Initiating coverage on
Moura Dubeux

King in the North(east)

Equity Research

BTG Pactual Affiliate Research

Company Note
September 2025

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Brazil
Real Estate
Company Note
24 September 2025

Moura Dubeux

King in the North(east); Initiating with a BUY

Rating	Buy
12m Price Target	R$40.00/US$7.50
Price	R$28.77/US$5.40
RIC:	
BBG:	BZ MDNE3

Trading Data & Return Forecasts	
52-wk range	R$ 28.8-R$ 10.2
Market cap.	R$ 2,434 mn
Shares o/s (m)	84.6 mn
Free Float	53.9
Avg. daily value	R$ 11 mn

Stock Performance - Moura Dubeux (R$)

Analysts

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Initiating coverage with a BUY rating and a R$40 TP (39% upside)

We are initiating coverage on Moura Dubeux (MDNE3) with a Buy rating and a R$40/share target price. In our view, it combines some of the most important features of a homebuilder: (i) a 42-year track record, with a leading/dominant position in Brazil's Northeast market; (ii) strong growth with a fortress balance sheet; (iii) verticalization, with solid control of operations and great execution; (iv) diversification across different housing segments and geographies (all within NE region); and (v) an attractive valuation (4.5x P/E 2026E).

Who is Moura Dubeux?

In a nutshell, Moura Dubeux is a verticalized homebuilder mostly focused on mid/high-income, but now growing in the low-income (MCMV) segment as well. It is a family-owned company (founded in Recife, in 1983), operating in Brazil's Northeast region. It is the clear market leader in the Northeastern mid/high-income housing market, operating in 7 states under both the *condominium* model (pioneered by the company) and traditional real estate development. More recently, it also expanded into the low-income/MCMV segment via the *Mood* and *Ún1ca* brands.

We see three main pillars that make Moura Dubeux a unique story

There are many listed homebuilders, but Moura Dubeux is a unique story in three main aspects that support our bullish view on the case: (i) it has an asset-light business model in the mid/high-income segment (*condominium* – where it works as a "contractor" in the projects, mostly remunerated via fees); (ii) it is the only company heavily exposed to Brazil's Northeast region (the second biggest in Brazil), with very little competition (more than 20% market share); and (iii) it is gaining exposure to the (resilient) MCMV segment (*Mood* and *Ún1ca* brands), offering more diversification.

Strong growth + 4.5x P/E 2026E + 39% upside = Initiating with BUY

Moura Dubeux combines most of what you want from a homebuilder: its lean capital structure allows the company to grow, with lower working capital needs, meaning strong ROE and low leverage. Strong branding, a high level of verticalization and dominance in Brazil's Northeastern housing market also offer a moat against potential competitors. We thus expect the company to continue growing a lot (EPS CAGR of 30% 2024-27E), with strong ROE (24% in 2026E), while the stock trades at an attractive 4.5x P/E 2026E, justifying our Buy rating with a 39% upside potential.

Valuation	12/2023	12/2024	12/2025E	12/2026E	12/2027E
RoIC (EBIT) %	18.8	20.4	25.6	24.7	24.1
EV/EBITDA	6.4	3.9	6.1	4.7	4.3
P/E	7.2	3.6	6.0	4.8	4.4
Net dividend yield %	0.0	6.0	4.1	6.7	10.5
Financials (mn)	**12/2023**	**12/2024**	**12/2025E**	**12/2026E**	**12/2027E**
Revenues	1,151	1,571	2,341	2,648	2,867
EBITDA	179	259	463	571	600
Net Income	156	252	405	512	552
EPS ()	1.86	3.01	4.78	6.05	6.52
Net DPS ()	0.00	0.65	1.19	1.91	3.02
Net (debt) / cash	(40)	(111)	(398)	(266)	(130)

ANALYST CERTIFICATION AND REQUIRED DISCLOSURES BEGIN ON PAGE 35

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Executive Summary

We hereby initiate coverage on Moura Dubeux (MDNE3), a niche homebuilder operating in Brazil's Northeast region with five brands (*Moura Dubeux*, *Mood*, *Ún1ca*, *Beach Class* and *ITC*), focused on the mid/high-income segment but, more recently, with added exposure to the highest income brackets of the MCMV program ("*Faixa 3*" and "*Faixa 4*").

Moura Dubeux differs from other listed homebuilders in two key aspects. The first is that the company is the only one fully exposed to the Northeast housing market. Since its founding in Recife (PE), it has refined its operations in the Northeast region and expanded into new areas. It now operates in seven states and is clear market leader in most of them, with a strong dominance in the region.

Additionally, the company is the only developer with relevant exposure to the condominium model, having successfully scaled it in the region. This system, supported by its strong *Moura Dubeux* brand, allowed it to grow in an asset-light and countercyclical way. In fact, it was able to take launches under the condominium model from an average PSV of R$300mn in 2017–2020 to R$3.5bn in 2025E.

Valuation-wise, we see the stock trading at 6x P/E 2025E and 4.5x P/E 2026E (a 19% discount to listed mid/high-income HBs, while a 24% discount to "pure" MCMV companies), which we find attractive considering our forecasted 30% EPS CAGR (2024-2027E). On a P/TBV basis, we see Moura trading at 1.1x (2026E), which we also deem compelling given our forecasted 24% 2026E ROE.

We are thus initiating coverage on Moura Dubeux's shares (MDNE3) with a BUY rating and a 12-month forward TP of R$40/share, offering 39% upside potential. We believe the company combines: (i) an asset-light business model (condominium) with a proven track record; (ii) unique leadership position in mid/high-income niche in the Northeast; and (iii) growing exposure to the (resilient) low-income segment.

Table 1: Summary of our main estimates (R$mn, unless otherwise stated)

Income Statement	2024	2025E	2026E	2027E
Net Revenues	1,570,740	2,341,451	2,647,937	2,866,530
Gross Profit (ex-capitalized interest)	557,316	842,354	975,538	1,059,132
Adj. Ebitda	288,764	493,874	595,327	653,679
Net Earnings	252,210	404,890	511,713	551,569
Gross Margin	35%	36%	37%	37%
Adj. Ebitda Margin	18%	21%	22%	23%
Net Margin	16%	17%	19%	19%
ROE	17%	23%	24%	24%
P/E	9.6x	6.0x	4.5x	3.8x
P/TBV	1.6x	1.3x	1.1x	0.9x

Source: Company, BTG Pactual

Investment Thesis

We initiate coverage with a Buy rating and a TP of R$40/share, offering 39% upside. In our view, Moura Dubeux (MDNE) combines (i) an asset-light business model with a proven track record, (ii) unique/dominant positioning in the mid/high-income niche within the Northeast region, while also (iii) gaining exposure to the (resilient) low-income segment and offering an attractive valuation (4.5x P/E 2026E).

An asset-light business model with a proven track record

Basically, Moura Dubeux's operations consist of two business models. The first is traditional real estate development, in which the company incorporates the project on the land, executes the construction and sells its units, in the same way as any other developers in our coverage (Moura Dubeux operates as a developer in MCMV's low-income segment and mid/high-income niche).

The second (and one we will delve deeper into) is construction works administration (a.k.a. condominium), used in the mid/high-income and corporate segments (*ITC* brand). The condominium model dates back to Moura Dubeux's founding (1983), and over the last 5 years, the company has launched over R$4bn in PSV under this system (55% of launches).

Long story short, in this model, Moura Dubeux works as a contractor, which means its revenues come mostly from fees and it has very little capital allocated in the project. We believe this model: (i) enables asset-light growth; (ii) has a nice cash generation profile; (iii) reduces dependency on external funding; and (iv) already has a proven track record.

Condominium 101

In a nutshell, the model consists of structuring a project through a special-purpose vehicle where clients acquire quotas equivalent to units, fully funding the project during the construction cycle, while the company provides development and management services (i.e. a contractor, which is providing all the execution of the project).

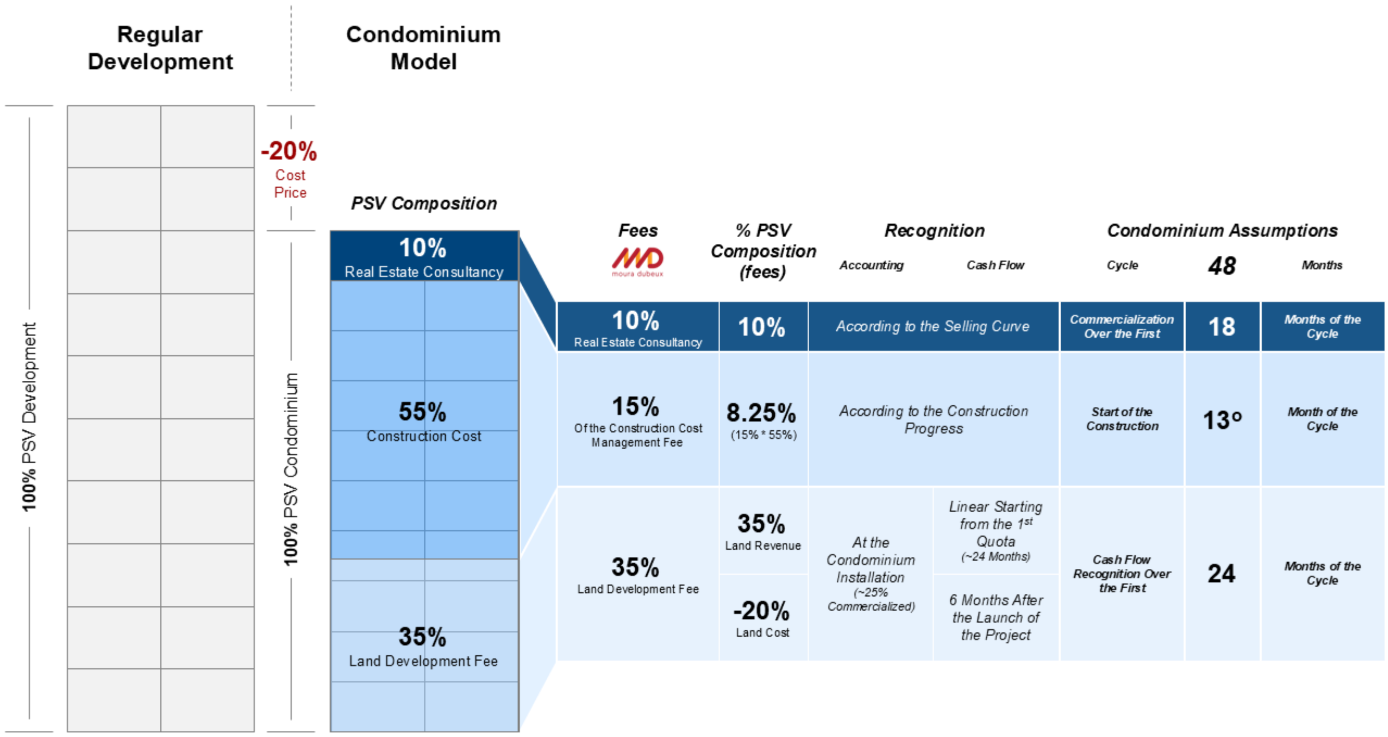
In practice, all the steps prior to the SPE's formation are handled by Moura Dubeux. At first, the company is responsible for sourcing the land, obtaining all building permits, designing the project, marketing and assembling the group of clients (usually existing clients, drawn from the internal broker network, with already-mapped profiles).

The project is then divided into quotas (1 quota = 1 unit), which are sold to homebuyers or investors. Once the project reaches ~25% adhesion (sale), MDNE officially launches it, and the 48-month cycle until delivery begins. Construction typically starts around the 13th month – during which time adhesion continues to ramp up (~50% is enough to begin construction) – and goes on for another 3 years.

From the homebuyer's perspective, the condominium model requires the total home value to be settled over the 48-month cycle (thus financing the construction) through monthly installments adjusted by the INCC index (protecting MDNE against inflation). It is important to highlight that, since MDNE is a contractor, any cost overrun is incurred by the homebuyers (not the company).

For the model to be attractive, the unit is priced at cost. Due to the structure of the model (different tax structure, lower marketing expenses, no need for external financing, less commercialization efforts, and fee-based compensation), price per m² is equal to costs (i.e. there is no "developers' margin"), therefore, homebuyers usually pay ~20% cheaper than "market prices" for a unit acquired via *condominium*.

Figure 1: Condominium 101 – Understanding the model's structure, accounting and main assumptions



Source: Company, BTG Pactual

Understanding the main revenue sources and cash collection

Below, we provide a more detailed explanation on Moura Dubeux's revenue streams under the condominium model (see Figure 1 and 2 for a visual explanation). As discussed below, most part of the revenues are coming from different fees, which reinforces the asset light business model and lower risks incurred by MDNE in a condominium project (compared to development).

1- Real Estate Consultancy Fee: the fee works as compensation to Moura Dubeux for services provided before construction begins, such as land sourcing, obtention of permits, product design, budget planning, and coordinating the formation of the condominium group.

It represents, on average, 10% of the project's net PSV, and revenue recognition (both in cash and accounting terms) occurs as clients adhere (buy quotas in) the condominium. Commercialization usually takes place during the first 18 months of the cycle, since the financial burden increases as the project moves forward (we recall that clients are required to settle 100% of the unit payment before delivery, regardless of when they joined the group).

It's also worth mentioning that, while the fee averages 10% of the PSV, it varies depending on the unit type and its location within the tower (higher-floor apartments typically pay more than lower-floor units).

2- Management Fee: from the 13th month of the cycle on, Moura Dubeux also charges a 15% management fee from quota holders, as compensation for managing and overseeing the physical progress of the construction. Since construction costs account for ~55% of the project's PSV, the management fee represents ~8.25% of total PSV (55% * 15%).

In this case, revenue recognition and cash collection happen simultaneously as the construction evolves – Moura Dubeux collects (cash) and book those revenues (accounting) on a monthly basis, according to construction progress.

3- Land Development Fee (*"torna financeira"*): revenue obtained from the commercialization of the land plot to the condominium. In practice, Moura Dubeux acquires the land (~20% of PSV) and resells it to the party responsible for the project at a "price" equivalent to 35% of PSV, capturing the spread (~15% fee over the PSV) in the process.

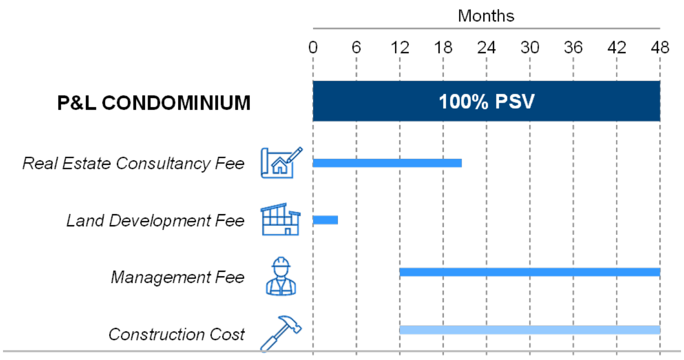
While revenue recognition takes place at the condominium installation meeting (~25% of the quotas commercialized), cash is received in equal monthly installments (24–30 months), starting 6 months after the project is launched (Figure 3).

4- Closed Sale: Besides these three fees, Moura Dubeux has another revenue stream under the condominium model, stemming from the so-called "closed-sale" transaction.

In this type of operation, MDNE acquires some of the quotas (remaining ones) in the condominiums – typically 10–15% of each project – usually in the second half of the construction cycle. The goal is to reduce the financial burden on clients who joined earlier, preventing them from having to absorb a larger share of the costs.

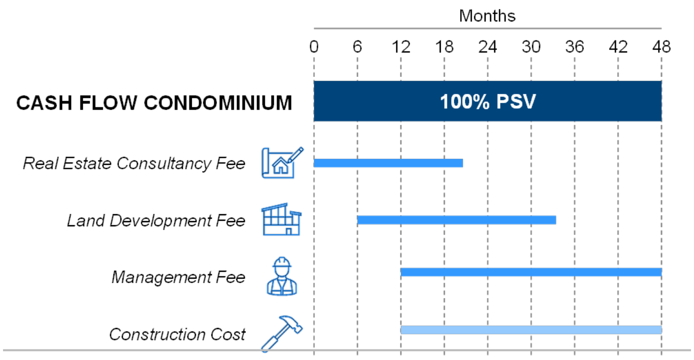
After acquiring the quotas, MDNE then looks to resell them (a.k.a. “closed sale”) in a transaction that resembles an inventory sale under the traditional real estate development model – it also follows the same accounting principles (PoC) and cash flow profile.

Figure 2: Condominium – Revenue recognition



Source: Company, BTG Pactual

Figure 3: Condominium – Cash collection



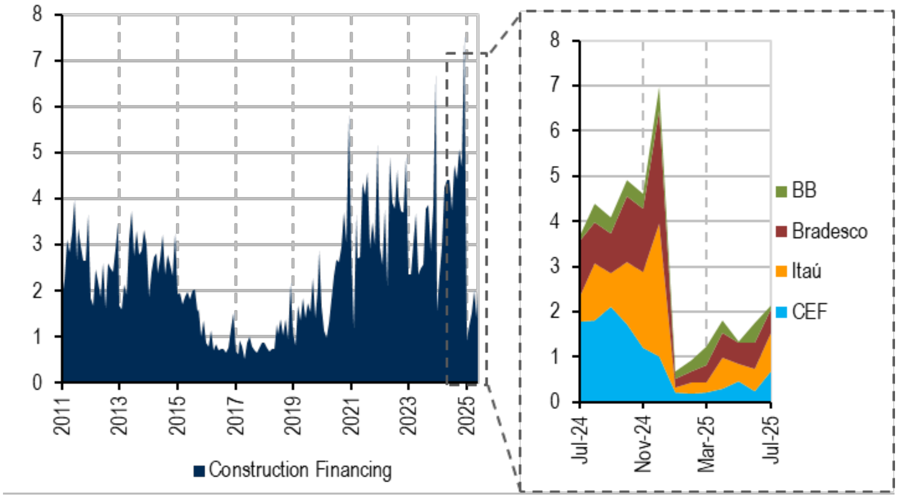
Source: Company, BTG Pactual

An attractive model for Moura Dubeux, with proven track record

From MDNE's standpoint, we also believe the condominium model offers attractive conditions for those with the know-how to operate it (such as Moura Dubeux). Among them, we highlight: (i) reduced exposure to external financing, (ii) lower cancellation risk, (iii) protection against cost inflation, and (iv) a steadier cash collection profile.

Since clients are required to cover the full construction cost, the condominium model lowers the homebuilder’s reliance on external funding. This allows the company to better navigate different market cycles and is especially relevant in the current environment, with construction loan approvals slowing down significantly (-54% y/y YTD; see Figure 4) and interest rates remaining at high levels.

Figure 4: Contracted loans under SBPE for construction financing (R$bn) have reduced materially in 2025



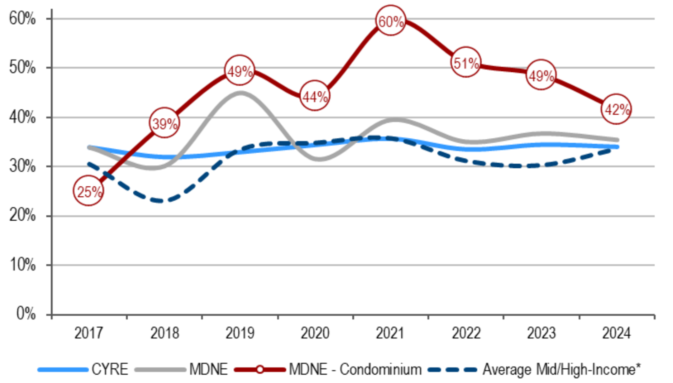
Source: Abecip, BTG Pactual

Another interesting feature is related to sales cancellations. In this model, the burden of delinquency and reselling homes, that usually falls on homebuilders in traditional development, does not apply here. If a client defaults for more than 90 days, the unit goes to auction (at cost price), and the condominium covers its costs in the meantime. That said, this process is not common (most clients meet their obligations), making MDNE less exposed to cancellations than its peers (Figure 5).

It is also worth noting that the model makes Moura Dubeux less vulnerable to construction cost inflation (as installments are adjusted by the INCC index) and results in higher, more stable gross margins (fee-based nature + lighter cost structure), averaging 16p.p above other mid/high-income peers over the last 5 years (Figure 6).

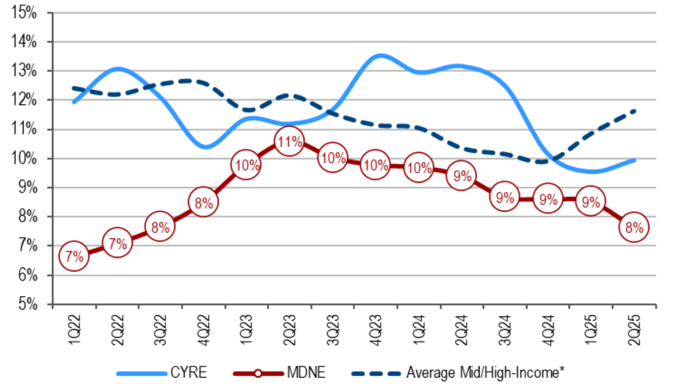
Additionally, all homebuyers are obliged to pay for they units "at construction cost price", meaning that if there is any deviation on the total budget of the projects, the homebuyers will have to incur in additional costs (not Moura Dubeux).

Figure 5: MDNE condominium vs. peers – gross margin



Source: Companies, BTG Pactual | *EZTC, HBOR, LAVV, EVEN, TRIS, MTRE, MELK, CYRE

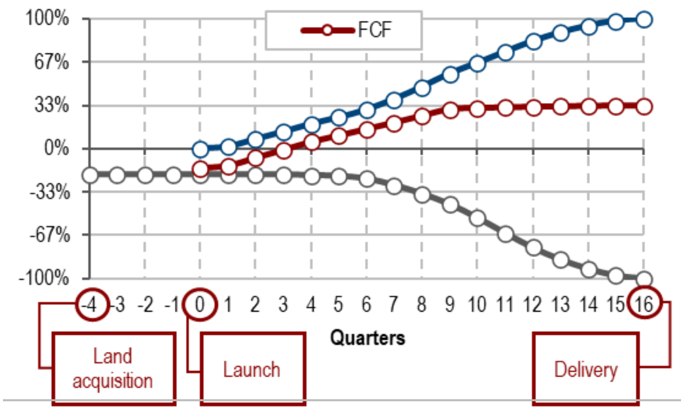
Figure 6: MDNE vs. peers – Cancellations (% of sales)



Source: Companies, BTG Pactual | *EZTC, HBOR, LAVV, EVEN, TRIS, MTRE, MELK, CYRE

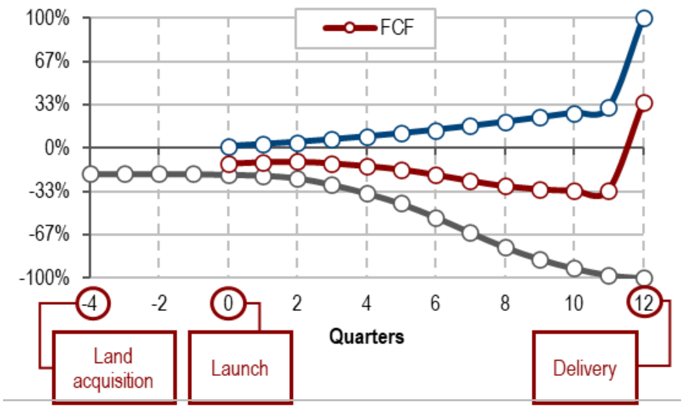
Condominium's cash collection profile also gives the company significantly lower working capital needs compared to traditional mid/high-income development. In the former, cash is collected throughout the construction phase (as described above), whereas in the latter, the bulk of cash comes in only upon delivery.

Figure 7: FCF profile – Condominium project



Source: BTG Pactual

Figure 8: FCF profile – Mid/high-income development

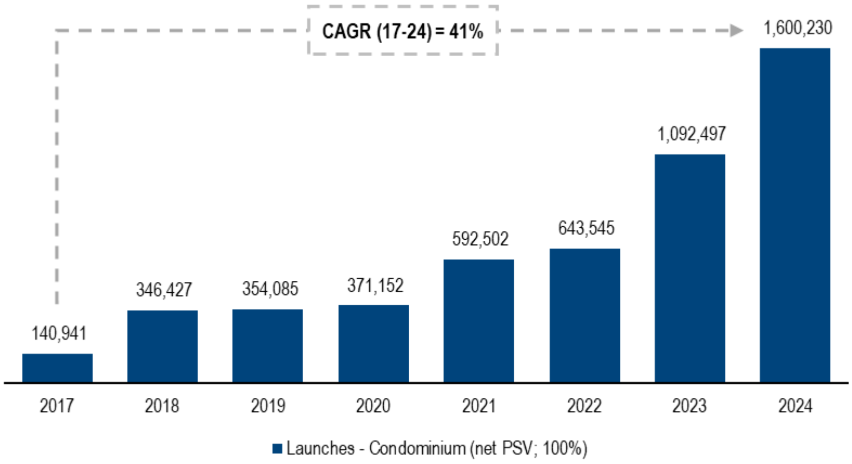


Source: BTG Pactual

Overall, the condominium model positions itself as countercyclical, enabling asset-light growth while reducing the company's risk and cash exposure throughout the project. As such, we believe it gives MDNE the flexibility to navigate different market cycles, while the company's credibility and know-how help them turn it into a winning strategy.

Numbers speak for themselves. With over 40 years of experience, the company has built a solid track record operating under this model. Since 2017, MDNE has launched and sold over R$5bn in condominium projects (~40% 7y-CAGR), and has been able to scale it up to five other state capitals beyond Recife (CE, BA, RN, PB, and AL), along with smaller coastal cities in PE (through its *Beach Class* brand).

Figure 9: Launches and sales in the condominium model 2017-24



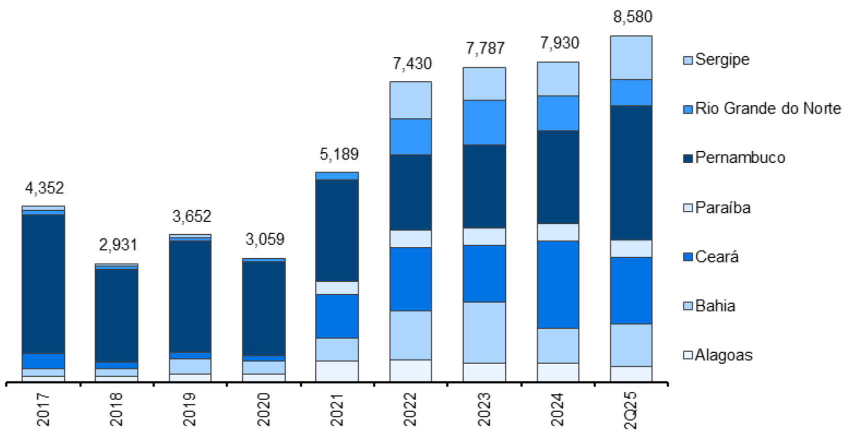
Source: Company, BTG Pactual

Well-positioned in the Northeastern mid/high-income market

Moura Dubeux was initially founded as a company operating in Recife, the capital of Pernambuco. Over time, it began diversifying its geographical exposure to other areas within Brazil's Northeast region, such as Fortaleza (CE), Natal (RN), Maceió (AL), Salvador (BA), and, more recently, João Pessoa (PB) and Aracaju (SE). Though most projects remain concentrated in capital cities, Moura also occasionally operates in smaller coastal towns under its *Beach Class* brand.

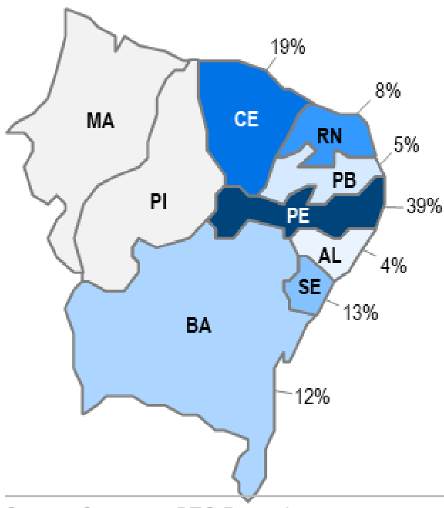
Currently, 100% of Moura Dubeux's landbank (R$8.6bn) is located in the Northeast region, distributed as follows: R$3.3bn in Pernambuco (39%), R$1.6bn in Ceará (19%), R$0.6bn in Rio Grande do Norte (7%), R$1.1bn in Sergipe (13%), R$1.1bn in Bahia (12%), R$0.4bn in Alagoas (4%), and R$0.4bn in Paraíba (5%).

Figure 10: Moura Dubeux – Landbank evolution (R$mn)



Source: Company, BTG Pactual

Figure 11: Landbank per state (2Q25)



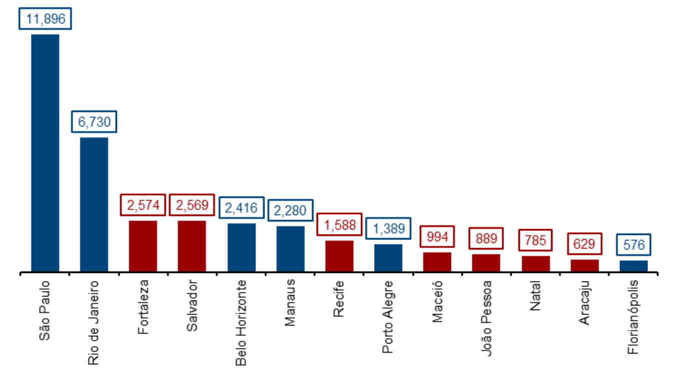
Source: Company, BTG Pactual

As the company has the highest exposure to the region within our coverage, this section provides an in-depth look at the local market – its size, competitive landscape, and how Moura Dubeux positions itself for growth.

Delving deeper into the Northeast housing market

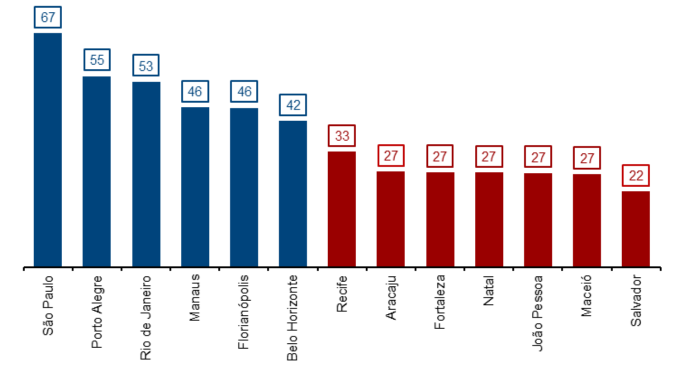
Brazil's Northeast is home to over 54mn people, second only to the Southeast. Moura Dubeux's operations are present in some of the most populous cities in the region which, despite having a large population base, do not rank among the top-tier capital cities in terms of GDP per capita (see Figure 12 and 13 below).

Figure 12: Population in the main Brazilian metropolitan regions (mn)



Source: IBGE, BTG Pactual

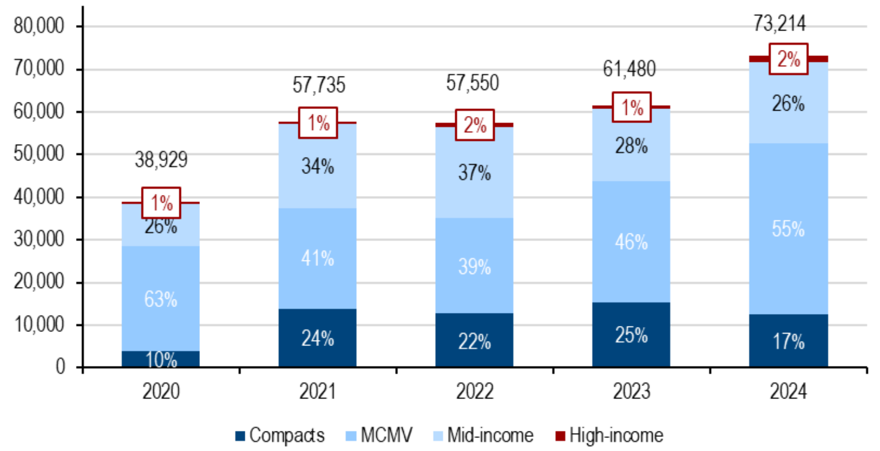
Figure 13: GDP/capita in the main Brazilian metropolitan regions (R$000')



Source: IBGE, BTG Pactual

According to real estate consultancy *Brain*, over 73,000 units were launched in the region in 2024, of which 28% were within the mid/high-income segment. In monetary terms, PSV launched reached R$33.4bn, up almost 3x since 2020, with 54% of that in the mid/high-income niche.

Figure 14: Launches (# units) in the NE and breakdown by segment



Source: Brain, BTG Pactual

Looking solely at available data excluding MCMV projects (which we will discuss in the next section), we note that the cities where Moura Dubeux operates experienced the same housing boom from 2008 to 2013 as other areas, when consolidated launches exceeded R$20bn (adjusted by construction cost inflation). For more detailed city-by-city data, please refer to the *Appendix* section (pages 29-32).

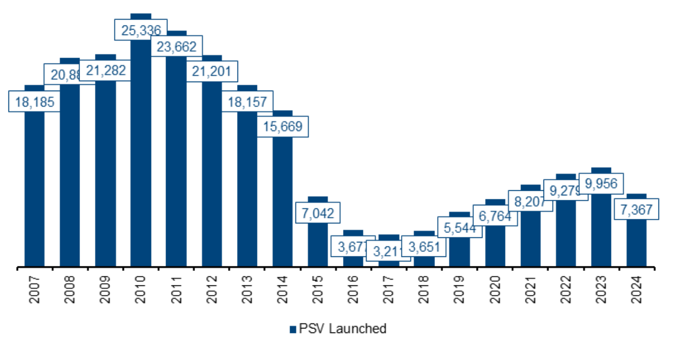
As the macro backdrop deteriorated, the region faced a downturn between 2015 and

2019. At that time, not only did launches and sales plummeted, but the downcycle was also worsened by the exit of several players from the region (including listed ones like Cyrela, PDG, Rossi, Gafisa, Tecnisa, etc.), which ended up pressuring average home prices as these companies needed to offload inventory.

Nevertheless, the housing market in the Northeast has proven to be very promising, especially in the years following the pandemic. *Brain* data show that, between 2020 and 2024, growth in launched (+88%) and sold (+56%) units in the region outpaced the national average (51% and 40%, respectively).

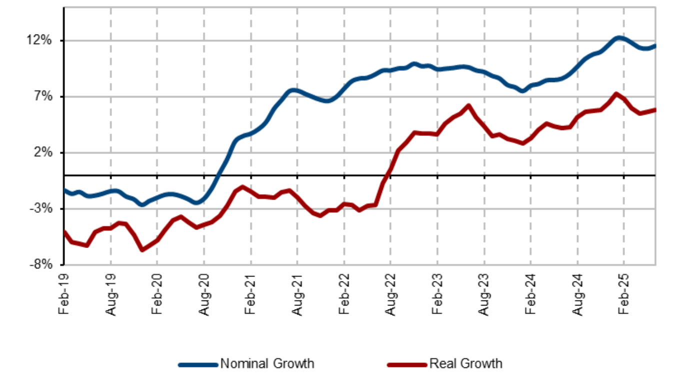
While part of this movement can be explained by the low-income segment (MCMV), the mid/high-income niche has not been left behind. Launched PSV in the areas where Moura operates has picked up since recent lows (see Figure 15 below), driven by (i) renewed demand for high-end projects in the region (the Northeast high-end housing market is one of the fastest-growing in recent years – see *Brain*'s study here), and (ii) substantial (above inflation) price growth (R$/m²).

Figure 15: PSV launched in the Northeast* (R$mn)



Source: Prática, BTG Pactual | *Mid/high-income in Fortaleza, Recife, Salvador, Maceió, João Pessoa and Natal

Figure 16: Avg. home price growth in the Northeast (%)



Source: Fipezap, BTG Pactual | *Fortaleza, Recife, Salvador, Maceió and João Pessoa

Moura Dubeux is clear market leader in most regions

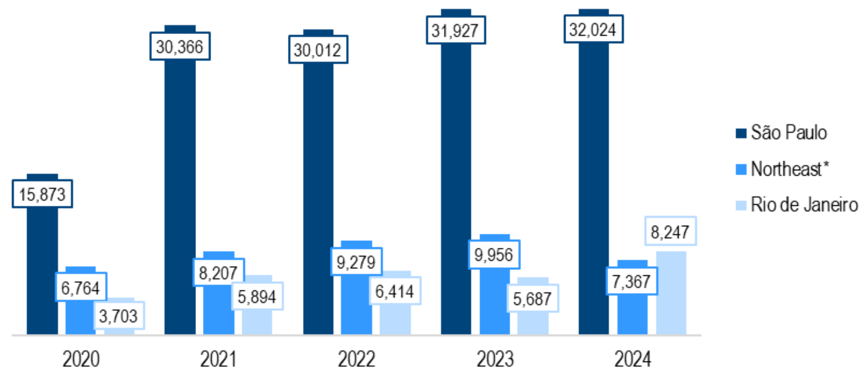
We have long argued that, both conceptually and practically, there is little evidence of scale benefits in the real estate business. Growth usually comes with its costs: the average "quality" of projects and the ability to control them tend to decline as the number of concurrent sites and geographies increases – not to mention that most housing markets have specific local dynamics, which are hard to track as an outsider.

While this holds true in many cases, we view Moura Dubeux's geographical diversification (7 states) with a healthy dose of optimism. Among the reasons, we highlight: (i) the Northeastern market is not very large, so being concentrated in just one city would cap MDNE's growth ambitions; (ii) local dynamics between cities in the region don't vary much (similar geographical conditions and client profile); and (iii) MDNE is clear marker leader in most of the geographies where it operates.

Looking at the mid/high-income market in the cities where MDNE operates, we see that over the past 5 years, launched PSV averaged ~R$8.3bn - nearly 30% of São Paulo's figures and similar to Rio de Janeiro's. While focusing on a large-potential market like SP might be a good strategy, geographic diversification within the

Northeast region is a must in order to expand Moura's addressable market.

Figure 17: PSV launched in SP, RJ and the Northeast (R$mn)

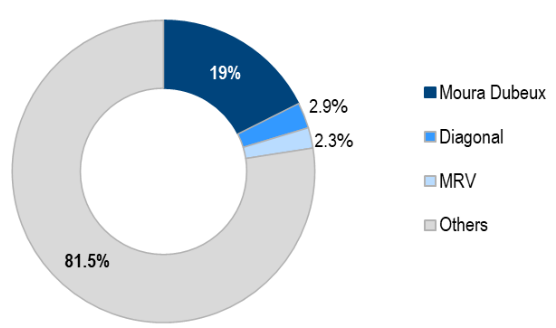


Source: GeoBrain, BTG Pactual | *Launches in 6 capital cities in the Northeast

The company's expertise in the mid/high-income niche (where they know landowners, approval process, suppliers, etc.) has given it market leadership in most of these areas. At the consolidated level, Moura Dubeux held ~20% market share since 2020 and is the undisputed leader in Recife, Natal, Salvador, and Fortaleza (narrower lead).

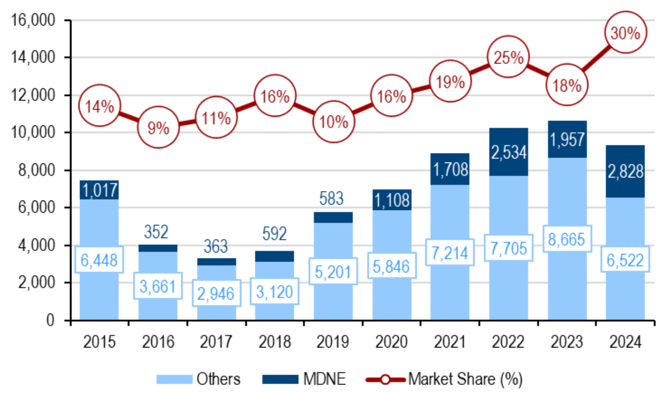
The company's main competitor in the region is *Diagonal*, with R$1.9bn launched since 2020, implying ~3% share (across all geographies). Apart from Diagonal (which is more present in Fortaleza), other players have much smaller, regional operations with 1–2% market share. As mentioned, large capitalized (listed) players exited the region in the 2015–2019 cycle.

Figure 18: Consolidated market share* in the NE (%)



Source: Prática, Company, BTG Pactual | *Last 10 years - PSV launched

Figure 19: Consolidated launches (R$mn) and share (%)



Source: Prática, Company, BTG Pactual

Overall, we praise the company's strategy of diversifying its geographical presence while maintaining market leadership, with a large scale gap to main competitors. In our view, these features help MDNE shield its operations in a business with inherently low barriers to entry, through (i) strong branding and credibility in local markets (crucial to the condominium model), (ii) lower competition for large, well-located land plots, and (iii) limited competition in the segment.

Increasing exposure to the low-income segment

Apart from its strong presence in the high-income niche, Moura Dubeux is also increasing its exposure to the low/mid-income segment, particularly within the *Minha Casa, Minha Vida “Faixa 3*” and the recently created *“Faixa 4”*, targeting households earning R$4,700–12,000 per month.

This move is not unique, as other companies under our coverage and in the region have also pursued exposure to the program (e.g., Cyrela with *Vivaz*, Lavvi with *Novvo*, and Diagonal with *Victa*), given its highly attractive conditions for homebuyers and, consequently, the resilient nature of demand for low-income housing.

In our view, exposure to the MCMV program allows Moura Dubeux to tap into a large addressable market in the region while offering diversification and resilience to the company’s business model and revenue streams, especially as the low-income housing segment is currently operating in a highly favorable environment (one we do not expect to slow down anytime soon).

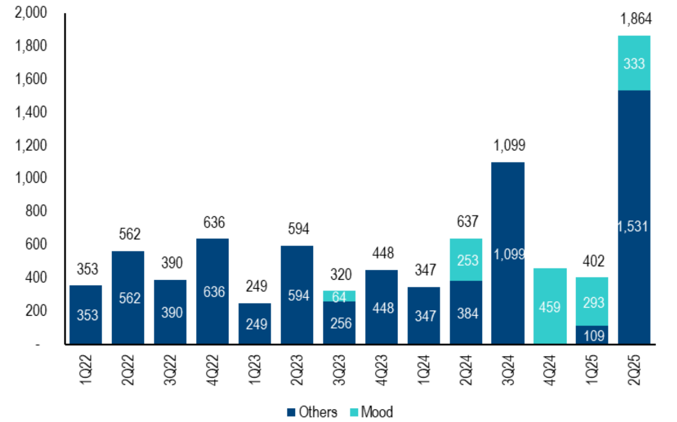
The Mood and Ún1ca brands

Moura Dubeux’s experience in low-income dates back to 2006, when the company launched its *Vivex* brand to operate in the segment. At that time, however, it realized that the complexity of operating across multiple income brackets was not accretive and eventually discontinued the brand.

Nevertheless, as MDNE reorganized its capital structure post-IPO and began scaling its condominium business, it also identified that a significant portion of the mid-income market was not being served. This led to the creation of the *Mood* brand in 2023, focused on developments priced at R$5,000–R$10,000/m², targeting the mid-income niche, while preserving the perception of exclusivity associated with the *Moura Dubeux* brand for high-end consumers.

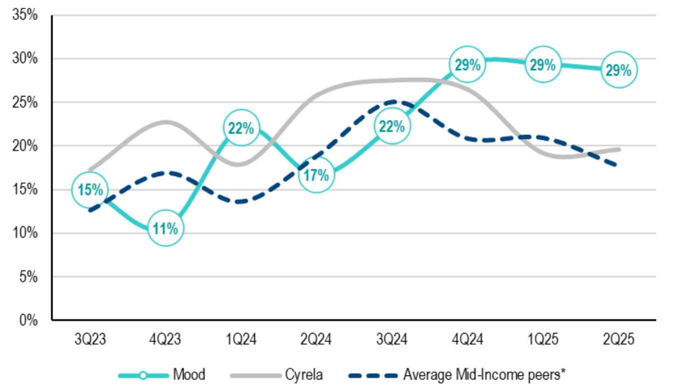
Today, *Mood’s* LTM launches stand at R$1.1bn (28% of MDNE’s consolidated figures), and the company aims to reach at least ~R$1bn/year in launched PSV. The brand adopts the aluminum mold construction model (vs. masonry in condominium projects), and Moura Dubeux estimates that 50–60% of its launches qualify under the new MCMV “*Faixa 4*”.

Figure 20: Launches in the Mood brand ('R$000)



Source: Company, BTG Pactual

Figure 21: Mood vs. peers - Sales speed in mid-income projects (%)

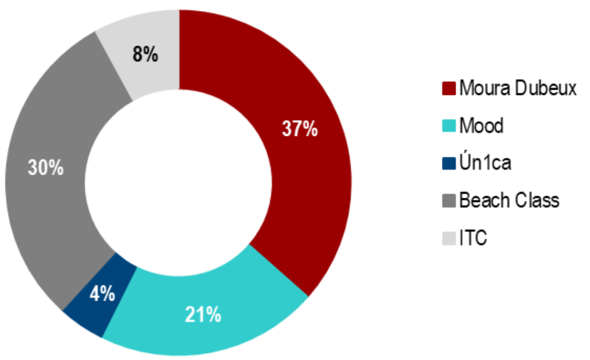


Source: Companies, BTG Pactual | *CYRE, EVEN, HBOR, EZTC, PLPL

In 2024, Moura Dubeux created its *Ún1ca* brand, targeting households earning R$4,700–R$8,000/month under MCMV's " *Faixa 3*". This year, the company expects to launch its first project under the brand and also foresees its LT goal to be ~R$1bn in launches.

From an engineering standpoint, the shift to lower-income segments should be straightforward: *Mood* and *Ún1ca* share the same construction model and similar home layouts. The main challenge will be strengthening ties with CEF and better understanding clients, which likely explains the separate sales structure for *Ún1ca* (*Mood* and *Moura Dubeux* share their own). Both brands have grown to account for 25% of Moura's landbank.

Figure 22: Moura Dubeux - Landbank per brand (2Q25)

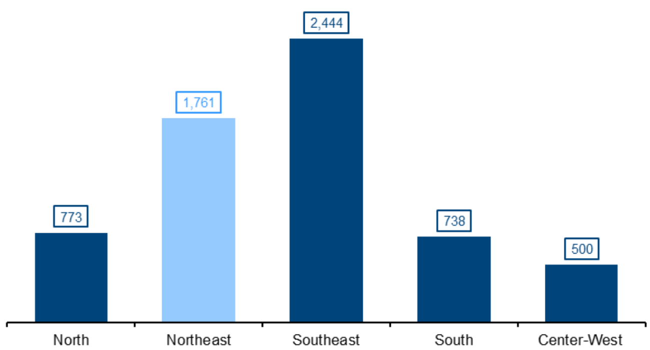


Source: Company, BTG Pactual

Low-income housing market in the Northeast

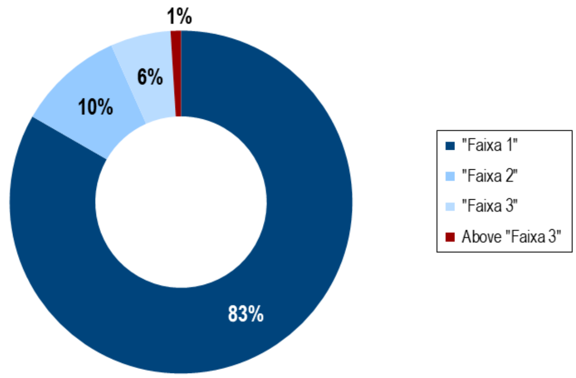
The low-income housing market in the Northeast is a very large and dynamic one. According to *Brain* data, 49% and 47% of units launched and sold in the last 5 years in the region were within the MCMV program. The housing deficit in the region helps in understanding this figure: one of the highest in Brazil (~39% of the total deficit, behind the Southeast), of which ~83% is concentrated in the lowest income bracket of the MCMV program (*Faixa 1*).

Figure 23: Housing deficit per region (# homes)



Source: Fundação João Pinheiro, IBGE, BTG Pactual

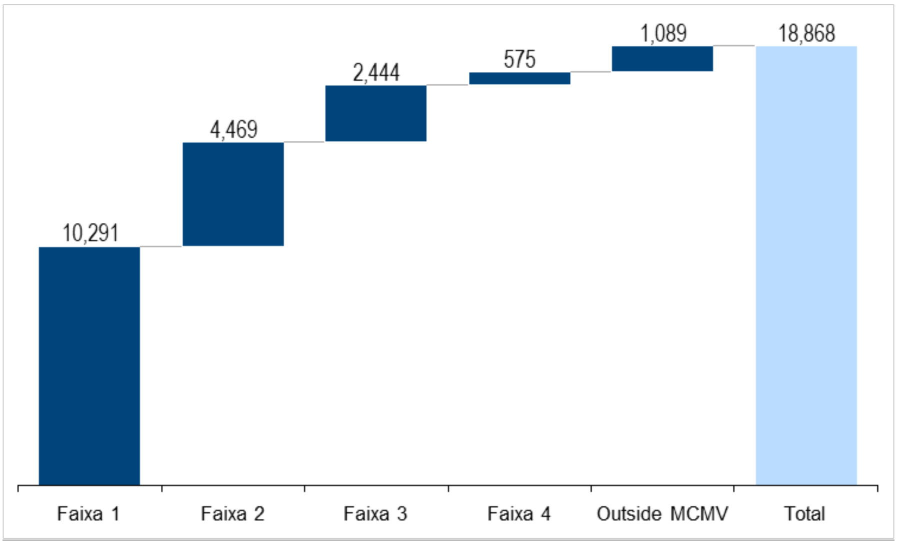
Figure 24: Deficit per income bracket in the Northeast



Source: Fundação João Pinheiro, IBGE, BTG Pactual

Although Moura Dubeux is not present in MCMV's " *Faixa 1*" and " *Faixa 2*", the addressable market for " *Faixa 3*" and " *Faixa 4*" remains meaningful (Figure 25), with potential to increase as (i) the middle class continues to grow in the region and (ii) the government continues to improve MCMV's conditions.

Figure 25: Estimated addressable market in the NE ('000 households)



Source: IBGE, FGTS, BTG Pactual

We view Moura Dubeux's exposure to the higher-income brackets of the MCMV program positively. As shown, demand is unlikely to be an issue, and exposure to brackets 3 and 4 (i) ensures the company operates with a product and customer profile similar to what it already knows well (mid-income), while also (ii) diversifying and protecting its revenue streams.

In addition, MDNE is also shielded from delays in regional complementary subsidy programs, since cash subsidies are only granted for MCMV's "Faixa *1*" and "*Faixa 2*". These have been an issue in some important cities in the region, notably Fortaleza (CE), as recently reported by some companies.

In addition, we see the homebuyers' profile of "*Faixa 3*" and "*Faixa 4*" a lot more similar to that of MDNE's *Mood* brand.

For more detailed description and data regarding the current scenario for low-income housing in Brazil, please refer to section "*Brazilian housing sector"*.

Main risks: growth and competition in the Northeast

As with any other great cases, there are risks involved in MDNE's equity story. Among the main ones, we highlight: (i) growth (can the condominium model and the Northeast region sustain Moura Dubeux’s ambitions?) and (ii) increasing competition (will the company maintain its leadership?).

Growth may be capped by the condominium model and NE market...

In our view, there are two main bottlenecks to Moura Dubeux's growth ambitions. The first one concerns the scalability of the condominium model. The fact that clients must settle the full price of the home (+ fees) during the construction cycle somewhat limits Moura’s customer base to the very top of the income pyramid, limiting the ability of scaling up the model.

Another concern is related to the mid/high-income market in the Northeast. While we see plenty of opportunities in the low-income space, launches excluding MCMV remain at low levels compared to 2010-2014. On top of that, the region (and its capital cities) has lower average income than other metropolitan regions.

It is important to note that, since we're forecasting ~R$4bn "stabilized" launches, we don't believe it takes aggressive growth premises for our upside to materialize, but still, if the market stalls or even shrinks ahead, it would hurt the equity story.

... and competition may also intensify

In a business with relatively low barriers to entry, we may see new players starting to operate in the Northeast, which could make it hard for Moura Dubeux to maintain (or increase) its market share in the region.

We haven’t seen newcomers to the market yet and believe that risks of intensifying competition seem far from reach. In a way, the fact that capitalized players with large experience in other (even more competitive) markets like SP failed to succeed in the Northeast attests to the intrinsically regional dynamic of the housing market in the region — one we believe Moura Dubeux understands and knows how to navigate.

We would also flag that, as we mentioned above, our "stabilized" launches forecast doesn’t necessarily imply large market share gains for Moura ahead. Anyhow, if competition increases, there are risks of lower profitability and/or sales volumes.

Buy rated, with a R$40/share target price (39% upside)

We are herein initiating coverage on Moura Dubeux's shares (ticker: MDNE3 BZ) with a BUY rating, as it combines (i) an asset-light business model (condominium), with a proven track record, (ii) a unique (dominant) positioning in the mid/high-income niche within the Northeast region, while also (iii) increasing its exposure to the (resilient) low-income segment.

We are setting our 12-month forward TP at R$40/share, offering a nice 39% upside potential. Our TP is based on a normalized "exit" multiple of 1.6x (P/TBV, ascribed via 1-stage Gordon Growth Model) and we also consider the mid-term carry (i.e. dividend payments plus TBVPS growth). Please see details in Table 2 below.

Table 2: Summary of our target price calculation

Target period	3Q26E
Tangible BV	2,000
Fair P/TBV Multiple	1.6x
Fair Value of Equity	3,248
# of Shares Outstanding	86
Dividends until 3Q26E (R$/share)	1.91
Target Price (R$/share)	40.00

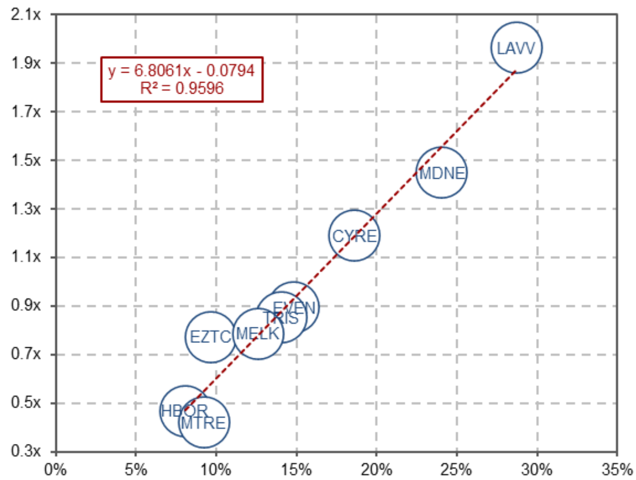
Source: Company, BTG Pactual

Valuation still seems very attractive

Valuation-wise, we also find Moura Dubeux in a very attractive position. We see the stock trading at 1.1x P/TBV (based on 2026E), which is compelling in light of our forecasted ROE and compared to other mid/high-income homebuilders in our coverage (recalling that most are not enjoying favorable momentum due to the deterioration of the macro scenario).

On a P/E basis, valuation catch the eyes: we see Moura Dubeux trading at 4.5x P/E 2026E, below most players in our coverage, mostly in light of its above average expected growth (2024-27E EPS CAGR of 30%).

Figure 26: Mid/high-income - P/TBV vs. ROE

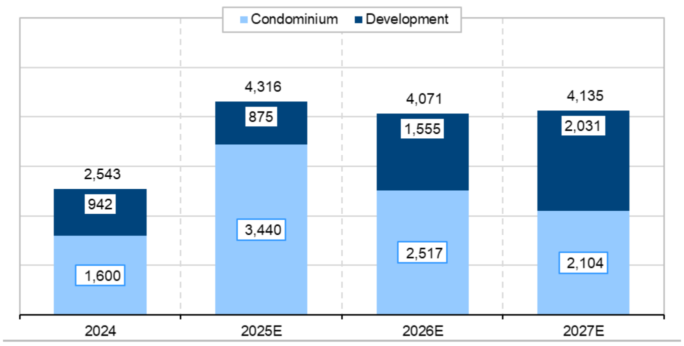


Source: Bloomberg, companies, BTG Pactual

Operational and financial forecasts

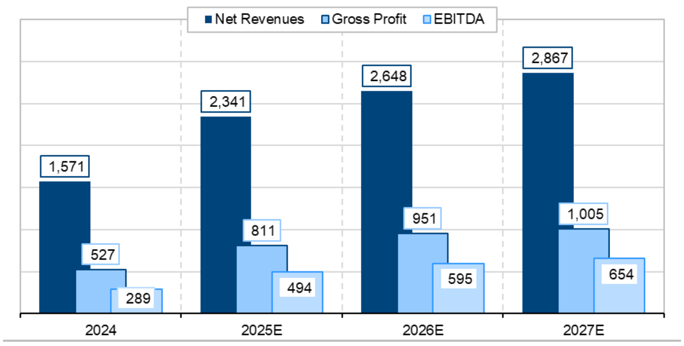
As aforementioned, we are assuming relatively conservative operational assumptions for Moura Dubeux going forward. We do not see 2025E launches (R$4.3bn) as the 'stabilized' level and forecast consolidated launches of R$4.07bn and R$4.13bn in 2026E and 2027E, respectively. Our assumptions also (conservatively) imply that the condominium model will lose share in the company's launches to allow for marginal growth capture from the *Mood* and *Ún1ca* brands (Figure 27).

Figure 27: MDNE - Launches breakdown (in R$mn)



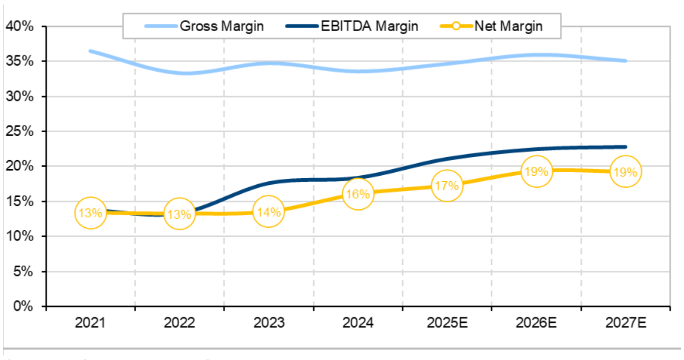
Source: Company, BTG Pactual

Figure 28: Revenues, gross profit and EBITDA (in R$mn)



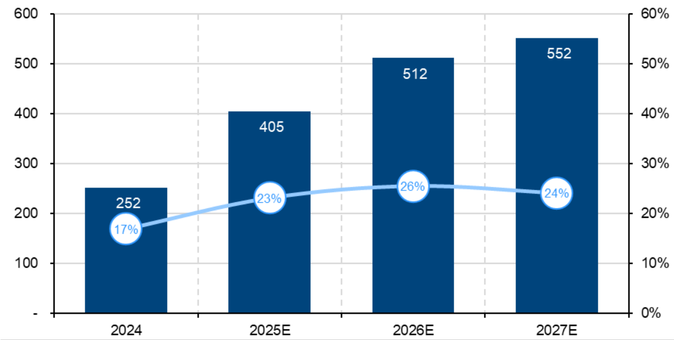
Source: Company, BTG Pactual

Figure 29: Gross, EBITDA e net margins (2021-2027E)



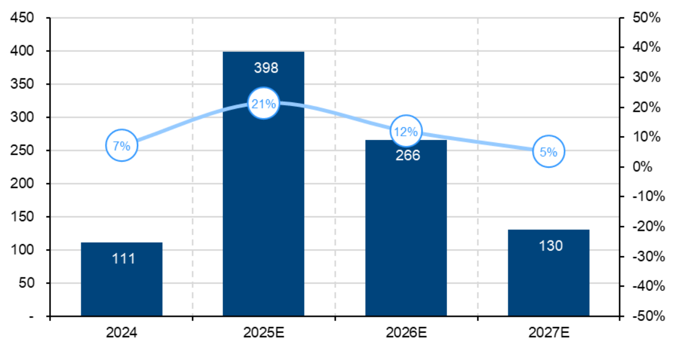
Source: Company, BTG Pactual

Figure 30: Net income (R$mn) and expected ROE (%)



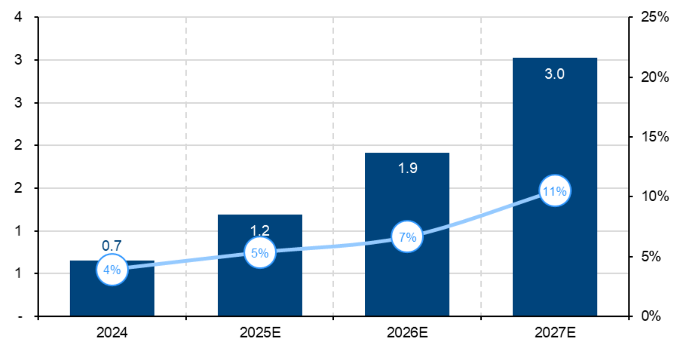
Source: Company, BTG Pactual

Figure 31: Net debt (R$mn) and ND/Equity ratio (%)



Source: Company, BTG Pactual

Figure 32: DPS estimates (R$/sh) and dividend yield (%)



Source: Company, BTG Pactual

In Table 3 below, we show a summary of our operating and financial forecasts

(2024-2027E), the basis of our valuation model.

Table 3: Summary of our forecasts (R$mn, unless otherwise stated)

Launches and Sales (R$m)	2024	2025E	2026E	2027E
Launches' Value (co%)	**2,542,688**	**4,315,670**	**4,071,466**	**4,134,862**
Launches - Condominium (co%)	1,600,230	3,440,500	2,516,725	2,103,983
Launches - Development (co%)	942,458	875,171	1,554,740	2,030,880
Contracted Sales (co%)	**2,389,949**	**4,012,159**	**4,099,917**	**4,313,735**
Income statement	**2024**	**2025E**	**2026E**	**2027E**
Gross Revenues	**1,634,382**	**2,434,250**	**2,747,691**	**2,969,574**
Deductions	**(63,642)**	**(92,799)**	**(99,754)**	**(103,044)**
Net Revenues	**1,570,740**	**2,341,451**	**2,647,937**	**2,866,530**
Operating Costs	**(1,043,410)**	**(1,530,244)**	**(1,697,055)**	**(1,861,561)**
Gross Profit	**527,330**	**811,207**	**950,882**	**1,004,969**
Operating (Expenses) Income	**(236,569)**	**(353,332)**	**(403,335)**	**(416,760)**
EBITDA	**288,764**	**493,874**	**595,327**	**653,679**
Income Before Taxes on Income	**290,761**	**457,875**	**547,547**	**588,209**
Income Tax and Social Contribution	**(31,508)**	**(38,582)**	**(40,296)**	**(42,207)**
Minority Interest	**440**	**(1,651)**	**(2,305)**	**(1,635)**
Net Earnings	**252,210**	**404,890**	**511,713**	**551,569**
Gross Margin	**35.5%**	**36.0%**	**36.8%**	**36.9%**
EBITDA Margin	**18.4%**	**21.1%**	**22.5%**	**22.8%**
EBIT Margin	**17.7%**	**20.4%**	**21.8%**	**22.2%**
EPS	**3.00**	**4.80**	**6.05**	**6.52**

Source: Company, BTG Pactual

Company Profile

Moura Dubeux is a niche homebuilder operating in Brazil's Northeast region, mainly within the mid/high-income segments. The company was founded in 1983 by brothers Aluisio, Marcos, and Gustavo (Chairman) Moura Dubeux, and was formally established in 1987, delivering its first project in 1990.

Today, the company operates in seven states across the NE, under five different brands: (i) *Moura Dubeux*, focused on the mid/high-income niche; (ii) Mood, founded in 2022 and targeting the mid-income niche (and, more recently, MCMV's Faixa 4); (iii) Ún1ca, launched in 2024 to operate under MCMV's Faixa 3; (iv) Beach Class, targeting the second-home market; and (v) ITC, focused on the corporate segment. Moura also has its own sales force (MD Vendas), currently responsible for ~50% of total sales.

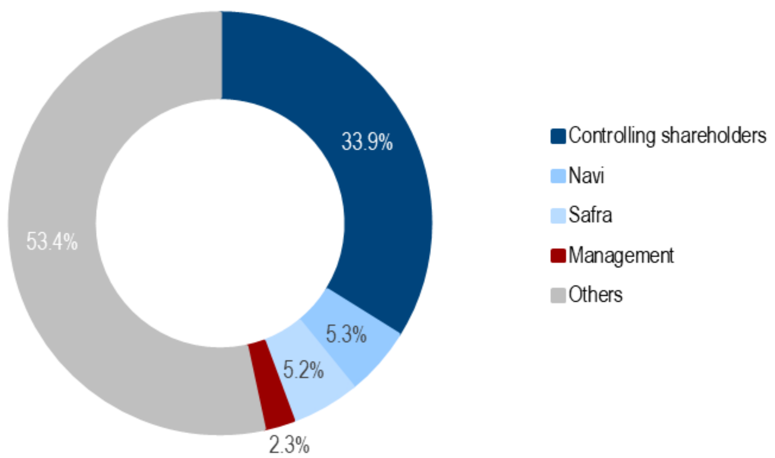
The company operates under two business models. The first is the construction works administration model (condominium), which Moura pioneered in the region; the second is traditional real estate development. In 2024, the company launched R$1.6bn under the condominium model and R$942mn under the development format.

Moura Dubeux IPOed in February 2020, raising R$1.04bn to support its growth ambitions while sustaining a healthy balance sheet.

Shareholder Structure

Moura Dubeux remains a family-owned company, with the controlling shareholders holding ~36% of total shares. Among relevant shareholders, Navi and Safra Asset hold 5.3% and 6.4% of shares, respectively, while the free float accounts for ~52%. MDNE3 trades on B3's Novo Mercado segment, the highest corporate governance degree, with an ADTV of ~R$18mn.

Figure 33: Moura Dubeux's Shareholder Structure



Source: Company, BTG Pactual

Brief Company History

Moura Dubeux was founded in 1983 in Recife-PE by brothers Aluisio, Marcos, and Gustavo (Chairman) Moura Dubeux with the goal of developing a single high-income building under the condominium regime. The company was formally established in 1987 and delivered its first project in 1990 (*Morada dos Apipucos*).

Since then, Moura Dubeux has focused on expanding its presence through the condominium model in the high/mid-income niche across the Northeast region. In 2007, the company began operating in Fortaleza-CE, Natal-RN, Maceió-AL, and Salvador-BA, and in 2022, it expanded to Aracaju-SE and João Pessoa-PB. Today, Moura Dubeux is active in seven states in the Northeast and is the market leader in four metropolitan regions: Recife, Salvador, Fortaleza, and Natal.

Diversifying its product portfolio has also been a priority: the company launched the Beach Class Suite line in 1999 (targeting the second-home market), the Vivex brand in 2006 (targeting the low-income segment), and more recently, launched *Mood* (mid-income niche and MCMV's Faixa 4) and *Ún1ca* (focused on MCMV Faixa 3).

After navigating a challenging market environment during the 2016–2018 cycle, Moura Dubeux went public in February 2020, raising R$1.04bn to support its growth ambitions while sustaining a healthy balance sheet.

Management and Board of Directors

Moura Dubeux's management team brings deep expertise in the real estate sector, with most of its leaders having built long-standing careers at the company. Below, we present the bios of Moura Dubeux's statutory officers:

- **Diego Villar (CEO):** A civil engineer, Mr. Villar holds specialization degrees in Finance (IBMEC) and Project Management (FGV), as well as an Executive MBA from Fundação Dom Cabral and Kellogg. He has over 14 years of experience in the real estate sector and was appointed CEO in 2019.

- **Diego Wanderley (CFO):** Holds a degree in Business Administration from UFPE, an MBA in Finance from IBMEC, and an MBA in Controllership from Universidade Estácio de Sá. He joined Moura Dubeux in 2014 as a financial analyst and has worked in Investment Analysis, Strategic Planning and Controllership. He participated in the company's IPO in 2020 and served as Controller from 2021 to 2023.

- **Diogo Barral (IRO):** A civil engineer graduated from Universidade Católica de Pernambuco, Mr. Barral began his career at Moura Dubeux in 2006 as an intern and remained in the Engineering area until 2019. He was Investor Relations Manager from 2020 to 2023 and is currently the company's Investor Relations Officer.

- **Carlos Gentil (Engineering Officer):** Mr. Gentil holds a Civil Engineering degree from Universidade Federal de Sergipe and an MBA in Business Management from FGV. He has over 30 years of experience in real estate construction and has served as Engineering Officer for more than 20 years.

- **Eduardo Moura (Regional Incorporation Officer – Pernambuco):** Mr. Moura holds a Civil Engineering degree from Universidade Católica de Pernambuco (UNICAP). He joined Moura Dubeux in 1991 as a construction intern and has since held several positions within the company. He currently serves as Regional Incorporation Officer for the state of Pernambuco.

- **Fernando Amorim (Regional Incorporation Officer – Bahia and Ceará):** Mr. Amorim graduated in Civil Engineering from Universidade de Pernambuco (UPE) and holds a postgraduate degree in Quality Management in Civil Construction from the same institution. He joined Moura Dubeux in 1993 and has circulated in many areas. Since 2010, he has been a statutory Regional Officer, currently overseeing operations in Bahia and Ceará.

- **Homero Moutinho (Regional Incorporation Officer – RN, PB, AL and SE):** Mr. Moutinho holds a Civil Engineering degree and a postgraduate degree in Quality Management in Civil Construction from Universidade de Pernambuco (UPE), as well as an MBA in Real Estate and Construction Management from FGV. He joined Moura Dubeux in 1994 as a construction intern and has held several leadership roles. He currently oversees incorporation in Rio Grande do Norte, Paraíba, Alagoas, and Sergipe.

Moura Dubeux's Board of Directors is composed of founding partners with deep institutional knowledge and independent members with extensive experience in corporate finance, strategy, and governance. Below we present the bios of the company's board members:

- **Gustavo Dubeux (Chairman):** Mr. Dubeux is a founding partner of Moura Dubeux and currently serves as Chairman of the Board. He held executive roles at the company from its inception in 1983. He also served in the Pernambuco state government, was the VP of Legislation and Tax Policy at ADEMI/PE and is a member of the American Chamber of Commerce (AMCHAN). He holds a Civil Engineering degree from UFPE and is a certified board member by the IBGC.

- **Aluísio Dubeux (Member)**: Mr. Dubeux is also a founding partner of Moura Dubeux and has held executive positions at the company since 1983. He earned a Civil Engineering degree from the Federal University of Pernambuco and previously worked at Queiroz Galvão S.A. from 1977 to 1983.

- **Marcos Dubeux (Member):** Mr. Dubeux is a founding partner of the company and has held several executive roles at Moura Dubeux since 1983. He worked as an engineer at Companhia Hidroelétrica do São Francisco (1975–1978) and served as General Director of the Highway Terminal Department for the Pernambuco state government (1978–1982). He was also a founder and President of the state's Tourism Cluster and served as Director of Real Estate Affairs at Sinduscon-PE. He holds degrees in Electrical Engineering (UFPE) and Business Administration (UPE).

- **Geraldo Pinto Filho (Independent Member):** Mr. Pinto Filho holds a degree in Economics from UFMG and completed executive programs at Kellogg School of Management (Northwestern University) and INSEAD. He is Managing Partner at November 17th, a consultancy focused on corporate finance, strategic planning, M&A, valuation, and executive coaching for mid-sized and large companies.

- **Gustavo Ribas (Independent Member):** Mr. Ribas is CEO of Navi Group. Previously, he worked for 3G Group (2012–2019), including roles at 3G Capital and as global treasury director at Burger King. He began his career at BBM Bank and later worked at Itaú Asset. He holds degrees in Economics (UFRJ) and Law (UERJ), and a master's in Finance from FGV.

- **Eric Alencar (Independent Member):** Mr. Alencar holds a Mechanical Engineering degree from USP and an MBA in Finance and Management from The Wharton School. He has held CFO and IRO roles at companies such as Cyrela, Grupo Oncoclínicas, and Aché Laboratórios, and served on the board of Gafisa. He is currently the CFO of Carrefour Brasil Holding.

Brazil housing sector

The Brazilian housing sector began 2025 on a solid note, despite concerns regarding the deteriorating macroeconomic environment. Overall, companies are experiencing: (i) resilient demand, with sales consistently remaining at elevated levels; (ii) controlled construction costs and (iii) robust government housing programs, which continue to support demand in the low-income segment.

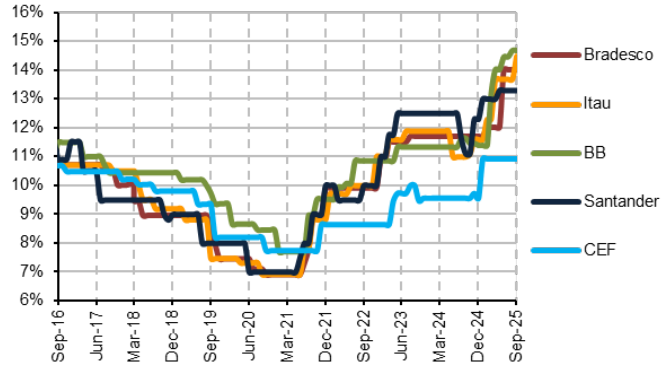
It is important to highlight the contrasting dynamics between the low-income and mid/high-income segments. While mid/high-income homebuyers face challenges stemming from rising mortgage rates and home prices, low-income buyers are largely insulated from this trend, given the subsidized nature of federal programs.

In a nutshell, we expect companies focused on higher-income customers to face difficulties in sustaining current levels of sales and launches, whereas players targeting the low-income segment should continue to expand with strong profitability. Below, we detail the specific dynamics of each segment, outlining their main growth drivers and key constraints.

Mid/high-income segment

Given the current macroeconomic outlook, we believe it should be difficult for mid/high-income homebuilders to sustain the strong sales levels observed in recent years. Mortgage rates are now rising (even higher than during the 2014–2017 downturn cycle) and, according to our estimates, every 100bps increase in mortgage rates reduces households' borrowing capacity by 8–9%, severely impacting affordability (thus, demand).

Figure 34: Mortgage rates for mid/high-income homebuyers (SBPE)



Source: Bradesco, Itaú, Banco do Brasil, Santander, CEF, BTG Pactual

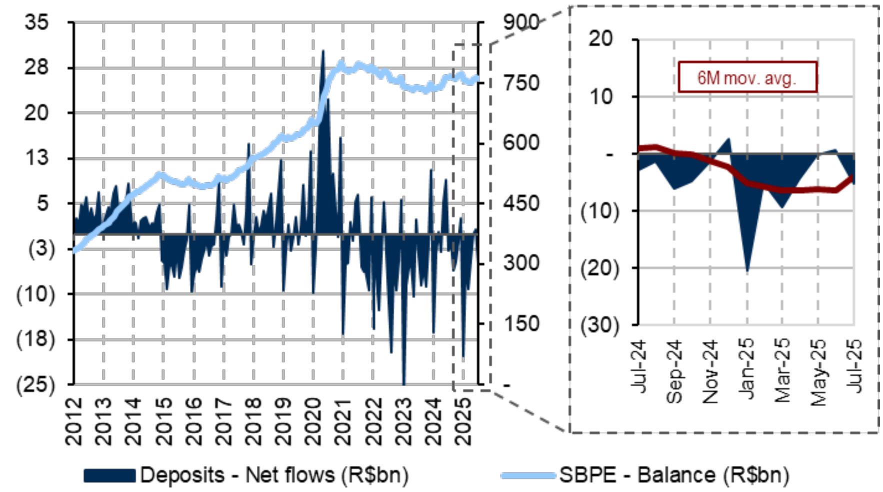
Figure 35: Mid/high-income homebuyers' affordability index (% of monthly household income)

Source: Central Bank, Secovi, IBGE, BTG Pactual

One of the main reasons why affordability and home sales have not deteriorated further is the resilience in household income (growing a bit), supported by improving labor market conditions. While this is positive for the sector, we believe the upside is limited going forward (i.e. we might be at the peak).

Additionally, Brazil now faces the highest Selic rate level (15.0% p.a.) since 2006 and, although no further hikes are expected, the rate is projected to remain elevated through at least the end of 2026. Since savings accounts (#1 source of funding for mid/high-income HBs) have been suffering massive withdrawals recently (R$48bn YTD outflows), we expect the recovery in sector funding to take longer to materialize, even if interest rates decline.

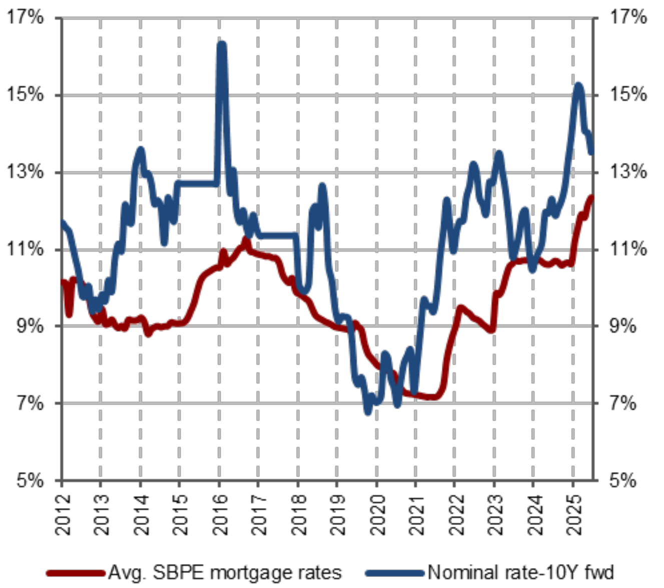
Figure 36: Savings deposits, net flows and overall result (R$bn, nominal terms)



Source: Brazilian Central Bank, BTG Pactual

At current interest rate levels, we believe it is unlikely that savings accounts, which offer a fixed return of TR+6.0% p.a., will attract new inflows. Historical data show that mortgage rates are closely tied to long-term sovereign yields; when these yields rise, savers tend to reallocate capital toward more profitable fixed income instruments. This behavior is behind recent outflows from savings accounts, further constraining the sector's funding base.

Figure 37: Mortgage rates vs. 10-year sovereign rates



Source: Brazil Central Bank and BTG Pactual

Figure 38: Regression: Mortgage rates x Sovereign rates

Source: Brazil Central Bank and BTG Pactual

Therefore, we believe investors should adopt a more selective approach to stock picking. In our view, listed homebuilders are relatively well positioned to navigate a potential recovery, supported by: (i) solid balance sheets (leverage levels below historical averages); (ii) robust landbanks, which enable a rapid acceleration in launches should demand persist; (iii) market share gains (bigger players are more capitalized and professionalized) and (iv) increased exposure to the MCMV program, which offers greater resilience in a challenging macroeconomic environment.

Low-income segment

Developers operating in the low-income housing segment continue to face a highly favorable environment. The strong performance observed in recent years is supported by: (i) robust demand, underpinned by a large addressable market; (ii) attractive conditions under the MCMV program; and (iii) funding availability, given the government's strong commitment to the segment. As such, affordability has improved significantly, driving a substantial increase in sales and launches in the niche.

Figure 39: Low-income homebuyers' affordability index (% of monthly household income)

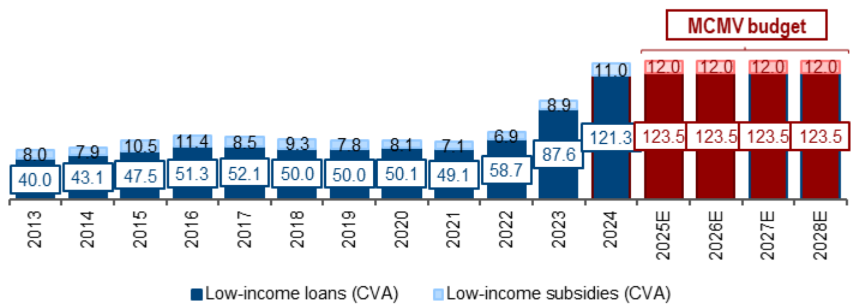
Source: Central Bank, Secovi, IBGE, BTG Pactual

Figure 40: Low-income housing addressable market (# of eligible households)

Source: Central Bank, Secovi, IBGE, BTG Pactual

While funding availability for the MCMV program is a key factor to monitor, we do not see funding as a constraint for companies. The program is financed through the FGTS (Brazilian workers' severance fund) with the current budget for low-income housing at R$152bn/year, a figure that has been gradually increasing in recent years. Furthermore, we believe the FGTS fund maintains a sufficiently robust balance sheet to sustain this level of funding (for more details, see "FGTS shouldn't be a bottleneck for MCMV (yet)").

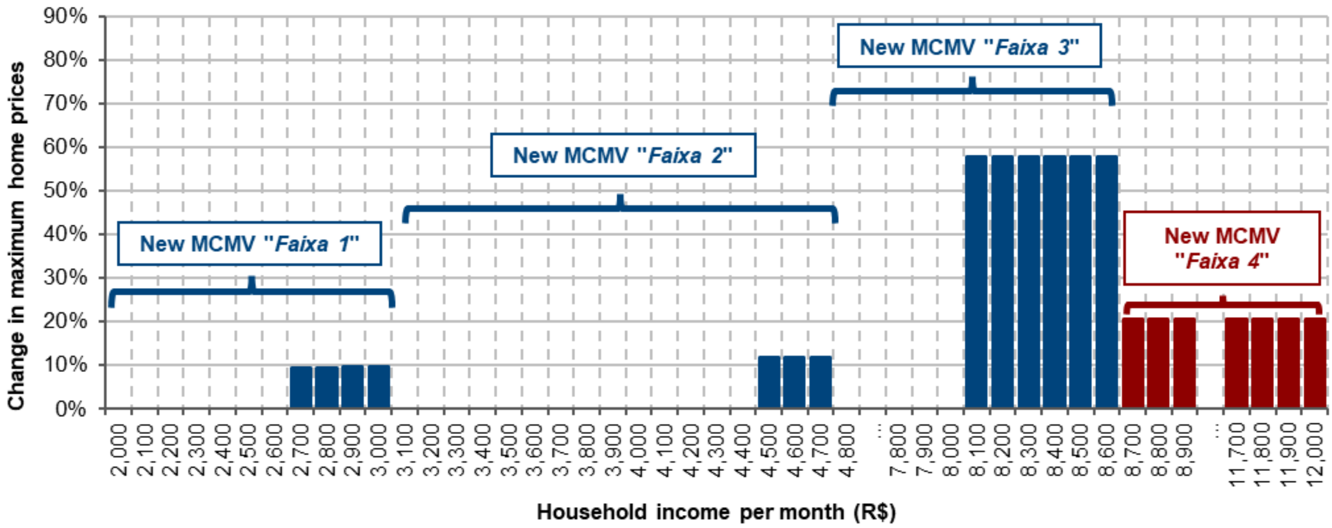
Figure 41: MCMV - Budget evolution (R$bn)



Source: FGTS, BTG Pactual

Low-income housing programs have always been a priority to the federal government and underwent a series of positive adjustments in recent years. The most recent update (Apr/25) included: (i) an increase in the income eligibility threshold; (ii) a rise in the home price cap to R$500k, up from the previous R$350k; and (iii) the creation of “Faixa 4”, a new income bracket targeting mid-income households.

Figure 42: Maximum home price increase a household can pay after new changes in MCMV program



Source: ABRAINC, BTG Pactual

Table 4: Changes to the MCMV program – higher income eligibility in all brackets + MCMV "Faixa 4"

Old MCMV	Income/month	Mortgage rates				Subsidy	New MCMV	Income/month	Mortgage rates				Subsidy
		Without FGTS deposit		With FGTS deposit					Without FGTS deposit		With FGTS deposit		
		SE, S, MW	NE, N	SE, S, MW	NE, N	R$			SE, S, MW	NE, N	SE, S, MW	NE, N	R$
"Faixa 1"	**up to R$2,600**	4.75%	4.50%	4.25%	4.00%	55,000	**"Faixa 1"**	**up to R$2,850**	4.75%	4.50%	4.25%	4.00%	55,000
"Faixa 2"	**R$2,600-3,000**	5.50%	5.25%	5.00%	4.75%	21,149	**"Faixa 2"**	**R$2,850-3,000**	5.50%	5.25%	5.00%	4.75%	21,149
"Faixa 2"	**R$3,000-3,700**	6.00%	6.00%	5.50%	5.50%	12,741	**"Faixa 2"**	**R$3,000-3,700**	6.00%	6.00%	5.50%	5.50%	12,741
"Faixa 2"	**R$3,700-4,400**	7.00%	7.00%	6.50%	6.50%	2,709	**"Faixa 2"**	**R$3,700-4,700**	7.00%	7.00%	6.50%	6.50%	2,709
"Faixa 3"	**R$4,400-8,000**	8.16%	8.16%	7.66%	7.66%	0	**"Faixa 3"**	**R$4,700-8,600**	8.16%	8.16%	7.66%	7.66%	0
SBPE	**R$8,000-12,000**	11-13%	11-13%	11-13%	11-13%	n.a.	**"Faixa 4"**	**R$8,600-12,000**	10.50%	10.50%	10.50%	10.50%	0

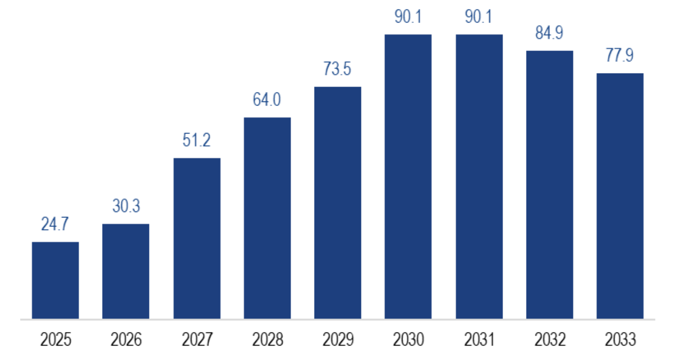
Source: FGTS, ABRAINC, BTG Pactual

The new MCMV "Faixa 4" targets households earning R$8,600–12,000/month, with mortgage rates of TR+10.5% p.a. and a maximum home price of R$500k. Homebuyers in this income bracket were previously eligible for SBPE mortgage conditions, meaning the new terms should boost their buying power by ~20%. As previously mentioned, Moura Dubeux operates in Faixa 4 through its *Mood* brand.

It is also worth noting that additional funding for Faixa 4 came from the pre-salt Social Fund (R$30bn budget). According to our analysis (see here), we believe the Social Fund is sustainable in the LT (healthy inflow of resources from pre-salt oil royalties) and could become a “recurring” funding source for the MCMV program.

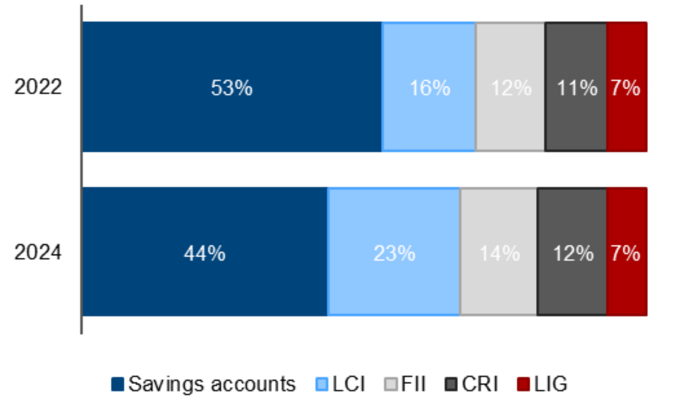
Overall, our view is that Faixa 4 could provide a structural boost to mid-income housing (the segment naturally most vulnerable to macro conditions) at a time when savings accounts are experiencing significant outflows (as shown).

Figure 43: Est. Social Fund inflows per year (R$bn)



Source: BTG Pactual

Figure 44: Funding structure - Mid/high-income



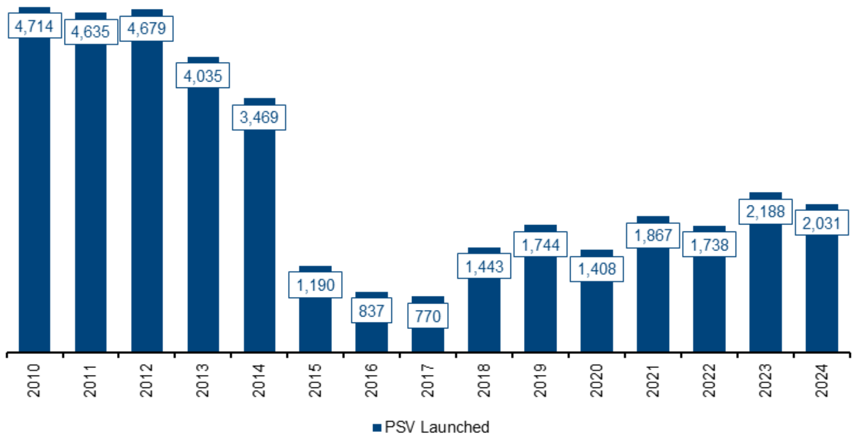
Source: ABRAINC, BTG Pactual

In summary, we maintain a positive stance on the low-income segment, as (i) program conditions remain highly attractive, supporting affordability and, consequently, housing demand, and (ii) companies are showing strong earnings momentum, driven by substantial growth in launches and sales, combined with high profitability.

Appendix

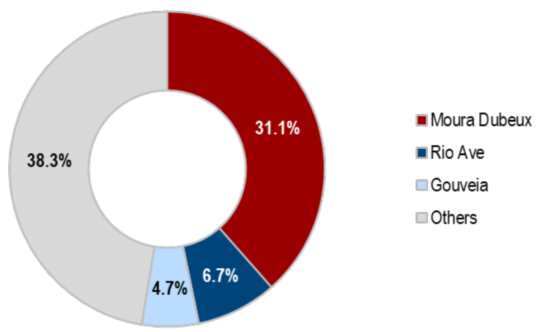
Recife

Figure 45: Launches - Mld/high-income segment (R$mn)



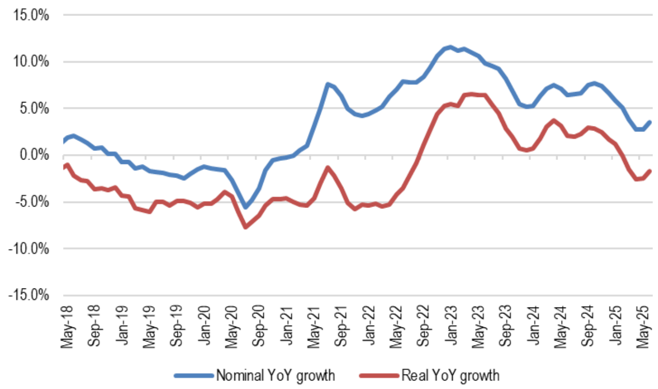
Source: Company, Prática, BTG Pactual

Figure 46: Market share (%; in PSV terms*)



Source Company, Prática, BTG | *Considering launches of the last 10 years

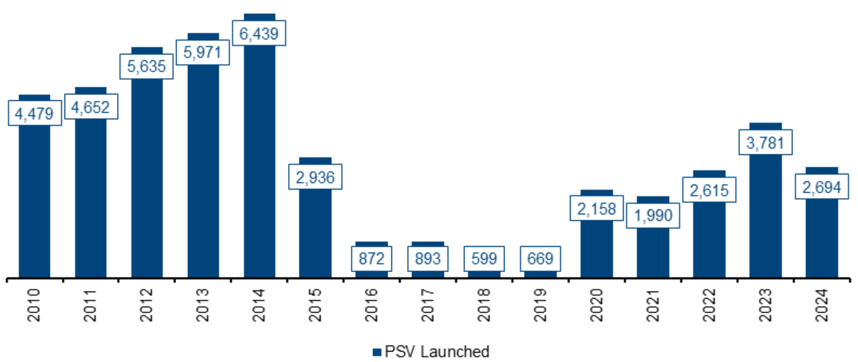
Figure 47: Home prices nominal and real growth (%)



Source: Fipezap, BTG Pactual

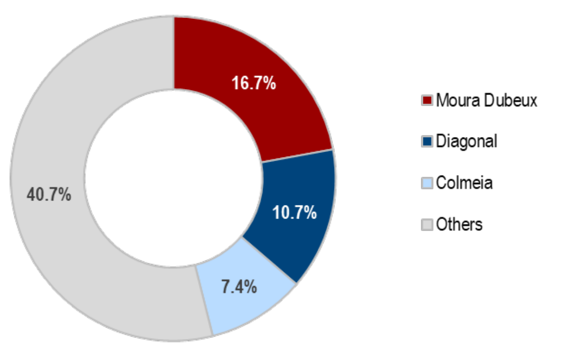
Fortaleza

Figure 48: Launches - Mld/high-income segment (R$mn)



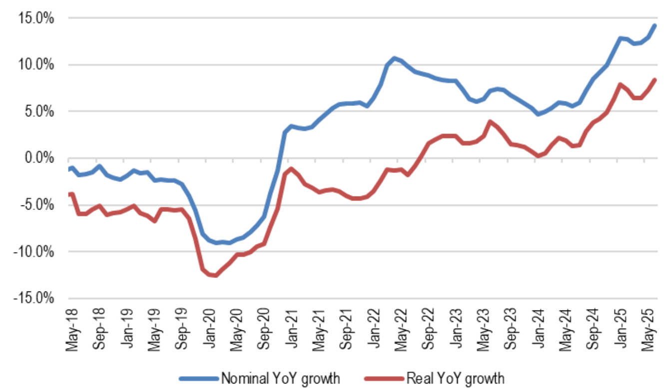
Source: Company, Prática, BTG Pactual

Figure 49: Market share (%; in PSV terms*)



Source Company, Prática, BTG | *Considering launches of the last 10 years

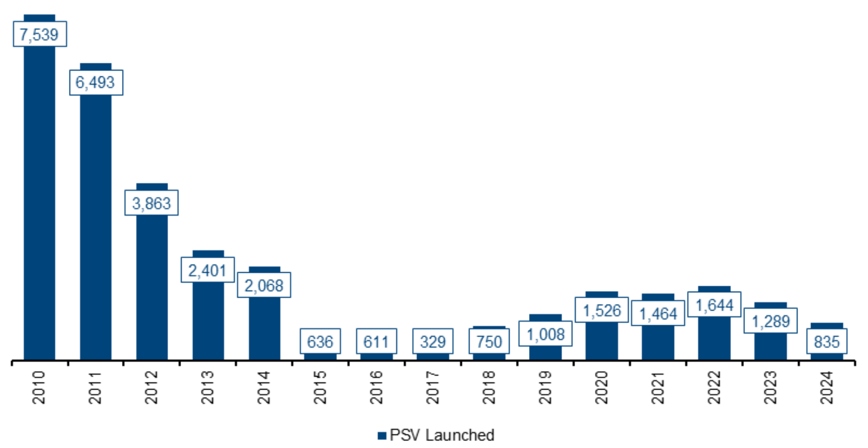
Figure 50: Home prices nominal and real growth (%)



Source: Fipezap, BTG Pactual

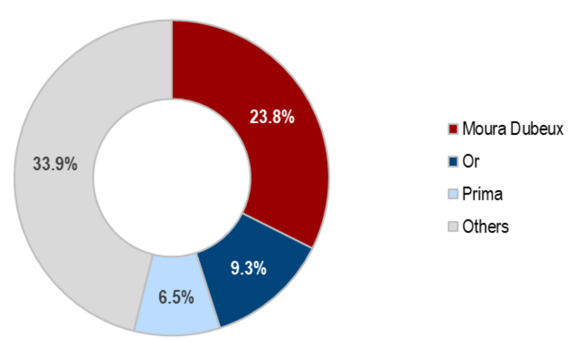
Salvador

Figure 51: Launches - Mld/high-income segment (R$mn)



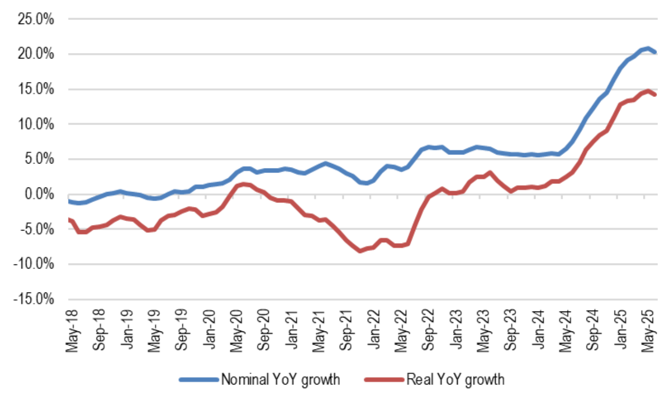
Source: Company, Prática, BTG Pactual

Figure 52: Market share (%; in PSV terms*)



Source Company, Prática, BTG | *Considering launches of the last 10 years

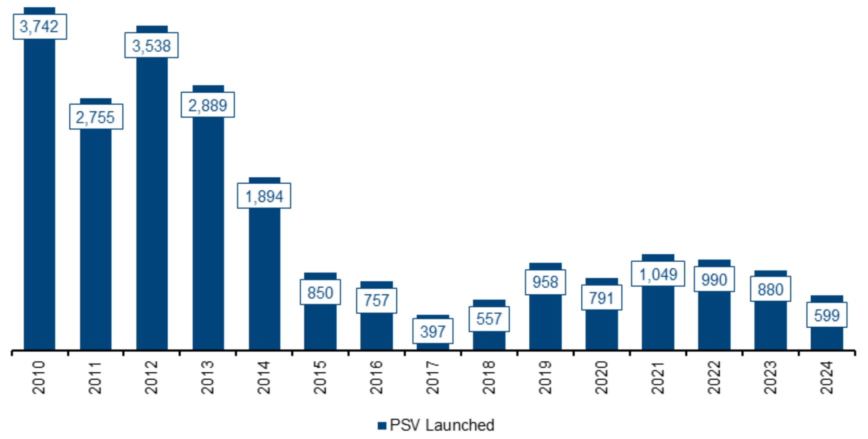
Figure 53: Home prices nominal and real growth (%)



Source: Fipezap, BTG Pactual

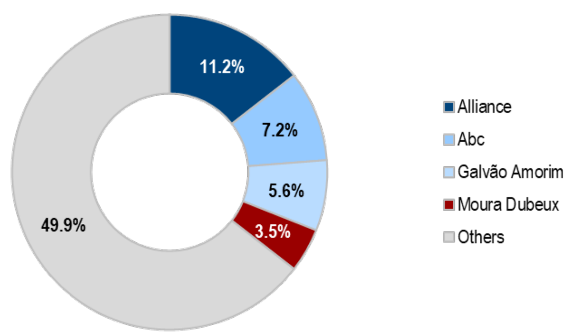
João Pessoa

Figure 54: Launches - MId/high-income segment (R$mn)



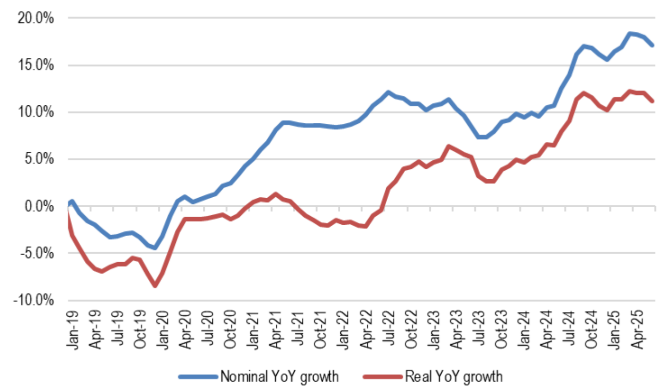
Source: Company, Prática, BTG Pactual

Figure 55: Market share (%; in PSV terms*)



Source Company, Prática, BTG | *Considering launches of the last 10 years

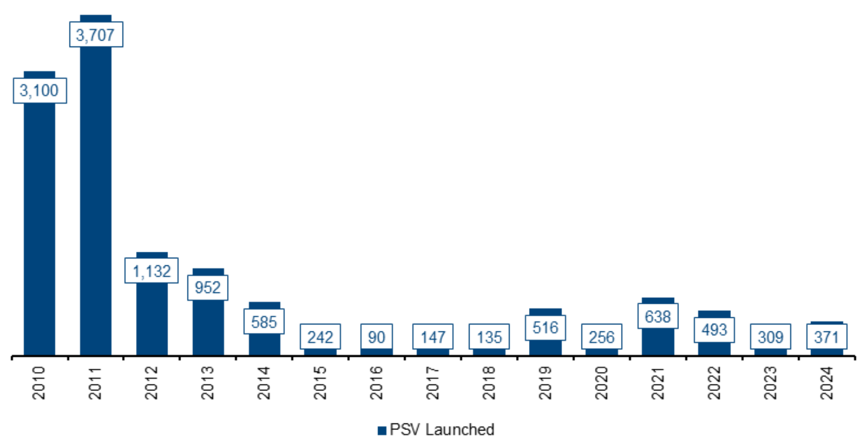
Figure 56: Home prices nominal and real growth (%)



Source: Fipezap, BTG Pactual

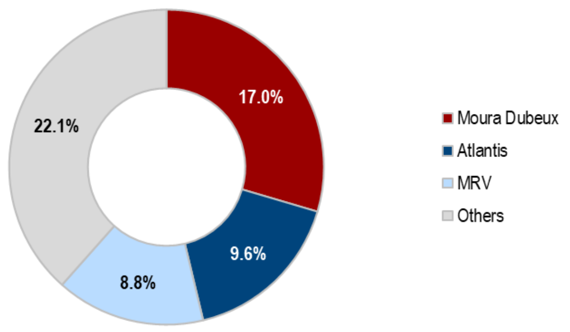
Natal

Figure 57: Launches - MId/high-income segment (R$mn)



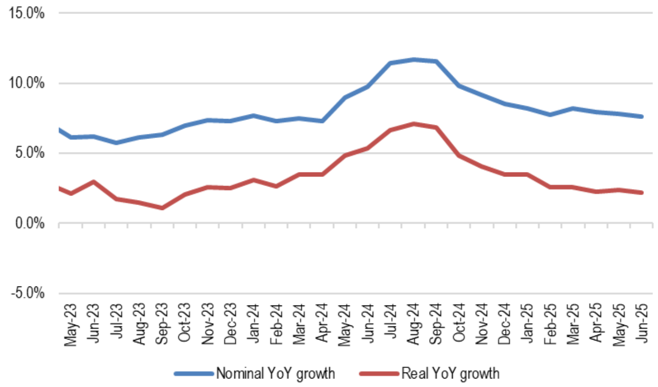
Source: Company, Prática, BTG Pactual

Figure 58: Market share (%; in PSV terms*)



Source Company, Prática, BTG | *Considering launches of the last 10 years

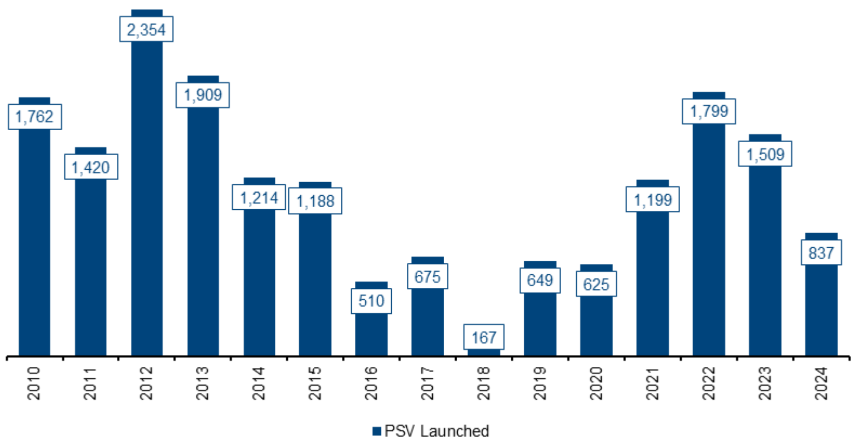
Figure 59: Home prices nominal and real growth (%)



Source: Fipezap, BTG Pactual

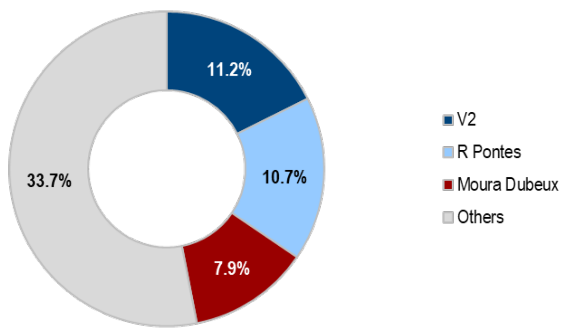
Maceió

Figure 60: Launches - MId/high-income segment (R$mn)



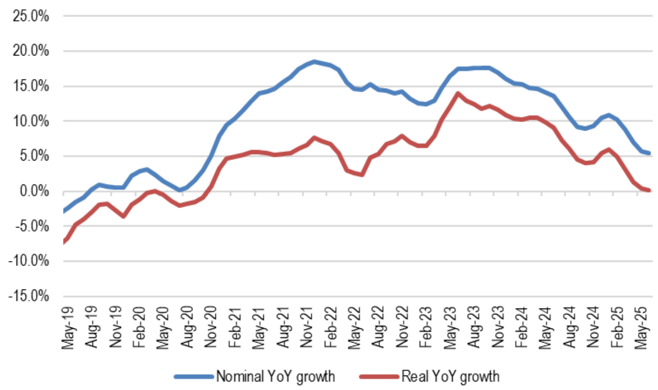
Source: Company, Prática, BTG Pactual

Figure 61: Market share (%; in PSV terms*)



Source Company, Prática, BTG | *Considering launches of the last 10 years

Figure 62: Home prices nominal and real growth (%)



Source: Fipezap, BTG Pactual

Moura Dubeux

Income Statement (mn)	12/2023	12/2024	12/2025E	12/2026E	12/2027E
Revenue	1,151	1,571	2,341	2,648	2,867
Operating expenses (ex depn)	(936)	(1,279)	(1,849)	(2,048)	(2,239)
EBITDA (BTG Pactual)	179	259	463	571	600
Depreciation	(8)	(10)	(16)	(18)	(18)
Operating income (EBIT, BTG Pactual)	172	249	446	553	582
Other income & associates	0	0	0	0	0
Net Interest	21	42	11	(5)	6
Abnormal items (pre-tax)	0	0	0	0	0
Profit before tax	193	291	458	548	588
Tax	(38)	(39)	(51)	(34)	(35)
Profit after tax	156	252	407	514	553
Abnormal items (post-tax)	0	0	0	0	0
Minorities / pref dividends	0	0	(2)	(2)	(2)
Net Income (local GAAP)	156	252	405	512	552
Adjusted Net Income	156	252	405	512	552
Tax rate (%)	19	13	11	6	6
Per Share	12/2023	12/2024	12/2025E	12/2026E	12/2027E
EPS (local GAAP)	1.86	3.01	4.78	6.05	6.52
EPS (BTG Pactual)	1.86	3.01	4.78	6.05	6.52
Net DPS	0.00	0.65	1.19	1.91	3.02
BVPS	16.02	18.38	21.92	26.06	29.55
Cash Flow (mn)	12/2023	12/2024	12/2025E	12/2026E	12/2027E
Net Income	156	252	405	512	552
Depreciation	8	10	16	18	18
Net change in working capital	(314)	(253)	(749)	(211)	(154)
Other (operating)	0	0	0	0	0
Net cash from operations	(150)	9	(328)	318	416
Cash from investing activities	(20)	(26)	119	(24)	(25)
Cash from financing activities	218	119	43	(107)	(194)
Bal sheet chge in cash & equivalents	48	102	(165)	187	197
Balance Sheet (mn)	12/2023	12/2024	12/2025E	12/2026E	12/2027E
Cash and equivalents	302	405	239	426	623
Other current assets	2,782	3,374	4,578	4,815	5,069
Total current assets	3,084	3,778	4,817	5,241	5,693
Net tangible fixed assets	56	71	98	98	98
Net intangible fixed assets	3	5	4	4	4
Investments / other assets	295	294	132	138	145
Total assets	3,438	4,148	5,052	5,482	5,941
Trade payables & other ST liabilities	1,758	2,097	2,552	2,577	2,678
Short term debt	339	511	619	674	735
Total current liabilities	2,097	2,608	3,171	3,251	3,414
Long term debt	4	4	18	18	18
Other long term liabilities	0	0	0	0	0
Total liabilities	2,101	2,612	3,189	3,269	3,432
Equity & minority interests	1,338	1,536	1,863	2,213	2,509
Total liabilities & equities	3,438	4,148	5,052	5,482	5,941

Company Profile

Moura Dubeux is a leading homebuilder in the Northeast of Brazil, with over 40 years of experience. Founded in 1983 in Recife (PE), the company began with a high-end residential project under the condominium model. It has since delivered over 250 projects and 25,000 housing units across seven states. With a strong track record in upper-standard developments, it also operates brands for mid- and low-income segments. Moura Dubeux IPOed in 2020 and is listed on B3's Novo Mercado under the ticker MDNE3.

Financial ratios	12/2023	12/2024	12/2025E	12/2026E	12/2027E
EBITDA margin	15.6%	16.5%	19.8%	21.6%	20.9%
Operating margin	14.9%	15.8%	19.1%	20.9%	20.3%
Net margin	13.5%	16.1%	17.3%	19.3%	19.2%
RoE	12.4%	17.5%	23.9%	25.2%	23.4%
RoIC	18.8%	20.4%	25.6%	24.7%	24.1%
EBITDA / net interest	-8.4x	-6.1x	-40.4x	105.1x	-93.8x
Net debt / EBITDA	0.2x	0.4x	0.9x	0.5x	0.2x
Total debt / EBITDA	1.9x	2.0x	1.4x	1.2x	1.3x
Net debt / (net debt + equity)	2.9%	6.7%	17.6%	10.7%	4.9%

Source: Company reports and BTG Pactual estimates. Valuations: based on the last share price of that year(E) based on share price as of 24-Sep-2025

Disclosures

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Buy	Expected total return 10% above the company's sector average.	64%	54%
Neutral	Expected total return between +10% and -10% the company's sector average.	34%	50%
Sell	Expected total return 10% below the company's sector average.	2%	40%

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Moura Dubeux	R$28.77/US$5.40	2025-09-24

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Statement of Risk

Moura Dubeux. [BRMDNE] - Risks to the sector include: 1) high degree of sensitivity to Brazilian macroeconomic conditions, especially interest rates and overall availability of mortgage financing; 2) changes to regulatory environment; and 3) management of a long working capital cycle. Risks to Moura Dubeux would include: 1) concentration in NE high-end market.

Valuation Methodology

Moura Dubeux. [BRMDNE] - Our 12-month forward price target is based on a 3-year Dividend Discount Model (DDM) IRR framework, in which we factor in not only a normalized exit multiple (P/TBV, ascribed via 1-stage Gordon Growth Model) but also the medium-term carry (i.e. dividend payments and/or TBVPS growth).