



# OPERATIONAL PREVIEW

1Q22

MRV & CO



MRV

SENSIA  
INCORPORADORA



Luggo

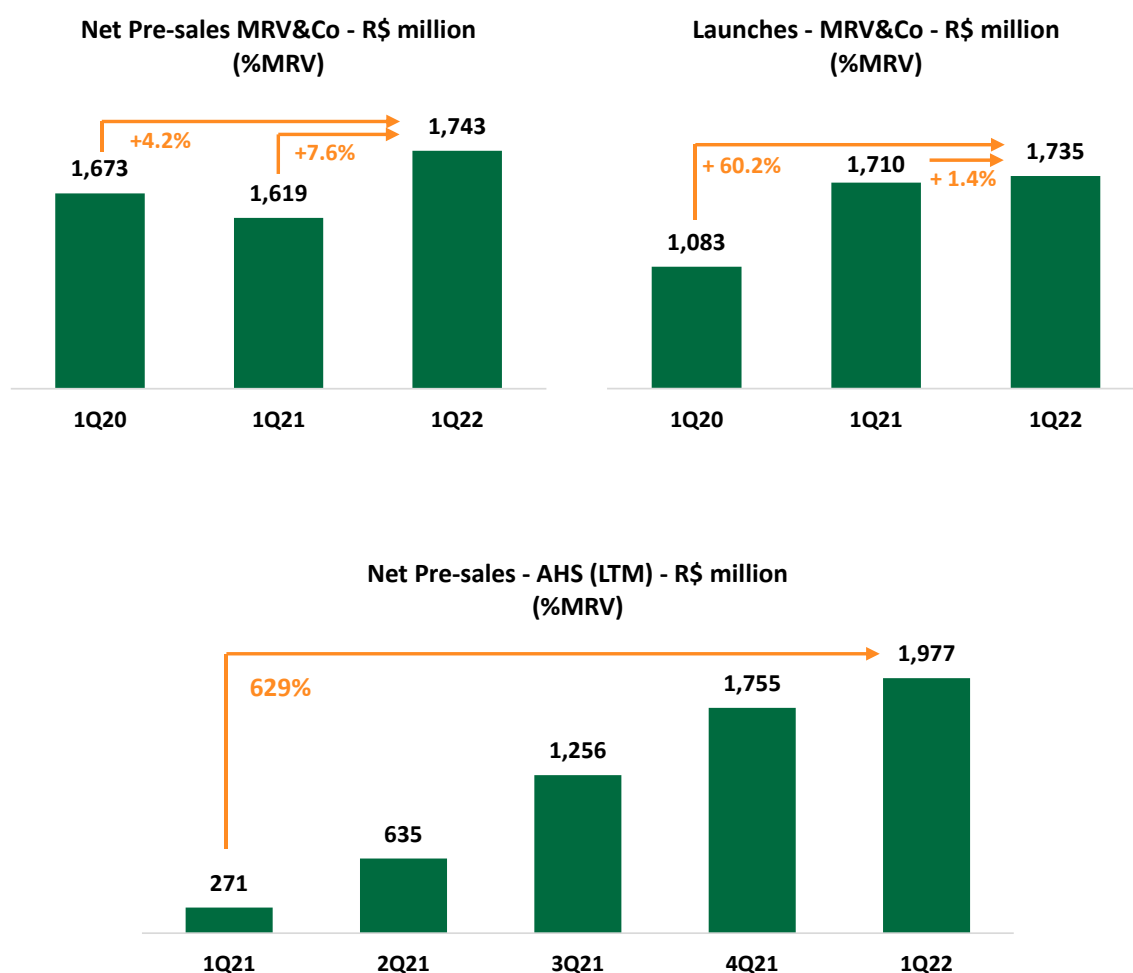
Urba

## Operational Preview 1Q22

**Belo Horizonte, April 18, 2022 – 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 first quarter of 2022.

### HIGHLIGHTS

- **Largest volume of Net Pre-sales in a first quarter in the history of MRV&Co:** Totalling R\$ 1.74 billion in the quarter, an increase of 7.6% compared to 1Q21 and 4.2% compared to 1Q20;
- **Sale of another AHS Project:** Coral Reef, in Florida, USA, at a **total amount of R\$ 221 million** (US\$ 50.4 million) (%MRV);
- **Launch of the Oak Enclave project, in the USA,** totaling **389 units** and a PSV of **R\$ 684 million** (US\$ 144 Million) (%MRV);



### MRV&CO HOUSING PLATFORM

After another year of expansion of the Company's diversification strategy at MRV&Co, 1Q22 was again highlighted by growth across business lines outside of the CVA housing program.

#### AHS:

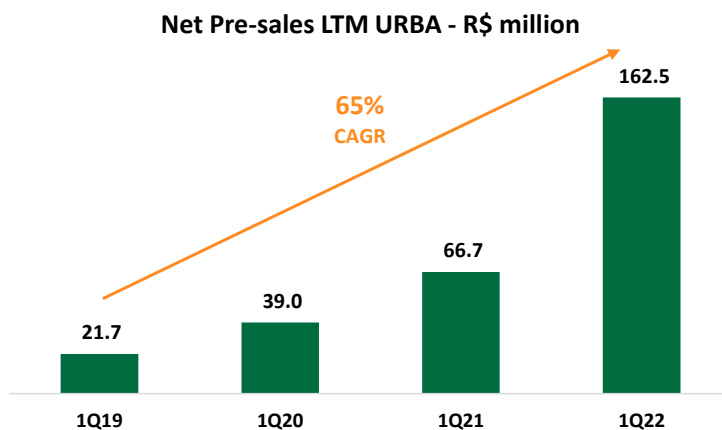
The North American subsidiary has posted the **sale of another development at a value of R\$ 221 million (US\$ 50.4 million)**, yielding a **gross margin of 10 p.p. above initial projections**, reaching a mark of 38%.

With the beginning of sales negotiations, **another AHS development has been launched in the US, offering 389 units and a PSV of R\$ 684 million (US\$ 144 million)**. AHS currently has 3 developments in negotiation, with sales scheduled to ramp up throughout 2022, valued at approximately US\$ 300 million.

#### MRV&Co Brazilian Operations:

MRV&Co's remaining business lines continue to expand and have posted strong results for the Company, supporting projections signaling the strong demand, offering solid opportunities outside the CVA program.

**Urba released another successful development, recording 22% sales over the first three days.** The MRV&Co allotment operation continues to fulfill its growth plan and has achieved a compounded annual growth rate (CAGR) of 65% in the last 4 years:



Within the real estate market in Brazil, products in markets above the CVA housing program, MRV&Co's **Sensia and Class lines, which rely on SBPE funding, were responsible for 37.7% of launches in 1Q22.**

**Of the 8,557 net pre-sales in 1Q22, 23.9% came from Sensia or Class lines,** both outside of the CVA program, showing strong evolution in the Company's diversification strategy.

Within the CVA program, MRV continues to lead the national market and remains the largest home builder within the program, which continues to see elevated demand and is still an important housing program.

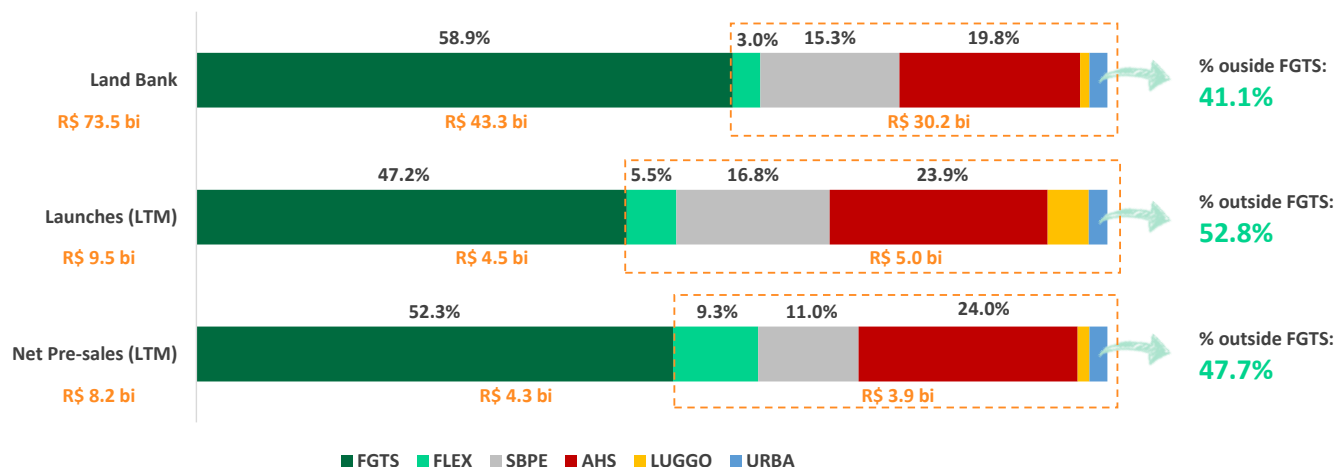


# OPERATIONAL PREVIEW

1<sup>st</sup> Quarter 2022

MRV&CO

## 1Q22 (LTM)



## LAUNCHES - MRV&Co

Launches (%MRV)	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
<b>MRV&amp;Co</b>					
Launches (R\$ million)	1,735	3,243	1,710	46.5% ↓	1.4% ↑
Units	5,481	12,479	9,996	56.1% ↓	45.2% ↓
Average Price - R\$'000 / unit	317	260	171	21.8% ↑	85.0% ↑
<b>MRV</b>					
Launches (R\$ million)	1,039	2,140	1,698	51.4% ↓	38.8% ↓
Units	4,940	11,171	9,926	55.8% ↓	50.2% ↓
Average Price - R\$'000 / unit	210	192	171	9.8% ↑	22.9% ↑
<b>Urba</b>					
Launches (R\$ million)	12	57	12	78.6% ↓	0.7% ↑
Units	152	518	70	70.8% ↓	117.4% ↑
Average Price - R\$'000 / unit	80	110	174	26.7% ↓	53.7% ↓
<b>Luggo</b>					
Launches (R\$ million)	-	38	-	-	-
Units	-	144	-	-	-
Average Price - R\$'000 / unit	-	262	-	-	-
<b>AHS<sup>1</sup></b>					
Launches (R\$ million)	684	1,009	-	32.2% ↓	-
Units	389	645	-	39.7% ↓	-
Average Price - R\$'000 / unit	1,756	1,564	-	12.3% ↑	-

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

## OPERATIONAL PREVIEW

1<sup>st</sup> Quarter 2022

MRV&CO

MRV&Co focused its launches outside of the CVA housing platform throughout 1Q22, awaiting new subsidy forecasts and adjusting the Company's product mix for launches, in line with the Company's diversification strategy.

### PRE-SALES - MRV&Co

Net-Pre Sales (%MRV)	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
<b>MRV&amp;Co</b>					
Net Pre-sales (R\$ million)	<b>1,743</b>	2,402	1,619	27.4% ↓	7.6% ↑
Units	<b>8,930</b>	10,147	9,714	12.0% ↓	8.1% ↓
Average Price - R\$'000 / unit	<b>195</b>	237	167	17.6% ↓	17.1% ↑
<b>MRV</b>					
Net Pre-sales (R\$ million)	<b>1,495</b>	1,468	1,609	1.8% ↑	7.1% ↓
Units	<b>8,557</b>	8,664	9,645	1.2% ↓	11.3% ↓
Average Price - R\$'000 / unit	<b>175</b>	169	167	3.1% ↑	4.7% ↑
Sales over supply (%) - net sales	<b>14.6%</b>	13.7%	17.4%	0.9 p.p. ↑	2.8 p.p. ↓
<b>Urba</b>					
Net Pre-sales (R\$ million)	<b>27</b>	58	10	53.4% ↓	158.1% ↑
Units	<b>210</b>	462	69	54.5% ↓	205.0% ↑
Average Price - R\$'000 / unit	<b>128</b>	125	151	2.2% ↑	15.4% ↓
<b>Lugbo</b>					
Net Pre-sales (R\$ million)	-	106	-	100.0% ↓	-
Units	-	432	-	100.0% ↓	-
Average Price - R\$'000 / unit	-	245	-	100.0% ↓	-
<b>AHS<sup>1</sup></b>					
Net Pre-sales (R\$ million)	<b>221</b>	771	-	71.3% ↓	-
Units	<b>162</b>	590	-	72.5% ↓	-
Average Price - R\$'000 / unit	<b>1,364</b>	1,307	-	4.4% ↑	-

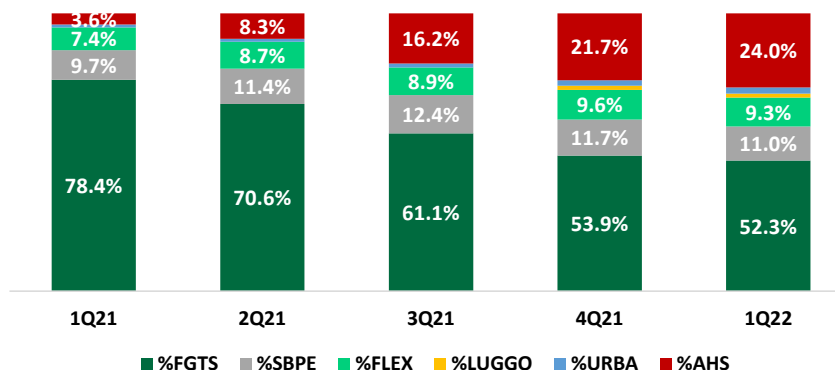
<sup>1</sup> Considers the PTAX (BRLUSD) of the closing period

### Diversification – Housing Platform:

MRV&Co continues expanding its various business lines and, **in 1Q22, reached 47.7% of sales (LTM) outside of the CVA housing program.**

From this perspective (1Q22 LTM), **sales from AHS operations in the US accounted for some 24% of MRV&Co operations, and sales from SBPE funding have already surpassed 20% of total sales**, strengthening the Company's capacity to access different sources of funding and new markets.

Net Pre-sales LTM Breakdown



### AHS (US Operations):

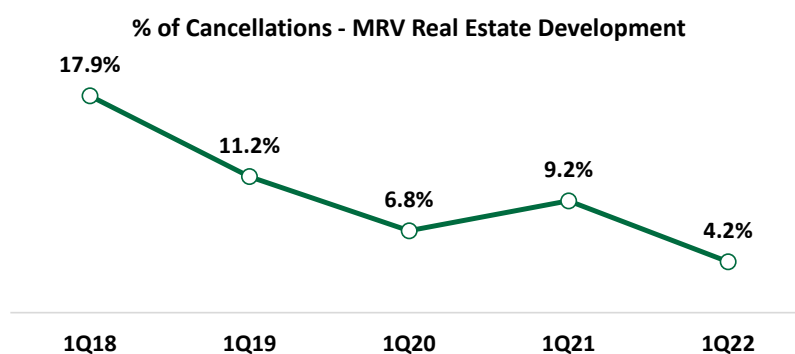
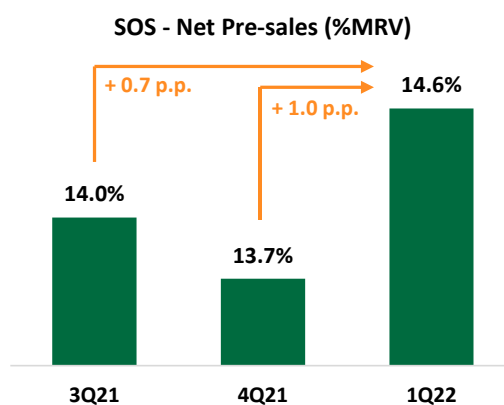
In 1Q22, the sale of Coral Reef project, located in Florida, USA, was concluded at a **Potential Sales Value (“PSV”) of US\$ 50.4 million, Net Proceeds of US\$ 26.9 million, Gross Profit of US\$ 19.2 million, Cap Rate of 4.2% and Yield on Cost of 6.8%**, as follows:

Coral Reef (100%)		
Sale Price	\$	50,400,000
Project Cost	\$	31,225,273
Gross Profit	\$	<b>19,174,727</b>
Gross Margin (%)		38%



### MRV and Sensia (Brazilian Operations):

**1Q22 saw an increase of 1.8% in the volume of real estate pre-sales over 4Q21**, driven mainly by the month of March, which saw sales rally from seasonal effects, over the first months of the year.



### CASH GENERATION - MRV&Co

Cash Generation - R\$ million	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
MRV&Co	(834.1)	(150.6)	(384.1)	454.0% ↓	117.2% ↓
MRV	(354.3)	(249.7)	(30.7)	41.9% ↓	1056.0% ↓
Urba	101.8	(50.0)	(6.8)	-	-
Luggo	(33.1)	64.1	(27.6)	-	20.1% ↓
AHS <sup>1</sup>	(548.4)	85.0	(319.0)	-	71.9% ↓

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

As a Housing Platform composed of several different business lines, with different cash flows, the result of MRV&Co's Cash Generation must be analyzed separately. In 1Q22, more than 70% of the quarter's cash burn came from the Multifamily business lines (AHS in the US and Luggo in Brazil).

### Multifamily (AHS and Luggo):

At a time of strong expansion of the North American operation (AHS Residential), cash consumption is expected until the stabilization of the operation, at which time the sale and construction will be balanced, when there will be cash generation. The 1Q22 result reflects this movement and is part of AHS's growth strategy.

Luggo will report cash burn in the quarters when its properties are not sold and will observe generation at the time of sale. Cash generation is expected for the year for Luggo's operations.

### Allotment (Urba):

After a growth of almost 150% in the units sold in 2021, Urba is getting ready to, once again, double in size in 2022.

**MRV&Co took an important step to boost the growth of its allotment subsidiary and sold part of Urba's receivables portfolio, in an operation of R\$ 104 million.** With that, the Company opened the door to the creation of a program to sell Urba's receivables, similar to what has been done at MRV.

### Brazilian Operations (MRV and Sensia):

With the outbreak of the conflict between Russia and the Ukraine, which set off another round of economic destabilization, resulting in inflationary pressures on materials, MRV&Co maintained its strategy adopted during the year 2021 throughout 1Q22 by maintaining a high volume of some necessary materials for production stocked. This strategy contributed to the reported cash burn, which should see numbers rebound as the Company begins to consume the materials in storage.

Important to note that, the cash burn for expenses invested in construction have been backed by financing for construction both in Brazil and the US.

In 1Q22, another part of MRV's receivables portfolio was sold, in the total amount of R\$66 million. **The Company intends to make new sales of part of its portfolio during the year, following the strategy of transforming these operations into a program, in order to optimize its capital structure.**

For the year 2022, a more positive dynamic of cash generation is expected, when the strategy of anticipating the purchase and storage of materials is reversed and there is consumption of the stored material, in addition to the new sales of the planned receivables portfolio.



### LAND BANK - MRV&Co

Land Bank (%MRV)	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
<b>MRV&amp;Co</b>					
Land Bank (R\$ billion)	<b>73.5</b>	72.9	66.3	0.8% ↑	10.9% ↑
Units	<b>327,264</b>	347,254	342,843	5.8% ↓	4.5% ↓
Average Price - R\$'000 / unit	<b>225</b>	210	193	7.0% ↑	16.2% ↑
<b>MRV</b>					
Land Bank (R\$ billion)	<b>56.7</b>	59.3	54.7	4.4% ↓	3.7% ↑
Units	<b>302,159</b>	323,644	321,810	6.6% ↓	6.1% ↓
Average Price - R\$'000 / unit	<b>188</b>	183	170	2.4% ↑	10.4% ↑
<b>Urba</b>					
Land Bank (R\$ billion)	<b>1.5</b>	1.4	1.1	6.5% ↑	36.7% ↑
Units	<b>13,007</b>	13,083	10,259	0.6% ↓	26.8% ↑
Average Price - R\$'000 / unit	<b>112</b>	105	104	7.1% ↑	7.8% ↑
<b>Luggo</b>					
Land Bank (R\$ billion)	<b>0.8</b>	0.8	0.8	3.4% ↓	6.7% ↓
Units	<b>2,946</b>	3,124	3,513	5.7% ↓	16.1% ↓
Average Price - R\$'000 / unit	<b>255</b>	249	230	2.5% ↑	11.3% ↑
<b>AHS<sup>1</sup></b>					
Land Bank (R\$ billion)	<b>14.6</b>	11.4	9.7	27.6% ↑	50.0% ↑
Units	<b>9,151</b>	7,402	7,261	23.6% ↑	26.0% ↑
Average Price - R\$'000 / unit	<b>1,592</b>	1,543	1,338	3.2% ↑	19.0% ↑

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

## OPERATIONAL PREVIEW

1<sup>st</sup> Quarter 2022

MRV&CO

### PRODUCTION - MRV&Co

Production (%MRV)	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
<b>MRV&amp;Co</b>					
Built Units	8,681	9,722	9,191	10.7% ↓	5.5% ↓
Finished units	8,490	7,095	10,437	19.7% ↑	18.7% ↓
<b>MRV</b>					
Built Units	8,124	8,992	8,724	9.6% ↓	6.9% ↓
Finished units	8,162	6,695	10,437	21.9% ↑	21.8% ↓
<b>Urba</b>					
Built Units	117	176	101	33.5% ↓	16.4% ↑
Finished units	328	256	-	28.1% ↑	-
<b>Luggo</b>					
Built Units	114	188	174	39.1% ↓	34.4% ↓
Finished units	-	144	-	-	-
<b>AHS</b>					
Built Units	326	366	192	11.1% ↓	69.8% ↑
Finished units	-	-	-	-	-

### REAL ESTATE CREDIT - MRV&Co

Real Estate Financing (%MRV)	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
<b>MRV&amp;Co</b>					
Client Financing (units)	8,788	8,706	10,552	0.9% ↑	16.7% ↓
<b>MRV</b>					
Client Financing (units)	8,744	8,660	10,516	1.0% ↑	16.9% ↓
<b>Urba</b>					
Client Financing (units)	44	46	36	4.3% ↓	22.0% ↑

## PROPERTY FOR INVESTMENT - MRV&Co

Under Construction - Investment Property (%MRV)	1Q22	4Q21	1Q21	Chg. 1Q22 x 4Q21	Chg. 1Q22 x 1Q21
<b>MRV&amp;Co</b>					
Number of Projects	16	14	10	13.9% ↑	62.8% ↑
Units Under Construction	4,503	4,061	2,492	10.9% ↑	80.7% ↑
Balance of Constructed Units	2,106	1,671	846	26.0% ↑	149.1% ↑
% of Projects Progression	46.8%	41.1%	33.9%	5.6 p.p. ↑	12.8 p.p. ↑
Market Value at Stabilization (R\$ million)	4,823	4,771	1,875	1.1% ↑	157.2% ↑
<b>Luggo</b>					
Number of Projects	7	6	6	18.0% ↑	9.4% ↑
Units Under Construction	1,359	1,215	1,238	11.9% ↑	9.8% ↑
Balance of Constructed Units	715	605	498	18.1% ↑	43.7% ↑
% of Projects Progression	52.6%	49.8%	40.2%	2.8 p.p. ↑	12.4 p.p. ↑
Market Value at Stabilization (R\$ million)	336	298	231	12.8% ↑	45.3% ↑
<b>AHS</b>					
Number of Projects	9	8	4	11.1% ↑	148.5% ↑
Units Under Construction	3,144	2,846	1,254	10.5% ↑	150.8% ↑
Balance of Constructed Units	1,391	1,066	348	30.5% ↑	299.8% ↑
% of Projects Progression	44.2%	37.4%	27.8%	6.8 p.p. ↑	16.5 p.p. ↑
Market Value at Stabilization (R\$ million)	4,487	4,473	1,644	0.3% ↑	173.0% ↑
Market Value at Stabilization (US\$ million)	947	802	289	18.2% ↑	228.3% ↑

### INVESTOR RELATIONS

---

Ricardo Paixão Pinto Rodrigues  
**Chief Financial and Investor Relations Officer**

Augusto Pinto de Moura Andrade  
**Investor Relations Executive Manager**

#### Investor Relations

Phone: +55 (31) 3615-8153

E-mail: [ri@mrv.com.br](mailto:ri@mrv.com.br)

Website: [ri.mrv.com.br](http://ri.mrv.com.br)

### ABOUT MRV&CO

---

MRV Engenharia e Participações S.A. is the largest Brazilian real estate developer and homebuilder in the lower-income segment, with more than 42 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 20 cities. MRV is listed on the Novo Mercado - B3 under the ticker MRVE3 and is included, among others, in the theoretical portfolio IBOV.