Conference Call 4Q25 – Eztec

Introduction

Pedro Lourenço:

Good morning, ladies and gentlemen. Welcome to Eztec's fourth quarter 2025 earnings conference call.

For those who want to listen to this conference call in English, please use the translation button in your Zoom platform.

Hello, my name is Pedro Lourenço, Head of Investor Relations at the Company. Joining us today are Mr. Flávio Ernesto Zarzur, Vice Chairman and Chairman of the Board of Directors; Mr. Silvio Ernesto Zarzur, CEO and member of the Board of Directors; Mr. Samir El-Tayar, Vice Chairman of the Board of Directors; as well as Mr. Emílio Fugazza, Chief Financial Officer and Investor Relations Officer.

Please note that this event is being recorded and all participants will be in listen-only mode during the Company's presentation. After that, we will begin the Q&A session, when further instructions will be provided. If any participant requires assistance during this conference call, please request support from the Investor Relations team available in the chat. In case of connection issues, please reconnect using the same link or ID available on our website, ri.eztec.com.br. You can also find the presentation slides on our website under the Download Center.

All information is presented in Brazilian Reais (R$), in accordance with BR GAAP and IFRS applicable to real estate development entities in Brazil, unless otherwise stated.

Before we begin, I would like to mention that any forward-looking statements made during this conference call regarding Eztec's business outlook, including projections and operational and financial targets, are based on the Company's management beliefs and assumptions, as well as currently available information. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties, and assumptions, as they refer to future events and therefore depend on circumstances that may or may not occur.

Investors should understand that general economic conditions, industry conditions, and other operating factors may affect Eztec's future performance and may lead to results that differ materially from those expressed in such forward-looking statements.

Now, to begin, I would like to hand over to Mr. Silvio Ernesto Zarzur, the Company's CEO, who will provide us with his opening remarks.

Mr. *Silvio Ernesto Zarzur*:

Good morning, everyone. Thank you all for being here. I would like to give a general overview of what we experienced this year. It won't be in a very structured format, but I believe it will convey a good overall picture of our performance.

I will start by talking about sales. Tec Vendas, Eztec Vendas, achieved record sales in our in-house platform. It surpassed last year's record and is currently selling about 30% above last year, so the performance of Eztec Vendas has been extraordinary.

Even so, together with the executive team and the Board, we decided to launch Eztec Brokers. We now have a second sales company, working alongside Eztec Vendas. Despite the strong performance of Eztec Vendas, we want more. Therefore, we introduced Eztec Brokers, a second in-house sales operation. It was set up as a franchise in partnership with Biara, but it will operate exclusively to sell our products. It is a company 100% controlled by Eztec.

I would also like to mention that this year, we expect to reach, still in the first quarter, a Potential Sales Value (PSV) of approximately R$1 billion. Considering launched projects and open sales stands, we are already close to around R$950 million. Sales momentum has been very strong, we are approaching R$600 million in sales in just the first two months of the year, which is very significant for us. Overall, both performance and market conditions have been very positive.

I would also like to touch on non-recurring revenues. I believe Emílio has broken this out in the presentation, I'm not entirely sure, but despite being labeled as "non-recurring," this has actually been a recurring feature in our financial statements. We currently have a very strong pipeline of this type of result for this year again. So, this is part of how the Company operates.

Another point is that our engineering team has become more organized. We achieved meaningful construction cost savings, which contributed to our results and will continue to contribute going forward.

For future results through the REF margin, which will improve our credit margin over time. We also expect to surpass last quarter's sales record once again. This has not yet happened, but there is a strong likelihood that it will.

It has been many years since we last provided launch guidance. This was extensively discussed with Flávio, the rest of the Board, and the executive team. Now that we have committed to this guidance, we are fully focused on delivering it as soon as possible. We are effectively in a race to meet the guidance we shared with you in the best possible way. Evidence of this is what we expect to achieve already in the first quarter.

I would also like to highlight that the Company is performing well, and that there is strong alignment across the organization. Our directors have been working closely together, each contributing meaningfully to the results. This is not an individual achievement, we do not have a "Pelé" here; what we have is a well-coordinated team, working alongside the Board and the controlling shareholders. For me, as the Company's CEO, this provides a great deal of confidence. I have strong support, which makes the task of leading the Company significantly easier, given the quality of the team we have.

I would also like to mention that, internally, the Company's environment is very positive. Externally, however, there are concerns, I would say the Board is even more focused on this than management. In the broader scenario, there are still uncertainties. We maintain a very conservative cash management approach. Even though we are targeting a PSV above R$3 billion, which would represent nearly 100% growth compared to the previous year, we continue to manage cash carefully. The way Emílio manages the Company's resources, and how Flávio oversees investments through the Board, provides a great deal of comfort.

I would also like to highlight that the Company has reached a higher level of governance. I can confidently say that Eztec now operates with governance and administrative security standards comparable to large corporations. I mention this because this is not something that will necessarily be visible in financial statements. It is internal to the Company, our controllership function, for example, and our internal audit operate almost at the level of a bank, with a very high degree of administrative and financial rigor.

In addition, we have a wide range of internal controls and reporting structures that, in my view, are comparable to those of financial institutions. We have strong data availability, everything is well-compiled and highly organized, which gives us a high level of predictability in our management. This is very important to me, having this level of visibility and control significantly facilitates managing the Company with confidence and security.

When you look at our results, they are strong, but they were achieved with discipline, without putting the Company at risk, and without taking excessive risks. I believe this is essential: it is not only about the value delivered, but how it was achieved. It was achieved without undue risk-taking.

This is very important to us, and as we have consistently done overtime, we are also prepared for potential challenges in the broader economy, which remains a concern given everything that is happening. That was what I wanted to share, and I would like to thank you all for your attention.

Mr. *Flávio Ernesto Zarzur*:

Good morning, everyone. I have three perspectives: that of the Board, that of management, and also that of a shareholder.

I would like to highlight that both the last quarter of the previous year and this first quarter currently underway have delivered performance above what I had previously expected. I would also like to say that Silvio, in his role as CEO, has been making the right decisions.

There are certain things we are doing differently compared to the past, and these changes have been generating results. This is evident in initiatives such as EZ Brokers, as well as in the way we approached the acquisition of the São Caetano land. These are concepts that we have adapted, learned, and are now incorporating into the Company.

From a strategic standpoint, one of our key objectives, set by the Board and pursued across management, is to improve the Company’s ROE. This remains a clear priority for us, and we are confident that, over the medium term, we will achieve the levels we are targeting.

So, congratulations to everyone involved, and thank you for your attention.

Beginning of the Earnings Presentation

Emílio Fugazza:

Good morning, everyone. It is a pleasure to be here presenting the Company's fourth quarter 2025 results. I would like to thank CEO Silvio Zarzur and Chairman Flávio Zarzur for their opening remarks.

We will now move on to the detailed discussion of our operating and financial performance. Following this, our CEO and Chairman will be available to address your questions.

Slides 3 (Launch Performance)

We begin with our launches. In 2025, total launches reached approximately R$2.4 billion, with a key contribution from the R$783 million launched at the end of the year, that is, in the fourth quarter, representing both the highest annual and quarterly volumes ever achieved by the Company.

I would also like to remind everyone that on January 23, 2026, we officially disclosed our launch guidance, after several years without doing so, specifically, since the 2019–2020 period. The guidance ranges from R$2.5 billion to R$3.5 billion. This reinforces Silvio's earlier remarks: if achieved, this would represent approximately 100% growth compared to 2024.

Additionally, shortly we will comment on what we have already accomplished in the first quarter.

Slide 4 e 5 (Quarter Launches)

Before that, in the fourth quarter of 2025, we launched the first phase of our São Caetano project. I would like to remind everyone that the São Caetano development consists of four major condominium projects. Together, these total approximately R$600 million in PSV, as you can see on the slide. Of these four, the first was launched in the fourth quarter and is already 63% sold.

Given this strong performance, we proceeded with the launch of the second condominium. This one features slightly smaller units. However, instead of launching the entire project at once, we adopted a phased approach. This strategy was designed both due to the limited selling window in December and to allow brokers to create a sense of scarcity around the product. The first phase of this launch is already 61% sold.

Subsequently, we launched Mocca Città Torino. Torino is the third phase of our Mooca development. These Mooca projects are being driven and supported by a park that we are building directly in front of, and alongside, the developments. The sales speed reflects the natural pace of that region, there is a level of sophistication there, and we are fully confident in its success.

This third phase was launched recently. We already have two prior phases sold, with construction currently underway.

Slide 6 (1Q26 Launches Completed)

Let me now move on to the first quarter of 2026 and highlight how productive this period has already been. In the first quarter, we have already launched the second phase of the São Caetano development, specifically, the second condominium, which has already started sales and is currently 38% sold.

Overall, considering everything launched in São Caetano so far, we have already surpassed 50% sales for the project, with two additional condominiums yet to be launched, at least one of which is expected to be launched during 2026.

Next, I would like to highlight the outstanding success we achieved in the first quarter with the Metropolitan by Lindenberg project. Eztec holds a 70% stake in this development, while our co-controlled partner, Adolfo Lindenberg, holds the remaining 30%.

According to the presentation, we are currently at 57% sold, and considering units yet to be formally entered into the system, once fully accounted for, sales would reach approximately 74%. This clearly demonstrates the project's strong success and also reinforces the effectiveness of our strategy with both Eztec Vendas and Eztec Brokers, with Eztec Brokers now actively operating within this development.

I would also like to mention an item that Silvio highlighted earlier regarding events that are operational in nature but not necessarily recurring. In the fourth quarter of 2025, we recorded a transaction with Cury, involving the sale of a 50% stake in an SPE that owns a prime land plot near the Guarapiranga reservoir, in the South Zone of São Paulo.

This land will be developed by Cury, while Eztec will remain as an investor and manager of the project through its remaining 50% stake. The first phase was recently launched, in the last few days. This phase represents R$146 million in PSV attributable to Eztec and is already 60% sold, another strong sales performance in this first quarter, reinforcing the robust sales momentum observed so far, up to mid-March.

Slides 7 e 8 (Upcoming Launches)

Returning to the next planned launches, I would like to highlight Casa Nacional Brooklin. I would like to reassure everyone that the incorporation registration has already been completed, with confirmation received as of yesterday.

Casa Nacional will be launched on the site where many of you may recall Eztec's former Home Store, located on Roque Petroni Avenue in the South Zone of São Paulo, near Morumbi Shopping and Chucri Zaidan.

This is the first launch on that land plot, with additional projects planned for the same location. The launch is expected to occur by the end of March and represents R$393 million in PSV.

With the launch of Casa Nacional, we will reach slightly over R$900 million in launches in the first quarter of 2026 alone, nearly R$1 billion out of the R$2.5 billion to R$3.5 billion guidance we have provided. This indicates that we are fully on track to deliver on our targets.

Pedro, I will move directly to net sales and we can return to deliveries afterward.

Slide 9 (Net Sales)

Net sales already demonstrate strong growth, as shown in the lower-left chart, increasing from R$394 million in 4Q24 to R$556 million in 4Q25.

Additionally, if you consider what has already been sold from the first quarter launches alone, it indicates a strong likelihood that we will surpass 4Q25 sales already in 1Q26.

We are therefore on track for sales growth not only compared to 1Q25, but also relative to 4Q25. Over the last twelve months, sales increased from approximately R$1.7 billion to nearly R$2.0 billion, demonstrating a clear upward trajectory in net sales.

Slide 10 (Deliveries)

To keep the focus on operations, I will return to deliveries. In 2025, we delivered R$2.6 billion in projects, all within contractual deadlines and, in most cases, with construction cost savings.

These projects are currently 76% sold. While there has been some creation of finished inventory, this represents only 24% of total deliveries, during the Company's largest delivery year.

This will not be the case in 2026.

As shown in the lower-right chart, we have R$1.163 billion scheduled for delivery in 2026, already 80% sold. This indicates a strong likelihood of achieving even higher sold percentages this year, meaning we do not expect a significant build-up of finished inventory in 2026, an important point to highlight.

Slide 12 (Net Revenue)

Now moving on to financial highlights.

Starting with revenue, a topic widely discussed in sell-side reports, which we appreciate and carefully review. Thank you all for your attention and thoughtful analysis.

From an operational standpoint, the explanation is straightforward: we delivered projects. As a result, we temporarily lose PoC (percentage of completion) revenue generation from projects that were already well sold and have now been delivered.

However, the strong volume of launches and sales indicates that we are building future value. There will be a point when these new projects begin construction, start generating PoC revenue, and contribute to revenue and net income growth in the coming years.

When should this occur? Starting in the second half of the year. From that point onward, we expect the bulk of projects launched in the second half of 2025 to begin contributing PoC revenue.

Slide 13 (Gross Profit)

Moving on to gross profit.

Throughout 2025, gross profit benefited from the recognition of construction cost savings. These savings are gradually recognized as projects are delivered.

We have strong confidence that these savings are real and no longer required in our budgets. As a result, gross margin increased from 37.5% last year to 40.5% this year.

Importantly, these savings not only benefited current results but will also benefit future results. The remaining 24% of finished inventory will be sold overtime at higher margins, as these improved margins are already embedded in the Company's balance sheet. Therefore, finished inventory now carries higher margins compared to when those projects were under construction.

Slide 14 (Financial Results)

Financial results were primarily driven by two factors:

First, the Company's cash position, which increased due to recent funding activities, including a debenture refinancing and two CRI issuances over the past 18 months. This cash is currently invested, and we maintain a net cash position at the holding level, which we will discuss further.

Second, an important driver of both financial and operational performance is our direct receivable portfolio. This has been a key tool for supporting both development and commercial activities, helping to increase both sales speed and volume.

This portfolio grew from nearly R$500 million at the end of 2024 to R$615 million at the end of 2025. A key highlight is the generation of R$205 million in new contracts throughout 2025, along with R$78 million in accrued interest.

At the same time, amortizations totaled R$151 million. This demonstrates the strong health of the portfolio, as well as shorter effective repayment durations, even though financing terms can extend up to 20 years.

Approximately 30% of the portfolio was amortized compared to 2024 levels, with extremely low delinquency rates relative to the total portfolio.

Slide 15 (Net Income & ROE)

Financial results contributed approximately R$160 million to net income, which reached R$535 million. This total includes R$118 million recognized in the fourth quarter of 2025.

These R$535 million correspond to an ROE of approximately 11%. I would like to emphasize that this reflects solid and consistent growth, despite our already high equity base. While still below our expectations, this performance demonstrates the strength of an operation that, as highlighted by Silvio, delivers results across all fronts.

Slide 16 (Dividends)

Building on that, I would like to address dividends. Throughout 2025, we distributed R$309 million in dividends, representing approximately 58% of the Company's net income, an increase compared to 2024.

Slide 17 (Capital Structure)

To conclude our presentation and move into the Q&A session, I will briefly discuss the Company's capital structure.

As shown in the chart on the right, in 2025 the Company had R$1.1 billion in corporate debt, alongside approximately R$1.3 billion in cash at the holding level. This indicates that the Company is operating with a net cash position at the holding level, which also explains our dividend distribution decisions.

It is important to highlight that the dividends paid in 2025 were supported by cash generation. In other words, dividends were not funded through debt, debt is used to support operations. This is another indication of the Company's financial discipline and solid management.

Looking at leverage within development projects, that is, at the SPE level, these entities hold R$286 million in cash against R$609 million in debt. Most of this debt is currently associated with the Esther Towers project, which accounts for approximately R$450 million.

This further reinforces the strength of Eztec's projects, which generate strong cash flows on their own, supported by healthy payment volumes and early payment dynamics.

Overall, the Company ends the period with net debt of only R$147 million, compared to shareholders' equity of over R$5 billion, further underscoring the Company's solid financial position.

With that, I conclude the presentation and open the floor for questions from our participants. Pedro, please.

Q&A Session Begins

Pedro Lourenço:

Thank you, gentlemen, for the presentation. We will now begin the Q&A session.

We will start with questions from participants who have registered through the platform, following the order displayed on your screens, provided that the "Raise Your Hand" feature is enabled.

As time allows, we will also address questions submitted via chat. If we are unable to answer all questions within the allotted time, we kindly ask that you send your question along with your contact email to the Investor Relations channel available on our website. This will allow our Investor Relations team to follow up with you.

Our first question comes from Mr. André Mazini from Citi. Mr. Mazini, please go ahead.

Citibank

André Mazini, Citi:

Good morning to the entire Eztec team. I have two questions.

First, if you could comment on cost reductions in upcoming project cohorts to be recognized in the financial statements, whether the cohort you have just delivered had higher savings, or if upcoming cohorts will show similar levels of savings to what we are seeing now.

In that context, if you could also remind us of the main drivers behind these savings, whether they were due to more conservative budgeting in the past, related to specific components or inputs, or whether they were more broadly driven by overall engineering efficiency gains. That's my first question.

My second question is regarding the strong performance in launch sales, particularly in the mid-income segment, despite still high interest rates and affordability challenges. What do you attribute this performance to? Could it be due to supply constraints in specific micro-regions, pricing strategy, or competitive pricing driven by lower land acquisition costs?

Of course, the Company holds a significant landbank acquired in cash at historical cost, which is likely below current market value, or whether there are other contributing factors.

Thank you.

Mr. Flávio Ernesto Zarzur:

Good morning, André. Thank you for your question.

Regarding cost reductions from engineering, the cohort we expect for 2026 and beyond will not be at the same level as the previous one. There will still be savings to be recognized, but not to the same extent. Emílio can provide further details if needed.

Emílio Fugazza:

André, regarding 2026, we do expect some level of savings, but nothing comparable to what we saw in 2025.

The key point is that there has indeed been a structural improvement in engineering efficiency. Part of the savings came from budgets prepared during the pandemic, but another part reflects genuine efficiency gains, leading to more accurate and optimized budgeting for the current environment.

Mr. Silvio Ernesto Zarzur:

I would like to add a point. I agree with what was said, but looking forward, we need to consider that we will have fewer deliveries this year. Emílio only recognizes construction cost savings once the project is completed and those savings are definitive.

Since we will have fewer projects being delivered, we will naturally recognize fewer savings, which explains the expectation of lower savings in the near term.

However, looking ahead to 2027, I believe our engineering team still has significant room for improvement. They are advancing in efficiency and technology, and while it is still early to quantify, since you need to execute projects to fully assess this, I believe there is potential for meaningful savings again in 2027 and 2028.

Now, regarding sales performance, it is really a combination of factors.

First, I would highlight that an important portion of recent sales performance comes from the São Caetano project, a land acquisition that we are still in the process of paying for. So, while it is true that we benefit from land acquired at historical cost, São Caetano is actually a recent acquisition under a new model we have implemented, and it is not yet fully paid.

When looking at the broader picture, we have a very strong financial structure, which allows us to operate with a lower financial cost. This enables us to offer slightly more competitive pricing.

We also have a highly effective sales platform, TecVendas (Eztec Vendas), now complemented by Eztec Brokers. We currently have around 1,000 brokers, with strong client acquisition capabilities, which gives us a competitive advantage.

Additionally, the Company's brand, built over 45 years, also plays an important role.

All of this combined allows us to offer slightly more competitive pricing, which drives strong sales speed.

Another key factor is our direct financing model. When a customer purchases a unit, they already sign a financing agreement with us. This eliminates uncertainty around bank approval. Only later, typically after three years, does the customer seek bank financing.

When you combine all these elements, we gain a clear competitive advantage. As you also mentioned, we are able to acquire land at attractive prices. We often source land off market, rather than competing directly with other developers. This has worked well and continues to be effective.

All these factors together allow us to achieve higher sales speed compared to peers.

That said, the market overall is also strong. Other companies are also performing well. So, it is a favorable market environment, and we are maximizing the opportunities it provides.

Emílio Fugazza:

Thank you, André. Does that answer your question?

Mr. André Mazini:

Yes, very clear. Thank you, and good morning.

Goldman Sachs

Pedro Lourenço:

Thank you, André. Our next question comes from Mr. Igor Machado from Goldman Sachs. Mr. Machado, please go ahead.

Igor Machado, Goldman Sachs:

Good morning, everyone. Thank you for taking my questions.

My first question is regarding guidance. I would like to explore both ends of the guidance range and understand how you assess the likelihood of achieving each end, as well as the conditions required to reach them.

Additionally, if you could provide some color on the distribution of launches throughout the year, and whether this guidance could be impacted by the suspension of construction permits in São Paulo.

My second question is regarding the land bank. In the earnings release, we see approximately R$3.2 billion under resolutory clauses. I would like to understand whether this portion of the land bank could impact or alter your launch plans for this year.

That's it. Thank you.

Mr. Silvio Ernesto Zarzur:

Igor, thank you for your question.

Let me start with guidance. So far this year, we have already launched R$521 million. This is already executed.

We also have R$2.45 billion of projects already approved within the guidance, meaning they no longer depend on approvals. Additionally, we have R$232 million to be approved outside São Paulo, in Osasco.

So, from my perspective, this portion of the guidance is secured, already launched or already approved.

Now, what is affected by the injunction related to permits? Approximately R$664 million. Does it concern me? Yes, but not significantly. We have other projects that we can potentially bring into the guidance to replace them if needed.

So that’s the first point.

Now, what is the Company’s strategy? Sales are strong, very strong. So we are accelerating execution. While demand remains strong, we want to bring launches forward as quickly as possible.

We expect to accelerate significantly in the first half of the year. The goal is to deliver the majority of the guidance within the first half. We are already approaching R$1 billion in launches in the first quarter, and we will continue to push to launch as much as possible as early as possible.

We are targeting the upper end of the guidance range. Our goal is not R$2.5 billion, it is R$3.5 billion. That is what we are working toward.

Now, what are the risks to achieving this? If we already have project approvals, sales capability, construction capacity, and financial strength, what concerns me is the market.

The broader macroeconomic environment in Brazil could impact demand, any negative news or events that affect consumer confidence could slow sales. This has not happened yet, which is why we are accelerating execution given the current environment.

I would also like to highlight our product mix. We have a well-diversified portfolio. One segment that is not included in the current guidance is ultra-high-end. That segment is outside our current plan.

We do, however, have some exposure to Minha Casa Minha Vida. In addition to the Cury project, we will re-enter this segment this year with some direct developments, not a large volume, but something in the range of R$200–250 million.

We also have significant exposure to the mid-income segment, where we are very comfortable with both demand and pricing. Our cost structure allows us to maintain a competitive advantage.

For example, in São Caetano, where we have a 50,000 sqm land plot and 230,000 sqm of private area, this is a scale that effectively captures the entire city's demand. The project has generated strong interest and demand, almost creating a market dynamic around it.

We intend to replicate this approach in Osasco. We are somewhat less exposed to the highly competitive high-end segment in São Paulo. That said, we will still have some exposure, such as Casa Nacional in the South Zone, and additional launches in that region.

We also performed very well with Metropolitan, reinforcing our strong brand recognition and positioning in these regions.

Regarding the resolutory clause, it relates to a single project, a flagship development. I prefer not to go into details at this stage. This project is planned for 2028, not for 2026 or 2027. Therefore, it does not impact the current guidance, but rather future guidance.

Emílio Fugazza:

Igor, does that answer your question?

Igor Machado, Goldman Sachs:

Yes, that was very clear. Thank you and good morning.

Itaú BBA

Pedro Lourenço:

Our next question comes from Ms. Mariangela Castro from Itaú BBA. Mariangela, please go ahead.

Mariangela Castro, Itaú BBA:

Good morning, everyone. Thank you for the presentation. I also have two questions.

The first is regarding revenue recognition. I understand you already touched on this in the initial presentation, that PoC has, to some extent, impacted revenue, given the high level of deliveries this quarter. However, I would like to better understand your expectations for revenue throughout 2026.

I know you do not provide formal revenue guidance, but for the past couple of years Eztec has been generating around R$2.0 billion in sales. Should we expect revenue to move closer to that level for the full year? And how should we think about the evolution of revenue in the first quarter and in the coming quarters, should we expect a recovery?

My second question is about inventory sales, particularly finished inventory. Based on our calculations, finished inventory represents around 40% of total inventory today. What strategies are you adopting to reduce this inventory?

Could we see more aggressive use of the fiduciary lien portfolio, or potentially higher selling expenses in the coming quarters as a result? What are the Company's strategies in this regard?

Thank you very much.

Mr. Silvio Ernesto Zarzur:

Mariangela, thank you for your question. I will address the finished inventory.

We launched a significant volume of projects at once, so now we need focus to sell this inventory. I don't know if you've seen in the media, but we are currently running a very strong sales campaign.

We are attracting customers with incentives such as prepaid condominium fees and property taxes (IPTU) for a certain period. This has been effective in drawing attention. We are also running a strong marketing campaign and offering additional incentives for brokers.

Our approach is to meet customers where they are. Customers face challenges, whether it's the down payment, obtaining financing, or general uncertainty. This is very different from when a customer buys a unit during construction and pays gradually, building savings over 30–36 months and already securing financing with us.

So, we are making a very strong effort, and I am confident we will reduce this inventory.

At the same time, we have adopted a new policy: we will no longer build inventory going forward. If you look at our current projects, sales speed is significantly higher than before. We are adopting much more aggressive sales strategies at launch to avoid inventory build-up.

In the past, holding some inventory was not necessarily negative, you could benefit from price appreciation. But that has changed. Today, inventory is not desirable for the Company.

So, we are being very aggressive in selling existing inventory and will take the necessary steps to avoid building it again. Of course, if market conditions change and appreciation becomes more relevant, we may revisit this strategy, but for now, the focus is clear.

We also have several competitive advantages: Eztec Vendas, Eztec Brokers, direct financing, and strong margins that allow us to offer slightly lower prices while still maintaining profitability.

We are not selling at a loss. If we adjust pricing, it is supported by our margins and fully reflected in our financial planning. We are being very aggressive in selling finished inventory.

Emilio Fugazza:

Thank you, Silvio.

Mariangela, regarding your question on revenue, as you mentioned, we do not provide formal revenue guidance. However, I can offer some logical considerations to help frame expectations.

In 2025, we had a significant number of projects reaching completion, which supported IFRS revenue of approximately R$1.5 billion.

For 2026, we will have fewer projects under construction, with construction activity gaining traction mainly in the second half of the year. Therefore, we expect lower PoC contribution in the early part of the year.

On the other hand, we have some offsets. With more aggressive commercial strategies and strong sales performance, we may see earlier revenue recognition in certain projects.

For example, in the first quarter, we did not initially expect revenue recognition from Metropolitan, but now there is a real possibility of recognizing it earlier. So there are elements of revenue anticipation.

Putting this together, these factors may lead to revenue levels broadly similar to 2025.

What will truly make a difference in 2026 is the sale of finished inventory, as mentioned by Silvio. Each unit sold from finished inventory translates directly into revenue.

This could drive real revenue growth compared to 2025.

Does that answer your question?

Mariangela Castro, Itaú BBA:

Yes, that's very clear. Thank you very much.

J.P Morgan

Pedro Lourenço:

Thank you, Mariangela. Our next question comes from Mr. Jonathan Koutras from J.P. Morgan. Mr. Koutras, please go ahead.

Jonathan Koutras, J.P Morgan:

Good morning, everyone. Thank you for taking my questions.

I also have two questions. The first is regarding Esther Towers. If you could comment on leasing progress, recent news regarding AAA office space in São Paulo has been encouraging.

You had previously indicated a plan to deliver the first tower in the first half of the year, just checking whether that timeline still stands, and how discussions around monetization are progressing.

My second question relates to the non-recurring results mentioned earlier, such as land sales and SPE stake disposals. Should we expect similar levels this year, roughly around R$90 million annually, or has most of what could be monetized already been executed, meaning this line may revert to more historical levels in the coming quarters?

Thank you.

Mr. Flávio Ernesto Zarzur:

Regarding leasing at Esther Towers, progress is quite advanced. We cannot disclose the tenant at this time, but leasing is well underway.

We expect to begin occupancy and operations starting in the second half of the year. The anchor tenant will occupy approximately 10,000 square meters, and there are additional leasing discussions underway, smaller in scale, but collectively contributing to fully anchoring the building throughout 2026.

I believe this is an important milestone. I'm not sure if Pedro has already included it, but if not, knowing how creative he is, he should include a photo of Esther Towers in the materials. It is already there.

We have already completed the helipad, and it is truly a landmark in São Paulo. In the future, I believe this rooftop access may even become a point of interest for visitors.

Mr. Silvio Ernesto Zarzur:

Thank you for your question, Jonathan.

Based on what we currently see in our pipeline, we expect results from these non-recurring transactions to be broadly in line with what we achieved last year, around the same level.

That said, this may or may not materialize exactly as expected. Some transactions are ongoing and will only be reflected in the financials once completed. There are also transactions that we execute which may not immediately impact the income statement.

We may provide additional disclosure in the first quarter regarding items that did not yet flow through the income statement, so you can better track these developments.

But overall, yes, we expect results to be broadly similar to last year.

Emilio Fugazza:

Jonathan, just a clarification, when we say “not reflected” we mean not yet recognized in the income statement. These items are reflected in the balance sheet and will eventually be recognized in earnings, but not immediately.

Does that answer your questions?

Jonathan Koutras, J.P Morgan:

Yes, it does. Thank you, everyone, and good morning.

Santander

Pedro Lourenço:

Thank you, Jonathan. Our next question comes from Ms. Fanny Oreng from Santander. Fanny, please go ahead.

Fanny Oreng, Santander:

Good morning, everyone. Thank you for taking my question.

I have two questions. The first is regarding your finished inventory. I would like to understand what percentage of it falls within the SFH (Brazilian Housing Finance System).

Also, following the recent change in October, when the SFH ceiling was increased to R$2.25 million, I would like to understand whether you are seeing any improvement in demand for this inventory, especially considering that buyers can now use FGTS for the down payment, which, as Silvio mentioned, is often a constraint for customers.

My second question is regarding project cohorts and margins. We have noticed some pressure on REF margins, and I would like to understand whether you believe margins for newer cohorts, which appear to be around 32% according to the release, could be conservative. Historically, we have seen margins at similar levels that later improved, so I would like your view on that.

Thank you.

Mr. Silvio Ernesto Zarzur:

Fanny, thank you for your question.

Our ready inventory is essentially within the SFH (Brazilian Housing Finance System). We do have one development on República do Líbano, right in front of our office, with an open view of the park, and that one is actually outside the SFH. But I believe this is more a matter of pricing adjustment. We sold one unit yesterday. It's really about aligning pricing with our partner.

This is a relevant inventory that we have here in front of the office, I'm not sure if Emílio can provide the exact number, but it's more a matter of adjusting the price with our partner and selling it. It has strong liquidity: it's ready, with an open park view, and it's a differentiated product. This client segment does not depend on SFH; they are not the type of buyer for a R$12 million apartment. It's a different customer profile.

As for the customer in the middle segment, who depends on SFH but doesn't qualify, we don't really have exposure to that within our inventory. That's the situation.

However, mid-income ready inventory is not easy to sell. We will need to be aggressive in our commercial strategy, pricing, payment terms, and everything else, to drive these sales. And we are doing exactly that.

Emílio Fugazza:

Our stake is R$131 million.

Mr. Silvio Ernesto Zarzur:

Emílio is saying that in this development here in front of us, our share is around R$130 million. We will adjust it and move this off our books.

Mr. Emilio Fugazza:

Fanny, speaking briefly about the margins of the new project vintages we have for delivery. In the earnings release, you mentioned, and I really like that chart Pedro put together on page 8, where he compares the evolution of the company's margins by project vintages. What you pointed out is that from last year to now, these margins have improved.

The 2025 launches shown in that chart have an average gross margin of around 32%. Your question is whether there is potential for improvement.

The first point I'd highlight is that there's a bit of a distortion in this margin calculation. We have products that are selling very well, but interest rates are still very high. So the present value adjustment (AVP) we need to apply is around 7.9%, if I'm not mistaken. That means we are bringing the revenues of these long-term delivery projects to present value using a discount rate close to 8% per year.

This significantly reduces the reported margin, which is why the REF margin is showing at around 38%. Today, my REF margin is fully linked to what we will deliver, since a large portion of it is tied to more distant future deliveries. So while it is at 38%, it is heavily impacted by this ~8% annual AVP.

So yes, there is room for margin expansion just from the AVP effect. When we reverse this impact over time, I believe we can recover at least around 4 percentage points of margin.

Beyond that, we also have the natural price evolution and the ongoing impact of construction cost inflation (INCC), which is still running at around 6%.

So, for example, when we get to the third quarter, we will capture the INCC adjustments from May and June, which should already bring a small margin improvement.

In short, our goal, and this is really a combination of balance sheet management and sales execution, is to reach something closer to the company's historical level, nearer to 40% margins, Fanny.

Did we answer your questions, Fanny?

Fanny Oreng, Santander:

Yes, you did, Emílio. Thank you very much.

XP Investimentos

Pedro Lourenço:

Thank you, Fanny. Our next question comes from João Pedro Rodrigues, from XP Bank. João, you may proceed.

João Rodrigues, XP Investments:

Good morning, everyone. Thank you for taking my question.

I have two questions. First, in your management commentary, you mentioned that at the upcoming shareholders' meeting there will be a proposal to amend the bylaws. I believe this may involve new board seats and more flexibility in the executive structure. I don't know how much you can share at this point, but I'd like you to elaborate a bit on what is being proposed, whether new executive positions are being created, if independent board members are coming in, or if they will be family members only. If you could provide a bit more color on what will be proposed at the EGM, that would be helpful.

Second, I just wanted to double-check something in your release. We noticed a slight increase in sales cancellations. I assume this is related to the significant volume of project deliveries you had last year, but I wanted to confirm whether my understanding is correct or if there was any broader macro effect that increased cancellation levels. Thank you.

Emílio Fugazza:

João, thank you for your question. I'll start with the sales cancellations, and then Flávio will comment on the bylaws.

Regarding cancellations, what do we see? In a year when we delivered R$2.6 billion in projects, it is natural to see some changes in buyers' plans. Some customers may realize they no longer want to live there due to social changes or geographic changes in their lives. So cancellations are natural in these moments.

Looking at the first quarter now, for example, I don't see the same trend. I see cancellations running at a rate below the average we had in 2025.

Just to remind you of the numbers: in 2025, we had R$2.2 billion in gross sales and R$276 million in cancellations, which puts us in the range of about 12%–13%.

That's not what I'm seeing for 2026 so far. This gives me confidence to say that deliveries were the main driver of those cancellations.

With that said, I'll pass to Flávio regarding the bylaws. Flávio, feel free to ask me to add some information if needed.

Mr. Flávio Ernesto Zarzur:

We are making changes to the bylaws as part of a succession process that we are building within the company.

Basically, if you've noticed, we have been bringing in new directors, led by Silvio. We've also been implementing new compensation and performance dynamics for employees. We are creating a broader governance structure.

Over time, gradually and without urgency, as we have no strict timeline, this movement will lead shareholders to move into the Board, and we will establish committees so the Board can properly oversee the company.

The idea is that the company can continue operating strongly even if, in the future, we (the current leadership/family) transition more into board roles. We want to ensure the company will perform as we expect.

This is all being done very gradually, with a long-term perspective, not even medium term, but truly long term. We still have plenty of time, but we are already planning ahead.

Emílio Fugazza:

João, did we answer your questions?

João Rodrigues, XP Investments:

Yes, you did. Thank you very much.

Bradesco BBI

Pedro Lourenço

Thank you very much, João. Continuing with our Q&A, just a moment... Our next question comes from Herman Lee, from Bradesco BBI. Herman, please go ahead.

Herman Lee, Bradesco BBI:

Good morning, everyone. Thank you for taking my question. I have two questions as well.

The first is about dividends. I'd like to better understand the company's thinking regarding distributions, whether we should expect a higher level than in 2025 or something more conservative.

And, building on that capital allocation topic, I'd like to understand how the company plans to approach land acquisitions in 2026, whether you intend to accelerate purchases or maintain a more selective stance given current market conditions. Thank you.

Mr. Silvio Ernesto Zarzur:

Herman, thank you for your question. Let me start with dividends.

Last year's dividend already included the dividend from the first quarter of this year. The first-quarter dividend was effectively anticipated, if I'm not mistaken, and I don't think I am. So we made an additional distribution.

For now, and this may change, the expectation is to distribute 25% of net income for the second, third, and fourth quarters. That's what is currently in the plan. However, this could be increased if we see a significant cash buildup or more financial flexibility. But that's the current guideline.

Now, regarding land acquisitions: we are proceeding as we always have, very carefully. The company already has a large land bank to operate with. We are also following guidance from the Board to increase the company's ROE.

So we will allocate capital very carefully in land purchases, and we are also changing how we structure these acquisitions compared to the past.

Let me give you an example: in São Caetano, we have already launched two developments, and we haven't even finished paying for the land yet. So we are acquiring land under different structures than before, more flexible arrangements.

The idea is to avoid holding land for too long on the balance sheet and to operate more dynamically.

As Emílio likes to say, and I have to mention this, we don't buy land, land is sold to us. We have strong deal flow due to our network. There are six of us (brothers) working here, and we have a very large network, so we see many opportunities.

I'd say there's hardly any large, high-value land in São Paulo that comes to market without passing through our office. That gives us a broad pipeline, from which we select the best opportunities.

So I wouldn't call our approach conservative, you will likely see relevant land acquisitions ahead, but we are being very selective.

At the same time, we still expect to acquire significant volumes, but without immediate heavy capital allocation.

Emílio Fugazza:

Herman, did we answer your questions?

Herman Lee, Bradesco BBI:

Very clear, thank you very much.

BTG Pactual.

Pedro Lourenço:

Thank you, Herman. Our next question comes from Gustavo Fabris, from BTG Pactual. Gustavo, please go ahead.

Gustavo Fabris, BTG Pactual:

Hi everyone, good morning. I have two questions.

The first one is more straightforward: regarding SG&A. Given that your number of launches this year is higher, while revenue recognition is still lower, as you stop recognizing projects delivered in 2025, could you give us an idea of the expected SG&A level as a percentage of revenue for 2026?

The second question is about your view on the low-income segment. Today, you have around R$2.5 billion in land bank under the FIT Casa brand, and I believe you mentioned expected launches of around R$200–250 million this year.

Given the strong momentum of the housing program, upcoming changes in March, and the demand in this segment, looking ahead to 2027–2028, would you consider accelerating this low-income segment within the company? Thank you.

Mr. Silvio Ernesto Zarzur:

Gustavo, thank you for your question.

We have previously operated more actively in the Minha Casa Minha Vida segment than we do today. A few years ago, we decided to temporarily focus on our core business, which is performing very well and is well structured to serve the mid- and high-income segments.

However, as you mentioned, this is a very strong market, and a company of our size cannot remain absent from it. So yes, it is part of our plan to increase our exposure to this segment.

In fact, if everything goes as planned, we expect to begin expanding our direct presence still this year, with further growth over the coming years.

You know that the tax reform brings additional advantages to this segment, and a company of our size cannot, and will not, stay out of it. We are already increasing our focus here, and you can expect developments starting this year.

Emílio Fugazza:

Thank you, Silvio.

Gustavo, regarding your question on SG&A, administrative and commercial expenses, note that in 2025 we achieved significant growth in launches and sales without a proportional increase in this line.

If you look at the numbers, even commercial expenses grew only about 5%–6% from 2024 to 2025, slightly above inflation but broadly in line with it.

Naturally, the company's mindset is that any increase should reflect efficiency gains. So if you're asking whether we expect SG&A to increase as a percentage of revenue, the answer is no.

We will have some specific developments, for example, as Silvio mentioned, Eztec Brokers, which is a new fully owned brokerage arm, will be included in administrative expenses.

However, the discipline and cost control we've demonstrated in recent years, keeping both commercial and administrative expenses contained while delivering strong results, will continue into 2026.

Mr. Silvio Ernesto Zarzur:

We are focused on efficiency. Emílio is not saying that absolute numbers will remain the same, but we are pursuing efficiency gains.

We have a highly qualified team, and there have been significant investments, especially from Flávio, in IT and people development. All of this should result in expense growth that is lower than revenue growth.

Emílio Fugazza:

Gustavo, did we answer your questions?

Gustavo Fabris, BTG Pactual:

Yes, very well. Thank you. Good morning.

Final Considerations

Pedro Lourenço:

With no further questions and having reached our allotted time, I will now hand over to our executives for their closing remarks.

Mr. Flávio Ernesto Zarzur:

Well, I'd like to thank everyone. What we are presenting here is our performance for the past year, which, for us, was a turning point. We prepared ourselves in 2024, and in 2025 we executed that transition.

At the Board level, we defined a strategy for 2025, and we achieved about 90% of what was planned. We now have new strategies for 2026, some of which were mentioned here by Silvio and partially by myself.

I want to reinforce that we are very focused on the future. We strongly believe in the company, and even more in our team, highly capable, committed professionals who have been with us for a long time.

And especially in our clients, who will reflect the advantages they experience with us, both in financing and in the quality of the products we deliver.

So we are confident, and the future looks positive for a long time ahead.

Mr. Silvio Ernesto Zarzur:

I'd like to say that we are very confident in the company's performance and in what we will deliver this year and in the coming years.

I also want to address something, since I saw many questions regarding revenue. Last year, we had net sales of around R$2 billion, about R$1.94 to R$1.95 billion, and that will translate into revenue.

The PoC (percentage-of-completion) accounting method, along with the characteristics of our land bank, which is often acquired at lower costs, means that revenue recognition is lower at the beginning. But over time, all of this comes back to us. So this is natural.

For context, in 2024 we launched something close to R$1.5 billion. Last year, we increased that to, how much, Emílio?

Emílio Fugazza:

R$2.4 billion

Mr. Silvio Ernesto Zarzur:

R$2.4 billion. And this year, if everything goes as planned, we expect to launch above R$3 to R$3.2 billion.

This clearly indicates that we will see strong revenue growth. Over time, this revenue will materialize, it's just a matter of time. You sell, you recognize revenue, you build.

So this gives us a very positive outlook for the company. And importantly, this growth is already embedded, it is being executed with discipline and care, but also with boldness.

So it’s not a case of being conservative or “sitting on our hands.” If we go from R$1.6 billion to R$3.2 billion, that’s 100% growth over a 24-month period, that’s bold.

And the trend is for this to continue. So you can expect this revenue to materialize, will happen.

I’d also like to highlight that our construction projects are fully under control. We are not facing unknown challenges. These are projects we know how to execute, they are part of our day-to-day operations.

We are not experimenting or doing anything we haven’t done before. I think this also provides strong operational confidence. We don’t have any “revolutionary” buildings or unfamiliar projects, everything is within our control.

This gives us confidence that we will achieve our targets safely.

That’s what I wanted to say. Thank you all for your presence, we remain at your disposal.

Emílio Fugazza:

Gentlemen, thank you all for joining us today. Thank you. Pedro?

Pedro Lourenço:

Before closing this conference call, I’d like to remind everyone that if you appreciate the work of this management team and the Investor Relations program, please consider voting for us in the Extel rankings. We are participating, and your support would be very important to us.

With that, the Eztec earnings call is now concluded. Please make sure to review all materials available on the Investor Relations website, and feel free to reach out to our IR team so we can provide proper follow-up.

Thank you all for your participation and have a great weekend.

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