



Belo Horizonte, April 11th, 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 statements for the first quarter of 2024 (1Q24). Unless otherwise stated, the information in this document is expressed in national currency (Brazilian Reais – BRL or R\$) and the Potential Sales Value (“PSV”) demonstrates the consolidated amount (PSV 100%).

NOTICE TO THE MARKET

1Q24 OPERATING PREVIEW

- ✓ **BEST QUARTER IN NET SALES: BRL 1.3 BILLION IN 1Q24, A 63% GROWTH VERSUS 1Q23, EXCEEDING THE PREVIOUS RECORD BY 29%¹**

- ✓ **IN 1Q24 LTM, NET SALES OF BRL 4.5 BILLION, 41% HIGHER THAN IN 1Q23 LTM**

- ✓ **NET SALES SPEED RATIO (VSO INDEX) REACHED 22% IN THE QUARTER IN THE CONSOLIDATED VIEW, A 530-BPS GROWTH OVER 4Q23¹**

OTHER HIGHLIGHTS

- **PSV launched** in the 12-month period ending in March (1Q24 LTM) reached **BRL 5.1 billion**, an increase of **41%** in relation to 1Q23 LTM.
- **VSO index** of Direcional segment came in at **21%** in the quarter, a **410-bps** increase versus 4Q23.
- **Riva VSO** reached **22%** in 1Q24, growing **730 bps** when compared to 4Q23.

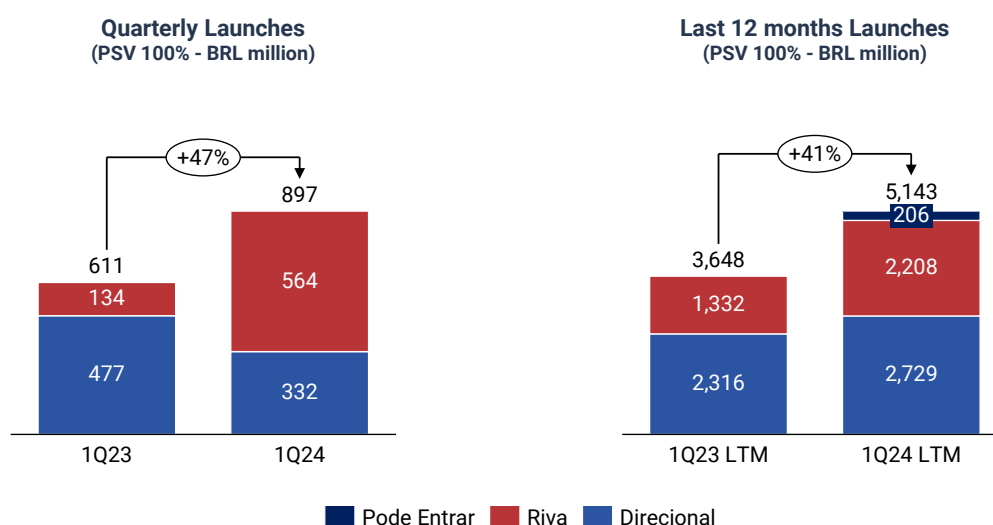
1 - Disregarding the projects sold under the *Pode Entrar* Program, in 4Q23.



LAUNCHES

In the 1st quarter of 2024 (1Q24), Direcional Group launched 9 new projects, representing a PSV of BRL 897 million (BRL 653 million % Company), up by 47% in relation to the year-ago period (1Q23).

In the 12-month period ending in 1Q24 (1Q24 LTM), a total amount of BRL 5.1 billion (BRL 4.3 billion % Company) in PSV was launched. As a consequence, the growth observed in this metric versus 1Q23 LTM was 41%, reaffirming the continued growth of operations, in line with Company's strategy.



Launches	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
PSV Launched - 100% (BRL million)	896.5	1,390.2	611.2	-35.5%	46.7%
Direcional	332.3	703.0	477.2	-52.7%	-30.4%
Riva	564.2	481.3	134.0	17.2%	321.2%
Pode Entrar	-	206.0	-	n/a	n/a
PSV Launched - % Company (BRL million)	653.5	1,336.6	610.5	-51.1%	7.0%
Direcional	259.0	649.3	476.5	-60.1%	-45.6%
Riva	394.5	481.3	134.0	-18.0%	194.5%
Pode Entrar	-	206.0	-	n/a	n/a
Launched Units	2,238	4,998	2,762	-55.2%	-19.0%
Direcional	918	2,936	2,476	-68.7%	-62.9%
Riva	1,320	1,072	286	23.1%	361.5%
Pode Entrar	-	990	-	n/a	n/a
Average % Company	72.9%	96.1%	99.9%	-23 p.p.	-27 p.p.



CONTRACTED SALES

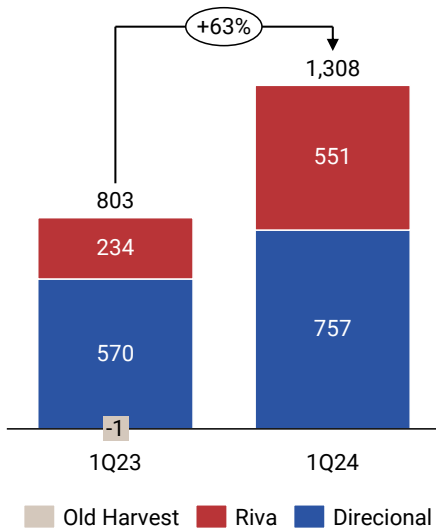
With the operation’s growth planning moving in the expected direction, especially through the acceleration of launches and the reconstitution of the product portfolio, Direcional Group entered 2024 ready to make this **the year of sales**. Several initiatives on this front have been implemented and the effects have met expectations so far, as shown below.

The gross contracted PSV reached BRL 1.4 billion (BRL 1.1 billion % Company) in 1Q24. Accordingly, **Net Sales reached a record-high BRL 1.3 billion (BRL 1.0 billion % Company) PSV**. As a result, despite the well-known seasonality of 1st quarters in the civil construction industry, 1Q24 surpassed by 29% the previous record, which had been recorded in 4Q23¹. When compared to 1Q23, Net Sales grew by a significant 63%.

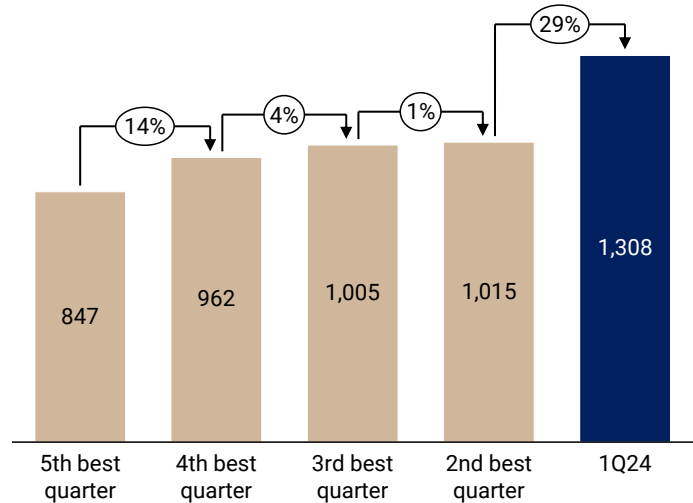
Considering 1Q24 LTM, Net Sales totaled BRL 4.5 billion (BRL 3.5 billion % Company), a 41% growth versus 1Q23 LTM. Based on this, the growth observed in all segments stands out, with Riva brand products growing 72% in the period, while Direcional segment sales grew 17%.

It is also worth noting that part of the quarter’s sales was originated from products developed in SPVs that are not consolidated in the Company’s balance sheet (jointly controlled and non-controlled ventures). Thus, 75% of the net PSV contracted in the quarter refers to projects whose revenue is consolidated in Company’s Net Revenue line, while 25% of the net PSV must contribute to the result via equity income.

Quarterly Net Sales
(PSV 100% - BRL million)



Best Quarters Evolution
(PSV 100% - BRL million)



1 - Disregarding the projects sold under the *Pode Entrar* Program, in 4Q23.



Table below presents information about Net Sales in 1Q24:

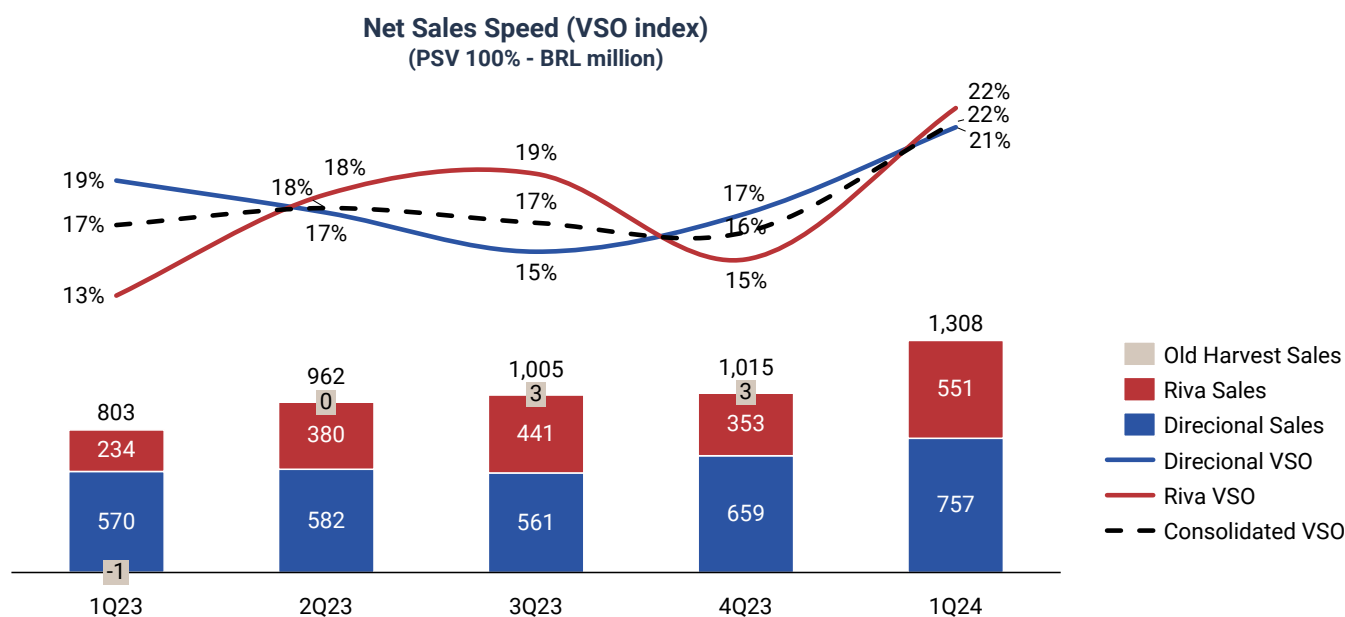
Net Sales	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Net Sales - PSV 100% (BRL million)	1,307.7	1,014.7	803.4	28.9%	62.8%
Direcional	756.9	658.9	570.2	14.9%	32.8%
Riva	550.7	353.1	234.0	56.0%	135.4%
Old Harvest ¹	0.0	2.6	-0.8	-100.0%	-100.0%
Net Sales - PSV % Company (BRL million)	1,004.2	788.5	642.9	27.4%	56.2%
Direcional	587.4	513.7	463.2	14.3%	26.8%
Riva	416.8	272.8	180.0	52.8%	131.5%
Old Harvest	0.0	2.0	-0.4	-100.0%	-100.0%
Contracted Units	4,227	3,516	3,246	20.2%	30.2%
Direcional	2,864	2,657	2,532	7.8%	13.1%
Riva	1,363	848	716	60.7%	90.4%
Old Harvest	0	11	-2	-100.0%	-100.0%
Net Sales Speed (VSO) in PSV	22%	16%	17%	5 p.p.	5 p.p.
Direcional	21%	17%	19%	4 p.p.	3 p.p.
Riva	22%	15%	13%	7 p.p.	9 p.p.
Old Harvest	0%	7%	-3%	-7 p.p.	3 p.p.
Pode Entrar Program					
PSV (BRL million)	-	206.0	-	n/a	n/a
Contracted Units	-	990	-	n/a	n/a
Consolidated VSO (in PSV)	22%	19%	17%	3 p.p.	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)

In line with the Company's objective of making 2024 the year of sales, the significant growth in Net Sales in the quarter led the consolidated Net Sales Speed – measured by the VSO index (sales-over-supply ratio) – to 22% in 1Q24, a 530-bps growth in comparison with the previous quarter¹.

Considering only the projects under Direcional brand (excluding Old Harvest projects), Net Sales Speed reached 21% in 1Q24, an increase of 410 bps versus 4Q23. Riva VSO index came in at 22%, growing 730 bps in the period.



1 - Disregarding the projects sold under the *Pode Entrar* Program, in 4Q23.

INVENTORY

At the end of the 1st quarter of 2024, Direcional Group had 15,747 units in Inventory, totaling a PSV of BRL 4.8 billion (BRL 4.0 billion % Company).

Table below shows the Inventory at market value, detailed by stage of construction and by the type of product. It is worth mentioning that **about 3% of the total PSV refers to completed units.**

Breakdown of Inventory at Market Value	PSV Total				PSV % Company			
	Direcional	Riva	Old Harvest	Total	Direcional	Riva	Old Harvest	Total
In progress (BRL million)	2,690	1,926	0	4,616	2,364	1,513	0	3,876
% Total	56%	40%	0%	97%	60%	38%	0%	98%
Completed (BRL million)	124	4	34	161	69	3	19	91
% Total	3%	0%	1%	3%	2%	0%	0%	2%
Total (BRL million)	2,813	1,930	34	4,778	2,433	1,516	19	3,968
% Total	59%	40%	1%	100%	61%	38%	0%	100%
Total Units	11,181	4,466	100	15,747	11,181	4,466	100	15,747
% Total Units	71%	28%	1%	100%	71%	28%	1%	100%

LANDBANK

Direcional Group's landbank totaled a PSV of BRL 37.3 billion (BRL 34.0 billion % Company) at the end of 1Q24, corresponding to a development potential of 186,181 units.

The average cost of acquisition was equivalent to 11% of the PSV, and 84% the payment shall be made through swaps, which causes 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	1Q24 Acquisitions	1Q24 Launches	Adjustment ¹	1Q24 Landbank	1Q24 (PSV % Co.)	Units
PSV Total	36,301	1,689	(897)	189	37,283	33,956	186,181

1 - Adjustment: update of sales prices, canceled sales and swaps.

Land Acquisition

During 1Q24, 13 plots of lands were acquired, with a construction potential of 6,848 units and a PSV of BRL 1.7 billion (BRL 1.5 billion % Company). The average cost of acquisition in the quarter was equivalent to 12% of total PSV, with 88% of the payment being made through swaps.

CASH GENERATION ¹

As a result of the acceleration of the Company's operational growth, especially after the follow-on offering, there was a cash consumption of BRL 58 million in 1Q24. With that, considering the 12-month period ending in March (1Q24 LTM), cash consumption totaled BRL 102 million.

1 - Cash Generation: variation in net debt adjusted by payment of dividends, repurchase of shares and the variation in the balance of interest swap operation agreements Prior unaudited information.

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.

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GLOSSARY

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

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 property 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.

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.

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.

LTM – Last twelve months.

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.

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.

Programa Minha Casa, Minha Vida (MCMV) - Current name attributed to the social housing program, formerly known as “Programa Casa Verde e Amarela”.

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

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

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.

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.

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