



# OPERATIONAL PREVIEW

## 2Q21

# MRV & CO



SENSIA  
INCORPORADORA



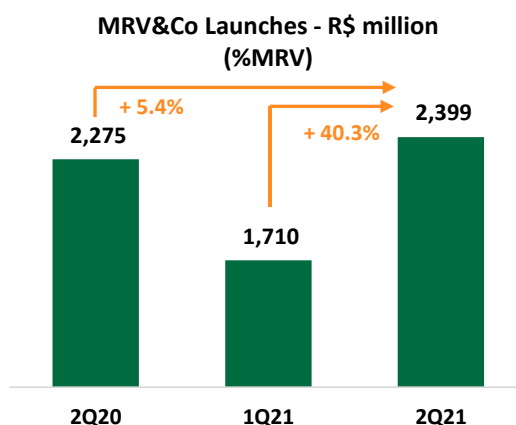
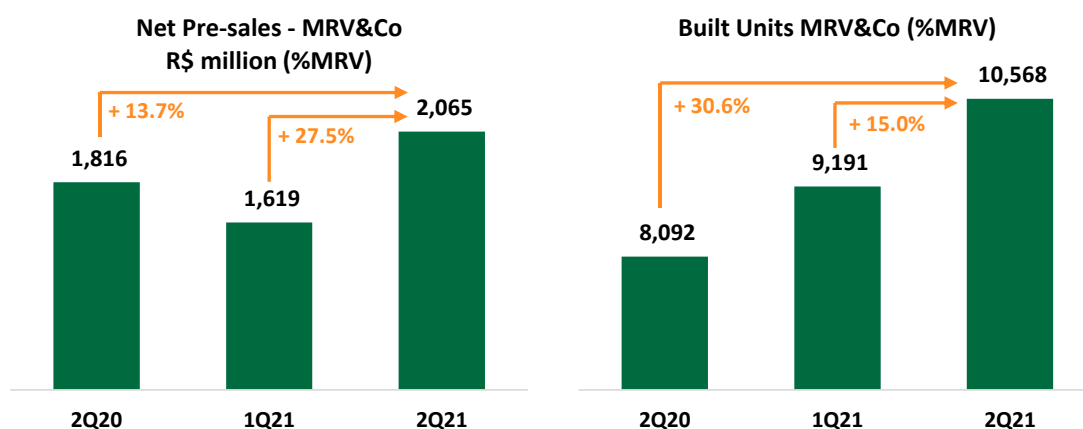


## Operational Preview 2Q21

**Belo Horizonte, July 15, 2021 – MRV Engenharia e Participações S.A. (B3: MRVE3)**, the largest homebuilder in Latin America, informs its preliminary and non-audited operational results of Launches, Pre-Sales, Land bank, Production, Real Estate Financing, Cash Generation and Cancellations for the second quarter of 2021.

### HIGHLIGHTS

- **Sale of two AHS developments in Florida – USA**, at a value of **R\$ 392.68 million (US\$ 78.5 million)**;
- **Record-breaking net pre-sales at MRV&Co**: totaling **R\$ 2.06 billion in PSV pre-sold in 2Q21**, an increase of 27.5% over 1Q21 and 13.7% compared to 2Q20;
- **Record-breaking launches at MRV&Co**: a total of **R\$ 2.40 billion in PSV launched in 2Q21**, an increase of 40.3% over 1Q21 and 5.4% compared to 2Q20;
- Evolution in implementing the **Zero Cancellation Program**, reaching **77% pre-sales in 2Q21**;
- **Total of 10,568 units produced in 2Q21**, amounting to an increase of **15.0% over 1Q21 and 30.6% compared to 2Q20**.

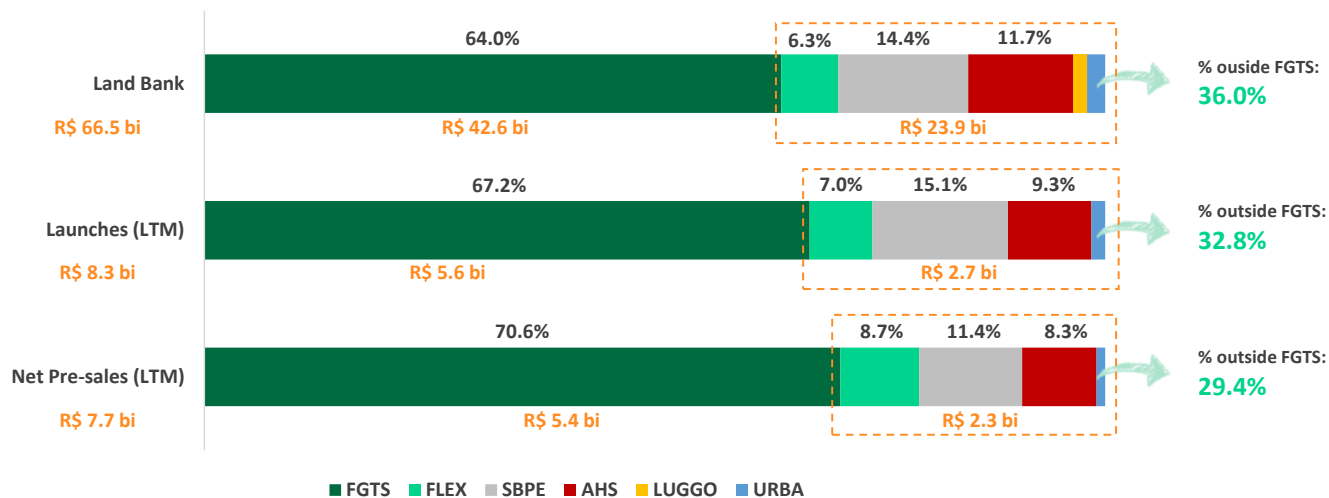


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## 2Q21 (LTM)



## LAUNCHES - MRV&Co

Launches (%MRV)	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Launches (R\$ million)	2,399	1,710	2,275	40.3% ↑	5.4% ↑	4,110	3,358	22.4% ↑
Units	11,388	9,996	6,456	13.9% ↑	76.4% ↑	21,383	13,175	62.3% ↑
Average Price - R\$'000 / unit	211	171	352	23.1% ↑	40.2% ↓	192	255	24.6% ↓
<b>MRV</b>								
Launches (R\$ million)	1,752	1,698	933	3.1% ↑	87.9% ↑	3,450	2,015	71.2% ↑
Units	10,426	9,926	5,349	5.0% ↑	94.9% ↑	20,352	12,068	68.6% ↑
Average Price - R\$'000 / unit	168	171	174	1.8% ↓	3.6% ↓	170	167	1.5% ↑
<b>Urba</b>								
Launches (R\$ million)	77	12	10	534.9% ↑	683.5% ↑	89	10	806.9% ↑
Units	505	70	37	624.8% ↑	1266.7% ↑	575	37	1455.3% ↑
Average Price - R\$'000 / unit	152	174	265	12.4% ↓	42.7% ↓	155	265	41.7% ↓
<b>Luggo</b>								
Launches (R\$ million)	-	-	-	-	-	-	-	-
Units	-	-	-	-	-	-	-	-
Average Price - R\$'000 / unit	-	-	-	-	-	-	-	-
<b>AHS<sup>1</sup></b>								
Launches (R\$ million)	571	-	1,333	-	57.2% ↓	571	1,333	57.2% ↓
Units	456	-	1,070	-	57.4% ↓	456	1,070	57.4% ↓
Average Price - R\$'000 / unit	1,251	-	1,246	-	0.4% ↑	1,251	1,246	0.4% ↑

<sup>1</sup> Considers the PTAX (BRLUSD) of the closing period



### MRV&Co Consolidated:

In 2Q21, the Company recorded its highest volume of launches in its history. Record-breaking figures included the launch of two AHS developments in the USA and an Urba development in Campinas, in addition to a total of **R\$ 1.75 billion in PSV** launched by MRV's Real Estate Development segment in Brazil.

In total, some **R\$ 2.40 billion in PSV** was launched in 2Q21, totaling **11,388 units**, recording an uptick of **5.4% over the same period from the previous year, and 40.3% when compared to 1Q21.**

### PRE-SALES - MRV&Co

Net-Pre Sales (%MRV)	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Net Pre-sales (R\$ million)	2,065	1,619	1,816	27.5% ↑	13.7% ↑	3,684	3,489	5.6% ↑
Units	10,442	9,714	11,649	7.5% ↑	10.4% ↓	20,155	22,189	9.2% ↓
Average Price - R\$'000 / unit	198	167	156	18.6% ↑	26.8% ↑	183	157	16.2% ↑
<b>MRV</b>								
Net Pre-sales (R\$ million)	1,662	1,609	1,784	3.3% ↑	6.8% ↓	3,271	3,453	5.3% ↓
Units	9,816	9,645	11,479	1.8% ↑	14.5% ↓	19,461	21,973	11.4% ↓
Average Price - R\$'000 / unit	169	167	155	1.5% ↑	9.0% ↑	168	157	6.9% ↑
Sales over supply (%) - net sales	17.3%	17.4%	19.4%	0.0 p.p. ↓	2.1 p.p. ↓	29.3%	32.4%	3.1 p.p. ↓
<b>Urba</b>								
Net Pre-sales (R\$ million)	39	10	32	271.2% ↑	19.7% ↑	49	36	36.1% ↑
Units	293	69	169	325.1% ↑	73.3% ↑	362	216	67.2% ↑
Average Price - R\$'000 / unit	132	151	191	12.7% ↓	30.9% ↓	135	166	18.6% ↓
<b>Luggo</b>								
Net Pre-sales (R\$ million)	-	-	-	-	-	-	-	-
Units	-	-	-	-	-	-	-	-
Average Price - R\$'000 / unit	-	-	-	-	-	-	-	-
<b>AHS<sup>1</sup></b>								
Net Pre-sales (R\$ million)	364	-	-	-	-	364	-	-
Units	332	-	-	-	-	332	-	-
Average Price - R\$'000 / unit	1,097	-	-	-	-	1,097	-	-

<sup>1</sup> Considers the PTAX (BRLUSD) of the closing period

### MRV (Brazilian Operations):

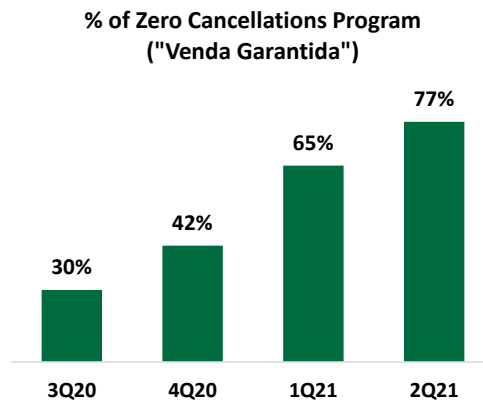
MRV operations once again witnessed robust demand in 2Q21, recording pre-sales volumes on par with the last quarters, **totaling 12,936 signed contracts**. It is important to note that the Company continues to ramp up the implementation of its Zero Cancellation Program that has already hit 77% of sales for the quarter.

In 2Q21, Sensia pre-sales continued to demonstrate steady growth from the February 2021 launch of the brand's first development, Sensia Parque Prado, in the city of Campinas. The development has reached a mark of **52% pre-sales**, once again confirming robust demand in the middle-income market and strong product positioning.



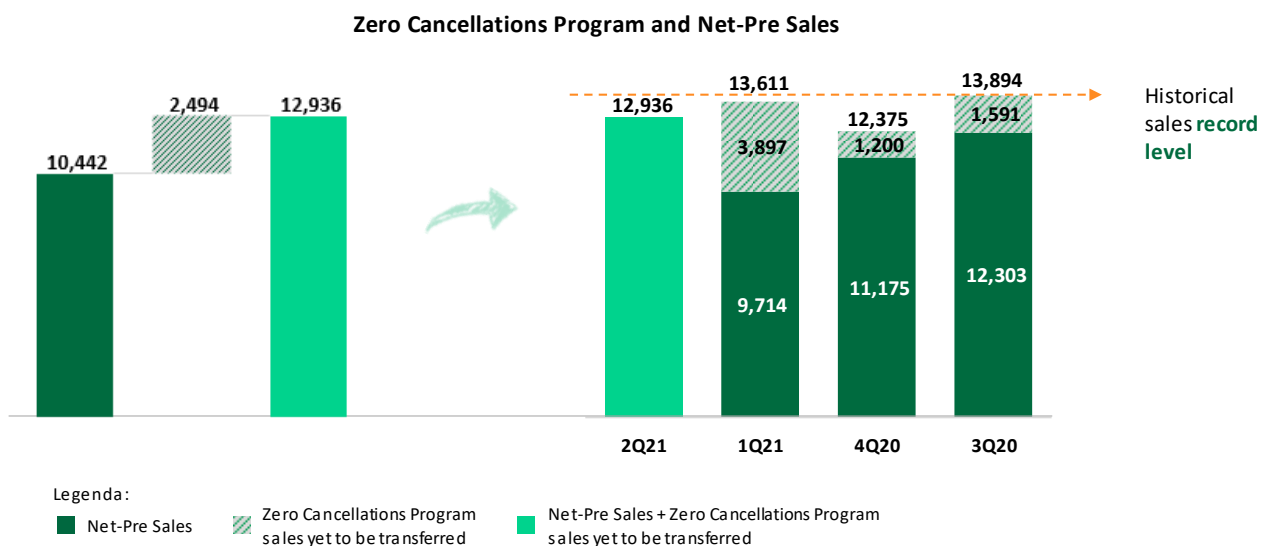
**Zero Cancellations Program (“Vendas Garantidas”):**

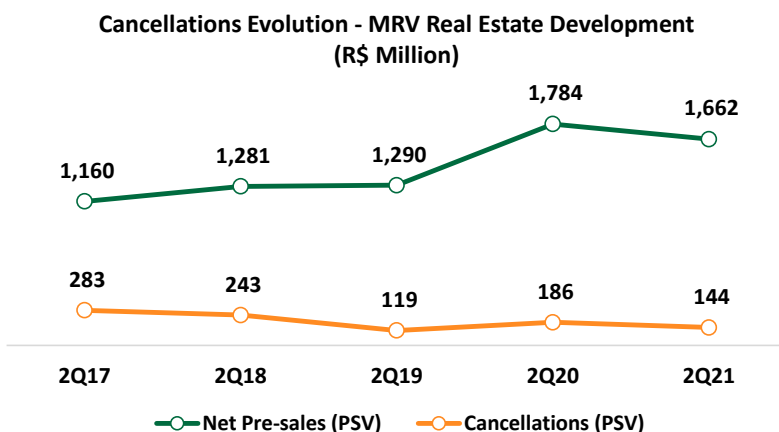
In line with the Zero Cancellation process, a pre-sale is only accounted for after the client is transferred to the financing institution, removing any possibility of cancellation. We have gradually phased in this sales process at the outset of 3Q20.



As a result of the Zero Cancellation process, that has already reached 77% of the pre-sales in 2Q21, a total of 2,494 recorded pre-sales under the Zero Cancellation process have been signed by clients but have not been accounted for within the same quarter. **Therefore, the total volume of registered pre-sales was slightly askew from the actual sales for the period.** This can be understood as a natural effect of the implementation of the Zero Cancellation Program, also noted in 4Q20 (1,200 units) and 1Q21 (3,897 units).

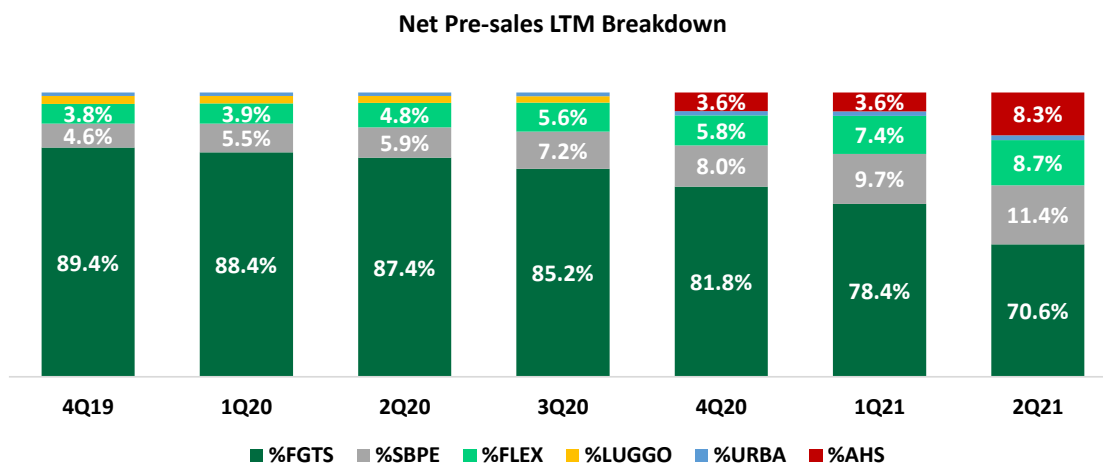
The progress of pre-sales in the last few quarters, adjusted for this effect of Zero Cancellation can be seen in the graph below:





**Diversification – Housing Platform:**

The strategy to diversify products and funding at MRV&Co steadily continues to gather pace quarter over quarter, increasing activities in other segments and **consolidating the Company as a multi-funding housing platform.**



**AHS (US Operations):**

In 2Q21, two developments (Mangonia Lake and Lake Osborne) were sold at a **Potential Sales Value (PSV) of US\$ 78.5 million**, representing **net receivables of US\$ 37 million**, **gross profit of US\$ 17.8 million** as follows:

- **Lake Osborne:** development sold at a **4.6% Cap Rate** and **6.9% Yield on Cost**. This is the second development built by AHS in 2016.

<b>Lake Osborne</b>	
Sale Price	\$ 21,500,000
Project Cost	\$ 14,524,498
<b>Gross Profit</b>	<b>\$ 6,975,502</b>
<b>Gross Margin (%)</b>	<b>32.4%</b>

- **Mangonia Lake:** development sold at a **4.5% Cap Rate** and **5.6% Yield on Cost**. Built in 2019, this was the first AHS construction to employ concrete wall construction methods using aluminum molds. Due to the

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learning curve required to implement this new construction method, the development saw slightly higher construction cost than other AHS developments.

Mangonia Lake	
Sale Price	\$ 57,000,000
Project Cost	\$ 46,136,260
Gross Profit	\$ <b>10,863,740</b>
Gross Margin (%)	19.1%

The developments sold were part of a group of **8 (eight) developments for sale**, totaling **1,661 units and US\$ 365 million in PSV, at an average gross margin of approximately 28%**.

### Urba:

Smart Urba Dunlop was launched on June 11th in the city of Campinas, offering a total of 980 units and R\$ 149 million in PSV (100% Urba). **Reconfirming its strong product positioning, the launch has been a success, registering 46% pre-sold in just 19 days.**

Urba's Sales Speed (SoS – Sales over Supply) has reached 38% in 2Q21, remaining stable when compared to 1Q21 and an increase of 8 p.p. over 2Q20.

## CASH GENERATION - MRV&Co

Cash Generation	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Cash Generation (R\$ million)	<b>(0.7)</b>	(384.1)	68.3	99.8% ↑	-	<b>(384.8)</b>	(260.0)	48.0% ↓
<b>MRV</b>								
Cash Generation (R\$ million)	<b>(116.8)</b>	(30.7)	220.9	281.1% ↓	-	<b>(147.5)</b>	57.0	-
<b>Urba</b>								
Cash Generation (R\$ million)	<b>(24.3)</b>	(6.8)	4.0	257.5% ↓	-	<b>(31.1)</b>	(4.0)	670.6% ↓
<b>Luggo</b>								
Cash Generation (R\$ million)	<b>(26.7)</b>	(27.6)	(11.0)	3.1% ↑	143.8% ↓	<b>(54.3)</b>	(20.7)	163.0% ↓
<b>AHS<sup>1</sup></b>								
Cash Generation (R\$ million)	<b>167.1</b>	(319.0)	(145.6)	-	-	<b>(151.9)</b>	(292.3)	48.0% ↑

<sup>1</sup> Considers the PTAX (BRLUSD) of the closing period

### MRV&Co Consolidated:

The Company chose to further its strategic decision to ramp up purchases and stock part of the raw materials needed for construction, seeking to maintain price points and avoid interruptions to the Company's supply chain, aiming to mitigate the effects of inflation on construction materials. The strategy has resulted in an uptick of cash consumption, impacting cash generation for the quarter.

In addition, changes in standards enforced by Caixa Econômica Federal, that places conditions for the construction measurements payments on the Construction Financing notarization, have also had a negative impact on cash generation.

### AHS:

AHS recorded cash generation at R\$ 167.1 million for the quarter as a result of the sale of Mangonia Lake and Lake Osborne projects valued at a total of R\$ 392.68 million in 2Q21.

These figures are in line with AHS' normal cash flow, in which there is a consumption during the construction phase of developments, thereafter, registering generation of cash at the moment of sale.

### LAND BANK - MRV&Co

Land Bank (%MRV)	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Land Bank (R\$ billion)	66.5	66.3	58.9	0.4% ↑	12.9% ↑	66.5	58.9	12.9% ↑
Units	351,181	342,843	331,815	2.4% ↑	5.8% ↑	351,181	331,815	5.8% ↑
Average Price - R\$'000 / unit	189	193	178	2.0% ↓	6.7% ↑	189	178	6.7% ↑
<b>MRV</b>								
Land Bank (R\$ billion)	56.4	54.7	51.6	3.2% ↑	9.3% ↑	56.4	51.6	9.3% ↑
Units	327,583	321,810	319,378	1.8% ↑	2.6% ↑	327,583	319,378	2.6% ↑
Average Price - R\$'000 / unit	172	170	162	1.4% ↑	6.6% ↑	172	162	6.6% ↑
<b>Urba</b>								
Land Bank (R\$ billion)	1.3	1.1	0.5	25.1% ↑	143.3% ↑	1.3	0.5	143.3% ↑
Units	12,804	10,259	5,239	24.8% ↑	144.4% ↑	12,804	5,239	144.4% ↑
Average Price - R\$'000 / unit	104	104	105	0.2% ↑	0.4% ↓	104	105	0.4% ↓
<b>Luggo</b>								
Land Bank (R\$ billion)	1.0	0.8	0.5	24.2% ↑	111.5% ↑	1.0	0.5	111.5% ↑
Units	4,408	3,513	2,129	25.5% ↑	107.0% ↑	4,408	2,129	107.0% ↑
Average Price - R\$'000 / unit	227	230	223	1.0% ↓	2.2% ↑	227	223	2.2% ↑
<b>AHS<sup>1</sup></b>								
Land Bank (R\$ billion)	7.8	9.7	6.3	19.9% ↓	23.4% ↑	7.8	6.3	23.4% ↑
Units	6,387	7,261	5,070	12.0% ↓	26.0% ↑	6,387	5,070	26.0% ↑
Average Price - R\$'000 / unit	1,218	1,338	1,244	8.9% ↓	2.1% ↓	1,218	1,244	2.1% ↓

<sup>1</sup> Considers the PTAX (BRLUSD) of the closing period

### MRV&Co Consolidated:

Registering a total land bank valued at R\$ 66.5 billion, the MRV&Co housing platform is firmly positioned to ramp up operations and reach targets of 80,000 units per year over the upcoming years.

MRV&Co is strategically seeking to acquire property aiming to supply the Company's land bank to meet its needs as a multi-funding housing platform.



### AHS:

AHS operations continue to follow the geographic expansion plan in the United States, **already registering a land bank in Florida, Texas and Georgia at a total of R\$ 7.8 billion in PSV (% MRV), estimated at 6,387 units.**

### Urba:

Urba steadily continues forward with its plan to ramp up operations and aims to reach a mark of 4,000 units launched in 2021. In order to achieve this goal, the Company has invested in expanding its land bank that has reached figures of R\$ 1.3 billion (% MRV), recording 25.1% growth when compared to 1Q21 and 143.3% over 2Q20, holding land plots in the states of São Paulo, Bahia, Minas Gerais, Mato Grosso and Rio de Janeiro.

## PRODUCTION - MRV&Co

Production (%MRV)	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Built Units	<b>10,568</b>	9,191	8,092	15.0% ↑	30.6% ↑	<b>19,759</b>	16,162	22.3% ↑
Finished units	<b>5,618</b>	10,437	8,339	46.2% ↓	32.6% ↓	<b>16,055</b>	17,768	9.6% ↓
<b>MRV</b>								
Built Units	<b>10,062</b>	8,724	7,815	15.3% ↑	28.8% ↑	<b>18,786</b>	15,640	20.1% ↑
Finished units	<b>5,373</b>	10,437	8,211	48.5% ↓	34.6% ↓	<b>15,810</b>	17,640	10.4% ↓
<b>Urba</b>								
Built Units	<b>129</b>	101	89	28.3% ↑	44.9% ↑	<b>229</b>	131	75.0% ↑
Finished units	-	-	-	-	-	-	-	-
<b>Luggo</b>								
Built Units	<b>142</b>	174	72	18.8% ↓	96.6% ↑	<b>316</b>	132	139.3% ↑
Finished units	-	-	128	-	100.0% ↓	-	128	100.0% ↓
<b>AHS</b>								
Built Units	<b>236</b>	192	116	22.9% ↑	103.2% ↑	<b>427</b>	259	65.0% ↑
Finished units	<b>245</b>	-	-	-	-	<b>245</b>	-	-

## REAL ESTATE CREDIT - MRV&Co

Real Estate Financing (%MRV)	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Client Financing (units)	<b>10,701</b>	10,552	12,076	1.4% ↑	11.4% ↓	<b>21,253</b>	18,828	12.9% ↑
<b>MRV</b>								
Client Financing (units)	<b>10,656</b>	10,516	12,076	1.3% ↑	11.8% ↓	<b>21,171</b>	18,828	12.4% ↑
<b>Urba</b>								
Client Financing (units)	<b>46</b>	36	-	26.6% ↑	-	<b>82</b>	-	-

PROPERTY FOR INVESTMENT - MRV&Co

Under Construction - Investment Property (%MRV)	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>MRV&amp;Co</b>								
Number of Projects	10	10	7	0.2% ↓	43.9% ↑	10	7	43.9% ↑
Units Under Construction	2,674	2,492	1,669	7.3% ↑	60.2% ↑	2,674	1,669	60.2% ↑
Balance of Constructed Units	999	846	374	18.2% ↑	167.3% ↑	999	374	167.3% ↑
% of Projects Progression	37.4%	33.9%	22.4%	3.4 p.p. ↑	15.0 p.p. ↑	37.4%	22.4%	15.0 p.p. ↑
Market Value at Stabilization (R\$ million)	1,800	1,875	986	4.0% ↓	82.6% ↑	1,800	986	82.6% ↑
<b>Luggo</b>								
Number of Projects	6	6	4	0.0% ↑	50.0% ↑	6	4	50.0% ↑
Units Under Construction	1,238	1,238	1,032	0.0% ↑	20.0% ↑	1,238	1,032	20.0% ↑
Balance of Constructed Units	639	498	115	28.4% ↑	455.8% ↑	639	115	455.8% ↑
% of Projects Progression	51.6%	40.2%	11.1%	11.4 p.p. ↑	40.5 p.p. ↑	51.6%	11.1%	40.5 p.p. ↑
Market Value at Stabilization (R\$ million)	253	231	210	9.6% ↑	20.5% ↑	253	210	20.5% ↑
<b>AHS</b>								
Number of Projects	4	4	3	0.6% ↓	35.1% ↑	4	3	35.1% ↑
Units Under Construction	1,436	1,254	637	14.6% ↑	125.5% ↑	1,436	637	125.5% ↑
Balance of Constructed Units	360	348	259	3.6% ↑	39.1% ↑	360	259	39.1% ↑
% of Projects Progression	25.1%	27.8%	40.7%	2.7 p.p. ↓	15.6 p.p. ↓	25.1%	40.7%	15.6 p.p. ↓
Market Value at Stabilization (R\$ million)	1,547	1,644	775	5.9% ↓	99.5% ↑	1,547	775	99.5% ↑
Market Value at Stabilization (US\$ million)	309	289	142	7.2% ↑	118.4% ↑	309	142	118.4% ↑

Leased - Investment Property (%MRV)*	2Q21	1Q21	2Q20	Chg. 2Q21 x 1Q21	Chg. 2Q21 x 2Q20	1H21	1H20	Chg. 1H21 x 1H20
<b>AHS</b>								
<i>Leasing Up</i>								
Number of Projects	3	4	3	25.4% ↓	1.3% ↑	3	3	1.3% ↑
Available Units	645	824	637	21.6% ↓	1.3% ↑	645	637	1.3% ↑
Leased Units	422	528	389	20.1% ↓	8.5% ↑	422	389	8.5% ↑
% Leased Units	65.4%	64.1%	61.1%	1.3 p.p. ↑	4.3 p.p. ↑	65.4%	61.1%	4.3 p.p. ↑
Market Value at Stabilization (R\$ million)	752	1,080	806	30.4% ↓	6.7% ↓	752	806	6.7% ↓
Market Value at Stabilization (US\$ million)	150	190	147	20.7% ↓	2.1% ↑	150	147	2.1% ↑
<i>Stabilized</i>								
Number of Projects	3	3	3	0.6% ↓	1.3% ↑	3	3	1.3% ↑
Available Units	563	513	503	9.7% ↑	11.8% ↑	563	503	11.8% ↑
Leased Units	544	499	498	9.1% ↑	9.3% ↑	544	498	9.3% ↑
% Leased Units	96.7%	97.3%	98.9%	0.6 p.p. ↓	2.2 p.p. ↓	96.7%	98.9%	2.2 p.p. ↓
Market Value at Stabilization (R\$ million)	607	569	527	6.7% ↑	15.2% ↑	607	527	15.2% ↑
Market Value at Stabilization (US\$ million)	121	100	96	21.5% ↑	26.1% ↑	121	96	26.1% ↑

\*Luggo does not own leased projects that has not already been sold to LUGG11

### INVESTOR RELATIONS

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### ABOUT MRV

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MRV Engenharia e Participações S.A. is the largest Brazilian real estate developer and homebuilder in the lower-income segment, with more than 41 years of experience, active in 163 cities, in 22 Brazilian states including the Federal District. Since 2020, the Company started to operate in the United States through its subsidiary AHS Residential in 18 cities. MRV is listed on the Novo Mercado - B3 under the ticker MRVE3 and is included, among others, in the theoretical portfolio IBOV.