



Belo Horizonte, July 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 second quarter of 2024 (2Q24). Unless otherwise stated, the information in this document is expressed in national currency (Brazilian Reais – R\$ or BRL) and the Potential Sales Value (“PSV”) demonstrates the consolidated amount (PSV 100%).

NOTICE TO THE MARKET

2Q24 OPERATING PREVIEW

- ✓ **NEW NET SALES RECORD-HIGH: BRL 1.6 BILLION IN 2Q24, A 68% GROWTH VERSUS 2Q23, SURPASSING THE PREVIOUS RECORD BY 24%**
- ✓ **IN THE 1ST SEMESTER OF 2024 (1H24), NET SALES REACHED BRL 2.9 BILLION, UP BY 66% IN COMPARISON WITH 1H23**
- ✓ **NET SALES SPEED RATIO (VSO) REACHED 26% IN 2Q24 IN THE CONSOLIDATED VIEW, +470 BPS VERSUS 1Q24 AND +890 BPS VERSUS 2Q23**
- ✓ **CASH GENERATION OF BRL 219 MILLION IN 2Q24**
- ✓ **PAYMENT OF DIVIDENDS OF BRL 1.60 PER SHARE, TOTALING BRL 277 MILLION: 7% DIVIDEND YIELD¹**

OTHER HIGHLIGHTS

- In 2Q24, Launches reached **BRL 1.4 billion**, totaling **BRL 2.3 billion** in 1H24, **9%** more than the PSV launched in 1H23.
- Net Sales totaled **BRL 5.2 billion** in 2Q24 LTM.
- VSO index of Direcional segment came in at **27%** in the quarter, a **550-bps** increase versus 1Q24.
- Riva VSO came in at **26%** in 2Q24, **350 bps** higher than in the previous quarter.
- VSO index of Launches reached its all-time high level: **28%** in 2Q24 in the consolidated view.

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

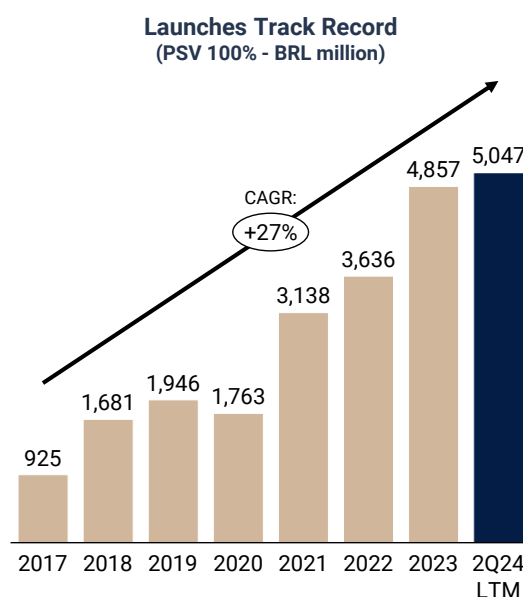
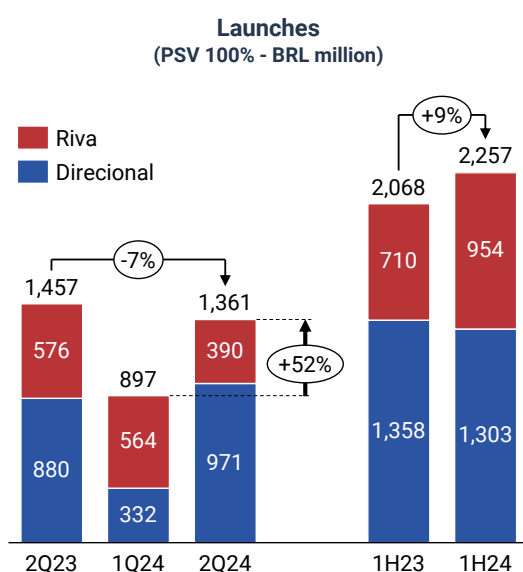


LAUNCHES

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 71% of the PSV launched in the period, while Riva products accounted for 29%.

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	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	970.6	332.3	880.3	192.1%	10.3%	1,302.9	1,357.6	-4.0%
Riva	390.0	564.2	576.3	-30.9%	-32.3%	954.2	710.3	34.3%
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	864.1	259.0	711.2	233.6%	21.5%	1,123.1	1,187.7	-5.4%
Riva	332.6	394.5	377.7	-15.7%	-11.9%	727.1	511.7	42.1%
Launched Units	4,187	2,238	5,268	87.1%	-20.5%	6,425	8,030	-20.0%
Direcional	3,523	918	3,507	283.8%	0.5%	4,441	5,983	-25.8%
Riva	664	1,320	1,761	-49.7%	-62.3%	1,984	2,047	-3.1%
Average % Company	88.0%	72.9%	74.8%	15 p.p.	13 p.p.	82.0%	82.2%	0 p.p.



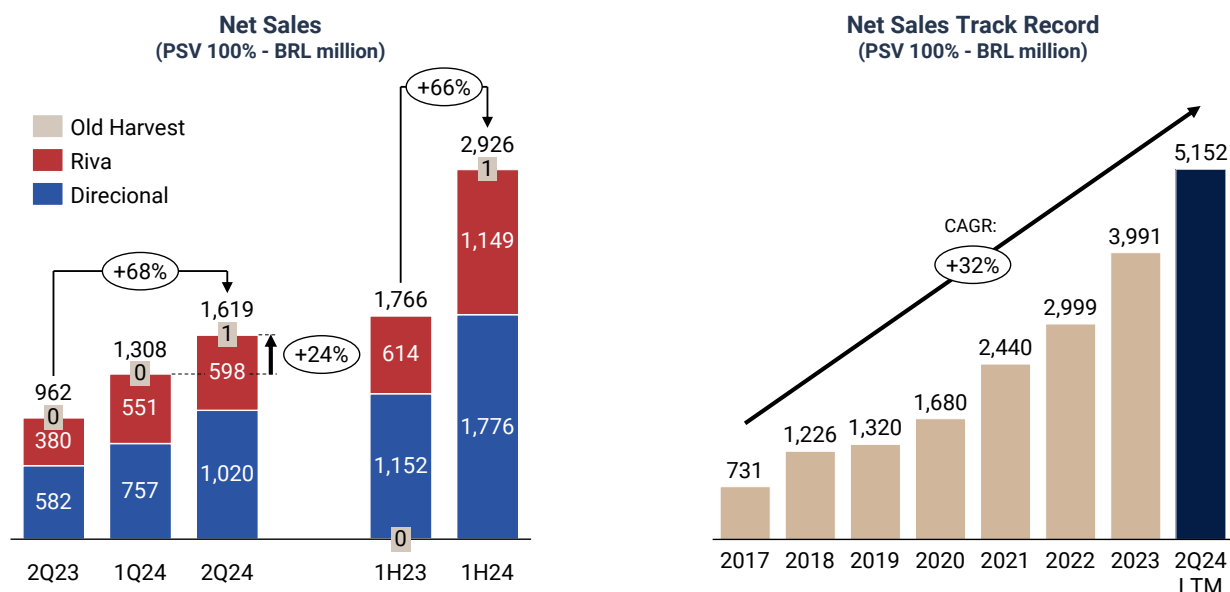
CONTRACTED SALES

Following the Company's strategy of increasing turnover mainly through the acceleration of sales, **the 2Q24 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 87% in the period, while Direcional segment sales grew 54%.

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	2Q24 (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	1,019.5	756.9	581.8	34.7%	75.2%	1,776.5	1,152.0	54.2%
Riva	597.9	550.7	380.3	8.6%	57.2%	1,148.7	614.3	87.0%
Old Harvest ¹	1.3	0.0	0.4	n/a	242.4%	1.3	-0.4	n/a
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	826.9	587.4	467.7	40.8%	76.8%	1,414.3	931.0	51.9%
Riva	432.5	416.8	265.8	3.8%	62.7%	849.3	445.8	90.5%
Old Harvest	0.7	0.0	0.4	n/a	97.6%	0.7	0.0	n/a
Contracted Units	5,354	4,227	3,575	26.7%	49.8%	9,581	6,821	40.5%
Direcional	3,925	2,864	2,458	37.0%	59.7%	6,789	4,990	36.1%
Riva	1,427	1,363	1,116	4.7%	27.9%	2,790	1,832	52.3%
Old Harvest	2	0	1	n/a	100.0%	2	-1	n/a
Net Sales Speed (VSO) in PSV	26%	22%	18%	4.7 p.p.	8.9 p.p.	40%	28%	11.4 p.p.
Direcional	27%	21%	17%	5.6 p.p.	9.7 p.p.	39%	29%	9.9 p.p.
Riva	26%	22%	18%	3.5 p.p.	7.6 p.p.	40%	26%	13.9 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.

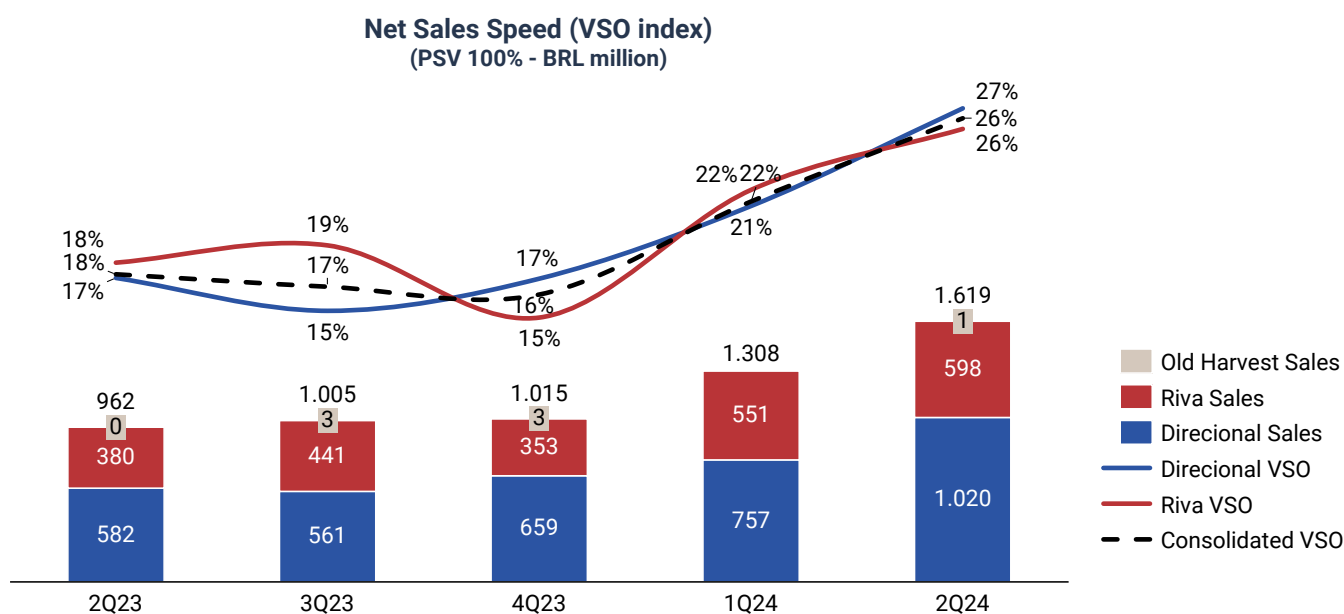


NET SALES SPEED (VSO)

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 27% in the quarter, a 550-bps growth versus 1Q24. Riva VSO index came in at 26%, a 350-bps increase over 1Q24.

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



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	PSV - Total				PSV - % Company			
	Direcional	Riva	Old Harvest	Total	Direcional	Riva	Old Harvest	Total
In progress (BRL million)	2,766	1,741	0	4,507	2,488	1,285	0	3,774
% Total	60%	38%	0%	98%	65%	34%	0%	99%
Completed (BRL million)	47	6	32	85	31	4	19	54
% Total	1%	0%	1%	2%	1%	0%	0%	1%
Total (BRL million)	2,813	1,747	32	4,592	2,519	1,289	19	3,828
% Total	61%	38%	1%	100%	66%	34%	0%	100%
Total Units	10,779	3,703	98	14,580	10,779	3,703	98	14,580
% Total Units	74%	25%	1%	100%	74%	25%	1%	100%

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 – Adjustment: update of sales prices, 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.

CASH GENERATION¹

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, repurchase of shares and the variation in the balance of interest swap operation agreements. Prior unaudited information.

DIVIDENDS

Considering the aforementioned cash generation, as well as the current level of Net Sales Speed, 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 will be paid to shareholders according to the shareholding position of July 4th, 2024.

It should be noted that considering dividends and share buyback, Direcional has surpassed the BRL 1.5 billion mark in 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.

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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.