orquidário Construções SPE Ltda.	99.999919%	25,840	11,975	13,865	1,502	59	13,865	1,502
MD BA Jaguaribe Construções Ltda.	99.999909%	27,742	14,218	13,524	301	935	13,524	301
MD CE Parreão Construções Ltda.	99.999710%	25,397	11,963	13,434	6,676	-	13,435	6,675
MD AL Evolution II Construções SPE Ltda.	99.999901%	34,219	23,374	10,845	758	240	10,845	758

06/30/2022

## Statement of financial position

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD CE José Lourenço Construções Ltda.	99.999844%	22,072	11,536	10,536	2,559	5,246	10,536	2,559
MD CE Parque Rio Branco Construções Ltda.	99.999764%	27,212	16,695	10,517	3,844	2,204	10,517	3,844
MD CE José Américo Construções SPE Ltda.	99.999951%	37,589	28,692	8,897	727	10,051	8,899	727
MD BA Catabas Construções Ltda.	99.999510%	26,393	17,764	8,629	1,357	2,348	8,628	1,357
AGM Empreendimentos Imobiliários Ltda.	99.935463%	8,452	496	7,956	(1)	-	7,950	(1)
MD BA Dumare Construções Ltda.	99.999578%	18,055	10,773	7,282	1,206	-	7,282	1,206
MD BA Coliseu Empreendimentos SPE Ltda.	99.999985%	29,651	22,405	7,246	(3,418)	7,248	7,247	(3,418)
MD PE Planície Construções Ltda.	99.999914%	11,656	4,577	7,079	(39)	2,663	7,079	(39)
MD CE Dias da Rocha Construções SPE Ltda.	99.999912%	6,884	136	6,748	(90)	-	6,748	(90)
MD BA Sapucaia Construções Ltda.	99.999762%	34,612	28,634	5,978	934	1,043	5,978	934
MD CE PK Quadra 06 Construções Ltda.	99.998603%	24,033	19,252	4,781	2,057	-	4,781	2,057
MD BA RV Construções Ltda.	99.900000%	22,377	17,605	4,772	4,927	3,176	4,768	4,922
MD PE Boa Vista Construções Ltda.	99.999779%	9,017	4,501	4,516	(3)	-	4,516	(3)
MD RN Hellen Costa Construções SPE Ltda.	99.999779%	13,625	9,671	3,954	(398)	-	3,954	(398)
MD PE Capibaribe Construções Ltda.	99.999764%	8,775	5,025	3,750	(50)	3,522	3,750	(50)
Graça Empreendimentos Imobiliários SPE Ltda.	99.999967%	7,060	3,389	3,671	74	-	3,671	74
MD PE Venâncio Barbosa Construções SPE Ltda.	99.997488%	5,348	1,864	3,484	438	369	3,484	438
MD RN Encanto Construções Ltda.	99.999583%	5,107	3,049	2,058	118	1,783	2,058	118

06/30/2022

## Statement of financial position

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD PE Serrana Construções SPE Ltda.	99.999947%	4,075	2,228	1,847	(298)	56	1,847	(298)
MD CE José Borba Construções SPE Ltda.	99.999489%	1,838	2	1,836	(10)	2	1,836	(10)
MD RN Roselândia Construções SPE Ltda.	99.999500%	11,944	10,253	1,691	(255)	4,513	1,693	(255)
MD PE Freguesia Construções SPE Ltda.	99.999923%	2,228	560	1,668	(89)	-	1,668	(89)
MD RN Areia Preta Construções SPE Ltda.	99.999932%	2,930	1,450	1,480	4	8	1,480	4
MD CE Nova Aldeota Construções Ltda.	99.999968%	913	47	866	(2)	-	866	(2)
MD CE Fátima Construções Ltda.	99.998388%	791	176	615	(5)	175	615	(5)
MD BA Vaticano Construções Ltda.	99.998674%	747	133	614	(140)	127	614	(140)
MD CE Francisco Xerez Construções SPE Ltda.	99.999874%	623	306	317	(3)	3	317	(3)
MD Colonial Empreendimentos Imobiliários SPE Ltda.	99.999743%	172	5	167	(21)	5	167	(21)
MD BA Graça Empreendimentos Imobiliários SPE Ltda.	99.999834%	1,178	1,012	166	(777)	-	166	(777)
MD PE Paulista Empreendimentos SPE Ltda.	99.999732%	433	341	92	(186)	-	92	(186)
Moura Dubeux Engenharia Natal Ltda.	99.999088%	89	5	84	50	-	84	50
MD PE Sertânia Construções Ltda.	99.999978%	634	550	84	374	25	84	374
MD BA Bela Vista Empreendimentos SPE Ltda.	99.900000%	1,304	1,223	81	(319)	-	81	(319)
MD AL Rooftop Construções Ltda.	99.989259%	116	38	78	(14)	4	78	(14)
MD RN Bossa Nova Construções SPE Ltda.	99.999455%	387	316	71	(22)	7	71	(22)
Beach Class Conselheiro Residence Construções SPE Ltda.	99.999702%	180	111	69	(2)	1	69	(2)

06/30/2022

## Statement of financial position

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD PE HPBV Ltda.	99.998986%	86	31	55	(6)	-	55	(6)
MD BA Ilha Empreendimentos SPE Ltda.	99.999922%	129	93	36	(38)	3	36	(38)
MD BA Beach Class Bahia Construções Ltda.	99.900000%	261	225	36	26	99	36	26
MD RN Abel Pereira Construções SPE Ltda.	99.999786%	84	52	32	(70)	24	32	(70)
SPE Lote 01 Empreendimentos Imobiliários Ltda.	99.999944%	896	876	20	4	-	20	4
MD RN Cesar Rocha Construções SPE Ltda.	99.999725%	24	4	20	(4)	-	20	(4)
MD RN Moacyr Maia Construções SPE Ltda.	99.996813%	22	3	19	(2)	3	19	(2)
MD CE Visconde do Rio Branco Construções SPE Ltda.	99.700000%	79	67	12	(5)	-	12	(5)
MD PB Brisamar 02 Construções SPE Ltda.	99.900000%	11	1	10	-	1	10	-
MD PE Rosarinho Construções Ltda.	99.990429%	11	1	10	(2)	-	10	(2)
MD CE Quadra 03A Construções Ltda.	99.900000%	27,301	27,291	10	-	7	10	-
MD AL Via Express Construções SPE Ltda.	99.900000%	11	1	10	-	1	10	-
MD AL Parque Shopping Construções SPE Ltda.	99.900000%	11	1	10	-	1	10	-
MD Service Ltda.	99.999885%	11	2	9	2	-	9	2
MD PB Brisamar 01 Construções SPE Ltda.	99.900000%	147	138	9	(1)	138	9	(1)
MD PE Arraial Construções Ltda.	99.922541%	10	1	9	(1)	-	9	(1)
MD CE Rui Barbosa Construções Ltda.	99.900000%	293	284	9	(1)	189	9	(1)
MD PB Miramar Construções SPE Ltda.	99.900000%	10	2	8	(2)	2	8	(2)



06/30/2022

## Statement of financial position

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD CE Azevedo Bolão Construções SPE Ltda.	99.999778%	15	7	8	(2)	2	8	(2)
MD CE PK Quadra 05 Construção Ltda.	99.900000%	41	33	8	(2)	33	8	(2)
MD PE Enseada das Ondas SPE Ltda.	99.999345%	9	1	8	(3)	2	8	(3)
MD CE Amazonas Construções Ltda.	99.999916%	14	9	5	(42)	1	6	(42)
MD PE Pina Construções Ltda.	99.991565%	6	2	4	(110)	2	4	(110)
MD CE Vilebaldo Aguiar Construções Ltda.	99.900000%	3	1	2	(7)	1	2	(7)
MD PE Torres da Liberdade SPE Ltda.	99.996465%	2	1	1	(3)	1	1	(3)
MD PE Novo Jardim Construções S.A.	97.150997%	1	-	1	(1)	-	1	(1)
MD RN Soneto Potengi Construções SPE Ltda.	99.999598%	3	3	-	(4)	2	-	(4)
Capitalized interest - MD PE Novo Recife Empreendimentos Ltda.	0.000000%	-	-	-	-	-	58,389	-
<b>Total of investments</b>		<b>1.802.623</b>	<b>1.017.047</b>	<b>785.576</b>	<b>95.712</b>	<b>98.209</b>	<b>810.823</b>	<b>96.406</b>

06/30/2022

## Statement of financial position

Investment loss (b)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MRV MD PE Mar de Espanha Incorporações Ltda.	50.000000%	1,077	5,555	(4,478)	(204)	1,724	(2,238)	(102)
Global MD Evolution Beach Park Empreendimento Ltda.	99.999938%	32,263	35,458	(3,195)	(305)	-	(3,195)	(305)
MD BA GB Empreendimentos SPE Ltda.	99.999927%	10	1,571	(1,561)	(1,076)	20	(1,561)	(1,076)
MD PE Exata Grand Vittá Ltda.	50.000000%	391	1,509	(1,118)	2	1,202	(559)	1
SPE Lote 02 Empreendimentos Imobiliários Ltda.	99.999975%	1,272	2,382	(1,110)	(522)	-	(1,110)	(522)
MD CE Henrique Rabelo Construções SPE Ltda.	99.999777%	70	793	(723)	(472)	-	(723)	(471)
MD CE Praça de Fátima Construções Ltda.	99.999721%	272	871	(599)	(245)	-	(599)	(245)
MD PE Residencial Construções Ltda.	99.999919%	169	622	(453)	(276)	174	(453)	(276)
MD BA GMA Empreendimentos SPE Ltda.	99.999911%	150	565	(415)	(98)	87	(415)	(98)
MD PE Shopping Park Ltda.	50.000000%	178	564	(386)	(137)	322	(193)	(69)
MD AL Life Construções SPE Ltda.	99.999904%	47	426	(379)	(24)	32	(379)	(24)
SPE Lote 08 Empreendimentos Imobiliários Ltda.	99.999981%	2,396	2,773	(377)	(205)	1,228	(377)	(205)
MD PE Beach Class Executive SPE Ltda.	99.971486%	33	405	(372)	(3)	1	(372)	(2)
MD BA Dubeux Empreendimentos SPE Ltda.	99.999969%	457	822	(365)	(753)	41	(365)	(753)
MD CE Castelão Construções SPE Ltda.	99.999940%	54	405	(351)	(27)	21	(351)	(27)
MD PE Condomínio Empresarial Ltda.	99.998407%	-	294	(294)	(42)	20	(294)	(42)
MD AL Antares Construções SPE Ltda.	99.999928%	315	585	(270)	(540)	289	(269)	(540)
MD BA MAG Empreendimentos SPE Ltda.	99.999962%	22	277	(255)	(167)	16	(255)	(167)

06/30/2022

## Statement of financial position

Investment loss (b)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD RN Empresarial Herculano Construções SPE Ltda.	99.999887%	1	248	(247)	(22)	23	(247)	(22)
MD CE Gontran Giffoni Construções SPE Ltda.	99.999923%	4	225	(221)	(17)	19	(221)	(17)
MD CE Theberge Construções SPE Ltda.	99.700000%	1,112	1,300	(188)	155	-	(188)	154
MD RN Rodolfo Helinski Construções SPE Ltda.	99.999850%	2	174	(172)	(27)	15	(171)	(27)
MD PE MRV Veneza Construções Ltda.	50.000000%	140	290	(150)	(80)	49	(75)	(40)
MD PE Solar Construções Ltda.	99.998904%	12	137	(125)	(1)	-	(125)	(1)
MD Participações e Empreendimentos Ltda.	99.999930%	312	427	(115)	(92)	-	(115)	(92)
MD RN Vadir Gurgel Construções SPE Ltda.	99.999840%	27	127	(100)	(135)	32	(100)	(135)
MD CE BC Porto das Dunas Construções Ltda.	99.900000%	18	95	(77)	(86)	81	(76)	(86)
MD RN Marcos Brandão Construções SPE Ltda.	99.998049%	18	93	(75)	(99)	3	(75)	(99)
MD Edifício Engenho Casa Forte Ltda.	99.995880%	-	52	(52)	(47)	31	(52)	(47)
MD CE Parque de Fátima Construções Ltda.	99.995634%	6	43	(37)	(83)	26	(37)	(83)
MD RN Jerônimo Costa Construções SPE Ltda.	99.998989%	3	37	(34)	56	6	(34)	56
MD AL Gruta Construções SPE Ltda.	99.999728%	2	22	(20)	(87)	6	(20)	(87)
MD PE Empresarial Agamenon Construções Ltda.	99.999465%	5	17	(12)	(20)	-	(12)	(20)
MD RN Grilo Construções Ltda.	99.999837%	19	31	(12)	(12)	15	(12)	(12)
MD PE Madalena SPE Ltda.	99.999386%	-	6	(6)	(126)	5	(6)	(126)
MD PE Aguiar Construções SPE Ltda.	99.999679%	-	3	(3)	(4)	-	(3)	(4)

06/30/2022

## Statement of financial position

Investment loss (b)	Equity interest (%)	Assets	Liabilities	Equity	Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
MD RN Aurea Guedes Construções SPE Ltda.	99.999920%	212	215	(3)	(55)	11	(3)	(55)
MD RN Life Construções SPE Ltda.	99.997377%	-	3	(3)	(6)	2	(3)	(6)
MD AL Farol Construções SPE Ltda.	99.999068%	-	2	(2)	(5)	1	(2)	(5)
MD Edifício Vanda Mota Ltda.	99.999369%	-	2	(2)	(3)	1	(2)	(3)
MD RN José de Almeida Construções SPE Ltda.	99.999312%	-	2	(2)	(4)	2	(2)	(4)
MD RN Alameda Lagoa Nova Construções SPE Ltda.	99.997474%	1	3	(2)	(3)	3	(2)	(3)
MD PE Parque Santa Maria Construções SPE Ltda.	99.974600%	-	2	(2)	(2)	-	(2)	(2)
SPE Safira Empreendimentos Imobiliários Ltda.	99.677211%	1	3	(2)	(2)	2	(2)	(2)
MD PE Trindade Construções Ltda.	66.700000%	3,267	3,269	(2)	(11)	1,758	-	(8)
MD RN Firenze Construções SPE Ltda.	99.999669%	2	3	(1)	(21)	-	(1)	(21)
MD Edifício Zezé Cardoso Ltda.	99.848508%	-	1	(1)	(2)	-	(1)	(2)
MD Edifício Hilson de Azevedo Mota Ltda.	99.996902%	1	2	(1)	(4)	1	(1)	(4)
MD PE Distribution Park Suape Ltda.	99.987388%	-	1	(1)	(2)	-	(1)	(2)
MD PE Engenho Poeta Construções Ltda.	99.919750%	1	2	(1)	(3)	1	(1)	(3)
MD RN Geraldo Pinho Construções SPE Ltda.	99.999781%	-	1	(1)	(2)	2	(1)	(2)
MD RN Alameda Capim Macio Construções SPE Ltda.	99.998989%	-	1	(1)	(2)	-	(1)	(2)
MD PE Campus Construções Ltda.	99.954642%	-	1	(1)	(1)	1	(1)	(1)
MD RN Maria Bernardete Construções SPE Ltda.	99.999636%	4	4	-	(8)	-	-	(8)

06/30/2022

## Statement of financial position

Investment loss (b)	Equity interest (%)	Assets	Liabilities	Equity	Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
MD AL Poço Construções SPE Ltda.	99.999187%	1	1	-	(4)	-	-	(4)
MD RN Hanna Safieh Construções SPE Ltda.	99.997304%	2	2	-	(4)	1	-	(4)
<b>Allowance for losses on investments</b>		<b>44,349</b>	<b>62,724</b>	<b>(18,375)</b>	<b>(5,965)</b>	<b>7,274</b>	<b>(15,303)</b>	<b>(5,752)</b>
Advances for Future Capital Increases (AFCIs)								105,483
Investments								810,823
<b>Parent total</b>								<b>916,306</b>

06/30/2022

Statement of financial position

Investments	Equity interest (%)	Assets	Liabilities	Equity	Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
MD PE Polidoro Construções SPE Ltda.	50.000000%	45,810	27,021	18,789	(1,052)	21,114	9,395	(353)
MD PE Novo Recife Empreendimentos Ltda.	33.333333%	51,264	15,650	35,614	-	6,292	11,871	-
Capitalized interest	0.000000%	-	-	-	-	-	58,389	-
<b>Total</b>		97,074	42,671	54,403	(1,052)	27,406	79,655	(353)
Advances for Future Capital Increases (AFCIs)								27,406
Investments								79,655
<b>Total consolidated</b>								<b>107,061</b>

As of December 31, 2021, the balances of assets, liabilities, equity, and profit (loss) of investees are as follows:

	Parent						
	Assets	Liabilities	Equity	Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
Investments (a)	1,698,277	984,235	714,042	128,441	101,099	738,858	127,333
Allowance for losses on investments (b)	20,774	49,307	(28,533)	(4,107)	26,158	(25,670)	(6,097)
<b>Total</b>	<b>1,719,051</b>	<b>1,033,542</b>	<b>685,509</b>	<b>124,334</b>	<b>127,257</b>	<b>713,188</b>	<b>121,236</b>

	Consolidated						
	Assets	Liabilities	Equity	Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
Investments	117,649	62,539	55,110	2,203	38,259	80,008	1,101
<b>Total</b>	<b>117,649</b>	<b>62,539</b>	<b>55,110</b>	<b>2,203</b>	<b>38,259</b>	<b>80,088</b>	<b>1,101</b>

Summary of the main information on investments as of December 31, 2021:

12/31/2021	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
Investments (a)								
MD PE São Pedro Construções Ltda.	99.999960%	184,856	56,001	128,855	8,655	1,761	128,855	8,655
MD PE Litorânea Construções Ltda.	99.999980%	263,463	189,191	74,272	13,824	2,235	74,272	13,824
MD CE Palmeiras Construções Ltda.	99.999967%	94,173	22,327	71,846	26,513	3,151	71,846	26,513
MD PE Shopping Residence Incorporações SPE Ltda.	99.999250%	230,088	171,771	58,317	47,132	827	58,317	47,131
MD BA Ondina Construções Ltda.	100.000000%	111,798	55,821	55,977	(2,255)	-	55,977	(2,255)
MD CE Acácias Construções Ltda.	99.999850%	59,851	25,444	34,407	9,772	64	34,407	9,772
Moura Dubeux Engenharia e Empreendimentos S.A.	99.999990%	78,232	49,514	28,718	11,515	6,447	28,718	11,515
MD Imóveis Ltda.	99.999955%	25,721	1,566	24,155	(729)	166	24,155	(729)
MD PE Recife Construções Ltda.	99.999899%	18,053	2,224	15,829	3,177	19	15,828	3,177
SPE Lote 03 Empreendimentos Imobiliários Ltda.	99.950000%	31,326	20,943	10,383	778	18,719	10,376	778
MD CE BC Meirelles Construções Ltda.	99.999908%	24,571	9,926	14,645	3,753	2,312	14,645	3,753
MD PE Novo Recife Empreendimentos Ltda.	33.333333%	49,126	13,512	35,614	-	5,058	11,871	-
MD BA Graça Empreendimentos Imobiliários SPE Ltda.	99.999997%	13,466	1,828	11,638	(697)	-	11,638	(697)
MD BA Jaguaribe Construções Ltda.	99.999894%	31,905	20,293	11,612	1,056	1,448	11,612	1,056
MD BA Coliseu Empreendimentos SPE Ltda.	99.999985%	37,271	26,606	10,665	(5,641)	7,214	10,665	(5,641)
MD PE Polidoro Construções SPE Ltda.	50.000000%	68,523	49,027	19,496	2,203	33,201	9,748	1,101
AGM Empreendimentos Imobiliários Ltda.	99.700000%	8,452	501	7,951	(5)	5	7,927	(5)
MD BA Catabas Construções Ltda.	99.900000%	32,144	26,902	5,242	7,709	824	5,237	7,701

12/31/2021

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD CE José Américo Construções SPE Ltda.	99.999949%	26,290	19,203	7,087	(1,335)	241	7,087	(1,335)
MD CE Dias da Rocha Construções SPE Ltda.	99.999912%	7,010	172	6,838	(206)	-	6,838	(206)
MD CE Parreão Construções Ltda.	99.999710%	19,766	13,007	6,759	3,465	-	6,759	3,465
MD PE Planície Construções Ltda.	99.999912%	8,118	1,241	6,877	(2,290)	226	6,878	(2,290)
MD BA Sapucaia Construções Ltda.	99.900000%	39,678	33,204	6,474	6,464	4,178	6,467	6,457
MD BA Dumare Construções Ltda.	99.999574%	17,335	11,282	6,053	3,704	22	6,053	3,704
MD BA Orquidário Construções SPE Ltda.	99.999829%	13,412	7,481	5,931	234	3,910	5,931	234
MD CE José Lourenço Construções Ltda.	99.999723%	13,223	8,035	5,188	999	1,057	5,188	999
MD CE Parque Rio Branco Construções Ltda.	99.999504%	16,380	11,931	4,449	1,611	2,098	4,449	1,611
MD RN Hellen Costa Construções SPE Ltda.	99.999749%	11,161	7,349	3,812	261	535	3,812	261
MD PE Capibaribe Construções Ltda.	99.999764%	5,106	1,306	3,800	(360)	-	3,800	(360)
Graça Empreendimentos Imobiliários SPE Ltda.	99.999967%	8,109	4,512	3,597	(1,615)	-	3,597	(1,615)
MD PE Venâncio Barbosa Construções SPE Ltda.	99.900000%	13,216	10,558	2,658	646	143	2,655	645
MD PE Paulista Empreendimentos SPE Ltda.	99.360229%	4,099	820	3,279	(1,781)	-	3,258	(1,770)
MD RN Aurea Guedes Construções SPE Ltda.	99.999936%	3,298	166	3,132	(430)	-	3,132	(430)
MD PE Serrana Construções SPE Ltda.	99.999947%	5,281	3,135	2,146	(139)	-	2,146	(139)
MD AL Evolution II Construções SPE Ltda.	99.999534%	2,421	282	2,139	17	276	2,139	17
MD CE PK Quadra 06 Construções Ltda.	99.900000%	19,936	17,918	2,018	2,008	700	2,016	2,006



12/31/2021

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD PE Freguesia Construções SPE Ltda.	99.999923%	2,402	645	1,757	(533)	-	1,757	(533)
Global MD Evolution Beach Park Empreendimento Ltda.	99.999952%	56,614	55,061	1,553	(5,068)	-	1,553	(5,068)
MD RN Encanto Construções Ltda.	99.999454%	2,743	1,371	1,372	(414)	567	1,372	(414)
MD RN Areia Preta Construções SPE Ltda.	99.999931%	2,929	1,593	1,336	109	130	1,336	109
SPE Lote 02 Empreendimentos Imobiliários Ltda.	99.999976%	3,669	2,557	1,112	(1,733)	-	1,112	(1,733)
MD CE José Borba Construções SPE Ltda.	99.999143%	1,845	791	1,054	(1)	791	1,054	(1)
SPE Lote 08 Empreendimentos Imobiliários Ltda.	99.999981%	2,997	1,969	1,028	(1,054)	-	1,028	(1,054)
MD CE Nova Aldeota Construções Ltda.	99.999968%	945	78	867	(37)	-	867	(37)
MD BA Bela Vista Empreendimentos SPE Ltda.	99.900000%	18,711	18,095	616	(318)	-	616	(318)
MD CE Francisco Xerez Construções SPE Ltda.	99.999872%	623	374	249	(78)	72	249	(78)
MD PE Novo Jardim Construções S.A.	97.150997%	251	1	250	(9)	-	242	(9)
MD PE Parque Santa Maria Construções SPE Ltda.	99.990614%	201	-	201	(6)	-	201	(6)
MD PE Pina Construções Ltda.	99.991565%	464	350	114	(16)	2	114	(16)
MD CE Azevedo Bolão Construções SPE Ltda.	99.999782%	96	2	94	(32)	-	94	(32)
MD RN Firenze Construções SPE Ltda.	99.999675%	82	1	81	(44)	-	81	(44)
MD Colonial Empreendimentos Imobiliários SPE Ltda.	99.999987%	213	133	80	8	129	80	8
MD Service Ltda.	99.999885%	81	12	69	(63)	3	68	(63)
Beach Class Conselheiro Residence Construções SPE Ltda.	99.999702%	179	110	69	(16)	1	69	(16)

12/31/2021

## Statement of financial position

Investments (a)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD RN Bossa Nova Construções SPE Ltda.	99.998340%	387	323	64	(101)	29	64	(101)
MD PE HPBV Ltda.	99.998986%	92	31	61	36		61	36
Moura Dubeux Engenharia Natal Ltda.	99.999088%	395	362	33	(18)		33	(18)
MD CE Visconde do Rio Branco Construções SPE Ltda.	99.700000%	84	66	18	(7)	-	18	(7)
SPE Lote 01 Empreendimentos Imobiliários Ltda.	99.999944%	1,205	1,189	16	(119)	-	16	(119)
MD BA Vaticano Construções Ltda.	99.900000%	587	577	10	-	522	10	-
MD CE Fátima Construções Ltda.	99.900000%	211	201	10	-	174	10	-
MD CE PK Quadra 05 Construção Ltda.	99.900000%	53	43	10	-	42	10	-
MD AL Rooftop Construções Ltda.	99.900000%	31	22	9	(1)	22	9	(1)
MD PE Arraial Construções Ltda.	99.900000%	11	3	8	(2)	3	8	(2)
MD PE Trindade Construções Ltda.	66.700000%	3,269	3,258	11	(5)	1,758	7	(3)
MD PE Enseada das Ondas SPE Ltda.	99.999344%	9	2	7	(8)	1	7	(8)
MD RN Marcos Brandão Construções SPE Ltda.	99.997961%	17	15	2	(28)	15	2	(28)
MD RN Soneto Potengi Construções SPE Ltda.	99.999597%	3	1	2	(12)	1	2	(12)
MD CE Vilebaldo Aguiar Construções Ltda.	99.900000%	10	-	10	-	-	10	-
MD CE Porto das Dunas Construções Ltda.	99.900000%	10	-	10	-	-	10	-
MD RN Alameda Capim Macio Construções SPE Ltda.	99.998987%	-	-	-	(2)	-	-	(2)
Capitalizes interest - MD PE Novo Recife Empreendimentos Ltda.	0.000000%	-	-	-	-	-	58,389	-
<b>Total investments</b>		<b>1,698,277</b>	<b>984,235</b>	<b>714,042</b>	<b>128,441</b>	<b>101,099</b>	<b>738,858</b>	<b>127,333</b>

12/31/2021

Statement of financial position

Investment loss (b)	Equity interest (%)	Assets	Liabilities	Equity	Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
MD RN Abel Pereira Construções SPE Ltda.	99.900000%	82	4,653	(4,571)	2	4,651	(4,566)	2
MD RN Rodolfo Helinski Construções SPE Ltda.	99.999739%	4	2,996	(2,992)	(54)	2,823	(2,992)	(54)
MD BA MAG Empreendimentos SPE Ltda.	99.999959%	17	2,380	(2,363)	(1,252)	2,215	(2,363)	(1,252)
MRV MD PE Mar de Espanha Incorporações Ltda.	50.000000%	1,652	5,926	(4,274)	4,431	1,289	(2,137)	2,215
MD BA GMA Empreendimentos SPE Ltda.	99.999692%	157	1,983	(1,826)	(707)	770	(1,826)	(707)
MD BA GB Empreendimentos SPE Ltda.	99.999921%	4	1,499	(1,495)	(1,134)	32	(1,495)	(1,134)
MD CE Gontran Giffoni Construções SPE Ltda.	99.999919%	4	839	(835)	121	536	(835)	121
MD BA Dubeux Empreendimentos SPE Ltda.	99.999902%	399	1,141	(742)	(478)	629	(742)	(478)
MD PE Residencial Construções Ltda.	99.999915%	179	878	(699)	(159)	317	(699)	(159)
MD CE Henrique Rabelo Construções SPE Ltda.	99.999274%	68	665	(597)	(10)	128	(597)	(10)
MD RN Empresarial Herculano Construções SPE Ltda.	99.999882%	3	598	(595)	(39)	340	(595)	(39)
MD PE Exata Grand Vittá Ltda.	50.000000%	388	1,507	(1,119)	(74)	1,201	(559)	(37)
MD CE Castelão Construções SPE Ltda.	99.999939%	68	611	(543)	(194)	4	(543)	(194)
MD AL Life Construções SPE Ltda.	99.999903%	50	584	(534)	(77)	116	(534)	(77)
MD BA Ilha Empreendimentos SPE Ltda.	99.999918%	89	620	(531)	(282)	350	(531)	(282)
MD BA Pisa Construções Ltda.	99.900000%	11,656	12,034	(378)	(388)	8,130	(378)	(388)
MD RN Jerônimo Costa Construções SPE Ltda.	99.998564%	7	389	(382)	4	292	(382)	4
MD PE Beach Class Executive SPE Ltda.	99.968817%	33	406	(373)	(18)	2	(373)	(18)

12/31/2021

Statement of financial position

Investment loss (b)	Equity interest (%)	Assets	Liabilities	Equity	Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
MD RN Vandir Gurgel Construções SPE Ltda.	99.999487%	30	403	(373)	(123)	172	(373)	(123)
MD PE Condomínio Empresarial Ltda.	99.998043%	-	369	(369)	(172)	49	(368)	(172)
MD PE Sertânia Construções Ltda.	99.999978%	760	1,125	(365)	(640)	75	(365)	(640)
MD RN Maria Bernardete Construções SPE Ltda.	99.998738%	3	366	(363)	(152)	142	(363)	(152)
MD CE Praça de Fátima Construções Ltda.	99.999723%	737	1,065	(328)	(357)	-	(328)	(357)
MD CE Parque de Fátima Construções Ltda.	99.900000%	210	383	(173)	(271)	196	(173)	(271)
MD BA RV Construções Ltda.	99.900000%	558	713	(155)	(165)	693	(155)	(165)
MD PE Solar Construções Ltda.	99.998885%	2	142	(140)	(13)	3	(140)	(13)
MD PE Shopping Park Ltda.	50.000000%	201	450	(249)	(73)	320	(125)	(37)
MD RN Life Construções SPE Ltda.	99.996216%	1	115	(114)	(7)	115	(114)	(7)
MD PE Rosarinho Construções Ltda.	99.900000%	10	93	(83)	(93)	2	(83)	(93)
MD RN Cesar Rocha Construções SPE Ltda.	99.999160%	23	61	(38)	5	30	(38)	5
MD RN Geraldo Pinho Construções SPE Ltda.	99.999779%	1	31	(30)	(14)	31	(30)	(14)
MD Edifício Hilson de Azevedo Mota Ltda.	99.996580%	-	28	(28)	(4)	28	(28)	(4)
MD PE Empresarial Agamenon Construções Ltda.	99.999456%	5	25	(20)	(15)	9	(20)	(15)
MD Edifício Engenho Casa Forte Ltda.	99.995603%	-	20	(20)	(25)	-	(20)	(25)
MD Edifício Vanda Mota Ltda.	99.999361%	-	18	(18)	(3)	18	(18)	(3)
MD AL Gruta Construções SPE Ltda.	99.999721%	1	19	(18)	(5)	4	(18)	(5)

12/31/2021

Investment loss (b)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD RN Grilo Construções Ltda.	99.999837%	580	593	(13)	67	3	(13)	67
MD RN José de Almeida Construções SPE Ltda.	99.999305%	1	14	(13)	(6)	14	(13)	(6)
MD PE Torres da Liberdade SPE Ltda.	99.996265%	2	14	(12)	(46)	14	(12)	(46)
MD RN Alameda Lagoa Nova Construções SPE Ltda.	99.997424%	1	8	(7)	(5)	8	(7)	(5)
MD RN Moacyr Maia Construções SPE Ltda.	99.996500%	22	28	(6)	18	28	(6)	18
MD AL Farol Construções SPE Ltda.	99.999062%	-	4	(4)	(57)	3	(4)	(57)
MD AL Poço Construções SPE Ltda.	99.999182%	1	4	(3)	(5)	4	(3)	(5)
SPE Safira Empreendimentos Imobiliários Ltda.	99.000000%	-	2	(2)	(1)	2	(2)	(1)
MD PE Distribution Park Suape Ltda.	99.987047%	-	1	(1)	(2)	-	(1)	(2)
MD PE Boa Vista Construções Ltda.	99.900000%	-	1	(1)	(1)	1	(1)	(1)
MD PE Engenho Poeta Construções Ltda.	99.900000%	-	1	(1)	(1)	1	(1)	(1)
MD RN Hanna Safieh Construções SPE Ltda.	99.997282%	2	2	-	(5)	1	-	(5)
MD PE Madalena SPE Ltda.	99.999336%	1	1	-	(3)	1	-	(3)
MD PE Campus Construções Ltda.	99.954642%	-	-	-	(6)	-	-	(6)
MD Edifício Zezé Cardoso Ltda.	97.237569%	-	5	(5)	(6)	2	(5)	(6)
MD PE Aguiar Construções SPE Ltda.	99.999678%	1	11	(10)	(22)	1	(10)	(22)
MD Participações e Empreendimentos Ltda.	99.999930%	499	521	(22)	69	-	(22)	69
MD PE MRV Veneza Construções Ltda.	50.000000%	193	263	(70)	(301)	34	(35)	(151)

12/31/2021

Investment loss (b)	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Loss on investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD RN Roselândia Construções SPE Ltda.	99.900000%	256	299	(43)	(52)	291	(43)	(52)
MD CE Amazonas Construções Ltda.	99.999915%	15	102	(87)	(174)	1	(87)	(174)
MD AL Antares Construções SPE Ltda.	99.999926%	351	508	(157)	(222)	37	(157)	(222)
MD CE Theberge Construções SPE Ltda.	99.700000%	1,447	1,790	(343)	(911)	-	(342)	(908)
<b>Total allowance for investment losses</b>		<b>20,774</b>	<b>49,307</b>	<b>(28,533)</b>	<b>(4,107)</b>	<b>26,158</b>	<b>(25,670)</b>	<b>(6,097)</b>
Advances for Future Capital Increases (AFCIs)								127,257
Investments								738,858
<b>Total</b>								<b>866,115</b>

Investments	Equity interest (%)	Statement of financial position			Profit (loss)	AFCI	Investment	Share of profit (loss) of investees
		Assets	Liabilities	Equity				
MD PE Polidoro Construções SPE Ltda.	50.000000%	68,523	49,027	19,496	2,203	33,201	9,748	1,101
MD PE Novo Recife Empreendimentos Ltda.	33.333333%	49,126	13,512	35,614	-	5,058	11,871	-
Capitalized interest	0.000000%	-	-	-	-	-	58,389	-
<b>Total</b>		<b>117,649</b>	<b>62,539</b>	<b>55,110</b>	<b>2,203</b>	<b>38,259</b>	<b>80,008</b>	<b>1,101</b>
Advances for Future Capital Increases (AFCIs)								38,259
Investments								80,008
<b>Total</b>								<b>118,267</b>

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