



Belo Horizonte, August 12th, 2024 - Direcional Engenharia S/A, one of the largest homebuilders and real estate development companies in Brazil, focused on the development of low-income and medium-income projects, and operating in several regions of the Brazilian Territory, discloses here its operating and financial statements for the second quarter of 2024 (2Q24). Unless otherwise expressed, the information in this document is expressed in the national currency (Brazilian Reais – R\$ or BRL) and the Potential Sales Value (PSV) demonstrates the consolidated value (100%). The Company's consolidated financial statements are prepared in accordance with accounting practices adopted in Brazil, which are based on Brazilian Corporate Law and on the regulations issued by the Brazilian Securities Commission (CVM).

2Q24 EARNINGS RELEASE

- ✓ **NET INCOME OF BRL 146 MILLION IN 2Q24, A 40% GROWTH OVER 2Q23, AND A 17.3% NET MARGIN**
- ✓ **IN 1H24, NET INCOME REACHED BRL 296 MILLION (+82% VERSUS 1H23), RESULTING IN A NET MARGIN OF 19.6%**
- ✓ **ALL-TIME NET REVENUE RECORD FOR A QUARTER: BRL 844 MILLION, UP BY 39% VERSUS 2Q23**
- ✓ **ADJUSTED GROSS MARGIN¹ OF 38.1% IN 2Q24, 70 BPS ABOVE 1Q24 AND 160 BPS ABOVE 2Q23**
- ✓ **ADJUSTED ANNUALIZED ROE² OF 25% IN 2Q24**

OTHER HIGHLIGHTS

- **Company's best quarter in Net Sales: BRL 1.6 billion in 2Q24, growing 68% over 2Q23 and 24% over 1Q24.**
- **Net Sales Speed (VSO index) of 26% in the consolidated view in the quarter, +470 bps versus 1Q24 and +890 bps versus 2Q23, with VSO from Launches reaching an all-time high: 28%.**
- **In 2Q24, Operating Net Income² reached BRL 135 million, a 13% increase in relation to 1Q24 and an 82% increase versus 2Q23.**
- **Operating Net Margin² of 16.0% in 2Q24, a 375-bps increase when compared to 2Q23.**
- **In 2Q24, G&A-to-Gross Revenue ratio showed a 100-bps dilution in comparison with 1Q24 and a 90-bps dilution when compared to 2Q23.**
- **Deferred Revenue from Sales (Backlog Revenue) with nominal growth of BRL 1.2 billion in the last twelve months, with Backlog Margin at 43.4% in 2Q24, a 30-bps increase over 1Q24.**
- **Cash Generation of BRL 219 million in the quarter, totaling BRL 162 million in 1H24.**
- **Subsequent event: BRL 277 million in dividends distribution, representing BRL 1.60 per share (7% dividend yield³).**

1 - Adjustment excluding capitalized interest and the effect of *Pode Entrar* Program.

2 - Adjustment excluding equity swap result and non-recurring result under Other Operating Income and Expenses.

3 - Considers the stock price on 12/28/2023.



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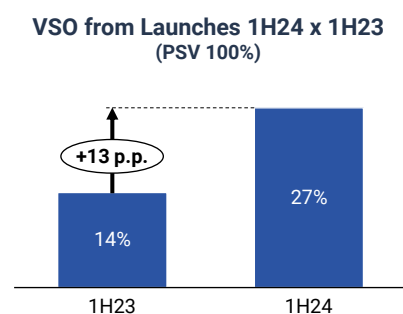
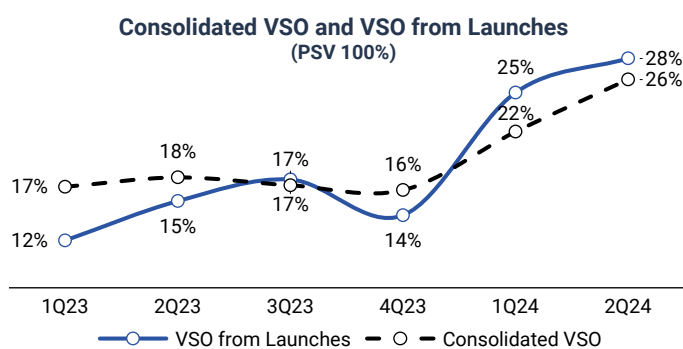
MESSAGE FROM THE BOARD

We are very pleased to announce the results for the second quarter of 2024 (2Q24), which reflect all the focus and dedication with which we have managed our operations. Taking advantage of the positive scenario faced by the civil construction sector, especially in the economic development segment – based on the favorable conditions of *Minha Casa, Minha Vida* Program and the booming demand we have been experiencing – we believe that our performance and our way of conducting our business have been key factors in enabling Direcional Group to hold a prominent position in the Brazilian real estate market.

During the quarter, we launched approximately BRL 1.4 billion in terms of PSV (BRL 1.2 billion % Company), which translates into more than 4.1 thousand new units. Thus, in the first half of 2024 (1H24), launches amounted to BRL 2.3 billion (BRL 1.9 billion % Company), with 64% referring to Direcional products and 36% under Riva brand. In a period of 12 months, we reached BRL 5.0 billion in PSV launched (BRL 4.4 billion % Company).

In terms of Net Sales, for one more consecutive quarter, we renewed Direcional Group's absolute record, having reached impressive BRL 1.6 billion (BRL 1.3 billion % Company), a 68% growth when compared to 2Q23 and 24% versus 1Q24. Thus, in 1H24, we sold the equivalent of BRL 2.9 billion (BRL 2.3 billion % Company), 66% above what we had sold in the same period of the previous year, with relevant growth in both Direcional (+50% in the period), and Riva (+96% in the period). In 12 months, Net Sales already amount to BRL 5.2 billion (BRL 4.0 billion % Company).

As a result, in line with the Company's strategy of seeking to increase asset turnover, mainly by accelerating sales, we reported our highest quarterly level of VSO index (Sales-Over-Supply ratio), which reached 26% in the consolidated view, 470 bps above 1Q24 and 890 bps above 2Q23. In this context, we highlight the significant and growing contribution of the sales of launches to this achievement. VSO from launches reached 28% in 2Q24, endorsing the assertiveness of the projects we have developed and the improvements we have promoted in our internal processes and commercial strategy. The graphs below show the relevant growth in the net sales speed from launches in recent periods.



In 2Q24, we achieved the highest level of Net Revenue in Direcional's history for a quarter: BRL 844 million. Comparatively, we grew 26% when compared to 1Q24 and 39% when compared to 2Q23. In 1H24, this Net Revenue reached BRL 1.5 billion, 30% higher than in the same period in 2023.

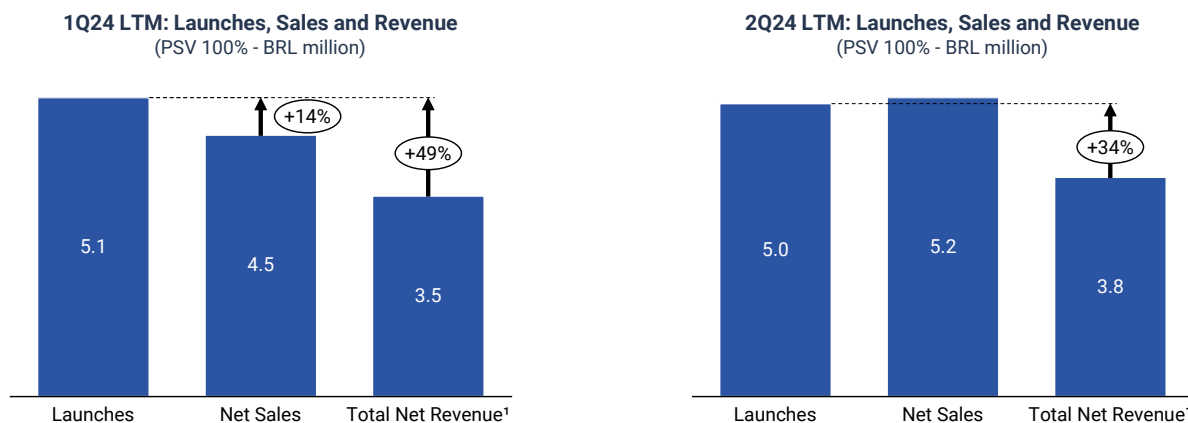
Considering Total Net Revenue¹, i.e., adding both accounting Net Revenue and non-consolidated revenue (arising from non-controlled and jointly controlled SPVs), we reached BRL 1.1 billion in 2Q24, representing a 20% increase in comparison with the previous quarter and 40% in relation to the year-ago period. Year-to-date, Total Net Revenue¹ reached BRL 2.1 billion in 1H24 and BRL 3.8 billion in the last twelve months (2Q24 LTM).

In this sense, considering the natural business rationale, whereby we first launch the product, then sell it, then build and recognize revenues, it can be seen that the time lag between the volume of launches and the amount of revenue recognized has gradually decreased.

The graph on the left shows this relation, as we reported last quarter. On the right, however, we highlight the gradual evolution witnessed in 2Q24 LTM. During the period, PSV launched amounted to BRL 5.0 billion, while Net Sales have already reached the level of Launches, standing at BRL 5.2 billion. In turn, Total Net Revenue¹ was BRL 3.8 billion, representing an important step towards the convergence of these numbers. The ongoing closing of the current 34% gap will continue to allow us to benefit



from an important gain from operating leverage, which has been reflected in increased EBITDA Margin and Net Margin in recent quarters.



In addition to the substantial growth in Net Revenue, the high volume of Net Sales we have been recording quarter after quarter has also made an important contribution to the increase in Deferred Revenue from Real Estate Sales (Backlog Revenue), which amounted to BRL 2.3 billion at the end of 2Q24, up 21% versus 1Q24 and 115% versus 2Q23. It is worth highlighting the Backlog Margin for the period, which reached 43.4%, indicating the continued solid profitability we have been showing.

In fact, once again our Adjusted Gross Margin² remained at high levels, reaching 38.1% in 2Q24, 70 bps higher than in 1Q24 and 160 bps higher than in 2Q23. In 1H24, the indicator reached 37.8%, representing a 140-bps growth versus 1H23.

The focus on efficiency was also evident in General and Administrative Expenses (G&A), which accounted for 6.0% of Gross Revenue in the quarter, a significant dilution of 100 bps when compared to 1Q24 and of 90 bps when compared to 2Q23. Considering Total Gross Revenue¹, G&A's representativeness was only 4.4% in the quarter, down 60 bps versus 1Q24 and 80 bps versus 2Q23.

Selling Expenses, in turn, kept pace with the Company's higher sales volume and revenue, reaching BRL 71 million in 2Q24. Even so, its representativeness over Gross Revenue from Real Estate Sales came in at 8.3%, representing a 50-bps dilution in relation to the year-ago period.

Still relying on a significant contribution from non-controlled and jointly controlled SPVs to our results, Equity Income reached BRL 19 million in 2Q24, 61% higher when compared to the same period in 2023. In the first semester of 2024, Equity Income totaled BRL 46 million, 145% higher than in 1H23. These figures show the important effect that non-consolidated projects have had on results, in line with the strong sales volume shown by these products.

As in the previous quarter, one more sale of equity interest in an SPV was completed in 2Q24, along the same lines as the transaction carried out in 1Q24. As a result, Other Operating Income and Expenses showed a positive non-recurring net result of BRL 9 million – with the revenue from the sale of equity interest in SPVs totaling BRL 26 million, reduced by BRL 16 million due to non-recurring expenses related to the SPVs. It is worth highlighting that these transactions have the main purpose of capturing value for our shareholders, especially through reducing equity deployed in projects.

In 2Q24, Adjusted EBITDA³ added up to BRL 207 million, growing 26% versus 1Q24 and 54% versus 2Q23. Therefore, Adjusted EBITDA Margin³ reached 24.5% in the quarter, endorsing the solid profitability of our products. In 1H24, Adjusted EBITDA³ reached BRL 371 million, up by 46% when compared to the same period in 2023. Adjusted EBITDA Margin³ was also at 24.5% in the period, a 260-bps increase versus 1H23.

We thus reached a Net Income of BRL 146 million in 2Q24, 40% above the year-ago period, with a 17.3% Net Margin. In 1H24, Net Income totaled BRL 296 million, 82% higher than 1H23. The result of such growth was reflected in the Company's Net Margin in this period, which reached 19.6%, an increase of 560 bps.

Excluding non-recurring effects of the quarter, Direcional Group's Operating Net Income³ reached BRL 135 million in the quarter, considering adjustments for (i) the result of the equity swap transaction; and (ii) the non-recurring result allocated to "Other



Operating Income and Expenses". In this context, there was a 13% growth in comparison with 1Q24 and an 82% growth versus 2Q23. Operating Net Margin³ came in at 16.0% in the quarter, up 375 bps over 2Q23. As a result, Adjusted Annualized ROE³ reached 25%, an all-time high for the Company, which maintains our track record of success in terms of shareholder returns.

Another major event to highlight is the fact that we have returned to cash generation after an important period in which we significantly accelerated our operations and transformed the Company's level of deliveries. In view of this, it is worth noting that, despite all this growth, we have managed to substantially reduce the business' working capital requirement. Cash generation therefore totaled BRL 219 million in 2Q24. In addition to the contribution of the accelerated VSO, which has played a fundamental role in increasing asset turnover, the cash generation reported in the quarter was also influenced by the settlement of a sale of receivables, in the net amount of around BRL 224 million. We also highlight the operating cash generation achieved in June – the first recorded in 2024. As a result, in 1H24, cash generation amounted to BRL 162 million.

In addition to the remarkable result of the quarter, it is also important to highlight that, at the end of 2Q24, we once again posted net cash position – this time, at BRL 153 million. Thus, our leverage ratio (Net Debt⁴-to-Equity) was -6.3%. All these achievements lead us to believe that we are experiencing a unique moment, following the right path to continue pursuing the sustainable growth of our operations, without undermining the strength of our capital structure.

Considering this virtuous cycle we have been witnessing, our Board of Directors approved, on the first day of 3Q24, the payment of interim dividends in the amount of BRL 1.60 per share, totaling BRL 277 million. Investors with a shareholding position at the close of trading on July 4, 2024 were entitled to receive the proceeds. In this context, considering dividends and share buybacks, Direcional has already exceeded the mark of BRL 1.5 billion in capital returned to shareholders since its IPO, which was held in 2009.

We must also mention the publication of our third Annual Sustainability Report, in which we further explore the paths we have taken regarding operations and the ESG theme, and show a little more of our vision and our way of being, which form the basis that allows us to achieve the outstanding results presented here. The report was prepared in compliance with the guidelines of Global Reporting Initiative (GRI) and the sector requirements of the Sustainability Accounting Standards Board (SASB). As always, its main purpose is to be an open communication channel with our stakeholders, ensuring transparency and the thoroughness with which we address the topic. With the purpose of being one of the most important agents of social transformation and development in Brazil with regard to low-income housing, we invite you to read our annual report, by [clicking here](#).

Results and achievements such as those presented in this report further corroborate our view that we are experiencing the best moment in our history so far. We are grateful for all the commitment and energy of our thousands of employees who, like us, keep the motivation alive to keep striving for more.

Thank you,

The Management - Direcional Engenharia S/A

1 - Adjustment including Revenue from non-consolidated SPVs.

2 - Adjustment excluding capitalized interest and the effect of *Pode Entrar* Program.

3 - Adjustment excluding equity swap result and non-recurring result under Other Operating Income and Expenses.

4 - Loans and Financing Operations reduced by Cash and Cash Equivalents and Short-term Investments plus the balance of open position in swap agreements for protection against interest rate float.

KEY FIGURES

	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Main Financial Figures								
Net Revenue (BRL million)	844.2	669.4	605.4	26.1%	39.4%	1,513.7	1,162.7	30.2%
Gross Profit (BRL million)	302.6	240.6	205.2	25.8%	47.5%	543.2	403.0	34.8%
Gross Margin	35.8%	35.9%	33.9%	-0.1 p.p.	2.0 p.p.	35.9%	34.7%	1.2 p.p.
Adjusted Gross Profit ¹ (BRL million)	318.9	249.9	221.1	27.6%	44.2%	568.7	423.5	34.3%
Adjusted Gross Margin ¹	37.8%	37.3%	36.5%	0.4 p.p.	1.3 p.p.	37.6%	36.4%	1.2 p.p.
Adjusted EBTIDA ¹ (BRL million)	206.9	164.5	134.2	27.9%	56.8%	399.8	255.2	56.7%
Adjusted EBTIDA Margin ¹	24.5%	24.6%	22.2%	0.4 p.p.	2.8 p.p.	26.4%	21.9%	4.5 p.p.
Operating Net Income ² (BRL million)	135.1	120.1	74.2	15.4%	86.9%	258.7	144.0	79.7%
Operating Net Margin ²	16.0%	17.9%	12.3%	-1.5 p.p.	4.2 p.p.	17.1%	12.4%	4.7 p.p.
Launches								
PSV Launched - 100% (BRL million)	1,360.7	896.5	1,456.6	51.8%	-6.6%	2,257.2	2,067.8	9.2%
Direcional	867.2	332.3	880.3	161.0%	-1.5%	1,199.5	1,357.6	-11.6%
Riva	493.5	564.2	576.3	-12.5%	-14.4%	1,057.7	710.3	48.9%
PSV Launched - % Company (BRL million)	1,196.8	653.5	1,088.9	83.1%	9.9%	1,850.2	1,699.4	8.9%
Direcional	786.5	259.0	711.2	203.7%	10.6%	1,045.5	1,187.7	-12.0%
Riva	410.2	394.5	377.7	4.0%	8.6%	804.7	511.7	57.3%
Launched Units	4,187	2,238	5,268	87.1%	-20.5%	6,425	8,030	-20.0%
Direcional	3,343	918	3,507	264.2%	-4.7%	4,261	5,983	-28.8%
Riva	844	1,320	1,761	-36.1%	-52.1%	2,164	2,047	5.7%
Net Sales								
Net Sales - PSV 100% (BRL million)	1,618.8	1,307.7	962.5	23.8%	68.2%	2,926.4	1,765.9	65.7%
Direcional	966.0	756.9	581.8	27.6%	66.0%	1,722.9	1,152.0	49.6%
Riva	651.5	550.7	380.3	18.3%	71.3%	1,202.2	614.3	95.7%
Old Harvest	1.3	0.0	0.4	n/a	242.4%	1.3	-0.4	-394.0%
Net Sales - PSV % Company (BRL million)	1,260.1	1,004.2	733.9	25.5%	71.7%	2,264.3	1,376.8	64.5%
Direcional	786.8	587.4	467.7	33.9%	68.2%	1,374.1	931.0	47.6%
Riva	472.6	416.8	265.8	13.4%	77.8%	889.5	445.8	99.5%
Old Harvest	0.7	0.0	0.4	n/a	97.6%	0.7	0.0	-
Contracted Units	5,354	4,227	3,575	26.7%	49.8%	9,581	6,821	40.5%
Direcional	3,829	2,864	2,458	33.7%	55.8%	6,693	4,990	34.1%
Riva	1,523	1,363	1,116	11.7%	36.5%	2,886	1,832	57.5%
Old Harvest	2	0	1	n/a	100.0%	2	-1	-300.0%
Net Sales Speed (VSO index), in terms of PSV	26%	22%	18%	4.7 p.p.	8.9 p.p.	40%	28%	11.4 p.p.
Direcional	26%	21%	17%	4.9 p.p.	9.0 p.p.	39%	29%	9.6 p.p.
Riva	27%	22%	18%	4.6 p.p.	8.7 p.p.	41%	26%	14.3 p.p.
Old Harvest	4%	0%	1%	3.9 p.p.	2.9 p.p.	4%	-2%	5.5 p.p.
Other Key Figures								
Adjusted Annualized ROE ²	25%	24%	20%	20%	21%	21%	17%	13%
Net Debt ³ (BRL million)	-153.0	66.1	-72.1	-88.8	268.2	289.9	193.4	291.6
Cash Generation ⁴ (BRL million)	219.0	-57.0	-15.5	-51.1	21.7	7.8	98.2	-5.6
Net Debt ³ / Equity	-6.3%	2.9%	-3.4%	-4.2%	16.7%	19.2%	13.3%	19.1%
Inventory (PSV 100% - BRL million)	4,591.7	4,777.6	5,146.3	5,021.4	4,582.8	4,042.6	4,203.2	3,693.2
Landbank - 100% (PSV - BRL million)	39,678.3	37,282.6	36,301.4	35,769.6	35,133.5	32,505.3	32,458.5	28,896.9

1 - Adjustment excluding capitalized interest.

2 - Adjustment excluding equity swap results and non-recurring results under "Other Operating Income and Expenses".

3 - Loans and Financing Operations reduced by Cash and Cash Equivalents and Short-term Investments plus the balance of interest rate swap contracts.

4 - Variation in net debt adjusted by payment of dividends, share buyback and the variation in the balance of interest rate swap contracts.



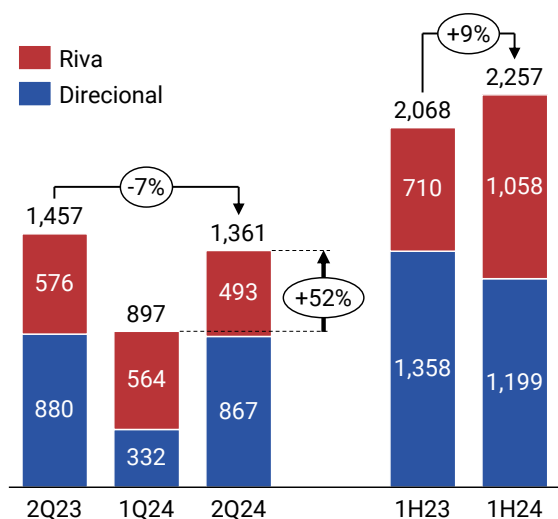
LAUNCHES

Direcional Group launched 16 new projects during the 2nd quarter of 2024 (2Q24), which represented a Potential Sales Value (PSV) of BRL 1.4 billion (BRL 1.2 billion % Company), an increase of 52% over the previous quarter.

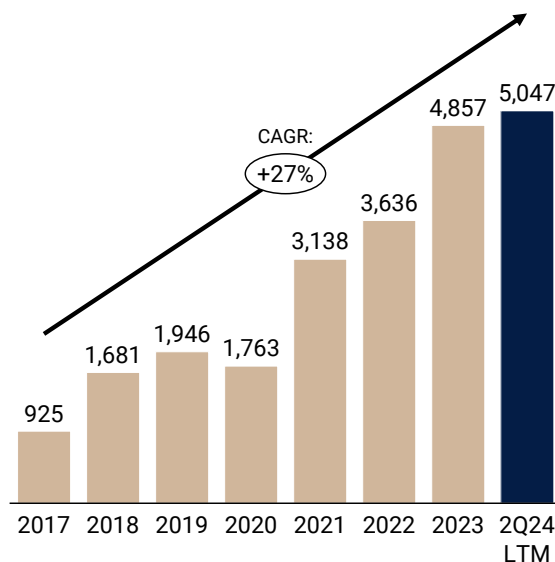
Considering the 1st semester of 2024 (1H24), Launches totaled BRL 2.3 billion (BRL 1.9 billion % Company). Thus, there was a 9% growth in comparison with 1H23. The products under Direcional brand accounted for 64% % of the PSV launched in the period, while Riva's products accounted for 36%.

It should be noted that in the 12-month period ending on 2Q24 (2Q24 LTM), Launches totaled BRL 5.0 billion (BRL 4.4 billion % Company).

Launches
(PSV 100% - BRL million)



Launches Track Record
(PSV 100% - BRL million)



Launches	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
PSV Launched - 100% (BRL million)	1,360.7	896.5	1,456.6	51.8%	-6.6%	2,257.2	2,067.8	9.2%
Direcional	867.2	332.3	880.3	161.0%	-1.5%	1,199.5	1,357.6	-11.6%
Riva	493.5	564.2	576.3	-12.5%	-14.4%	1,057.7	710.3	48.9%
PSV Launched - % Company (BRL million)	1,196.8	653.5	1,088.9	83.1%	9.9%	1,850.2	1,699.4	8.9%
Direcional	786.5	259.0	711.2	203.7%	10.6%	1,045.5	1,187.7	-12.0%
Riva	410.2	394.5	377.7	4.0%	8.6%	804.7	511.7	57.3%
Launched Units	4,187	2,238	5,268	87.1%	-20.5%	6,425	8,030	-20.0%
Direcional	3,343	918	3,507	264.2%	-4.7%	4,261	5,983	-28.8%
Riva	844	1,320	1,761	-36.1%	-52.1%	2,164	2,047	5.7%
Average % Company	88.0%	72.9%	74.8%	15 p.p.	13 p.p.	82.0%	82.2%	0 p.p.



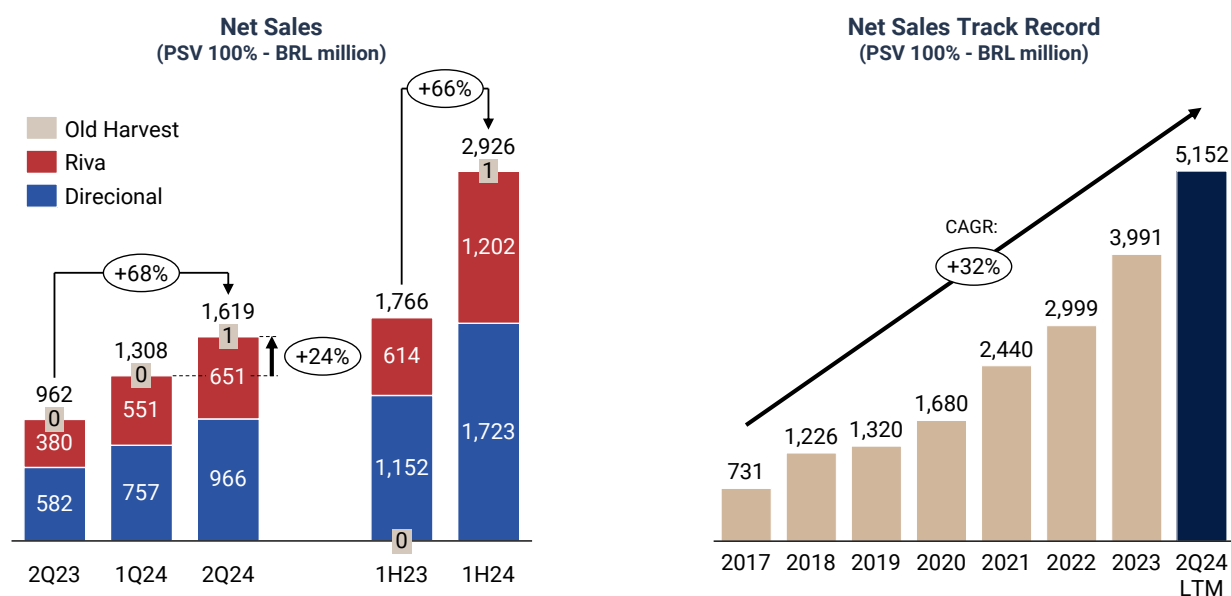
CONTRACTED SALES

Following the Company's strategy of increasing turnover mainly through the acceleration of sales, **the 2024 net PSV reached another record-high in Direcional's history: BRL 1.6 billion (BRL 1.3 billion % Company)**. Thus, there was a significant 68% growth in comparison with 2Q23, and a 24% increase versus 1Q24 (the previous record).

In the 1st semester of 2024, Net Sales reached BRL 2.9 billion (BRL 2.3 billion % Company), a 66% growth when compared to the year-ago period. It is worth noting the growth observed in all segments, with Riva brand products growing 96% in the period, while Direcional segment sales grew 50%.

In 2Q24 LTM, Net Sales reached BRL 5.2 billion (BRL 4.0 billion % Company).

As in recent quarters, part of the sales was originated from products developed in SPVs that are not consolidated in the Company's balance sheet (jointly controlled and non-controlled ventures). As a result, 79% of the 2Q24 PSV refers to projects whose revenue is consolidated in Company's Net Revenue line, while 21% must contribute to the result via equity income.



Net Sales	2024 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Net Sales - PSV 100% (BRL million)	1,618.8	1,307.7	962.5	23.8%	68.2%	2,926.4	1,765.9	65.7%
Direcional	966.0	756.9	581.8	27.6%	66.0%	1,722.9	1,152.0	49.6%
Riva	651.5	550.7	380.3	18.3%	71.3%	1,202.2	614.3	95.7%
Old Harvest ¹	1.3	0.0	0.4	n/a	242.4%	1.3	-0.4	-394.0%
Net Sales - PSV % Company (BRL million)	1,260.1	1,004.2	733.9	25.5%	71.7%	2,264.3	1,376.8	64.5%
Direcional	786.8	587.4	467.7	33.9%	68.2%	1,374.1	931.0	47.6%
Riva	472.6	416.8	265.8	13.4%	77.8%	889.5	445.8	99.5%
Old Harvest	0.7	0.0	0.4	n/a	97.6%	0.7	0.0	-3564.6%
Contracted Units	5,354	4,227	3,575	26.7%	49.8%	9,581	6,821	40.5%
Direcional	3,829	2,864	2,458	33.7%	55.8%	6,693	4,990	34.1%
Riva	1,523	1,363	1,116	11.7%	36.5%	2,886	1,832	57.5%
Old Harvest	2	0	1	n/a	100.0%	2	-1	-300.0%
Net Sales Speed (VSO index), in terms of PSV	26%	22%	18%	4.7 p.p.	8.9 p.p.	40%	28%	11.4 p.p.
Direcional	26%	21%	17%	4.9 p.p.	9.0 p.p.	39%	29%	9.6 p.p.
Riva	27%	22%	18%	4.6 p.p.	8.7 p.p.	41%	26%	14.3 p.p.
Old Harvest	4%	0%	1%	3.9 p.p.	2.9 p.p.	4%	-2%	5.5 p.p.

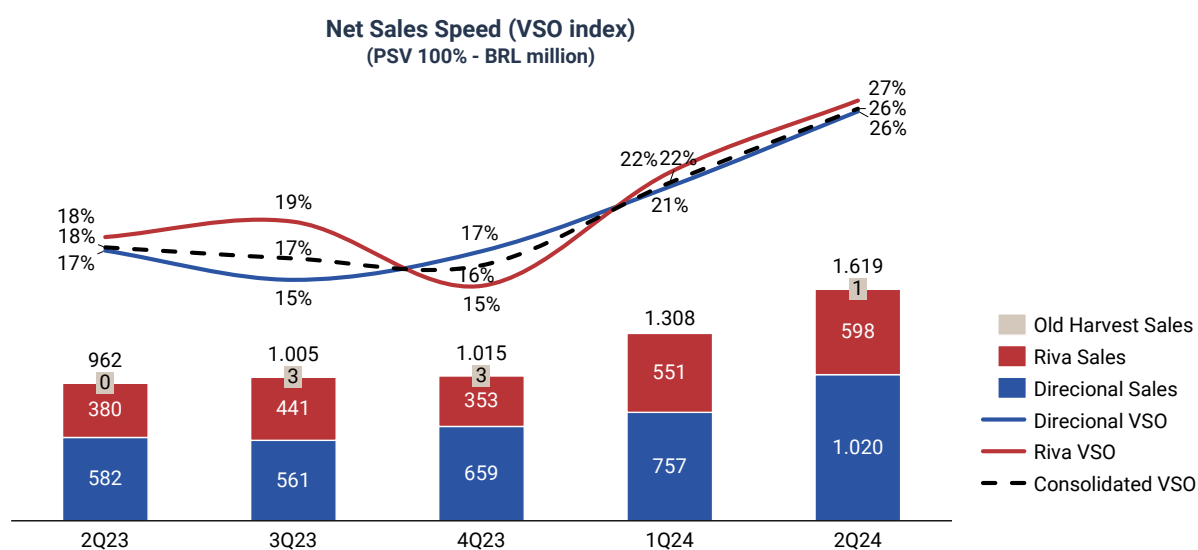
1 - Old Harvest: Comprises projects of the middle income, upper-middle income and commercial segments, developed in the former model.

NET SALES SPEED (VSO INDEX)

As had been the case in 1Q24, as a consequence of the strong volume of Net Sales observed, the consolidated Net Sales Speed – measured by the VSO index (sales-over-supply ratio) – accelerated significantly in 2Q24, reaching 26%, exceeding in 470 bps the Net Sales Speed of the previous quarter and in 890 bps the Net Sales Speed of the year-ago period.

Considering only the projects under Direcional brand (excluding Old Harvest projects), Net Sales Speed reached 26% in the quarter, a 490-bps growth versus 1Q24. Riva VSO index came in at 27%, a 460-bps increase over 1Q24.

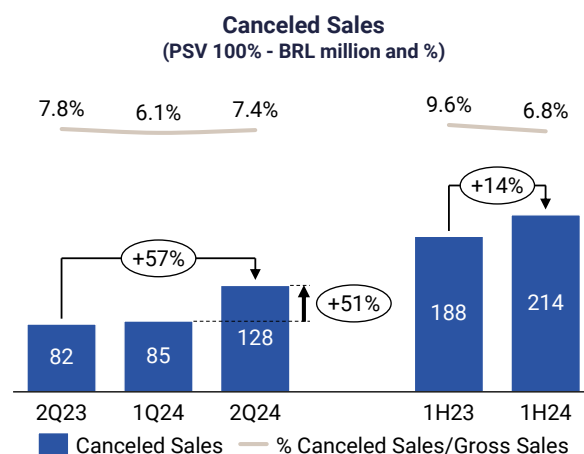
It is also worth highlighting the relevant acceleration of the VSO index from Launches in the quarter, which reached 28% in the consolidated view, the highest level ever observed for the indicator.



Canceled Sales

The PSV of Canceled Sales in 2Q24 totaled BRL 128 million (BRL 99 million % Company). As a result, the percentage of Canceled Sales over Gross Sales remained at historically low levels, reaching 7.4% in the quarter.

In 1H24, Canceled Sales totaled BRL 214 million (BRL 169 million % Company). The Canceled Sales-to-Gross Sales ratio came in at 6.8%, which corresponded to a dilution of 280 bps in comparison with 1H23. The following table presents more details about Canceled Sales in 2Q24 and 1H24.



Canceled Sales ¹	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Canceled Sales (100% - BRL million)	-128.4	-85.3	-81.7	50.6%	57.2%	-213.7	-187.6	13.9%
Gross Sales (100%)	1,747.2	1,393.0	1,044.2	25.4%	67.3%	3,140.2	1,953.4	60.8%
% Canceled Sales / Gross Sales	7.4%	6.1%	7.8%	1.2 p.p.	-0.5 p.p.	6.8%	9.6%	-2.8 p.p.
Canceled Sales (% Company - BRL million)	-99.0	-69.9	-68.2	41.8%	45.2%	-168.9	-155.1	8.9%
Gross Sales (% Company)	1,359.1	1,074.1	802.1	26.5%	69.4%	2,433.2	1,531.9	58.8%
% Canceled Sales / Gross Sales	7.3%	6.5%	8.5%	0.8 p.p.	-1.2 p.p.	6.9%	10.1%	-3.2 p.p.

1 - In canceled PSV, transfers of credit from customers of the unit originally acquired to another unit of our inventory are disregarded.



INVENTORY

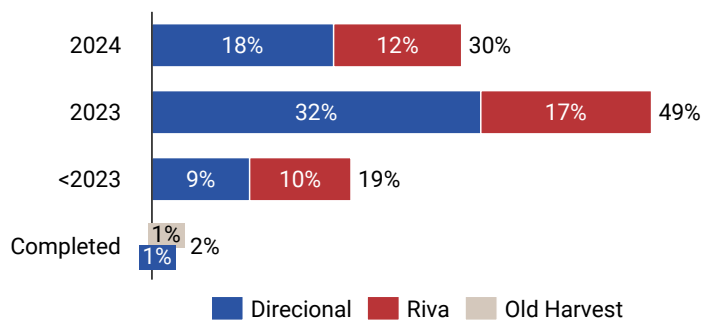
At the end of 2Q24, the PSV in inventory was BRL 4.6 billion (BRL 3.8 billion % Company), totaling 14,580 units.

The table below shows the Inventory at market value, detailed by stage of construction and by type of product. It is worth mentioning that **about 2% of the total PSV refers to completed units.**

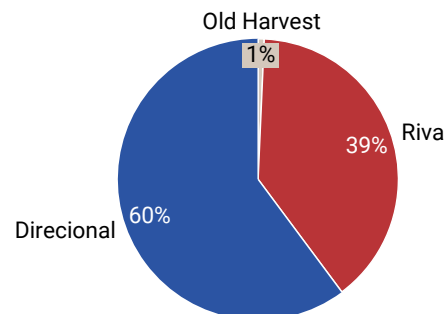
Breakdown of Inventory at Market Value	Total PSV				% Company PSV			
	Direcional	Riva	Old Harvest	Total	Direcional	Riva	Old Harvest	Total
In progress (BRL million)	2,716	1,790	0	4,507	2,452	1,322	0	3,774
<i>% Total</i>	59%	39%	0%	98%	64%	35%	0%	99%
Completed (BRL million)	47	6	32	85	31	4	19	54
<i>% Total</i>	1%	0%	1%	2%	1%	0%	0%	1%
Total (BRL million)	2,764	1,796	32	4,592	2,482	1,326	19	3,828
<i>% Total</i>	60%	39%	1%	100%	65%	35%	0%	100%
Total Units	10,695	3,787	98	14,580	10,695	3,787	98	14,580
<i>% Total Units</i>	73%	26%	1%	100%	73%	26%	1%	100%

The following charts show further information on the Inventory and its breakdown. It should be noted that **79 of the PSV in Inventory accounts for projects launched from 2023 onwards.**

Inventory by Launch Year (PSV 100%)



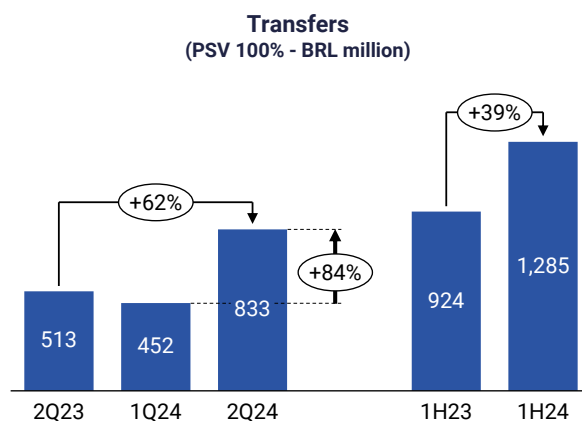
Inventory Breakdown (PSV 100%)



TRANSFERS

In the second quarter of 2024, the Transfers totaled BRL 833 million (in terms of PSV), 84% higher than in the previous quarter and 62% higher than in the same quarter of 2023.

Considering the 1H24, there were a total of BRL 1.3 billion of PSV transferred, which represents a 39% growth versus 1H23.



PROJECTS DELIVERED

During 2Q24, Direcional Group delivered 9 projects/stages, representing a total of 3,251 units, 81% of which are products under Direcional brand and 19% under Riva brand.

In 1H24, a total of 24 projects/stages were delivered, corresponding to 7,271 units, being 87% under Direcional brand and 13% of Riva division.

LANDBANK

Direcional Group's landbank totaled a PSV of BRL 39.7 billion (BRL 35.6 billion % Company) at the end of 2Q24, reflecting a development potential of 195,189 units.

The average cost of acquisition was equivalent to 11% of the PSV, with 85% of the total being paid via swaps, which translates into a reduced impact on the Company's cash position before the beginning of the development of the projects.

Evolution of Landbank (BRL million)	2023 Landbank	1H24 Acquisitions	1H24 Launches	Adjustment ¹	1H24 Landbank	1H24 (PSV % Co.)	Units
PSV - Total	36,301	5,488	(2,257)	146	39,678	35,637	195,189

1 - Adjustments: update of sales price, canceled sales and swaps

Land Acquisition

During 2Q24, 22 land plots were acquired, with a PSV of BRL 3.8 billion (BRL 3.6 billion % Company) and a construction potential of circa 16 thousand units. The average cost of acquisition in the quarter was equivalent to 10% of the total PSV, and 88% of the payment shall be made through swaps.

Considering the 1H24 acquisitions, the PSV totaled BRL 5.5 billion (BRL 5.1 billion % Company) at an average cost of acquisition of 11%, with 88% of the total being paid via swaps.

ECONOMIC AND FINANCIAL PERFORMANCE

Gross Revenue

Direcional Group reported Gross Revenue of BRL 880 million, representing 41% increase compared to 2Q23. That was **the highest figure ever reported by the Company in terms of Gross Revenue**, beating the previous record – reached in 1Q24 – by 26%. In terms of mix, revenue from real estate sales accounted for 98% of the total recognized in 2Q24, while revenue from services accounted for the remaining 2%.

In 1H24, Gross Revenue amounted to BRL 1.6 billion, exceeding the figure for the year-ago period by 31%. In terms of mix, revenue from real estate sales accounted for 97% of the total recognized in the six-month period, and the other 3% came from revenue from services.

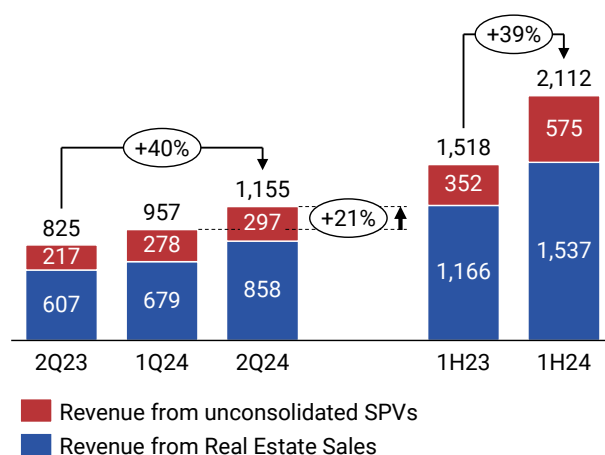
Gross Revenue (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Gross Revenue	879.7	697.7	625.7	26.1%	40.6%	1.577.4	1.203.9	31.0%
Revenue from Real Estate Sales	858.2	679.1	607.2	26.4%	41.3%	1.537.3	1.166.0	31.8%
Revenue from Services	21.5	18.6	18.5	15.8%	16.0%	40.1	37.9	5.8%

Revenue from Real Estate Sales

In 2Q24, Gross Revenue from real estate sales reached BRL 858 million, up by 26% versus 1Q24 and 41% versus 2Q23. Considering the 1st semester of the year, Gross Revenue from real estate sales reached BRL 1.5 billion, representing a 32% increase when compared to the same period of 2023.

The performance of this account is mainly impacted by the sales volume and the construction progress observed in a given period. As has been highlighted in previous quarters, a relevant volume of revenue is still being generated through the sale of units of projects that are not consolidated in the Company's balance sheet (jointly controlled and non-controlled SPVs). In these cases, this volume of sales does not directly impact the revenue recognition, but rather the Equity Income Result, according to the equity interest held in each SPV.

Adding the revenue from sales of these non-consolidated projects to the revenue from accounting sales, there was a total amount of BRL 1.2 billion in 2Q24, representing a 21% increase versus 1Q24 and a 40% increase versus 2Q23. In 1H24, the total revenue volume in this context reached BRL 2.1 billion, 39% higher than that reported in 1H23.

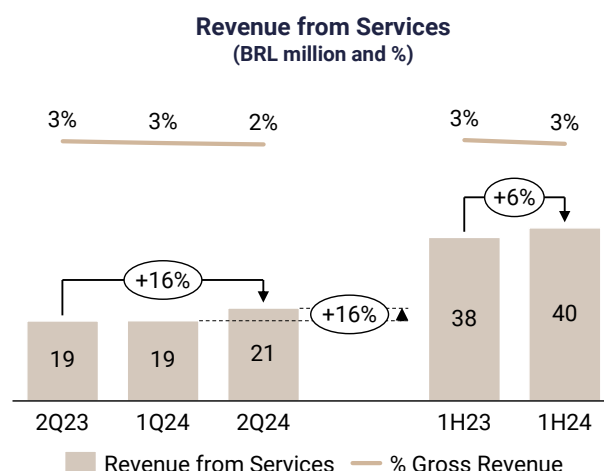
Revenue from Real Estate Sales
(BRL million)



Revenue from Services

Gross Revenue from Services, consisting of (i) brokerage fees on sales made by in-house brokerage firms; and (ii) construction management fees, reached BRL 21 million in 2Q24, up by 16% versus both 1Q24 and 2Q23. This division accounted for 2% of the revenue mix in the period.

In the year-to-date period, Gross Revenue from Services totaled BRL 40 million, 6% more than in 1H23. The representativeness over Gross Revenue remained stable at 3%.

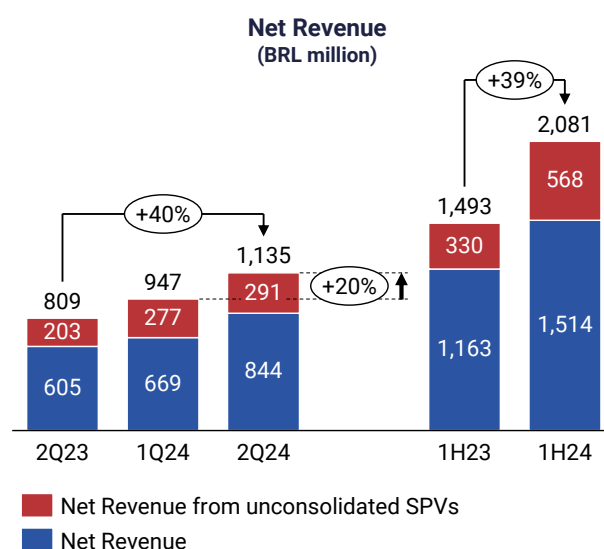


Net Revenue

Direcional Group recorded a Net Revenue of BRL 844 million in 2Q24, up by 26% versus 1Q24 and by 39% versus 2Q23. In 1H24, Net Revenue totaled BRL 1.5 billion, 30% higher when compared to 1H23.

Considering total Net Revenue, i.e. adding to the accounting revenue also the revenue recognized in jointly controlled or non-controlled companies – which do not affect the accounting revenue line, but whose effect is seen on the Equity Income Result – there was a total amount of BRL 1.1 billion in 2Q24, representing a 20% increase versus the previous quarter and a 40% growth versus the same quarter of the previous year.

In this context, total Net Revenue reached BRL 2.1 billion in 1H24, 39% higher than in 1H23.



Gross Profit

In 2Q24, Adjusted Gross Profit¹ reached BRL 319 million, growing 28% over 1Q24 and 44% over 2Q23. In the first half of the year, Adjusted Gross Profit¹ totaled BRL 569 million, 34% higher than in 1H23.

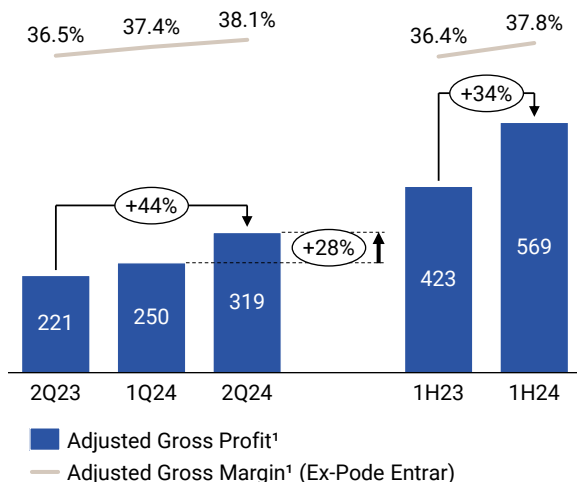
Thus, once again, the solid level of profitability reported by the Company stands out, with an Adjusted Gross Margin¹ of 38.1% in 2Q24, excluding capitalized interest and the effect of *Pode Entrar Program* (given the particular characteristics of the program compared to a traditional development project). As a result, the indicator recorded a 70-bps growth over 1Q24 and a 160-bps growth when compared to 2Q23.

Adjusted Gross Margin¹ in 1H24 was 37.8%, 140 bps higher than the margin recorded in the first half of 2023, also excluding the impact of *Pode Entrar Program*, as mentioned above.

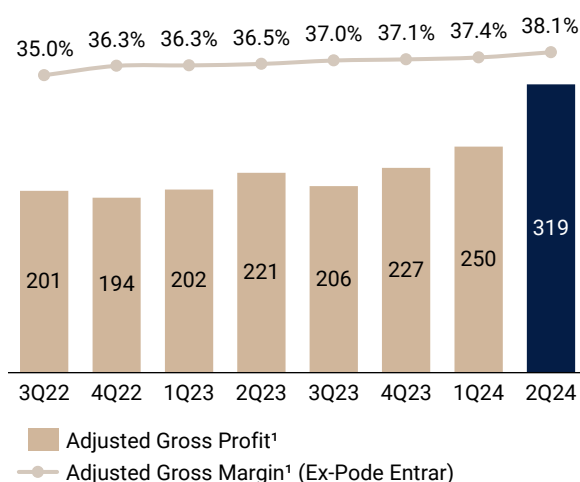
Considering projects contracted under *Pode Entrar Program*, Adjusted Gross Margin¹ of 2Q24 was 37.8% (40 bps higher than in 1Q24 and 130 bps higher than in 2Q23). In 1H24, it reached 37.6% (120 bps higher than in 1H23).



Adjusted Gross Profit¹
(BRL million and %)



Adjusted Gross Margin¹ Track Record
(BRL million and %)



Adjusted Gross Profit ¹ (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Gross Profit	302.6	240.6	205.2	25.8%	47.5%	543.2	403.0	34.8%
(+) Capitalized Interest	16.2	9.3	15.9	75.2%	2.1%	51.2	20.4	150.6%
Adjusted Gross Profit¹	318.9	249.9	221.1	27.6%	44.2%	594.5	423.5	40.4%
Adjusted Gross Margin¹	37.8%	37.3%	36.5%	0.4 p.p.	1.3 p.p.	37.6%	36.4%	1.2 p.p.
Adjusted Gross Margin¹ (Ex-Pode Entrar Program)	38.1%	37.4%	36.5%	0.7 p.p.	1.6 p.p.	37.8%	36.4%	1.4 p.p.

1 - Adjusted Gross Profit and Margin: excluding capitalized interest.

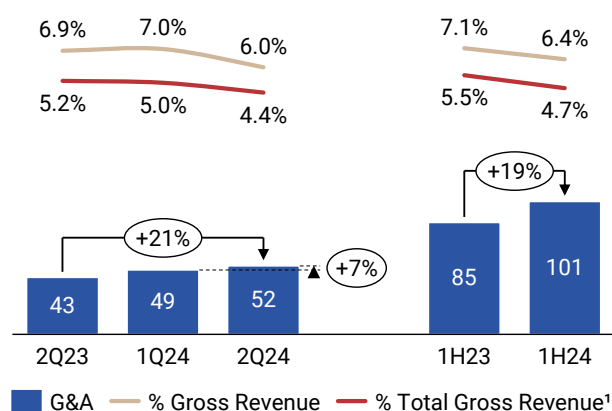
General and Administrative Expenses (G&A)

General and Administrative Expenses amounted to BRL 52 million, 7% higher than 1Q24 and 21% higher than 2Q23. However, these expenses accounted for 6.0% of Gross Revenue in the quarter, a significant drop of 100 bps compared to the previous quarter and down 90 bps compared to the same quarter of 2023.

Regarding Total Gross Revenue¹, i.e., also considering revenue arising from non-consolidated projects in the Company's results, the representativeness of G&A was 4.4% in the quarter, a 60-bps dilution when compared to 1Q24 and an 80-bps dilution versus 2Q23.

Therefore, in 1H24, G&A summed BRL 101 million (+19% in comparison with the year-ago period), accounting for 6.4% of Gross Revenue – a dilution of 70 bps over 1H23. When considering the Total Gross Revenue¹, the representativeness of G&A was 4.7%, an 80-bps drop versus 1H23.

G&A Expenses
(BRL million and %)



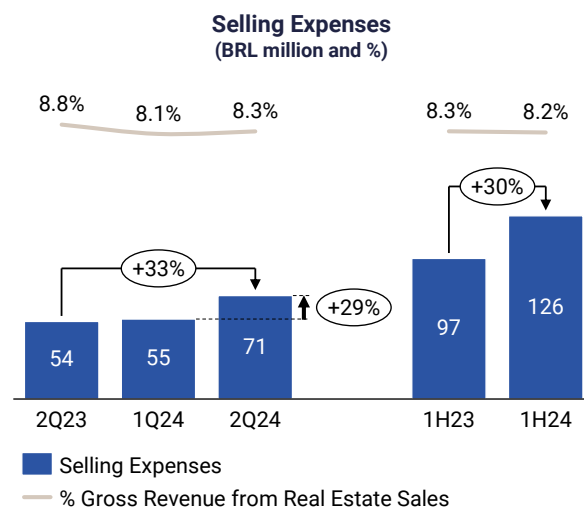
1 - Total Gross Revenue: including gross revenue from non-consolidated SPVs (jointly controlled or non-controlled entities).



Selling Expenses

Selling Expenses – mainly comprising expenses with commissions, marketing and maintenance of points of sale – totaled BRL 71 million in 2Q24, 29% higher than in 1Q24 and 33% higher than in 2Q23, keeping pace with the higher volume of sales and revenue set by the Company. The representativeness of these expenses over Gross Revenue from Real Estate Sales was 8.3% in the period, representing a 50-bps dilution versus the same quarter of the previous year.

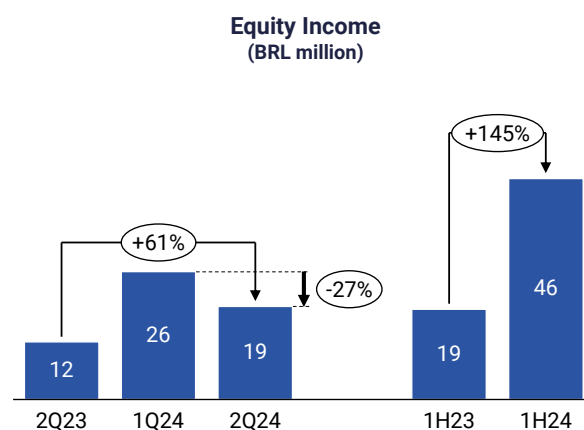
In 1H24, Selling Expenses totaled BRL 126 million, a 30% growth versus 1H23. However, it is worth highlighting that Net Sales increased 66% in the period, reflecting all the results of the operating leverage from which the company has benefited, as a result of the growth in operations in recent years. Thus, Selling Expenses-over-Gross Revenue from Real Estate Sales ratio came in at 8.2%, diluting 10 bps in the period.



Equity Income

As mentioned above, projects that are not consolidated in Direcional's balance sheet (non-controlled and jointly controlled SPVs) have played an important role in terms of Net Sales in recent quarters. In accounting terms, these projects do not directly contribute to the Company's revenue, instead, the results are recognized under Equity Income, according to the interest held in each SPV. Thus, the line totaled BRL 19 million in 2Q24, a 27% drop versus 1Q24 and a 61% growth over 2Q23.

In 1H24, Equity Income reached BRL 46 million, growing 145% in comparison with the same period in 2023, when the item totaled BRL 19 million, highlighting the current contribution that non-consolidated projects have generated in the result.



Other Operating Income and Expenses

At the end of the 2nd quarter of 2024, Other Operating Income and Expenses recorded a negative result of BRL 17 million. The most significant impacts in this item resulted from: (i) constitutions and reversals of provisions, which totaled a net negative amount of BRL 14 million; (ii) non-recurring positive result of BRL 9 million, arising from revenue from the sale of equity interest in SPVs in the amount of BRL 26 million, reduced by BRL 16 million regarding non-recurring expenses related to the SPVs; and (iii) recurring legal and related expenses, in the amount of BRL 6 million; in addition to other more dispersed and less relevant income and expenses.

Thus, excluding the non-recurring effect of the sale of equity interest, Other Operating Income and Expenses would have totaled a negative amount of BRL 26 million in 2Q24, which would correspond to around 3% of Net Revenue.

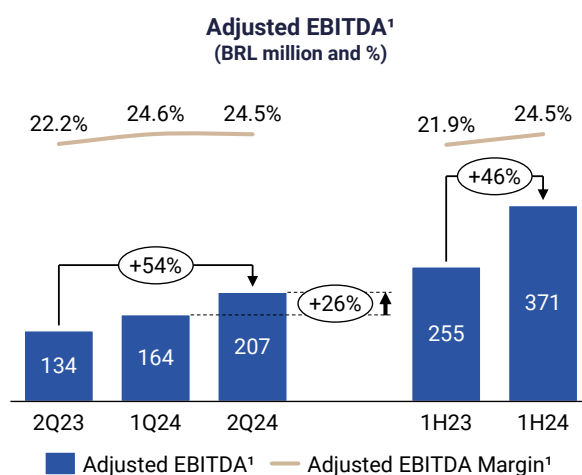
Financial Results

In 2Q24, the Company recorded a net positive result of BRL 3.5 million. The main impacts were: (i) positive recurring result in the amount of BRL 7 million, referring to inflation adjustment and contractual interest on the reimbursement of notary fees and ITBI, owed by customers and prepaid by the Company; (ii) non-recurring financial income of BRL 2 million, due to the mark-to-market of equity swap; and (iii) net negative result of BRL 2 million considering interest and banking expenses and income from short-term investments incurred in the period.

EBITDA

2Q24 Adjusted EBITDA¹ reached BRL 207 million, a 26% growth versus 1Q24 and a 54% growth versus 2Q23. Thus, Adjusted EBITDA Margin¹ came in at 24.5% in the quarter. To calculate this metric, said adjustment excludes capitalized interest and the non-recurring results that affected Other Operating Income and Expenses line.

Considering the first half of 2024, Adjusted EBITDA¹ totaled BRL 371 million, which means an increase of 46% when compared to the same period in 2023. In that sense, Adjusted EBITDA Margin¹ reached 24.5%, an increase of 260 bps in the period.



The table below breaks down the EBITDA and Adjusted EBITDA¹ and their respective margins:

EBITDA and Adjusted EBITDA ¹ (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Net Income	146.2	150.3	104.4	-2.7%	40.0%	296.5	163.2	81.7%
(+) Depreciation and amortization	18.6	16.1	17.1	15.4%	8.8%	34.8	30.7	13.4%
(+) Income Tax and Social Contribution	14.9	12.4	13.6	19.9%	9.8%	27.3	24.9	9.7%
(+) Minority interest	23.7	18.7	10.3	26.9%	129.8%	42.5	23.8	78.1%
(+/-) Financial results	(3.5)	(23.2)	1.2	-84.9%	n/a	(26.7)	20.4	n/a
EBITDA	199.9	174.4	146.6	14.7%	36.4%	374.3	263.1	42.3%
EBITDA Margin	23.7%	26.0%	24.2%	-2 p.p.	-0.5 p.p.	24.7%	22.6%	2 p.p.
(+) Capitalized interest	16.2	9.3	15.9	75.2%	2.1%	25.5	20.4	24.7%
(-) Non-recurring result adjustment	(9.3)	(19.2)	(28.3)	-51.7%	-67.3%	(28.4)	(28.3)	0.0%
Adjusted EBITDA¹	206.9	164.5	134.2	25.8%	54.2%	371.4	255.2	45.5%
Adjusted EBITDA Margin¹	24.5%	24.6%	22.2%	-0.1 p.p.	2.3 p.p.	24.5%	21.9%	2.6 p.p.

1 - Adjusted EBITDA and EBITDA Margin: excluding capitalized interest and non-recurring result under Other Operating Income and Expenses.



Non-controlling Interest in SPVs and SCPs (“Minority Interest”)

The result attributable to non-controlling interests in SPVs and SCPs ("Minority interests") was BRL 24 million in 2Q24, which represents an increase of 27% versus the previous quarter and 130% versus the year-ago period.

In 1H24, Minority Interest totaled BRL 42 million, representing a 78% increase when compared to 1H23.

It is worth to highlight that the development of projects in partnership was part of the strategy to accelerate the Company's growth at the beginning of the growth cycle, allowing accelerating the entry into strategic markets and more dilution of expenses with the accelerated pace of product launches. However, it should be noted that the share of projects without minority shareholders is currently increasing in the Company's product pipeline.

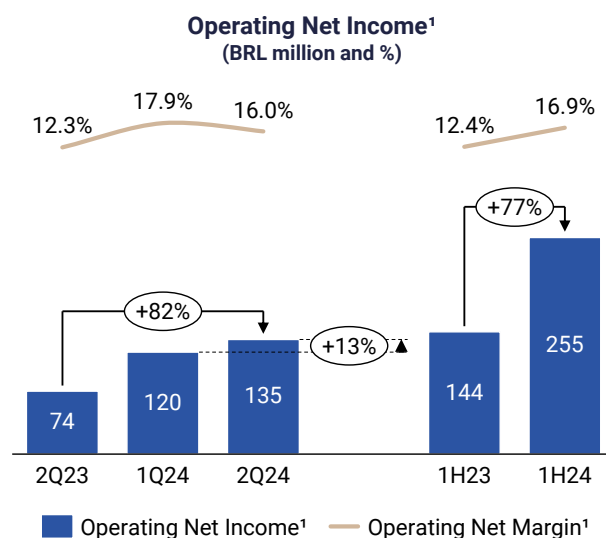
Net Income

Direcional Group's Net Income amounted to BRL 146 million in 2Q24, growing 40% in relation to the same quarter of the previous year. Therefore, Net Margin reached 17.3% in 2Q24.

Considering 1H24, Net Income totaled BRL 296 million, 82% higher when compared to 1H23, resulting in a Net Margin of 19.6%, expanding 560 bps in the period.

Excluding non-recurring effects of 2Q24, the Company's Operating Net Income¹ reached BRL 135 million in the quarter, considering adjustments for (i) the result of the equity swap transaction; and (ii) the non-recurring result allocated to "Other Operating Income and Expenses".

In this context, there was a 13% growth versus 1Q24 and an 82% growth in comparison with 2Q23. Operating Net Margin¹ came in at 16.0% in the quarter, up by 375 bps versus 2Q23. Thus, **Adjusted Annualized ROE¹ reached 25%, the highest level ever achieved by Direcional in this metric.**



The table below shows the Net Income of the period, as well as the breakdown regarding Operating Net Income¹:

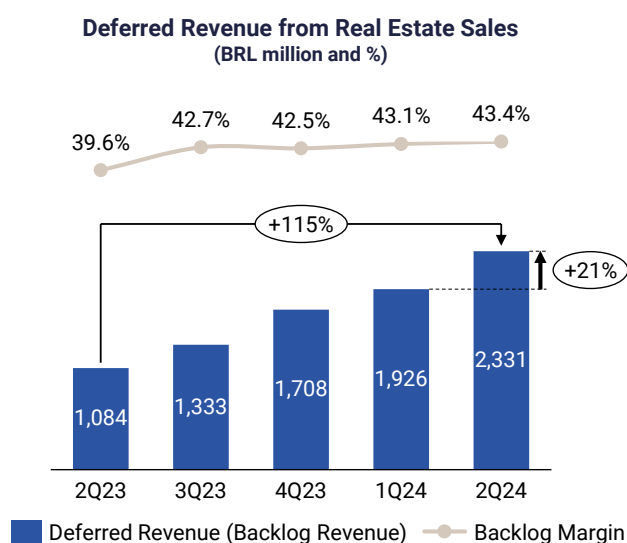
Operating Net Income ¹ (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Net Income	146.2	150.3	104.4	-2.7%	40.0%	296.5	163.2	81.7%
(+/-) Result with equity swap	-1.8	-11.0	-9.9	-83.5%	-81.6%	-12.9	-9.5	35.8%
(+) Expenses with sale of receivables	-	-	7.9	n/a	-100.0%	-	18.6	-100.0%
(+/-) Other non-recurring expenses (revenue)	-9.3	-19.2	-28.3	-51.7%	-67.3%	-28.4	-28.3	0.3%
Operating Net Income¹	135.1	120.1	74.2	12.5%	82.1%	255.2	144.0	77.2%
Operating Net Margin¹	16.0%	17.9%	12.3%	-1.9 p.p.	3.8 p.p.	16.9%	12.4%	4.5 p.p.

¹ – Operating Net Income: adjustment excluding expenses with equity swap results, non-recurring results under “Other Operating Income and Expenses” and, regarding 2Q23, expenses with sale of receivables.

Deferred Results from Real Estate Sales

At the end of 2Q24, the Deferred Revenue from Real Estate Sales (Backlog Revenue) totaled BRL 2.3 billion, corresponding to a 21% growth in relation to 1Q24 and a 115% increase versus 2Q23. Therefore, there was a nominal growth in the Backlog Revenue of BRL 1.2 billion in the last twelve months.

Confirming once again the resilience that has been observed in terms of Direcional Group's profitability, the Backlog Margin reached 43.4% at the end of 2Q24, a 30-bps increase when compared to 1Q24 and a 380-bps increase in relation to 2Q23.



The table below presents the Deferred Revenue from Real Estate Sales and the Backlog Margin in more details:

Deferred Results from Real Estate Sales (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)
Deferred Revenue from Real Estate Sales	2,331.3	1,926.3	1,083.7	21.0%	115.1%
Deferred Costs from Real Estate Sales	-1,319.2	-1,095.9	-654.0	20.4%	101.7%
Deferred Results from Real Estate Sales	1,012.2	830.4	429.7	21.9%	135.6%
Backlog Margin	43.4%	43.1%	39.6%	0.3 p.p.	3.8 p.p.



BALANCE SHEET HIGHLIGHTS

Casha and Cash Equivalents and Short-Term Investments

Cash and Cash Equivalents and Short-Term Investments summed up BRL 1.4 billion at the end of the 2nd quarter of 2024. This increase was mainly due to a sale of a receivables, which raised approximately BRL 224 million in 2Q24.

Accordingly, Direcional Group maintains its cash position at comfortable levels to support operational growth, without giving up a well-balanced and conservative capital structure, also seeking to maximize the return on capital for its shareholders.

Cash and Cash Equivalents and Short-term Investments (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)
Cash and Cash Equivalents	649.7	445.8	637.4	45.7%	1.9%
Short-term Investments	772.3	730.5	475.8	5.7%	62.3%
Total	1,422.0	1,176.4	1,113.2	20.9%	27.7%

Accounts Receivable

At the end of 2Q24, the book balance of Accounts Receivable¹ was BRL 1.4 billion, representing an increase of 20% in comparison with 1Q24 and a 96% increase in comparison with 2Q23. Considering only the Accounts Receivable from Real Estate Sales and the Net Revenue from this segment, Accounts Receivable Days² index reached 149 days.

According to current accounting rules, the recognition of Accounts Receivable is proportional to the performance index of the respective construction works (Percentage of Completion - PoC). Therefore, the Accounts Receivable balance from units sold and not completed yet is not totally reflected in the Financial Statements. It is worth to emphasize that the total balance of Direcional's Accounts Receivable at the end of 2Q24 reached BRL 3.8 billion.

Of this total, receivables related to direct financing installments with the customer on a *pro-soluto* basis totaled approximately BRL 547 million at the end 2Q24.

Accounts Receivable ¹ (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)
Real Estate Sales	1,425.3	1,190.1	719.9	19.8%	98.0%
Services	16.4	14.1	16.0	16.3%	2.3%
Land Sales	5.5	4.9	4.1	13.1%	33.4%
Total	1,447.2	1,209.1	740.1	19.7%	95.5%
Current	789.2	635.0	399.3	24.3%	97.6%
Non-current	658.0	574.1	340.8	14.6%	93.1%
Accounts Receivable – Real Estate Sales	1,425.3	1,190.1	719.9	19.8%	98.0%
Net Revenue – Real Estate Sales	858.4	654.1	589.9	31.2%	45.5%
Accounts Receivable Days ²	149	164	110	-8.7%	36.0%

1 - Short-term accounts receivable is composed of the debit balance of customers corrected and recognized in the income proportionally to the PoC (Percentage of Completion), considering the date of permission for occupancy for payment of the financing installment by part of customers to Direcional, plus the recognized revenue of contract works.

2 - Accounts Receivable Days index calculated as Accounts Receivable from Real Estate Sales over Net Revenue from Real Estate Sales in the quarter, multiplied by 90 (number of days in one quarter).



Indebtedness

Direcional Group's gross balance of Loans and Financing was BRL 1.3 billion at the end of 2Q24, of which 81% are in the long term (non-current liabilities). In this context, the weighted average debt maturity of 47 months.

Considering the balances of Loans and Financing, as well as the balances of Cash and Cash Equivalents and Short-Term Investments, in addition to the position of interest rate swap contracts, the Company ended the quarter with BRL 153 million in net cash position. In this scenario, the leverage ratio, measured by Net Debt¹-to-Equity ratio, reached -6.3% (net cash position). As a result, the Company keeps posting a capital structure that allows the sustainable growth of its operations, always valuing the conservative stance in its financial leverage.

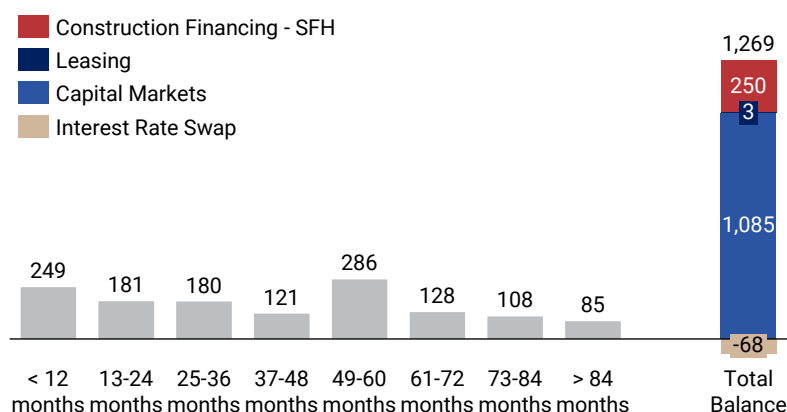
The table and graphs below show more details on the indebtedness breakdown for 2Q24 and its amortization schedule.

Indebtedness (BRL million)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)
Loans and Financing Operations	1,337.5	1,316.2	1,444.6	1.6%	-7.4%
CRI	983.0	1,000.1	914.2	-1.7%	7.5%
Debentures	101.6	104.8	362.6	-3.1%	-72.0%
Construction Financing	250.0	208.0	160.7	20.2%	55.5%
Leasing	2.9	3.3	7.0	-11.4%	-59.0%
Cash and Cash Equivalents and Short-Term Investments	1,476.2	1,176.4	1,113.2	20.9%	27.7%
Net Debt before swap	-84.5	139.8	331.4	-160.4%	-125.5%
Interest rate swap contracts	68.5	73.8	63.2	-7.2%	8.4%
Net Debt¹	-153.0	66.1	268.2	-331.5%	-157.0%
Net Debt¹ / Equity	-6.3%	2.9%	16.7%	-9.2 p.p.	-22.9 p.p.
Loans and Financing Operations by index	1,337.5	1,316.2	1,444.6	1.6%	-7.4%
TR	250.0	208.0	160.7	20.2%	55.5%
IPCA ²	641.1	639.7	696.5	0.2%	-8.0%
CDI	382.2	402.8	587.3	-5.1%	-34.9%
Fixed interest rate ²	64.2	65.7	0.0	-2.3%	n/a

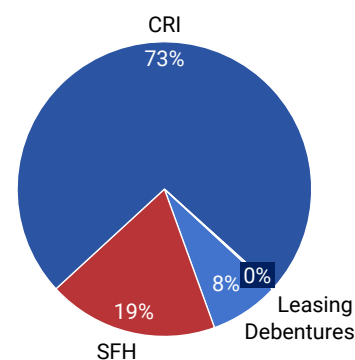
1 - Loans and Financing Operations reduced by Cash and Cash Equivalents and Short-term Investments plus the balance of interest rate swap contracts.

2 - For all bonds indexed to the IPCA (Brazil's Consumer Price Index) and with fixed interest rate, the Company has interest rate swap contracts, in order to exchange the interest rate into CDI.

Debt Amortization Schedule
(BRL million)



Loans and Financing Breakdown
(% of Debt)





Cash Generation (Cash Burn)¹

In 2Q24, Direcional Group reported BRL 219 million in cash generation. It is worth highlighting that, despite the significant operational growth observed in recent periods, the Company has managed to significantly reduce the business' working capital requirement. In addition to the Net Sales Speed acceleration, the cash generation was also influenced by a sale of receivables operation, in the net amount of approximately BRL 224 million. It is also noteworthy that, in June, the Company recorded operating cash generation for the first time in 2024.

As a result, in the 1st semester of 2024, cash generation totaled BRL 162 million.

1 - Cash Generation: variation in net debt adjusted by payment of dividends, share buyback and the variation in the balance of interest rate swap contracts.

SUBSEQUENT EVENT – DIVIDENDS

Considering the aforementioned cash generation, as well as the current level of Net Sales Speed (VSO index), the Company's Board of Directors approved, on July 1st, 2024, the payment of interim dividends equivalent to BRL 1.60 per share, totaling BRL 277 million. The dividends were paid to shareholders according to the shareholding position as of July 4th, 2024.

It should be noted that considering dividends and share buyback, Direcional exceeded the BRL 1.5 billion mark in terms of capital returned to shareholders since its IPO, which took place in 2009.



Statements contained in this notice regarding business perspectives, operational and financial projection results, and references to the Company's potential of growth constitute mere estimates and were based on the Board's expectations and estimates regarding the Company's future performance. Although the Company believes that such estimates are based on reasonable assumptions, Company does not ensure they are achievable. The expectations and estimates underlying the Company's future perspectives are highly dependent on the market behavior, the Brazil's economic and political situation, the current and future state regulations, the industry and international markets, and are therefore subject to changes which are beyond control by part of the Company and its Board. The Company shall not commit to publish updates neither to revise the expectations, estimates, and provisions contained herein arising from future information or events.

STOCK TICKER: DIRR3

Stock price on 6/28/2024: BRL 25.11

Number of Shares (Ex-Treasury Shares):
173 million

Market Cap:
BRL 4.4 billion / US\$ 783 million

Free Float:
63%

2024 ADTV:
2.0 million shares
BRL 49.0 million
7,970 transactions

CONFERENCE CALL

Date: 8/13/2024 - Tuesday
8 a.m. (EDT)
9 a.m. (BRT)

Access:

Zoom
https://us06web.zoom.us/webinar/register/WN_YD8n26ezSqasJ6tYs0YvTw

YouTube
<https://www.youtube.com/live/ulvWNRQLV14>

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DIRR
B3 LISTED NM

IBRX100 B3 **IMOB B3** **SMLL B3** **INDX B3** **ICON B3**
IGC-NM B3 **IGC B3** **IGCT B3** **IDIV B3** **ITAG B3**



CONSOLIDATED BALANCE SHEET

IFRS

Consolidated Balance Sheet (BRL '000)	6/30/2024	12/31/2023	Δ %
Current Assets	4,280,991	3,583,355	19%
Cash and cash equivalents and short-term investments	1,422,001	1,327,171	7%
Accounts receivable	789,184	521,946	51%
Inventory	1,710,112	1,420,699	20%
Receivables from related parties	81,643	67,184	22%
Taxes recoverable	42,230	25,753	64%
Accounts receivable from divestiture	-	-	-
Other receivables	235,821	220,602	7%
Non-Current Assets	4,519,837	3,988,243	13%
Short-term investments	54,200	0	-
Accounts receivable	658,010	464,035	42%
Inventory	3,210,466	3,041,218	6%
Judicial deposits	21,046	18,111	16%
Taxes recoverable	15,973	27,548	-42%
Accounts receivable from divestiture	7,630	7,630	-
Other receivables	141,507	113,274	25%
Investments	193,645	169,375	14%
Fixed assets	184,863	111,474	66%
Intangible assets	32,497	35,578	-9%
Total Assets	8,800,828	7,571,598	16%

Consolidated Balance Sheet (BRL '000)	6/30/2024	12/31/2023	Δ %
Current Liabilities	1,137,196	1,042,766	9%
Loans and financing	248,566	234,933	6%
Suppliers	144,459	121,652	19%
Forfait	7,445	7,879	-6%
Labor obligations	65,472	45,411	44%
Tax obligations	43,321	36,179	20%
Lease financing	8,469	7,456	14%
Real estate commitments payable	164,882	146,827	12%
Advances from customers	101,555	69,264	47%
Other accounts payable	150,744	120,996	25%
Assignment liability	79,372	58,926	35%
Proposed Dividends	0	81,162	-100%
Provision for guarantee	21,920	24,259	-10%
Payables to related parties	100,991	87,822	15%
Non-Current Liabilities	5,225,066	4,418,246	18%
Loans and financing	1,088,924	1,088,111	0%
Suppliers	9,977	10,004	-0%
Provision for guarantee	17,517	16,303	7%
Tax obligations	24,107	18,589	30%
Lease financing	76,896	13,648	463%
Real estate commitments payable	3,061,010	2,668,090	15%
Advances from customers	490,847	378,427	30%
Provision for labor, tax and civil contingencies	28,554	27,657	3%
Other accounts payable	69,157	69,157	-
Assignment liability	358,077	128,260	179%
Shareholder's Equity	2,438,566	2,110,586	16%
Capital	1,159,863	1,159,863	-
Capital reserves	177,690	177,690	-
Stock options granted	2,620	6,550	-60%
Equity adjustment	-31,759	-31,760	-0%
Treasury shares	-2,301	-7,748	-70%
Income reserves	649,925	648,810	0%
Current Results	296,453	0	-
	2,252,491	1,953,405	15%
Non-controlling interest	186,075	157,181	18%
Total Liabilities and Shareholder's Equity	8,800,828	7,571,598	16%



CONSOLIDATED INCOME STATEMENT

Consolidated Income Statement (BRL '000)	2Q24 (a)	1Q24 (b)	2Q23 (c)	Δ % (a/b)	Δ % (a/c)	1H24 (d)	1H23 (e)	Δ % (d/e)
Revenue from Real Estate Sales	858,179	679,145	607,155	26.4%	41.3%	1,537,324	1,166,002	31.8%
Revenue from Services	21,492	18,563	18,524	15.8%	16.0%	40,055	37,870	5.8%
Gross Revenue	879,671	697,708	625,679	26.1%	40.6%	1,577,379	1,203,872	31.0%
Deductions from Gross Revenue (taxes and others)	-35,451	-28,266	-20,271	25.4%	74.9%	-63,717	-41,195	54.7%
Net Revenue	844,220	669,442	605,408	26.1%	39.4%	1,513,662	1,162,677	30.2%
Cost of real estate sales and services	-541,592	-428,840	-400,227	26.3%	35.3%	-970,432	-759,652	27.7%
Gross Profit	302,628	240,602	205,181	25.8%	47.5%	543,230	403,025	34.8%
General and administrative expenses	-52,355	-49,130	-43,423	6.6%	20.6%	-101,485	-85,380	18.9%
Selling expenses	-71,239	-55,065	-53,518	29.4%	33.1%	-126,304	-96,878	30.4%
Equity income	19,423	26,453	11,933	-26.6%	62.8%	45,876	18,687	145.5%
Other operating income and expenses	-17,150	-4,648	9,315	269.0%	-284.1%	-21,798	-7,068	208.4%
Operating Income (Expenses)	-121,321	-82,389	-75,694	47.3%	60.3%	-203,711	-170,640	19.4%
Financial Expenses	-65,707	-40,249	-69,299	63.3%	-5.2%	-105,956	-138,559	-23.5%
Financial Revenues	69,213	63,457	68,147	9.1%	1.6%	132,670	118,110	12.3%
Financial Results	3,506	23,208	-1,152	-84.9%	-404.3%	26,714	-20,449	-230.6%
Income before Income and Social Contribution Taxes	184,813	181,421	128,335	1.9%	44.0%	366,233	211,936	72.8%
Income and social contribution taxes - current and def.	-14,901	-12,423	-13,564	19.9%	9.9%	-27,324	-24,899	9.7%
Net Income before Interests in SCPs and SPEs	169,912	168,998	114,771	0.5%	48.0%	338,909	187,036	81.2%
Interest in SCPs and SPEs (Minority Interest)	-23,743	-18,714	-10,333	26.9%	129.8%	-42,456	-23,844	78.1%
Net Income	146,169	150,284	104,439	-2.7%	40.0%	296,453	163,192	81.7%
Gross Margin	35.8%	35.9%	33.9%	-0.1 p.p.	2.0 p.p.	35.9%	34.7%	1.2 p.p.
Adjusted Gross Margin¹	37.8%	37.3%	36.5%	0.4 p.p.	1.3 p.p.	37.6%	36.4%	1.2 p.p.
Net Margin	17.3%	22.4%	17.3%	-5.1 p.p.	0.1 p.p.	19.6%	14.0%	5.5 p.p.

1 – Adjusted Gross Margin: excluding capitalized interest.



CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flow Statement (BRL '000)	6/30/2024	6/30/2023
Cash Flow from Operating Activities		
Profit before income and social contribution taxes	366,233	211,937
Adjustments for conciliating the result to the availability generated by the operating activities		
Depreciations and Amortizations	34,777	30,671
Equity income	-45,876	-18,687
Revenue from financial investments	-36,168	-27,095
Provision for guarantee	9,809	8,576
Interest on charges and financing	100,298	88,369
Hedge accounting – fair value	-26,388	30,255
Gains (losses) from derivatives	12,355	-40,403
Provision for labor, tax, and civil contingencies	10,975	6,961
Gains (losses) on barter transactions	-29,502	-8,709
Disposal of investment	-39,730	-50,495
Write-off leases	-2,898	-
Present value adjustment of accounts receivable	19,939	237
Present value adjustment on lease financing	2,855	1,720
Correction of assignment liabilities	6,617	-
Accounts receivable Expenses	2,520	-
Adjustment to net realizable amount of finished inventory	-	23
Provision for losses on accounts receivable	24,927	5,175
Provision for stock option plan	2,635	2,857
Provision for profit sharing	10,796	3,592
Increase (decrease) in assets		
Accounts receivable	-489,568	-68,536
Inventory	116,020	45,347
Other credits	-33,288	-57,650
Related parties	-8,111	8,182
Escrow deposits	-2,935	-465
Taxes recoverable	-4,902	-11,122
(Decrease) increase in liabilities		
Suppliers	24,012	-19,915
Labor obligations	9,265	5,874
Tax liabilities	9,921	-942
Real estate commitments payable	-81,585	-81,599
Advances from clients	53,594	26,465
Accounts payable	-12,972	26,022
Provision for labor, tax, and civil contingencies	-10,078	-3,446
Related parties	13,169	7,929
Construction collateral	-10,934	-8,865
Income and social contribution taxes paid	-20,895	-20,952
Net Cash generated (applied) in Operating Activities	-25,113	91,311
Cash Flow from Investment Activities		
Increase (Decrease) in investments (SCPs and SPEs)	-84,595	-109,697
Dividends received	8,827	13,875
Disposal of investments	124,271	100,000
Contributions and loans	19,490	-
Increase in property and equipment	-12,881	-6,574
Increase in intangible assets	-25,124	-10,441
Short-term Investments	-97,100	5,537
Net Cash generated (applied) in Investment Activities	-67,112	-7,300
Cash Flow from Financing Activities		
Dividends paid out	-81,165	-104,287
Entry of assignment of receivables	277,459	-
Payment of assignment of receivables	-36,333	29,318
Additions to lease financing	-4,441	-4,359
Amortization of lease financing	-	-1,217
Interest paid on lease	212,909	168,911
Loans taken out	-33	-58
Assignment liabilities	-189,198	-168,812
Loans amortization	-57,650	-70,254
Interest paid	-24,877	-
Dividends paid to non-controlling shareholders	11,316	-28,980
Net cash generated (applied) in financing activities	107,987	-179,738
Increase of Cash and Cash Equivalents	15,762	-95,727
Cash and Cash Equivalents		
At the beginning of the period	633,978	733,124
At the end of the period	649,740	637,397

GLOSSARY

Classification of the projects by Direcional as the economic segment for which they are destined:

MCMV Level 1	Low-income projects made as contract works within the “ <i>Minha Casa, Minha Vida</i> ” (MCMV) housing program, contracted directly with the Financing Agent, destined to families with a monthly income up to BRL 1,600. Properties of this segment has their final price determined by the Financing Agent, pursuant to the ordinance No. 435/2012 of the Ministry of Cities, and their acquisition may be subsidized by the government.
MCMV 2 and 3	Residential projects with an average price per unit up to BRL 240 thousand within the “ <i>Minha Casa, Minha Vida</i> ” housing program - levels 1.5, 2 and 3. Until 3Q15, the projects belonging to this segment were called “Low-income”.
Riva	A project destined to middle-income customers, developed at the SPEs of the wholly owned subsidiary of Direcional called Riva Incorporadora S.A.
Middle-Income	Residential projects with an average price per unit above the MCMV ceiling price up to BRL 500 thousand.
Upper Middle-Income	Residential projects with an average price per unit above BRL 500 thousand.
MUC	Comprises projects of the Middle-income, Upper-middle income, and Commercial segments.
Old Harvest	Projects of the MUC segment developed under the previous development and building model.
New Model	A business model consolidated in 2015 for the development of the Company’s residential projects. One of its main characteristics is the possibility of off-plan transfer and industrialized construction.

Adjusted EBITDA - Adjusted EBITDA is equal to EBITDA (earnings before financial result, Income Tax and Social Contribution, depreciation and amortization expenses) less the participation of non-controlling stockholders and less the financial charges included in cost of units sold. We understand that the adjustment to present value of accounts receivable of units sold and not delivered recorded as gross operating revenue (expense) is part of our operating activities and, therefore, we do not exclude this revenue (expense) in the calculation of Adjusted EBITDA. Adjusted EBITDA is not a measure of financial performance under Brazilian Accounting Practices, nor should it be considered in isolation or as an alternative to net income as an operational performance measure or alternative to operating Cash Burns or as a liquidity measure. Adjusted EBITDA is an indicator of our overall economic performance, which is not affected by fluctuations in interest rates, changes in the tax burden of Income Tax and Social Contribution or depreciation and amortization levels.

Contracted Net Sales - PSV arising from all contracts for the sale of properties entered into in a given period, including the sale of units launched in the period and the sale of units in stock, net from rescissions.

Deferred Results - The result of the balance of real estate sales transactions already contracted (arising from units whose construction has not yet been completed) and their respective budgeted costs to be appropriated.

Financial Swap – Land purchase system whereby the owner of the land receives the payment, in cash, calculated as a percentage of the PSV of the project, to be paid according to the determination of the revenue from the sales of units of the project.

Landbank - lands maintained in inventory with an estimate of a future PSV for such.

Launched PSV – Total Potential Sales Value of the units launched in a determined period.

LTM – Last twelve months.

Novo Mercado - B3's special listing segment, where companies adopt differentiated practices of corporate governance, which exceed the requirements of the traditional segment. Direcional joined Novo Mercado in November 19th, 2009.

Physical Swap - Land purchase system whereby the owner of the land receives in payment a certain number of units of the project to be built in it.

PoC Method - Under IFRS, revenues, costs and expenses related to real estate projects are appropriated based on the accounting method of the cost incurred (“PoC”), by measuring the progress of the work by the actual costs incurred versus the total budgeted expenses for each stage of the project.

Programa Minha Casa, Minha Vida (MCMV) - Current name given to the popular housing incentive program (previously, *Programa Casa Verde e Amarela*).

PSV - Total Potential Sales Value. Total amount to be potentially obtained from the sale of all units of a given real estate development at the launch price. There is a possibility that the PSV launched shall not be realized or differ significantly from the value of Contracted Sales, since the quantity of Units actually sold may differ from the number of units launched and/or the actual selling price of each unit may differ from the launch price.

SFH Resources - Housing Financial System (SFH) resources originated from the FGTS and savings account deposits.