DIRECIONAL

Belo Horizonte, May 9th, 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 first quarter of 2024 (1Q24). 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 value consolidated (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).

1Q24 EARNINGS RELEASE

✓ **RECORD-HIGH NET INCOME IN 1Q24: BRL 150 MILLION, A 156% GROWTH VERSUS 1Q23 AND A 51% GROWTH VERSUS 4Q23**

✓ **NET MARGIN OF 22.4% IN 1Q24 AND 17.1% IN 1Q24 LTM**

✓ **THE HIGHEST QUARTERLY NET REVENUE IN COMPANY'S HISTORY: BRL 669 MILLION IN 1Q24**

✓ **ADJUSTED GROSS MARGIN[1] REACHED 37.4% IN 1Q24**

✓ **ADJUSTED ANNUALIZED ROE[2] OF 24% IN 1Q24**

OTHER HIGHLIGHTS

- Best quarter in Net Sales: BRL 1.3 billion in 1Q24, a 63% growth versus 1Q23, surpassing the previous record by 29%[3].
- Net Sales Speed ratio (VSO index) reached 22% in the quarter in the consolidated view, a 530-bps growth over 4Q23[3].
- In 1Q24, Operating Net Income[2] totaled BRL 120 million, 72% above 1Q23 e 23% above 4Q23.
- Operating Net Margin[2] reached 17.9% in 1Q24, a 541-bps increase versus 1Q23 and 255-bps versus 4Q23.
- In the last twelve-month period (1Q24 LTM), Net Income reached BRL 423 million, a 91% growth versus 1Q23 LTM.
- Selling Expenses over Gross Revenue from Real Estate Sales had an 80-bps dilution in 1Q24 in comparison with 4Q23.
- Deferred Revenue from Real Estate Sales (Backlog Revenue) of BRL 1.9 billion at the end of 1Q24, +13% versus 4Q23 and +72% versus 1Q23.
- Backlog Margin reached 43.1% in 1Q24, a 60-bps growth QoQ and a 400-bps growth YoY.

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

TABLE OF CONTENTS

MESSAGE FROM THE BOARD

More than expressive figures, our results for the first quarter of 2024 highlight something even more valuable for us: achieving great goals and overcoming certain levels that, not long ago, seemed extremely challenging.

If in scenarios of high inflation, with trends of rising interest rates – as we have recently experienced in the most severe period of the pandemic –, attention is focused almost entirely on maintaining margins, at opposite scenarios, i.e., with controlled inflation and a persistently high cost of capital, it is necessary to adapt to the new context, always keeping an eye on measures that can create a higher value for the Company, in particular by increasing the speed of business turnover. Additionally, considering the positive outlook for the industry, especially for the continuous improvement of the *Minha Casa, Minha Vida* conditions, we have no doubts that it is the right time to accelerate even more our operations.

We started the year very well-positioned regarding our portfolio of products in all the regions where we operate. In addition, throughout 2023 we built up a well-established pipeline of projects ready to launch, so that we could offer our customers the most assertive products, seeking to make **2024 the year of sales**.

In that sense, we have implemented several improvements within the Company, from simple structural changes to internal processes to more complex and challenging deliveries, such as the improvement of our sales systems and applications, seeking to further facilitate interactions between our crew and our customers.

All of this has only been possible thanks to the commitment and persistent dedication of the Company's most diverse teams, from the back office to the commercial end. More than engagement, this is a change of mindset that has been absorbed by everyone who make Direcional go beyond.

The answers to these improvements have been reflected in our main operational metrics. In 1Q24, we launched more than 2,200 units, totaling a PSV of BRL 897 million (BRL 653 million % Company), a 47% increase versus 1Q23.

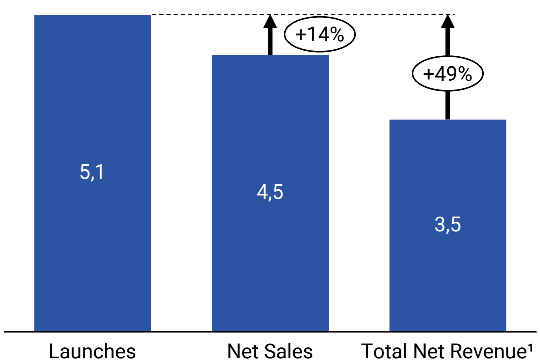
Net Sales reached the mark of BRL 1.3 billion (BRL 1.0 billion % Company) in 1Q24, representing the highest volume sold by Direcional Group in a quarter in its entire history, a growth rate of 63% in relation to the first quarter of 2023. As a result, we surpassed the former Net Sales record by 29%, despite the typical seasonality of 1st quarters. We also count on a well distributed mix of inventory sales and launches sales in the period.

Thus, the consolidated net sales speed, measured by the VSO index (sales-over-supply ratio), had an expressive increase of 530 bps over 4Q23, reaching 22% – a major step so that we can deliver what we have planned for 2024.

Looking at the temporal logic of our business – first we launch, then we sell and, finally, we build, with the respective recognition of revenue –, we should note that the gap between the volume of launches and the current level of revenue suggests that if the volume of launches is maintained over the coming quarters, revenue should continue to grow, reaching the volume of launches.

Thus, in the last twelve months ended 1Q24 (1Q24 LTM), the launched PSV totaled BRL 5.1 billion, with BRL 4.5 billion in Net Sales and BRL 3.5 billion when considering Total Net Revenue[1], i.e., also considering the net revenue from jointly-controlled or non-controlled entities. The chart aside shows the potential Net Revenue growth considering the launch conditions at current levels.

1Q24 LTM Volume: Launches, Sales and Revenue
(PSV 100% - BRL million)



It is worth noting that 1Q24's accounting Net Revenue reached the highest amount we have ever delivered in a quarter, BRL 669 million (BRL 947 million when considering Total Net Revenue[1]).

Another milestone in the quarter was the Company's Adjusted Gross Margin[2], which reached 37.4% when excluding capitalized interest and the effect of the *Programa Pode Entrar*, given the particular characteristics of this program in relation to a standard development project. When compared to 4Q23, it increased 30 bps, whereas it increased 110 bps versus 1Q23.

The growth in Direcional's standard Gross Margin, which ended 1Q24 at 35.9% (+290 bps when compared to 4Q23), was another significant result. In addition to the organic gain caused by the healthy margins of units in inventory as well as of new products, we would also highlight a lower influence of products from the Programa *Pode Entrar* in the consolidated margin.

More positive news come as we analyze the figures below the Gross Margin line. In that sense, G&A totaled BRL 49 million in the quarter, accounting for 5.0% of the Total Gross Revenue[1], a 90-bps dilution when compared to 1Q23. In 1Q24 LTM, these expenses totaled BRL 182 million, accounting for 5.1% of the Total Gross Revenue[1], diluting 50 bps in comparison with 1Q23 LTM.

Selling Expenses totaled BRL 55 million in 1Q24, a slightly lower figure than that reported in the previous quarter. The representativeness over Gross Revenue from Real Estate Sales came in at 8.1% in the quarter, which translates into an 80-bps dilution versus 4Q23. In 1Q24 LTM, it totaled BRL 214 billion, a 6% increase over 1Q23 LTM. However, it is worth highlighting that net sales grew 41% in the same period, highlighting the gain via operational leverage that the Company has presented with the growth of the operation in recent years.

As we have been saying in the previous quarters, we have been going through a window in which we have seen a significant contribution from the projects of non-controlled and jointly-controlled SPVs to the Company's results. Thus, the Equity Income line ended 1Q24 totaling BRL 26 million, an increase of 72% over 4Q23 and 292% over 1Q23. Despite the relevant increase, as these projects evolve, there is a tendency for them to have less and less impact on the result, making room in the mix for a greater share of projects that we consolidate on our balance sheet and which, consequently, add to the Net Revenue instead of Equity Income.

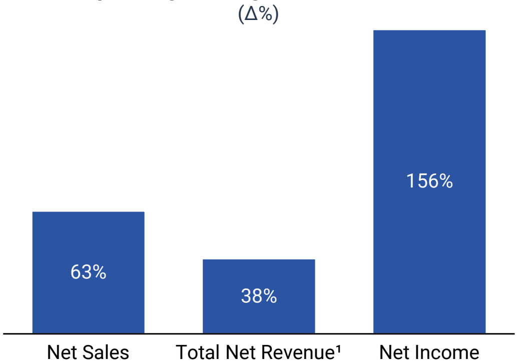
Always aiming to capture value for our shareholders, mainly by reducing the cash employed in projects, we performed the sale of equity interest in some SPVs, as we had done in 4Q22 and 2Q23. It should be noted that the occurrence of this type of operation affects the result for the period in question on a non-recurring basis. Thus, in 1Q24, as described in the item Other Operating Income and Expenses, there was a positive and non-recurring income of BRL 19 million, which refers to the anticipation of the result that would be expected for those projects over the coming periods, in addition to the incidence of some non-recurring expenses related to the SPVs.

1Q24 Financial Results had a positive amount of BRL 23 million. Among other results, the main influences on this line centered on (i) the non-recurring financial revenue of BRL 11 million, arising from the equity swap mark-to-market – given the significant upside that our stocks showed in the quarter; and (ii) positive recurring result regarding the correction on the reimbursement of notary fees and ITBI (the real estate transfer tax) owed by customers and anticipated by the Company, which totaled BRL 7 million in the quarter.

Given all that has been said so far, we achieved our highest quarterly Net Income in 43 years of operation. It totaled BRL 150 million in 1Q24, which translated into a 51% growth over the previous quarter and a 156% growth over the year-ago period. Net Margin reached 22.4%, which translated into a 670-bps increase and an 1190 bps increase over 4Q23 and 1Q23, respectively. Considering the 1Q24 LTM, Net Income totaled BRL 423 million, going up by 91% over 1Q23 LTM, with a Net Margin at 17.1% (+720 bps in the period).

This performance further endorses the operating leverage that Direcional Group has been showing, as indicated by the graph on the side, which compares the growth in Net Sales, Total Net Revenue[1], and Net Income for 1Q24 in relation to the same period of the previous year.

Operating Leverage – 1Q24 vs 1Q23
(Δ%)



Excluding the non-recurring effects, our Operating Net Income[3] came in at BRL 120 million in the quarter, considering the adjustments by (i) the results arising from the equity swap mark-to-market; and (ii) the already mentioned non-recurring results under Other Operating Income and Expenses. In this context, the indicator went up by 72% versus 1Q23 and by 23% versus 4Q23, with an Operating Net Margin[3] of 17.9%, a 541-bps increase when compared to the year-ago period and a 255-bps growth in comparison with the previous quarter. As a result, the Company's Adjusted Annualized ROE[3] reached its highest level ever, a solid 24%, consolidating the growing path of this metric.

It is also important to highlight that, at the end of 1Q24, we posted a comfortable net debt[4] position, instead of the previous net cash profile – as planned during the follow-on. Thus, we had a leverage ratio (Net Debt[4]-to-Equity) of 2.9%.

We are very confident that running the company with a prudent and stable capital structure, guided by a genuine purpose of transforming lives, will lead us to make great strides towards responsible and sustainable growth. In the quarter in which we celebrate 43 years of existence, we believe we are having our best time ever.

We end this message by thanking, once again, the tireless team that builds all this alongside us, walking together towards the same goals and enjoying a unique synergy. We have no doubts that we will make 2024 our best year ever. The year of sales!

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.

DIRECIONAL

KEY FIGURES

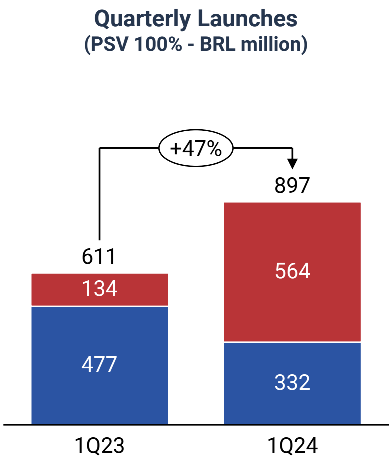
	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Main Financial Figures					
Net Revenue (BRL million)	669.4	634.8	557.3	5.5%	20.1%
Adjusted Gross Profit[1] (BRL million)	249.9	226.5	202.4	10.3%	23.5%
Adjusted Gross Margin[1]	*37.3%*	*35.7%*	*36.3%*	1.6 p.p.	1.0 p.p.
Adjusted Gross Margin[1] – Ex-Pode Entrar	*37.4%*	*37.1%*	*36.3%*	0.1 p.p.	0.8 p.p.
Operating Net Incomel[2] (BRL million)	120.1	97.7	69.8	22.9%	72.0%
Operating Net Margin[2]	*17.9%*	*15.4%*	*12.5%*	2.55 p.p.	5.41 p.p.
Launches					
PSV Launched - 100% (BRL million)	896.5	1,184.2	611.2	-24.3%	46.7%
Direcional	332.3	703.0	477.2	-52.7%	-30.4%
Riva	564.2	481.3	134.0	17.2%	321.2%
PSV Launched - % Company (BRL million)	653.5	1,130.6	610.5	-42.2%	7.0%
Direcional	259.0	649.3	476.5	-60.1%	-45.6%
Riva	394.5	481.3	134.0	-18.0%	194.5%
Launched Units	2,238	4,008	2,762	-44.2%	-19.0%
Direcional	918	2,936	2,476	-68.7%	-62.9%
Riva	1,320	1,072	286	23.1%	361.5%
Pode Entrar					
PSV (BRL million)	-	206.0	-	n/a	n/a
Launched Units	-	990	-	n/a	n/a
Net Sales					
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	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 index), in terms of 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					
PSV (BRL million)	-	206.0	-	n/a	n/a
Contracted Units	-	990	-	n/a	n/a
Consolidated VSO considering *Pode Entrar* (PSV)	22%	19%	17%	3 p.p.	5 p.p.
Other Key Figures	1Q24	4Q23	3T23	2T23	1Q23
Adjusted Annualized ROE[2]	24%	20%	20%	21%	21%
Net Debt[3] (BRL million)	66.1	-72.1	-88.8	268.2	289.9
Cash Generation[4] (BRL million)	-57.0	-15.5	-51.1	21.7	7.8
Net Debt[3] / Equity	2.9%	-3.4%	-4.2%	16.7%	19.2%
Inventory (PSV 100% - BRL million)	4,777.6	5,146.3	5,021.4	4,582.8	4,042.6
Landbank - 100% (PSV - BRL million)	37,282.6	36,271.5	35,769.6	35,133.5	32,505.3

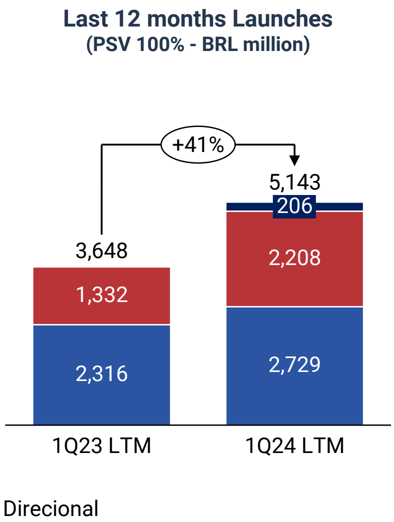
1 - Adjustment excluding capitalized interest.
2 - Adjustment excluding equity swap results and non-recurring results under "Other Operating Income and Expenses".
3 - Loans and Financing Operations reduced by Cash and Cash Equivalents and Short-term Investments plus the balance of interest rate swap 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

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	1,184.2	611.2	-24.3%	46.7%
Direcional	332.3	703.0	477.2	-52.7%	-30.4%
Riva	564.2	481.3	134.0	17.2%	321.2%
PSV Launched - % Company (BRL million)	653.5	1,130.6	610.5	-42.2%	7.0%
Direcional	259.0	649.3	476.5	-60.1%	-45.6%
Riva	394.5	481.3	134.0	-18.0%	194.5%
Launched Units	2,238	4,008	2,762	-44.2%	-19.0%
Direcional	918	2,936	2,476	-68.7%	-62.9%
Riva	1,320	1,072	286	23.1%	361.5%
Average % Company	*72.9%*	*95.5%*	*99.9%*	-23 p.p.	-27 p.p.
Pode Entrar					
PSV (BRL million)	-	206.0	-	n/a	n/a
Contracted Units	-	990	-	n/a	n/a

CONTRACTED SALES

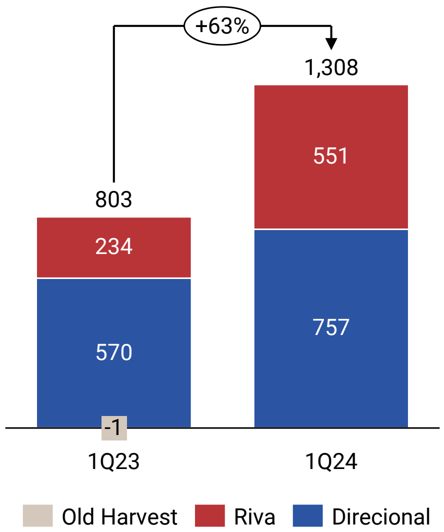
With the operation's growth planning moving in the expected direction, especially through the acceleration of launches and the reconstitution of the product portfolio, Direcional Group entered 2024 ready to make this **the year of sales.** Several initiatives on this front have been implemented and the 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 4Q23[1]. When compared to 1Q23, Net Sales grew by a significant 63%.

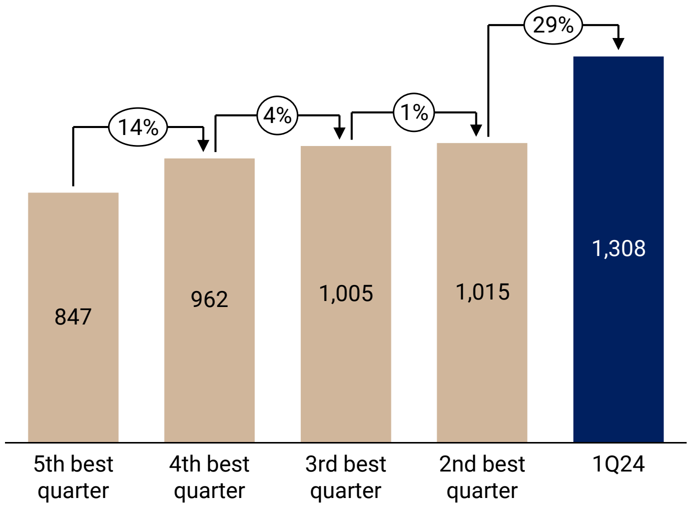
Considering 1Q24 LTM, Net Sales totaled BRL 4.5 billion (BRL 3.5 billion % Company), a 41% growth versus 1Q23 LTM. Based on this, the growth observed in all segments stands out, with Riva brand products growing 72% in the period, while Direcional segment sales grew 17%.

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:

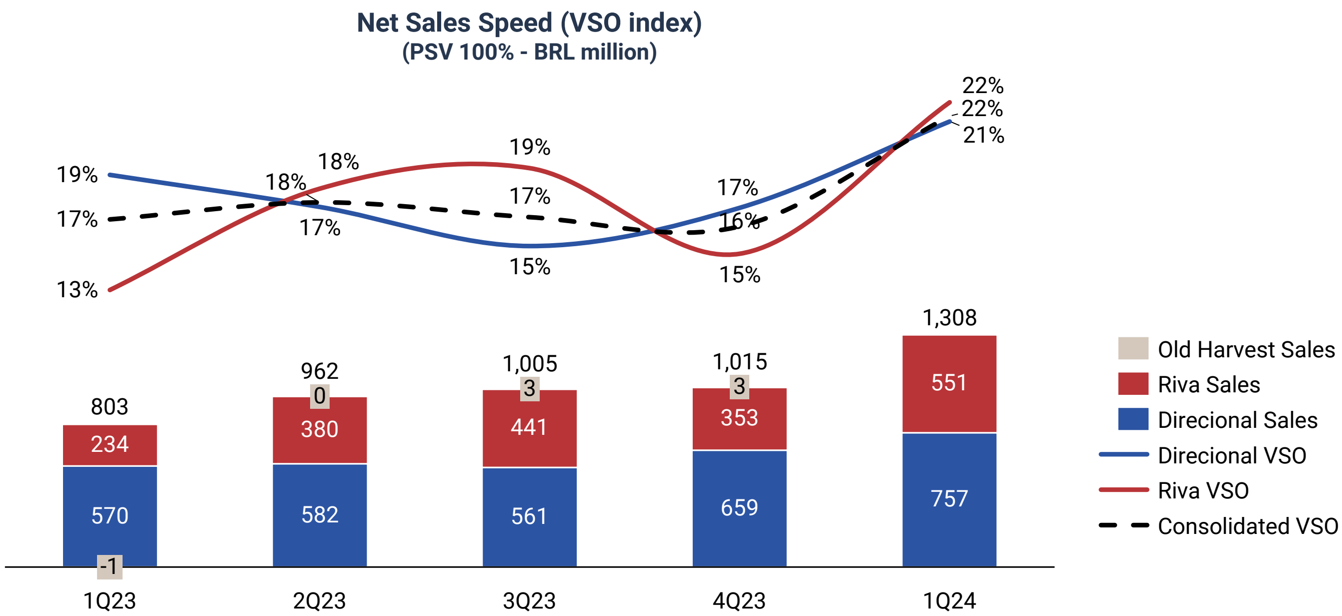
Net Sales	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Net Sales - PSV 100% (BRL million)	1,307.7	1,014.7	803.4	28.9%	62.8%
Direcional	756.9	658.9	570.2	14.9%	32.8%
Riva	550.7	353.1	234.0	56.0%	135.4%
Old Harvest[1]	0.0	2.6	-0.8	-100.0%	-100.0%
Net Sales - PSV % Company (BRL million)	1,004.2	788.5	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 index), in terms of 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					
PSV (BRL million)	-	206.0	-	n/a	n/a
Contracted Units	-	990	-	n/a	n/a
Consolidated VSO considering *Pode Entrar* (in terms of 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 INDEX)

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 quarter[1].

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.



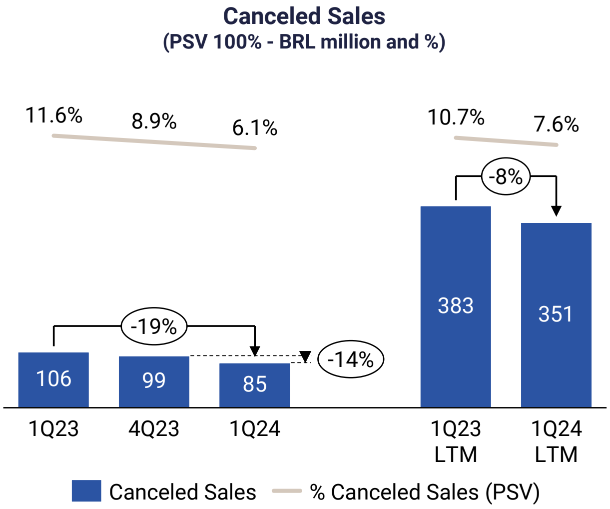
1 - Disregarding the projects sold under the *Pode Entrar* Program, in 4Q23.

Canceled Sales

In 1Q24, Canceled Sales totaled BRL 85 million (BRL 70 million % Company), translating into a 14% and 19% decrease over 4Q23 and 1Q23, respectively. As a result, the percentage of Canceled Sales over Gross Sales fell to 6.1% in the quarter, representing a 2.7 p.p. decrease when compared to the previous quarter, and a 5.5 p.p. decrease over the same quarter in 2023, remaining at very low levels.

Considering the last twelve-month period ending 1Q24, canceled PSV totaled BRL 351 million (BRL 285 million % Company), 8% below the results reported in 1Q23 LTM. Furthermore, there was a 3.1 p.p. drop on the representativeness over Gross Sales, from 10.7% to 7.6% in the period.

The table below shows more details regarding 1Q24:



Canceled Sales[1]	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Canceled Sales (100 % - BRL million)	-85.3	-98.8	-105.9	-13.6%	-19.5%
Gross PSV Contracted (100%)	1,393.0	1,113.5	909.3	25.1%	53.2%
% Canceled Sales / Gross PSV Contracted	6.1%	8.9%	11.6%	-2.7 p.p.	-5.5 p.p.
Canceled Sales (% Company - BRL million)	-69.9	-80.1	-86.9	-12.8%	-19.6%
Gross PSV Contracted (% Company)	1,074.1	868.6	729.8	23.7%	47.2%
% Canceled Sales / Gross PSV Contracted	6.5%	9.2%	11.9%	-2.7 p.p.	-5.4 p.p.

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

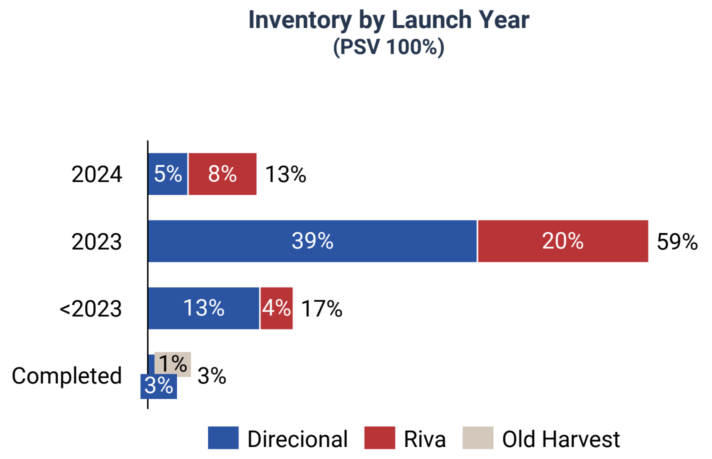
INVENTORY

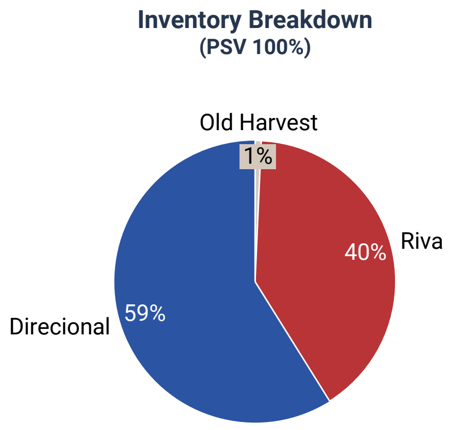
At the end of the 1st quarter of 2024, Direcional Group had 15,747 units in Inventory, totaling a PSV of BRL 4.8 billion (BRL 4.0 billion % Company).

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**.

	Total PSV				% Company PSV			
Breakdown of Inventory at Market Value	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%*

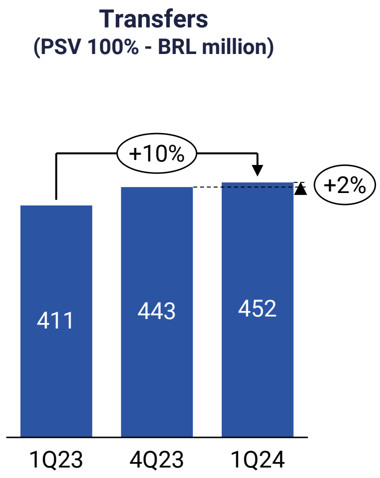
The following charts show further information on the Inventory and its breakdown. It should be noted that **72% of the PSV in Inventory accounts for projects launched from 2023 onwards.**





TRANSFERS

In 1Q24, PSV of transferred units totaled BRL 452 million, 10% above the results reported in the same quarter of the previous year. When compared to the amount reported in the previous quarter, there was a 2% increase.



PROJECTS DELIVERED

During 1Q24, Direcional Group delivered 15 projects/stages, representing a total number of 4,020 units, 92% of which correspond to products under Direcional brand and 8% under Riva brand.

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.

Landbank Evolution (BRL million)	2023 Landbank	1Q24 Acquisitions	1Q24 Launches	Adjustment[1]	1Q24 Landbank	1Q24 (PSV % Co.)	Units
Total PSV	36,301	1,689	(897)	189	37,283	33,956	186,181

1 - Adjustments: update of sales price, 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.

ECONOMIC AND FINANCIAL PERFORMANCE

Gross Revenue

In 1Q24, Direcional Group reported a Gross Revenue of BRL 698 million, going up by 21% in comparison with the revenue reported in 1Q23. This was **the highest level ever achieved by the Company in Gross Revenue**, surpassing the previous record – achieved in 4Q23 – by 7%.

In terms of revenue mix, Revenue from Real Estate Sales accounted for 97% of the total amount recognized in the period, while Revenue from Services accounted for 3%.

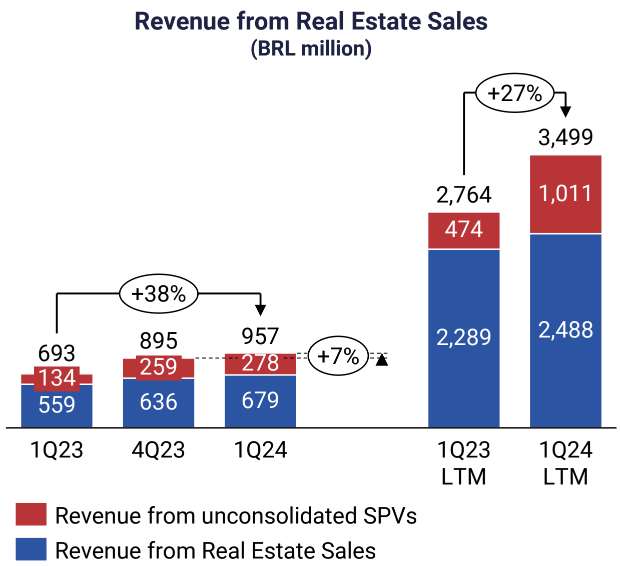
Gross Revenue (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Gross Revenue	697.7	653.6	578.2	6.7%	20.7%
Revenue from Real Estate Sales	679.1	635.8	558.8	6.8%	21.5%
Revenue from Services	18.6	17.9	19.3	4.0%	-4.0%

Revenue from Real Estate Sales

Gross Revenue from Real Estate Sales, which encompass revenue with sales of units under the Direcional and Riva brands, totaled BRL 679 million in 1Q24, 7% above 4Q23 and 22% above 1Q23. In 1Q24 LTM, Revenue from Real Estate Sales totaled BRL 2.5 billion, a 9% increase when compared to 1Q23 LTM.

This metric is affected by the volume of sales and the evolution of the construction works observed in a determined period. As highlighted in previous quarters, there is a still relevant volume of revenue originated by products that are not consolidated in the Company's balance sheet (jointly controlled and non-controlled SPVs). In those cases, this amount does not directly affect the revenue line, but the Equity Income line instead.

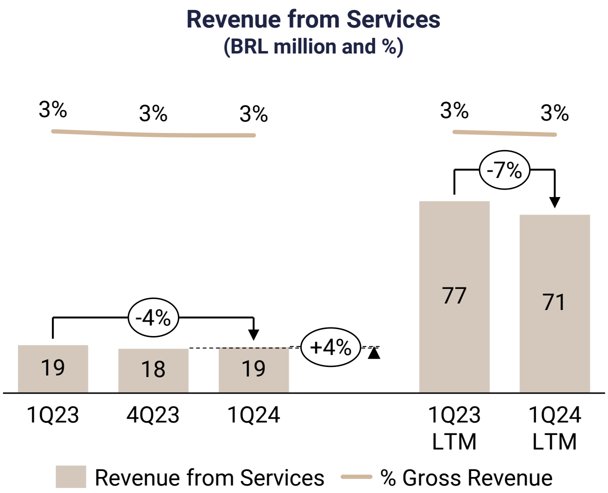
By adding the revenue from sales of these non-consolidated projects to the accounting revenue from sales, the Total Gross Revenue from Real Estate Sales came in at BRL 957 million in 1Q24, a 38% increase when compared to 1Q23 and 7% to 4Q23. In 1Q24 LTM, it reached BRL 3.5 billion, resulting in a 27% growth over 1Q23 LTM.



Revenue from Services

Gross Revenue from Services, mainly consisting of (i) brokerage fees on sales made by in-house brokerage firms; and (ii) construction management fees, totaled BRL 19 million in 1Q24, a 4% increase when compared to 4Q23 and a 4% decrease over 1Q23.

In 1Q24 LTM, the revenue recognized for the segment totaled BRL 71 million, 7% less than in 1Q23 LTM. It accounted for 3% of the revenue mix, both in the quarter and in the last twelve-month period.

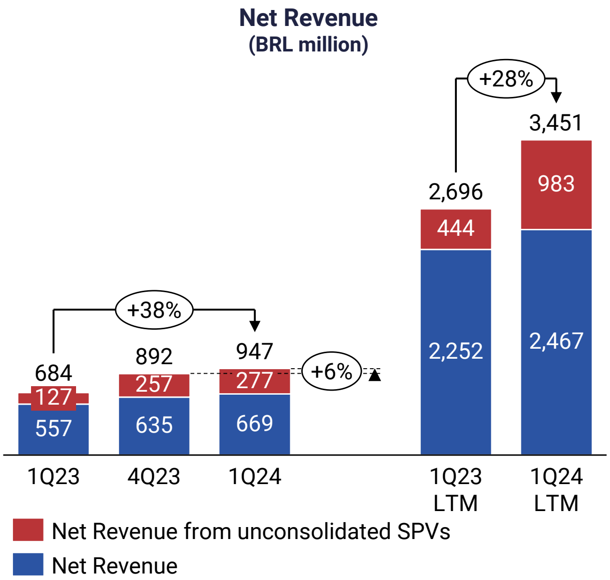


Net Revenue

As a result, in 1Q24, Direcional Group reported a Net Revenue of BRL 669 million, a 20% growth over the year-ago period and 5% over the previous quarter. In 1Q24 LTM, Net Revenue reached BRL 2.5 billion, a 10% growth when compared to 1Q23 LTM.

For analysis purposes, by calculating the Total Net Revenue, i.e., adding to the accounting revenue the revenue recognized in jointly controlled or non-controlled companies – which actually do not affect the accounting revenue but the Equity Income line instead – there was a total amount of BRL 947 million in 1Q24, 38% above the figure observed in 1Q23 and 6% above 4Q23.

In that sense, Total Net Revenue totaled BRL 3.5 billion in 1Q24 LTM, a 28% increase over the figure reported in 1Q23 LTM.



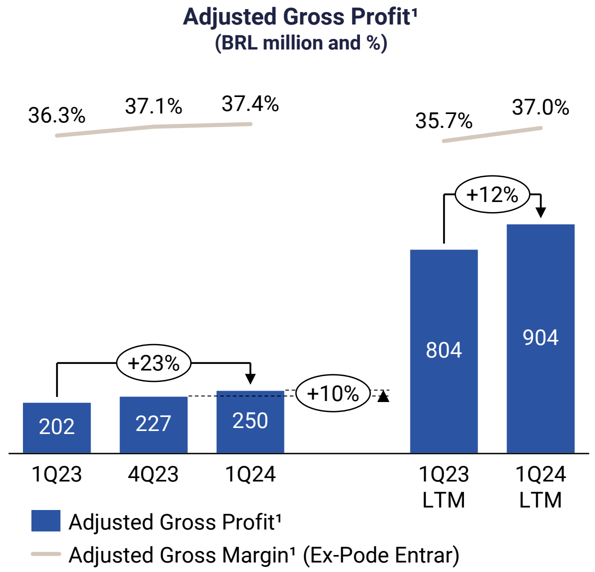
Gross Profit

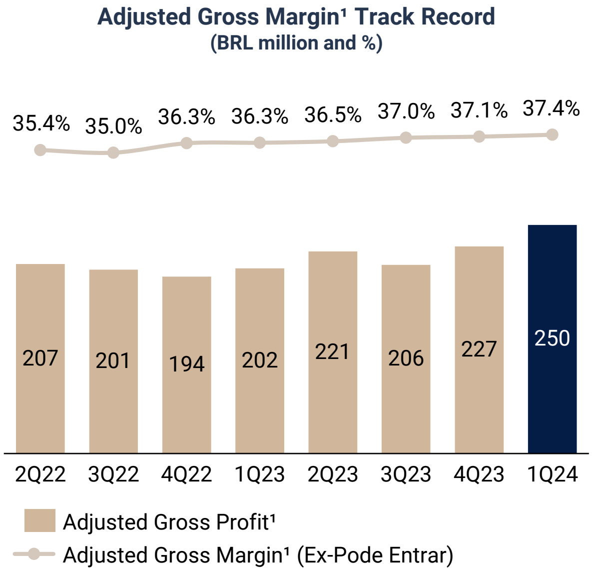
Adjusted Gross Profit[1] in 1Q24 totaled BRL 250 million, which translates into a 10% growth and a 23% growth when compared to 4Q23 and 1Q23, respectively. In 1Q24 LTM, Adjusted Gross Profit[1] totaled BRL 904 million, a growth rate of 12% when compared to 1Q23 LTM.

In another quarter of resiliency, Adjusted Gross Margin[1] reached 37.4% in 1Q24, excluding capitalized interest and the effect of *Programa Pode Entrar*, given the particular characteristics of this program in relation to a traditional development project. In that sense, there was a 30-bps growth when compared to the margin reported in 4Q23 and a 110-bps growth when compared to 1Q23.

In 1Q24 LTM, Adjusted Gross Margin[1] came in at 37.0%, 130 bps above the figure reported in 1Q23 LTM, also disregarding the impact of *Pode Entrar*, as mentioned above.

Considering the projects contracted under the *Pode Entrar* program, Adjusted Gross Margin[1] reached 37.3% in 1Q24 (+160 bps over 4Q23), and 36.6% in the last twelve months (+90 bps over 1Q23 LTM).





Adjusted Gross Profit[1] (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Gross Profit	240,6	209,6	197,8	14,8%	21,6%
(+) Capitalized Interest	9,3	16,9	4,6	-45,3%	102,2%
Adjusted Gross Profit[1]	249,9	226,5	202,4	10,3%	23,5%
Adjusted Gross Margin[1]	37,3%	35,7%	36,3%	1,6 p.p.	1,0 p.p.
Adjusted Gross Margin[1] – Ex-*Pode Entrar* Program	37,4%	37,1%	36,3%	0,3 p.p.	1,1 p.p.

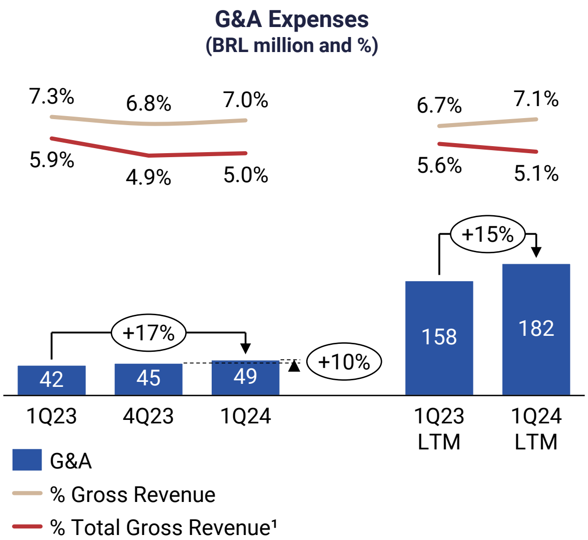
1 - Adjusted Gross Profit and Margin: excluding capitalized interest.

General and Administrative Expenses (G&A)

In 1Q24, General and Administrative Expenses totaled BRL 49 million, a 10% increase QoQ and a 17% increase YoY, in nominal terms – this increase is mainly due to the retroactive impact of the union collective bargaining agreement in the state of Minas Gerais. However, it is worth noting that the representativeness of G&A in relation to Gross Revenue reached 7.0% in the quarter, a dilution of 30 bps when compared to the same quarter of 2023.

As for Total Gross Revenue[1], i.e., considering the revenue from developments which are not consolidated in the Company's balance sheet, G&A accounted for 5.0% in the quarter, evidencing a 90-bps dilution when compared to 1Q23.

In the last 12 months, G&A expenses totaled BRL 182 million, a 15% increase over 1Q23 LTM. In this scenario, G&A accounted for 7.1% of the Gross Revenue in the period. As for Total Gross Revenue1, it had a 50-bps decrease versus 1Q23 LTM, reaching 5.1%.

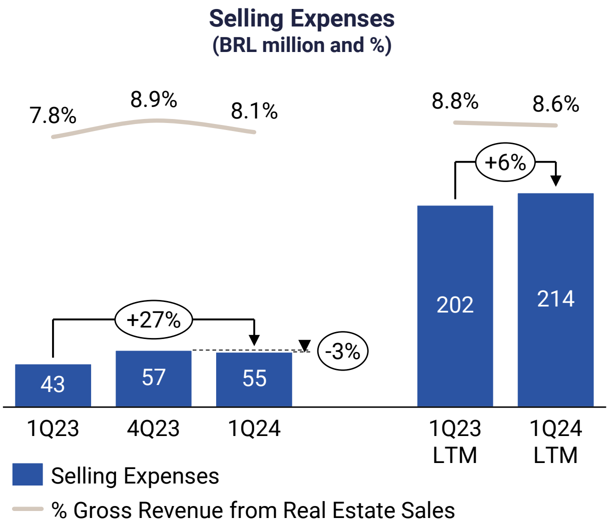


1 - Total Gross Revenue: including gross revenue from non-consolidated SPVs (jointly controlled or non-controlled entities).

Selling Expenses

Selling Expenses – mainly consisting of expenses with commissions, marketing and maintenance of points of sale – totaled BRL 55 million in 1Q24, 3% and 27% above the figures reported in 4Q23 and 1Q23, respectively. Thus, it accounted for 8.1% of the Gross Revenue from Real Estate Sales, representing an 80-bps dilution over 4Q23, and a 30-bps increase over 1Q23.

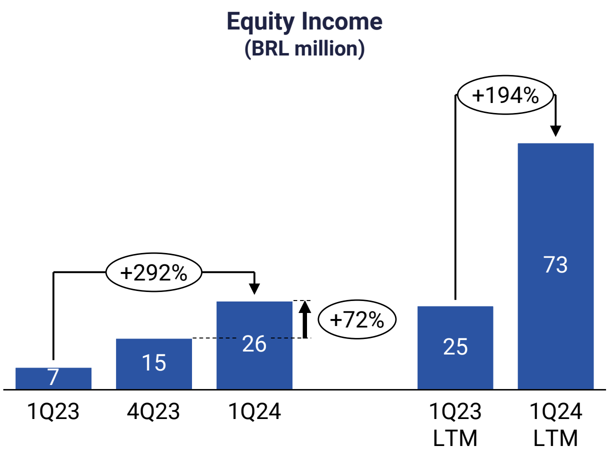
In 1Q24 LTM, it reached BRL 214 million, a 6% increase versus 1Q23 LTM. However, it is worth noting that sales grew by 41% in the period, demonstrating all the operational leverage from which the Company has benefited, given the operational growth seen in recent years. Thus, the representativeness of Selling Expenses over Gross Revenue from Real Estate Sales reached 8.6% in 1Q24 LTM, which translates into a 20-bps dilution when compared to 1Q23 LTM.



Equity Income

As previously addressed, in 1Q24, there was a significant number of sales of units from non-consolidated projects (non-controlled and jointly-controlled SPVs), which consequently do not directly contribute to the Company's revenue. The result is instead recognized as Equity Income, under the percentage of interest held by Direcional Group in such SPV. In that sense, Equity Income totaled BRL 26 million in 1Q24, which translates into a 72% growth versus 4Q23 and an expressive 292% growth when compared to 1Q23 figures.

In 1Q24 LTM, Equity Income totaled BRL 73 million, a 194% increase when compared to 1Q23 LTM, when the recognized result was BRL 25 million, showing the relevant contribution from non-consolidated projects to the current results.



Other Operating Income and Expenses

Other Operating Income and Expenses had a net loss of BRL 5 million in the quarter. The category was affected in a non-recurrent manner by an income of BRL 19 million in the quarter, especially because of a revenue of BRL 58 million, arising from the sale of interest in some SPVs, decreased by BRL 39 million, regarding non-recurring expenses with SPVs. Disregarding these non-recurring effects, the line would have had an approximate loss of BRL 24 million in 1Q24.

In addition to the factors above, other effects arise from: (i) provisions and reversals, totaling a loss of BRL 11 million; (ii) recurring legal expenses and related expenses, totaling BRL 8 million; among other less relevant revenue and expenses.

DIRECIONAL

Financial Results

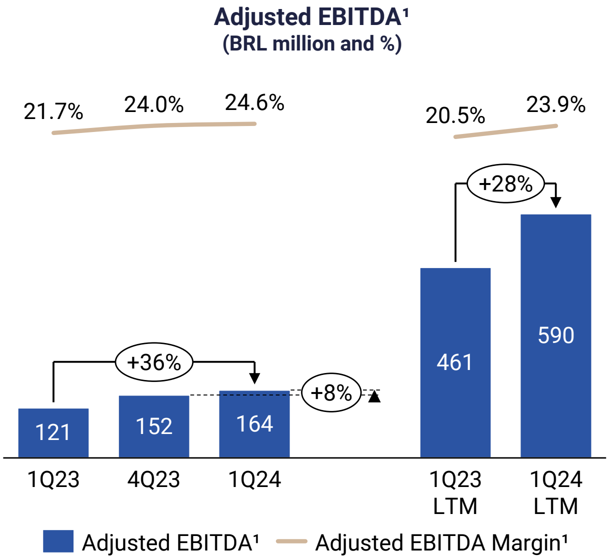
In 1Q24, there was a net positive financial result of BRL 23 million. The main impacts arise from: (i) non-recurring financial revenue of BRL 11 million, from the equity swap mark-to-market; and (ii) positive recurring result of BRL 7 million, regarding the correction on the reimbursement of notary fees and ITBI (the real estate transfer tax) owed by customers and anticipated by the Company.

EBITDA

1Q24 Adjusted EBITDA[1] reached BRL 164 million, growing 8% versus 4Q23 and 36% versus 1Q23. Thus, Adjusted EBITDA Margin[1] came in at 24.6% 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 in 1Q24 (in the net amount of BRL 19 million), as mentioned above.

In 1Q24 LTM, Adjusted EBITDA[1] totaled BRL 591 million, a 28% increase when compared to 1Q23 LTM. Adjusted EBITDA Margin[1] reached 23.9%, an increase rate of 340 bps in the period.

Table below breaks down the EBITDA and Adjusted EBITDA[1]:



EBITDA and Adjusted EBITDA[1] (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Net Income	150,3	99,6	58,8	50,9%	155,8%
(+) Depreciation and amortization	16,1	13,3	13,5	21,4%	19,2%
(+) Income Tax and Social Contribution	12,4	14,0	11,3	-11,2%	9,6%
(+) Minority interest	18,7	14,4	13,5	30,3%	38,5%
(+/-) Financial results	(23,2)	(46,8)	19,3	-50,4%	-220,3%
EBITDA	174,4	94,5	116,4	84,5%	49,7%
EBITDA Margin	26,0%	14,9%	20,9%	11 p.p.	5,1 p.p.
(+) Capitalized interest	9,3	16,9	4,6	-45,3%	103,4%
(+) Monetary update and contractual interest (reclassification)	0,0	40,7	0,0	n/a	n/a
(-) Non-recurring result adjustment	-19,2	0,0	0,0	n/a	n/a
Adjusted EBITDA[1]	164,5	152,2	121,0	8,1%	35,9%
Adjusted EBITDA Margin[1]	24,6%	24,0%	21,7%	0,6 p.p.	2,9 p.p.

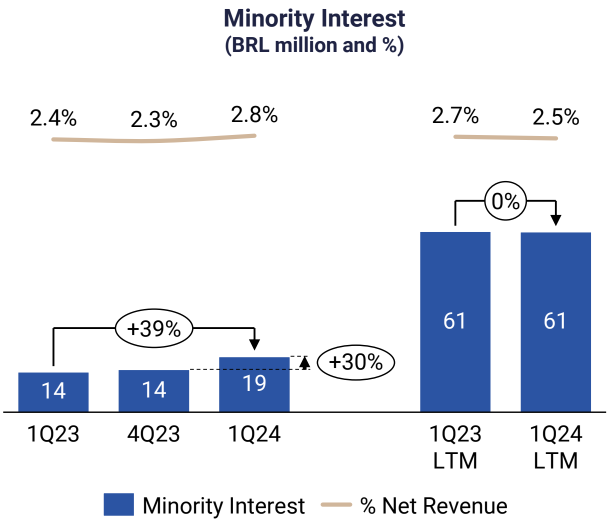
1 - Adjusted EBITDA and EBITDA Margin: excluding capitalized interest and non-recurring result under Other Operating Income and Expenses, occurred in the quarter, as well as the impact of the reclassification of revenue that was previously recognized in the Other Operating Income line and is now appropriated in the Financial Result, as per 4Q23.

Non-controlling Interest in SPV e SCP ("Minority Interest")

In 1Q24, results attributed to non-controlling shareholders in SPV and SCP ("Minority Interest") totaled BRL 19 million, which represents a 30% increase QoQ and a 39% increase YoY.

Taking 1Q24 LTM into account, Minority Interest totaled BRL 61 million, in line with the figures reported in 1Q23 LTM. As a result, given the Net Revenue growth in the period, there was a dilution of circa 20 bps in the Minority Interest representativeness, which went down from 2.7% to 2.5% over Net Revenue.

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 is important to highlight that the share of projects without minority shareholders is currently increasing in the Company's product pipeline.

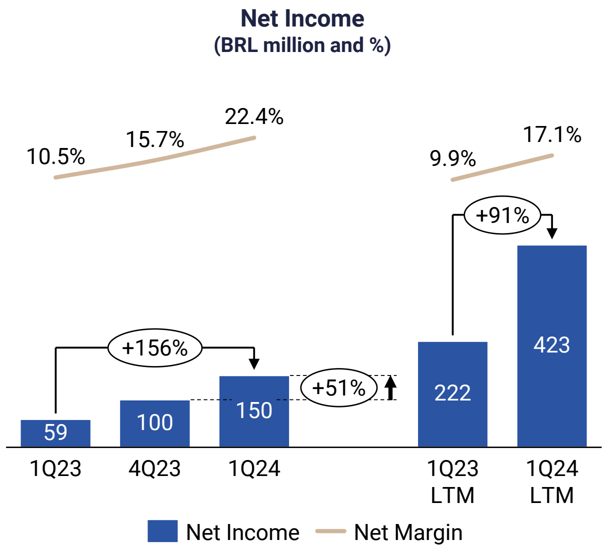


Net Income

Direcional Group's Net Income totaled BRL 150 million in 1Q24, which accounts for a 51% increase over 4Q23 and a 156% increase over 1Q23. **This was the highest quarterly figure for this metric in the Company's history**. Net Margin reached 22.4% in the quarter, resulting in a 670-bps increase over the previous quarter and an 1190 bps increase over the year-ago period.

Considering the 1Q24 LTM, Net Income totaled BRL 423 million, going up by 91% over 1Q23 LTM, with Net Margin at 17.1%, a 720-bps increase in the period.

Following the tone of the previous results, the performance shows the Company's ability to gain margin and efficiency with scale gains as well. In 1Q24, while Net Sales went up by 63% versus 1Q23 and Net Revenue, including non-consolidated SPVs, grew 38%, Net Income had a 156% growth.



Seeking to understand the result excluding the non-recurring effects of the quarter, the Company's Operating Net Income[1] came in at BRL 120 million in 1Q24, considering the adjustment by (i) the results arising from the equity swap; and (ii) the non-recurring results under "Other Operating Income and Expenses".

In this scenario, the growth rate reached 72% YoY and 23% QoQ. Operating Net Margin[1] was 17.9% in the quarter, a 541-bps increase over 1Q23 and 255-bps over 4Q23. Thus, **Adjusted Annualized ROE[1] reached 24%, another absolute record-high achievement**.

The table below shows the Net Income of the period, as well as the breakdown of Operating Net Income[1]:

Operating Net Income [1] (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Net Income	150.3	99.6	58.8	50.9%	155.8%
(+/-) Result with equity swap	-11.0	-12.6	0.4	-12.7%	-2885.8%
(+) Expenses with sale of receivables	0.0	10.7	10.7	-100.0%	-100.0%
(+/-) Other non-recurring expenses (revenue)	-19.2	0.0	0.0	n/a	n/a
Operating Net Income [1]	120.1	97.7	69.8	22.9%	72.0%
Operating Net Margin [1]	17.9%	15.4%	12.5%	2.5 p.p.	5.4 p.p.

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

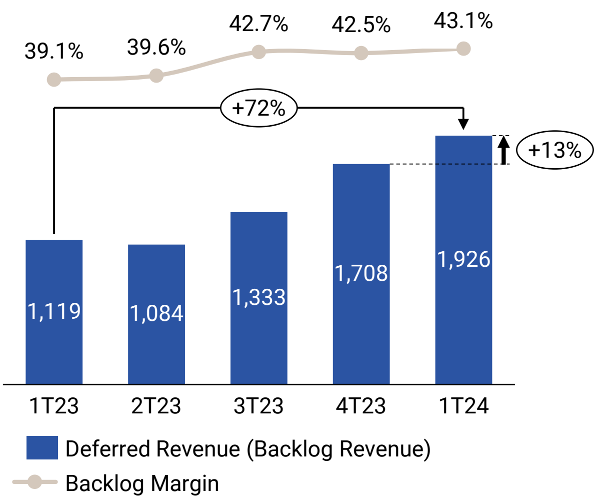
Deferred Results from Real Estate Sales

At the end of 1Q24, Deferred Revenue from Real Estate Sales (Backlog Revenue) totaled BRL 1.9 billion, growing 13% in comparison with 4Q23 and 72% versus 1Q23.

Corroborating the resilience that has been observed regarding the profitability that Direcional Group has been delivering quarter after quarter, the Backlog Margin reached 43.1% in 1Q24, a 60-bps growth when compared to 4Q23 and a 400-bps growth in comparison with 1Q23.

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

Deferred Revenue from Real Estate Sales
(BRL million)



Deferred Results from Real Estate Sales (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Deferred Revenue from Real Estate Sales	1,926.4	1,707.8	1,119.3	12.8%	72.1%
Deferred Costs from Real Estate Sales	-1,095.9	-981.4	-681.3	11.7%	60.9%
Deferred Results from Real Estate Sales	830.5	726.3	438.0	14.3%	89.6%
Backlog Margin	43.1%	42.5%	39.1%	0.6 p.p.	4.0 p.p.

BALANCE SHEET HIGHLIGHTS

Cash, Cash Equivalents and Short-Term Investments

Cash, Cash Equivalents and Short-Term Investments totaled BRL 1.2 billion at the end of 1Q24. The reduction in cash position when compared to 4Q23 was largely due to the payment of BRL 81 million in dividends to the Company's shareholders in January, 2024. As a result, Directional Group maintains its cash position at a comfortable level in order to support the healthy growth of its operations, as well as allowing it to keep its nature of returning capital to shareholders, always striving for a well-balanced and conservative capital structure.

Cash and Cash Equivalents and Short-term Investments (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Cash and Cash Equivalents	445.8	634.0	606.0	-29.7%	-26.4%
Short-term Investments	730.5	693.2	466.0	5.4%	56.8%
Total	**1,176.4**	**1,327.2**	**1,071.9**	**-11.4%**	**9.7%**

Accounts Receivable

At the end of 1Q24, Accounts Receivable1 totaled BRL 1.2 billion, representing a growth rate of 23% versus 4Q23 and 64% versus 1Q23. Considering the Accounts Receivable by Real Estate Sales and the Net Revenue from this segment, Accounts Receivable Days[2] index reached 164 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 1Q24 reached BRL 3.1 billion.

Of this total, receivables related to direct financing installments with the customer on a *pro-soluto* basis totaled approximately BRL 470 million at the end of 1Q24.

Accounts Receivable[1] (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Real Estate Sales	1,190.1	966.4	718.7	23.1%	65.6%
Services	14.1	15.6	15.1	-9.3%	-6.5%
Land Sales	4.9	4.0	4.2	20.4%	15.7%
Total	**1,209.1**	**986.0**	**738.0**	**22.6%**	**63.8%**
Current	635.0	521.9	403.4	21.7%	57.4%
Non-current	574.1	464.0	334.6	23.7%	71.6%
Accounts Receivable – Real Estate Sales	1,190.1	966.4	718.7	23.1%	65.6%
Net Revenue – Real Estate Sales	654.1	619.4	523.0	5.6%	25.1%
Accounts Receivable Days[2]	164	140	124	16.6%	32.4%

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

The gross balance of Loans and Financing line was BRL 1.3 billion at the end of 1Q24, of which approximately 81% are in the long term (non-current liabilities), leading to a weighted average maturity of 52 months.

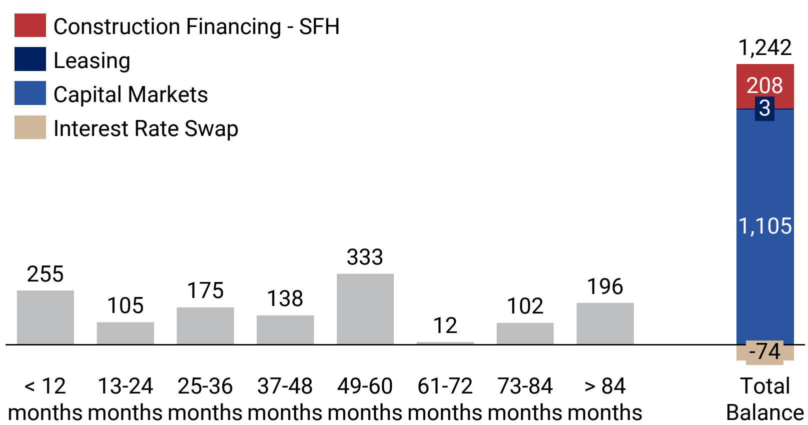
Considering the balance of Loans and Financing, as well as the balance of Cash, Cash Equivalents and Short-term Investments, in addition to interest rate swap contracts position, Direcional Group's net debt[1] reached BRL 66 million. In that scenario, the leverage ratio, measured by Net Debt[1]-to-Equity, came in at 2.9%, endorsing the conservative and responsible profile of the Company's capital structure. Furthermore, it is worth highlighting that the cash position is more than sufficient to cover the next 7 years of amortization of the total gross debt.

The table and graphs below show more details on the indebtedness breakdown for 1Q24 and its amortization schedule.

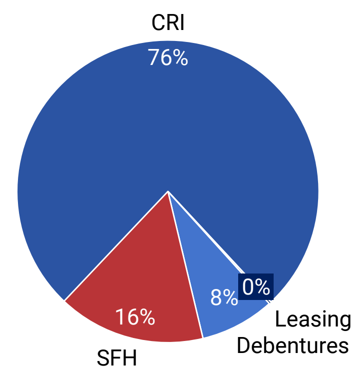
Indebtedness (BRL million)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Loans and Financing Operations	1,316.2	1,323.0	1,383.7	-0.5%	-4.9%
CRI	1,000.1	1,034.2	878.0	-3.3%	13.9%
Debentures	104.8	101.6	356.7	3.2%	-70.6%
Construction Financing	208.0	183.0	140.4	13.7%	48.1%
Leasing	3.3	4.3	8.6	-24.9%	-62.1%
Cash and Cash Equivalents and Short-Term Investments	1,176.4	1,327.2	1,071.9	-11.4%	9.7%
Net Debt before swap	139.8	-4.1	311.8	-3488.6%	-55.1%
Interest rate swap contracts	73.8	68.0	21.9	8.6%	237.1%
Net Debt[1]	66.1	-72.1	289.9	-191.7%	-77.2%
Net Debt[1] / Equity	2.9%	-3.4%	19.2%	6.3 p,p,	-16.3 p,p,
Loans and Financing Operations by index	1,316.2	1,323.0	1,383.6	-0.5%	-4.9%
TR	208.0	183.0	140.4	13.7%	48.2%
IPCA[2]	639.7	621.3	692.8	3.0%	-7.7%
CDI	402.8	454.8	550.4	-11.4%	-26.8%
Fixed interest rate	65.7	64.0	0.0	2.7%	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), 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)



DIRECIONAL

Cash Generation (Cash Burn)[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 57 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, share buyback and the variation in the balance of interest rate swap contracts.

STOCK TICKER: DIRR3

Stock price on 3/28/2024: BRL 25.63

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

Market Cap:
BRL 4.4 billion / US$ 889 million

Free Float:
63%

1Q24 ADTV:
1.64 million shares
BRL 37.7 million
7,448 transactions

CONFERENCE CALL

Date: 5/10/2024 - Friday
8 a.m. (EDT)
9 a.m. (BRT)

Access:

Zoom
https://us06web.zoom.us/webinar/register/WN_WcejUnCSQL23eA0yQQXcPg

YouTube
https://www.youtube.com/watch?v=z9B-mRlEL-0

CONTACT INFO

IR Team

(+55 31) 3431-5509 | (+55 31) 3431-5512

ri@direcional.com.br
ri.direcional.com.br/en

www.direcional.com.br

Rua dos Otoni, 177 – 14th floor
Belo Horizonte - MG
Zip Code: 30.150-270

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)	3/31/2024	12/31/2023	Δ %
Current Assets	3,356,580	3,583,355	-6%
Cash and cash equivalents and short-term investments	1,176,362	1,327,171	-11%
Accounts receivable	634,970	521,946	22%
Inventory	1,222,127	1,420,699	-14%
Receivables from related parties	71,760	67,184	7%
Taxes recoverable	35,185	25,753	37%
Accounts receivable from divestiture	0	-	-
Other receivables	216,176	220,602	-2%
Non-Current Assets	4,521,376	3,988,243	13%
Accounts receivable	574,104	464,035	24%
Inventory	3,378,229	3,041,218	11%
Judicial deposits	18,973	18,111	5%
Taxes recoverable	25,156	27,548	-9%
Accounts receivable from divestiture	7,630	7,630	-
Other receivables	129,277	113,274	14%
Investments	174,396	169,375	3%
Fixed assets	181,833	111,474	63%
Intangible assets	31,778	35,578	-11%
Total Assets	7,877,956	7,571,598	4%

Consolidated Balance Sheet (BRL '000)	3/31/2024	12/31/2023	Δ %
Current Liabilities	991,041	1,042,766	-5%
Loans and financing	254,827	234,933	8%
Suppliers	128,362	121,652	6%
Forfait	6,664	7,879	-15%
Labor obligations	57,288	45,411	26%
Tax obligations	28,771	36,179	-20%
Lease financing	8,735	7,456	17%
Real estate commitments payable	147,741	146,827	1%
Advances from customers	95,612	69,264	38%
Other accounts payable	108,335	120,996	-10%
Assignment liability	41,297	58,926	-30%
Proposed Dividends	-	81,162	-100%
Provision for guarantee	23,035	24,259	-5%
Payables to related parties	90,374	87,822	3%
Non-Current Liabilities	4,615,686	4,418,246	4%
Loans and financing	1,061,373	1,088,111	-2%
Suppliers	10,285	10,004	3%
Provision for guarantee	16,745	16,303	3%
Tax obligations	29,817	18,589	60%
Lease financing	77,451	13,648	467%
Real estate commitments payable	2,757,846	2,668,090	3%
Advances from customers	435,679	378,427	15%
Provision for labor, tax and civil contingencies	29,712	27,657	7%
Other accounts payable	69,157	69,157	-
Assignment liability	127,621	128,260	-0%
Shareholder's Equity	2,271,229	2,110,586	8%
Capital	1,159,863	1,159,863	-
Capital reserves	177,690	177,690	-
Stock options granted	1,318	6,550	-80%
Equity adjustment	-31,759	-31,760	-0%
Treasury shares	-2,301	-7,748	-70%
Income reserves	649,917	648,810	0%
Current Results	150,284	0	-
	2,105,012	1,953,405	8%
Non-controlling interest	166,217	157,181	6%
Total Liabilities and Shareholder's Equity	7,877,956	7,571,598	4%

CONSOLIDATED INCOME STATEMENT

Consolidated Income Statement (BRL '000)	1Q24 (a)	4Q23 (b)	1Q23 (c)	Δ % (a/b)	Δ % (a/c)
Revenue from Real Estate Sales	679,145	635,768	558,847	6.8%	21.5%
Revenue from Services	18,563	17,852	19,346	4.0%	-4.0%
Gross Revenue	697,708	653,620	578,193	6.7%	20.7%
Deductions from Gross Revenue (taxes and others)	-28,266	-18,782	-20,924	50.5%	35.1%
Net Revenue	669,442	634,838	557,269	5.5%	20.1%
Cost of real estate sales and services	-428,840	-425,257	-359,425	0.8%	19.3%
Gross Profit	240,602	209,581	197,844	14.8%	21.6%
General and administrative expenses	-49,130	-44,598	-41,957	10.2%	17.1%
Selling expenses	-55,065	-56,898	-43,360	-3.2%	27.0%
Equity income	26,453	15,345	6,754	72.4%	291.7%
Other operating income and expenses	-4,648	-42,231	-16,383	-89.0%	-71.6%
Operating Income (Expenses)	-82,390	-128,382	-94,946	-35.8%	-13.2%
Financial Expenses	-40,249	-73,935	-69,260	-45.6%	-41.9%
Financial Revenues	63,457	120,692	49,962	-47.4%	27.0%
Financial Results	23,208	46,757	-19,297	-50.4%	-220.3%
Income before Income and Social Contribution Taxes	181,420	127,956	83,600	41.8%	117.0%
Income and social contribution taxes - current and def.	-12,423	-13,991	-11,335	-11.2%	9.6%
Net Income before Interests in SCPs and SPEs	168,997	113,965	72,265	48.3%	133.9%
Interest in SCPs and SPEs (Minority Interest)	-18,713	-14,359	-13,511	30.3%	38.5%
Net Income	150,284	99,606	58,754	50.9%	155.8%
Gross Margin	35.9%	33.0%	35.5%	2.9 p.p.	0.4 p.p.
Adjusted Gross Margin[1]	37.3%	35.7%	36.3%	1.6 p.p.	1.0 p.p.
Net Margin	22.4%	15.7%	10.5%	6.8 p.p.	11.9 p.p.

1 – Adjusted Gross Margin: excluding capitalized interest.

CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flow Statement (BRL '000)	3/31/2024	3/31/2023
Cash Flow from Operating Activities		
Profit before income and social contribution taxes	181,420	83,600
Adjustments for conciliating the result to the availability generated by the operating activities		
Depreciations and Amortizations	16,148	12,420
Equity income	-26,453	-6,754
Revenue from financial investments	-15,109	-14,644
Provision for guarantee	3,862	4,634
Interest on charges and financing	48,870	59,678
Hedge accounting – fair value	-11,126	-5,143
Gains (losses) from derivatives	-2,432	-8,485
Provision for labor, tax, and civil contingencies	6,737	3,474
Gains (losses) on barter transactions	-7,757	-3,034
Disposal of investment	-167,831	-
Write-off leases	-2,898	-
Present value adjustment of accounts receivable	8,212	4,252
Present value adjustment on lease financing	1,489	459
Adjustment to net realizable amount of finished inventory	-	1
Provision for losses on accounts receivable	4,928	2,928
Provision for stock option plan	1,324	1,557
Provision for profit sharing	5,063	2,120
Increase (decrease) in assets		
Accounts receivable	-236,233	-67,031
Inventory	25,337	-9,917
Other credits	2,872	-31,285
Related parties	-6,892	1,740
Escrow deposits	-862	-234
Taxes recoverable	-7,040	-3,520
(Decrease) increase in liabilities		
Suppliers	5,172	-29,407
Labor obligations	6,814	5,622
Tax liabilities	1,527	7,799
Real estate commitments payable	-36,767	-43,914
Advances from clients	38,459	39,882
Accounts payable	-24,678	24,264
Provision for labor, tax, and civil contingencies	-4,682	-1,858
Related parties	2,552	-410
Construction collateral	-4,644	-4,169
Other liabilities	-1,260	-
Income and social contribution taxes paid	-10,130	-17,246
Net Cash generated (applied) in Operating Activities	**-206,008**	**7,379**
Cash Flow from Investment Activities		
Increase (Decrease) in investments (SCPs and SPEs)	8,824	8,673
Dividends received	9778	8,027
Disposal of investments	167,831	-
Contributions and loans	13,009	-
Increase in property and equipment	-4,760	-7,443
Increase in intangible assets	-9,166	-7,400
Short-term Investments	-22,228	2,917
Net Cash generated (applied) in Investment Activities	**163,288**	**4,774**
Cash Flow from Financing Activities		
Disposal of treasury shares	1	-
Dividends paid out	-81,165	-104,289
Entry of assignment of receivables	2,520	-
Payment of assignment of receivables	-19,528	-
Additions to lease financing	-2,254	-2,291
Amortization of lease financing	-	-193
Interest paid on lease	91,341	69,650
Loans taken out	-27	-29
Assignment liabilities	-	44,917
Loans amortization	-108,758	-91,377
Interest paid	-17,880	-43,189
Dividends paid to non-controlling shareholders	-15,101	
Increase (Reduction) of capital by non-controlling shareholders	5,425	-12,524
Net cash generated (applied) in financing activities	**-145,426**	**-139,325**
Increase of Cash and Cash Equivalents	**-188,146**	**-127,172**
Cash and Cash Equivalents		
At the beginning of the period	633,978	733,124
At the end of the period	445,832	605,952

DIRECIONAL

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 "*Minha Casa, Minha Vida*" (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 "*Minha Casa, Minha Vida*" 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.