



Belo Horizonte, May 5th, 2022 - 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 2022 (1Q22). Unless otherwise expressed, the information in this document is expressed in the national currency (Brazilian Reais - BRL 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).

1Q22 EARNINGS RELEASE

- ✓ ADJUSTED GROSS MARGIN¹ OF 36.0% IN 1Q22, STABLE COMPARED TO 1Q21
- ✓ ADJUSTED EBITDA¹ OF BRL 97 MILLION IN 1Q22, UP 25% FROM 1Q21
- ✓ LAUNCHES REACHED BRL 599 MILLION IN 1Q22, 4% ABOVE 1Q21 LAUNCHED PSV
- ✓ NET SALES OF BRL 622 MILLION IN 1Q22, GROWING 21% WHEN COMPARED TO 1Q21

HIGHLIGHTS

- In the last twelve months (1Q22 LTM), launches totaled BRL 3.2 billion, a 44% growth over 1Q21 LTM.
- Contracted net sales reached BRL 2.5 billion in 1Q22 LTM, a 34% increase versus 1Q21 LTM volume.
- In 1Q22, net sales of Direcional projects reached BRL 448 million, up 6% in relation to 4Q21 and 16% in comparison with 1Q21.
- Adjusted EBITDA margin¹ of 20.7% in the quarter, 2 p.p. higher than in 1Q21.
- Dilution of 1.2 p.p in sales expenses over gross revenue, compared to 4Q21.
- In its first month of activity, Direto originated more than BRL 40 million in real estate credit operations.

RIVA

- In 1Q22 LTM, Riva's launches reached BRL 1.4 billion, a 240% increase versus 1Q21 LTM.
- In 1Q22, net sales grew 40% compared to 1Q21, reaching BRL 171 million.
- Considering 1Q22 LTM, Riva's net sales totaled BRL 825 million, up 136% versus 1Q21 LTM.

1 - Adjustment excluding capitalized interest for financing of production.



TABLE OF CONTENTS

HIGHLIGHTS	1
RIVA	1
TABLE OF CONTENTS	2
MESSAGE FROM THE BOARD.....	3
MAIN INDICATORS	5
LAUNCHES.....	6
CONTRACTED SALES	7
NET SALES SPEED (VSO)	8
Canceled Sales.....	8
INVENTORY.....	9
TRANSFERS.....	10
PROJECTS DELIVERED.....	10
LANDBANK	10
Land Acquisition.....	10
ECONOMIC AND FINANCIAL PERFORMANCE	11
Gross Operating Revenue.....	11
Revenue from Real Estate Sales	11
Revenue from Services	12
Net Revenue	12
Gross Profit	13
General and Administrative Expenses (G&A)	13
Sales Expenses.....	14
Other Operational Revenues and Expenses	14
Financial Results	14
EBITDA.....	15
Net Income before Minority Interest.....	16
Net Income.....	16
Deferred Results from Real Estate Sales	17
BALANCE SHEET HIGHLIGHTS	18
Cash, Cash Equivalents and Financial Investments	18
Accounts Receivable.....	18
Indebtedness.....	19
Cash Generation (<i>Cash Burn</i>) ¹	20
DIRETO	20
RIVA – Operating Highlights	20
CONSOLIDATED BALANCE SHEET	22
CONSOLIDATED INCOME STATEMENT	24
CONSOLIDATED CASH FLOW STATEMENT	25
GLOSSARY	26



MESSAGE FROM THE BOARD

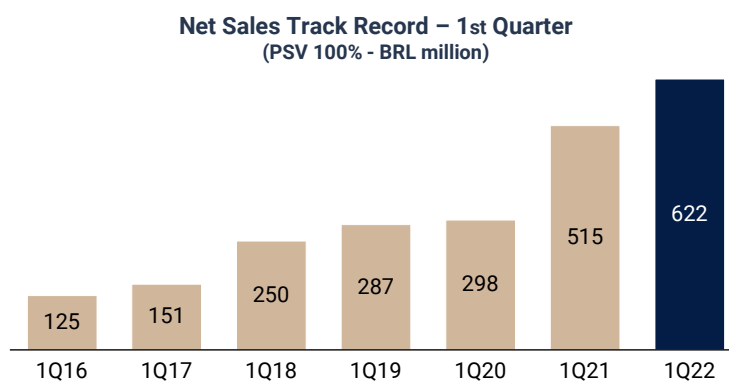
Following the trend of recent years, 2022 began by showing that risks and uncertainties should continue to be part of the global reality. During the first quarter, we watched closely the conflict between Russia and Ukraine, which brought out elements of greater tension and volatility to the market. The inflationary pressure observed throughout 2021 – and which seemed to show signs of relative normalization this year – has returned to the agenda in the complicated current macroeconomic scenario.

We could also observe a significant change in the conditions previously in force in the sector, especially in the scope of the *Casa Verde e Amarela* program, which in a scenario of relevant cost increases, faced a significant reduction in production capacity of new housing units, and even impacted the interest in operating in some groups of the program (mainly Group 2) by dominant players.

Even with the seasonality of a 1st quarter, a characteristic widely known in the construction sector, we launched 9 more projects during 1Q22, totaling a PSV of BRL 599 million, with approximately two-thirds of the amount referring to products under the Direcional brand, with the remainder at Riva.

During the quarter, we also observed a very positive response regarding the demand for our products, which resulted in a total of BRL 622 million in net sales, with March as the highlight, surpassing November 2021 as the best month in the Company's history in this metric. This performance allowed a 21% growth in PSV contracted in the quarter when compared to the volume in 1Q21. In the Direcional segment, net sales came in at BRL 448 million, 6% higher than in the previous quarter and 16% higher than in the same quarter of the previous year. In turn, the Riva segment also showed higher sales performance than in 1Q21, totaling BRL 171 million in 1Q22, an increase of 40% in the period.

The chart below illustrates the evolution that the Direcional Group has been going through over the past few years. In order to purge the influence of seasonality, the comparison of net sales considering only the first quarters of recent years ratifies the assertiveness of the strategy, through the evident operational growth that the Company has been delivering.



In terms of gross revenue, the result of 1Q22 showed a total amount of BRL 489 million, an increase of 10% compared to 1Q21. Of this total, the real estate sales revenue line accounted for about 97% of the mix, while revenues from services represented the remaining 3%. It is worth mentioning that, in the twelve-month period ended in 1Q22 (1Q22 LTM), gross operating revenue reached BRL 2 billion, a volume 11% higher than that observed in 1Q21 LTM.

Net revenue grew 13% in 1Q22 compared to 1Q21, totaling BRL 468 million. When we consider the significant increase in sales reported in recent quarters, and also considering the expectations regarding the evolution of the construction of these units, we see a favorable scenario to achieve new growth in this line. The considerable increase in revenues to be appropriated (REF), which we also highlight here, further support this view.

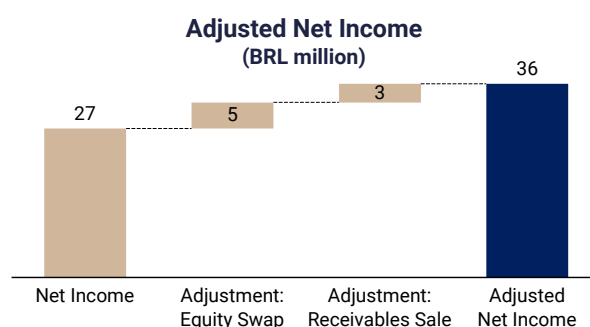
Also considering the revenues generated through the activity of unconsolidated SPEs in Direcional's balance sheet (jointly controlled companies), the total volume of net revenue, adding the revenue from these projects to the accounting revenue, was BRL 514 million in the quarter (+18% over 1Q21) and BRL 2.0 billion in 1Q22 LTM (+17% over 1Q21 LTM).



From the perspective of efficiency in cost management, we believe it is important to highlight, once again, the essential role of our process of detailed monitoring of project budgets, evaluating and adjusting the numbers of each of them recurrently. As a result, adjusted gross profit¹ in 1Q22 totaled BRL 168 million, an increase of 13% compared to 1Q21, representing an adjusted gross margin¹ of 36.0% – remaining one of the most outstanding in the sector. In 1Q22 LTM, adjusted gross profit was BRL 671 million, with a margin of 36.6%.

General and administrative expenses for the quarter remained in line with the amount recorded in the previous quarter, while commercial expenses decreased by 16% in the same period of comparison, with a dilution of 0.8 p.p. over net sales. As a result, adjusted EBITDA¹ in 1Q22 reached BRL 97 million, 25% higher than in 1Q21, with an adjusted EBITDA margin¹ of 20.7%, a gain of 1.9 p.p. in the period. It is worth mentioning that, considering the last twelve months ended in 1Q22, adjusted EBITDA totaled BRL 397 million, representing an EBITDA margin of 21.7%.

With the aforementioned performance, the Company's net income was BRL 27 million in 1Q22, resulting in a net margin of 5.9%. However, analyzing the net income disregarding the non-recurring effects caused by (i) the equity swap indexed to Company's own shares, contracted under the share buyback program, as approved in December 2021, which caused a negative impact on 1Q22 result in the amount of BRL 5 million; and (ii) expenses arising from the portfolio sale operation in the amount of BRL 3 million, net income would have reached the amount of BRL 36 million.



Our capital structure has remained conservative, something we consider ideal to allow operations to grow in a healthy manner. The cash, cash equivalents and financial investments position came in at BRL 1.1 billion in 1Q22, while the gross balance of loans and financing was BRL 1.3 billion. Considering the amortization schedule of our indebtedness, it is worth noting that the current cash position is more than sufficient to cover the next 4 years of total gross indebtedness. The weighted average maturity was 39 months, with approximately 86% of total indebtedness being long-term. The leverage ratio, measured by adjusted net debt² in relation to shareholders' equity, reached 15.4% in the quarter.

During February, after approval by the Administrative Council of Economic Defense (CADE), we had the great satisfaction of starting the activities of Direto. Aiming to maintain its operations in both the wholesale and retail lines, the subsidiary intermediated, in its first month, real estate credit operations that exceeded BRL 40 million. We are very optimistic about the development potential that Direto can achieve, and we believe that the path we are paving is very promising and full of opportunities, potentially promoting a new avenue of growth and value creation for the Direcional Group.

We could not fail to dedicate a space in our letter to a theme that has been increasingly part of our daily lives here in the Direcional Group. After expanding the scope of the Company's ESG committee, increasing the number and the responsibilities of the different areas that comprise it, and after finalizing the analysis of our materiality matrix, which was attended by different stakeholders, we maintain our engagement in the collection and calculation of the indicators that will be addressed in our Annual Sustainability Report. The commitment of employees from the most diverse areas of activity has been crucial to build the material that is taking the form of our report.

For this and for all the commitment we see in the attitudes of everyone who does their best for Direcional, we would like to express our deepest thanks. That the challenges that will arise in 2022 motivate us to seek the best paths and to be increasingly willing to go further, as it has been throughout our 41 years of history.

Thank You,

The Management - Direcional Engenharia S.A.

1 - Adjustment excluding capitalized interest for financing of production.

2 - Net Debt: adjusted by balance of interest swap operation agreements.



MAIN INDICATORS

	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Financial Indicators					
Net Revenue (BRL '000)	468.094	486.971	413.885	-3,9%	13,1%
Gross Profit (BRL '000)	167.158	177.642	147.668	-5,9%	13,2%
Gross Margin	35,7%	36,5%	35,7%	-0,8 p.p.	0,0 p.p.
Adjusted Gross Profit ¹ (BRL '000)	168.298	178.911	148.955	-5,9%	13,0%
Adjusted Gross Margin ¹	36,0%	36,7%	36,0%	-0,8 p.p.	0,0 p.p.
Adjusted EBITDA ¹ (BRL '000)	97.033	109.761	77.803	-11,6%	24,7%
Adjusted EBITDA Margin ¹	20,7%	22,5%	18,8%	-1,8 p.p.	1,9 p.p.
Adjusted Net Income ² (BRL '000)	35.632	50.945	27.106	-30,1%	31,5%
Adjusted Net Margin ²	7,6%	10,5%	6,5%	-2,8 p.p.	1,1 p.p.
Launches					
PSV Launched - 100% (BRL '000)	599.069	693.381	577.060	-13,6%	3,8%
Direcional	396.445	335.827	450.862	18,1%	-12,1%
Riva	202.623	357.554	126.197	-43,3%	60,6%
PSV Launched - % Company (BRL '000)	557.281	633.817	454.230	-12,1%	22,7%
Direcional	354.658	335.827	328.032	5,6%	8,1%
Riva	202.623	297.990	126.197	-32,0%	60,6%
Launched Units	2.831	3.146	2.471	-10,0%	14,6%
Direcional	2.136	1.909	2.009	11,9%	6,3%
Riva	695	1.237	462	-43,8%	50,4%
Contracted Net Sales					
Net PSV Contracted - 100% (BRL '000)	621.942	667.758	514.964	-6,9%	20,8%
Direcional	447.912	423.415	385.068	5,8%	16,3%
Riva	171.226	239.152	122.150	-28,4%	40,2%
Old Harvest ³	2.803	5.190	7.747	-46,0%	-63,8%
Net PSV Contracted - % Co. (BRL '000)	507.991	537.662	438.944	-5,5%	15,7%
Direcional	371.973	358.639	323.468	3,7%	15,0%
Riva	134.559	175.889	110.017	-23,5%	22,3%
Old Harvest	1.458	3.135	5.459	-53,5%	-73,3%
Contracted Units	2.945	3.146	2.702	-6,4%	9,0%
Direcional	2.347	2.318	2.250	1,3%	4,3%
Riva	592	813	430	-27,2%	37,7%
Old Harvest	6	15	22	-60,0%	-72,7%
Consolidated Net Sales Speed - (% PSV)	16%	17%	17%	-1 p.p.	-1 p.p.
Direcional VSO - (% PSV)	18%	17%	17%	1 p.p.	1 p.p.
Riva VSO - (% PSV)	14%	19%	20%	-5 p.p.	-6 p.p.
Old Harvest VSO - (% PSV)	3%	4%	5%	-2 p.p.	-2 p.p.
Other Indicators					
	1Q22	4Q21	3Q21	2Q21	1Q21
Adjusted Annualized ROE ²	11%	16%	16%	14%	9%
Cash and Cash Equivalents (BRL '000)	1.060.253	1.049.160	934.763	946.589	974.980
Gross Debt (BRL '000)	1.290.949	1.241.402	1.201.201	1.190.639	1.077.179
Adjusted Net Debt ⁴ (BRL '000)	230.696	195.910	266.238	241.610	104.208
Total Shareholder's Equity (BRL '000)	1.491.187	1.458.780	1.356.494	1.297.797	1.348.987
Cash Generation (Cash Burn) ⁵	-34.406	19.542	-22.700	-28.929	14.735
Net Debt ⁴ / Equity	15,5%	13,4%	19,6%	18,6%	7,7%
Inventory - 100 % (PSV - BRL '000)	3.310.357	3.257.244	3.178.011	2.721.703	2.555.989
LandBank - 100 % (PSV - BRL '000)	27.797.921	26.806.722	25.474.475	26.486.852	24.936.829
LandBank - Units	156.004	151.744	147.702	151.357	144.223

1 - Adjustment excluding capitalized interest for financing of production.

2 - Adjustment excluding non-recurring expenses with the sale of receivables and the equity swap result.

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

4 - Adjustment: balance of open positions in swap agreements.

5 - Cash Generation (Cash Burn): net debt variation adjusted by payment of dividends, stock repurchase, and variation in the balance of interest swap operation agreements.

LAUNCHES

Direcional launched 9 new projects in 1Q22, totaling a PSV of BRL 599 million (BRL 557 million % Company), 4% above the amount launched in 1Q21 and 14% below 4Q21. The representativeness of Direcional's products in the mix of launches reached 66%, while Riva's represented 34% of launched PSV.

Considering the last twelve months ended in the 1st quarter of 2022 (1Q22 LTM), the volume of launches grew 44% compared to the same period of the previous year (1Q21 LTM). In this sense, it is worth noting Riva's important contribution to the total amount launched in the last twelve months.

Finally, it is worth mentioning that the Group's stake (Direcional + Riva) reached 93% of the PSV launched in the quarter, versus 79% in 1Q21 and 91% in 4Q21. This trend is in line with the strategy of growing results with increased participation in projects.

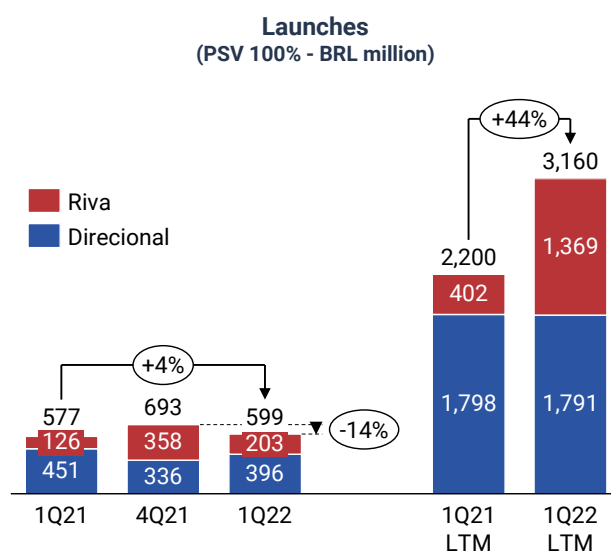


Table below provides further information on projects launched in 1Q22:

Launches	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
PSV Launched - 100% (BRL '000)	599,069	693,381	577,060	-13.6%	3.8%
Direcional	396,445	335,827	450,862	18.1%	-12.1%
Riva	202,623	357,554	126,197	-43.3%	60.6%
PSV Launched - % Company (BRL '000)	557,281	633,817	454,230	-12.1%	22.7%
Direcional	354,658	335,827	328,032	5.6%	8.1%
Riva	202,623	297,990	126,197	-32.0%	60.6%
Launched Units	2,831	3,146	2,471	-10.0%	14.6%
Direcional	2,136	1,909	2,009	11.9%	6.3%
Riva	695	1,237	462	-43.8%	50.4%
Average % Company	93.0%	91.4%	78.7%	2 p.p.	14 p.p.
Average Price (BRL/unit)	211,610	220,401	233,533	-4.0%	-9.4%
Direcional	185,602	175,918	224,421	5.5%	-17.3%
Riva	291,544	289,049	273,155	0.9%	6.7%



CONTRACTED SALES

Net sales contracted during 1Q22 totaled BRL 622 million (BRL 508 million % Company), growing 21% versus 1Q21, and dropping 7% versus 4Q21. It is worth noting that March 2022 marked **the best month of net sales in Company's history**. As a result, Direcional recorded its highest sales volume for a 1st quarter.

In the Direcional segment, net sales reached BRL 448 million in 1Q22, growing 6% over 4Q21 and 16% over 1Q21, confirming the segment's resilience.

In 1Q22 LTM, net sales totaled BRL 2.5 billion (BRL 2.1 billion % Company), a 34% increase in comparison with 1Q21 LTM. In this period, Riva represented about 32% in the sales *mix*, while Direcional products accounted for 67% of the total sales. In both segments, there was an increase in net contracted PSV.

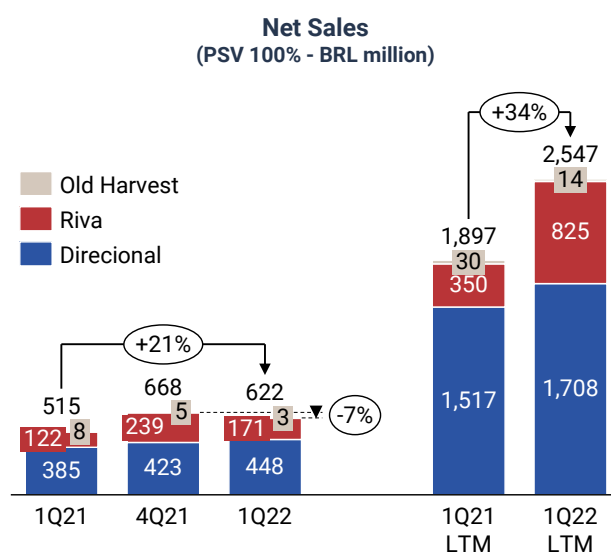


Table below consolidates the information on contracted net sales in 1Q22:

Contracted Net Sales	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Net Contracted Sales - PSV 100% (BRL '000)	621,942	667,758	514,964	-6.9%	20.8%
Direcional	447,912	423,415	385,068	5.8%	16.3%
Riva	171,226	239,152	122,150	-28.4%	40.2%
Old Harvest ¹	2,803	5,190	7,747	-46.0%	-63.8%
Net Contracted Sales - PSV % Company (BRL '000)	507,991	537,662	438,944	-5.5%	15.7%
Direcional	371,973	358,639	323,468	3.7%	15.0%
Riva	134,559	175,889	110,017	-23.5%	22.3%
Old Harvest	1,458	3,135	5,459	-53.5%	-73.3%
Contracted Units	2,945	3,146	2,702	-6.4%	9.0%
Direcional	2,347	2,318	2,250	1.3%	4.3%
Riva	592	813	430	-27.2%	37.7%
Old Harvest	6	15	22	-60.0%	-72.7%
Net Sales Speed (VSO) in PSV	16%	17%	17%	-1 p.p.	-1 p.p.
Direcional	18%	17%	17%	1 p.p.	1 p.p.
Riva	14%	19%	20%	-5 p.p.	-6 p.p.
Old Harvest	3%	4%	5%	-2 p.p.	-2 p.p.

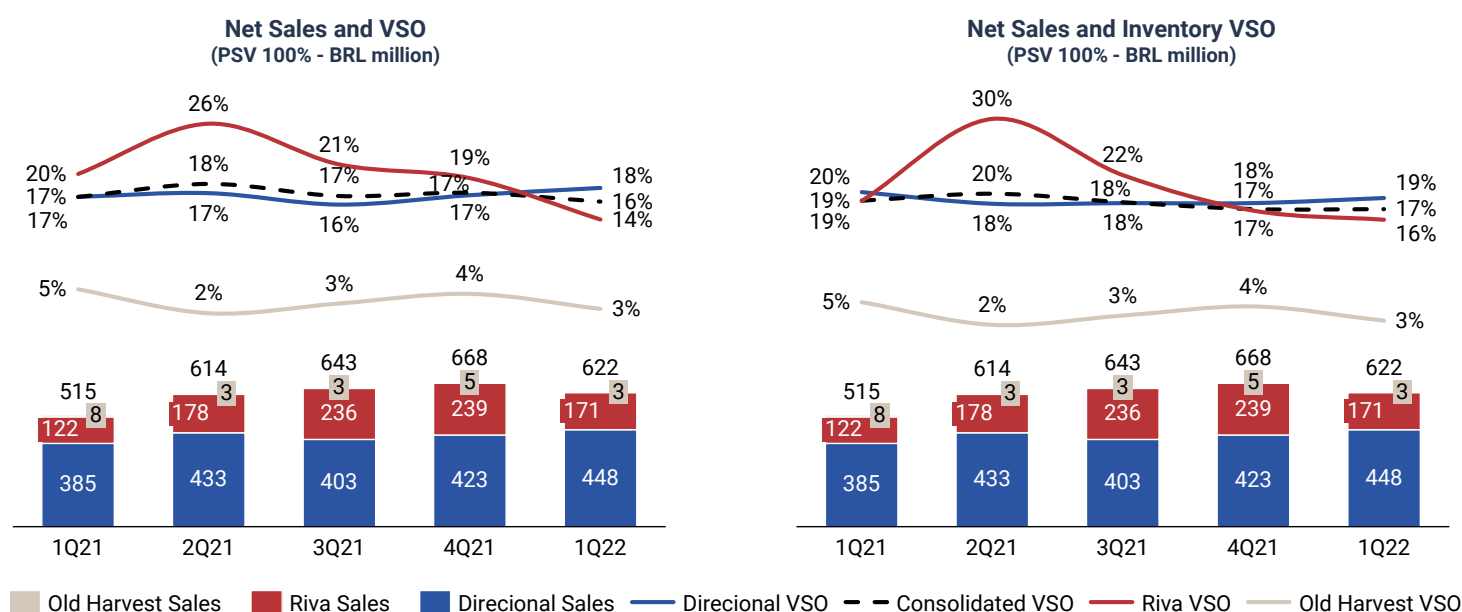
1 - Old Harvest: Comprises projects of the middle income, upper-middle income and commercial segments, developed in the former model.



NET SALES SPEED (VSO)

In 1Q22, net sales speed, measured by the VSO index (sales-over-supply ratio), reached 16%. The VSO of projects at Direcional, excluding Old Harvest segment, reached 18% in the quarter, while the VSO of Riva segment was 14%.

However, it should be noted that a relevant part of the launches took place at the end of the quarter. Consequently, these products did not have enough sales time in the period. In order to properly analyze the speed of sales, disregarding this distortion, the inventory VSO was also calculated, that is, excluding the PSV launched in 1Q22 and its respective sales. In this scenario, the index reached 17%. In Direcional ex-Old Harvest projects, the inventory VSO reached 19%, and in the Riva segment, it was 16%.

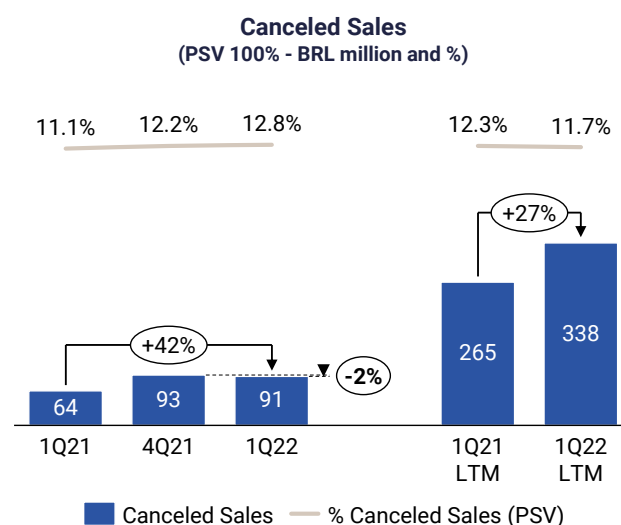


Canceled Sales

In 1Q21, the total number of canceled sales was BRL 91 million (BRL 74 million % Company), a decrease of 2% compared to 4Q21. The percentage of canceled sales on gross sales was 12.8% in the quarter.

Considering the 12-month period ended in 1Q22, the canceled sales totaled BRL 338 million (BRL 284 million % Company), a volume 27% higher than that recorded in 1Q21 LTM. However, the ratio of canceled sales to gross sales fell 0.6 b.p., from 12.3% to 11.7% in the period.

The table below shows more information regarding 1Q22:





Canceled Sales ¹	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Canceled Sales (100% - BRL '000)	-91,020	-93,208	-64,176	-2.3%	41.8%
Gross PSV Contracted (100%)	712,961	760,966	579,141	-6.3%	23.1%
% Canceled Sales / Gross PSV Contracted	12.8%	12.2%	11.1%	1 p.p.	2 p.p.
Canceled Sales (% Company - BRL '000)	-73,923	-81,397	-57,598	-9.2%	28.3%
Gross PSV Contracted (% Company)	581,914	619,059	496,543	-6.0%	17.2%
% Canceled Sales / Gross PSV Contracted	12.7%	13.1%	11.6%	0 p.p.	1 p.p.

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

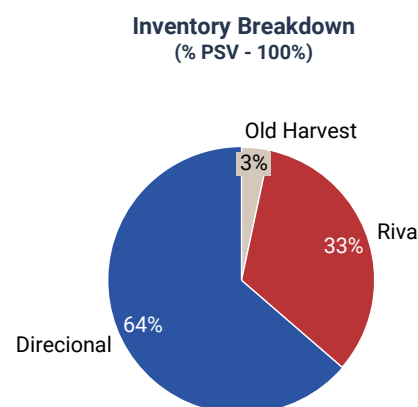
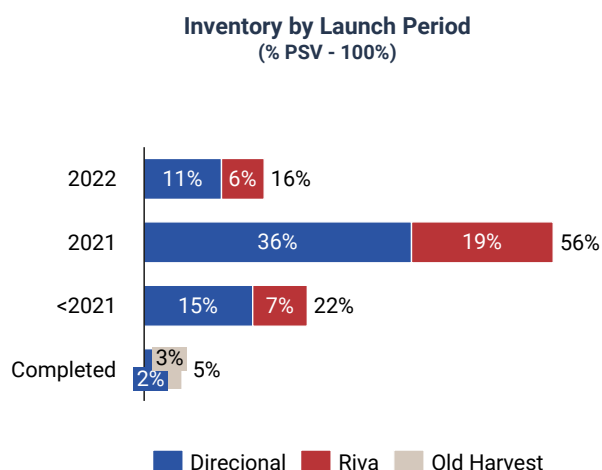
INVENTORY

Direcional ended 1Q22 with 14,513 units in inventory, totaling a PSV of BRL 3.3 billion (BRL 2.7 billion % Company).

Table below shows the inventory at market value, detailed by stage of construction and by type of product. It is worth mentioning that **less than 6% of the total PSV refers to completed units, with 2% related to Direcional projects (ex-Old Harvest), and less than 1% related to Riva products.**

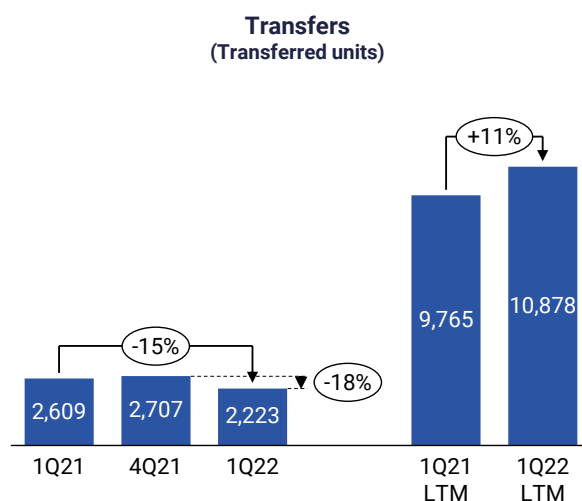
Breakdown of Inventory at Market Value	PSV Total				PSV % Company			
	Direcional	Riva	Old Harvest	Total	Direcional	Riva	Old Harvest	Total
In progress (BRL million)	2,046	1,078	0	3,124	1,697	857	0	2,554
% Total	62%	33%	0%	94%	62%	32%	0%	94%
Completed (BRL million)	61	14	111	186	55	14	95	164
% Total	2%	0%	3%	6%	2%	1%	4%	6%
Total (BRL million)	2,107	1,092	111	3,310	1,753	870	95	2,719
% Total	64%	33%	3%	100%	64%	32%	4%	100%
Total Units	10,561	3,651	301	14,513	10,561	3,651	301	14,513
% Total Units	73%	25%	2%	100%	73%	25%	2%	100%

The following charts show further information on the evolution and breakdown of the inventory. It should be noted that **72% of the PSV in inventory accounts for projects launched from 2021 on.**



TRANSFERS

Transfers in 1Q22 totaled 2,223 units, 18% lower than in 4Q21 and 15% lower than in 1Q21. In 1Q22 LTM, the transfers totaled 10,878 units, which corresponded to an increase of 11% over the amount recorded in 1Q21 LTM.



PROJECTS DELIVERED

Direcional delivered 9 projects/stages during 1Q22, corresponding to a total of 2,720 units, 92% of which fall within the scope of the Brazilian social housing program (*Programa Casa Verde e Amarela*, PCVA).

LANDBANK

Direcional's landbank ended 1Q22 with a development potential of 156 thousand units and a PSV of BRL 28 billion (BRL 25 billion % Company).

The average cost of acquisition was equivalent to 11% of the PSV, and 78% of 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)	2021 Lands	1Q22 Acquisitions	1Q22 Launches	Adjustments ¹	1Q22 Lands	1Q22 PSV % Co.	Units
Total PSV	26,807	1,585	(599)	6	27,798	25,276	156,004

¹ - Adjustments: update of sales price; canceled sales and swaps.

Land Acquisition

During 1Q22, 9 plots of lands were acquired, with a construction potential of 7,800 units and a PSV of BRL 1.6 billion (BRL 1.1 billion % Company).

The average cost of acquisition in the quarter was equivalent to 10% of PSV, and 67% of the payment shall be made via swaps.

ECONOMIC AND FINANCIAL PERFORMANCE

Gross Operating Revenue

Direcional's Gross Revenue totaled BRL 489 million in 1Q22, an increase of 10% compared to 1Q21 and a 7% drop compared to 4Q21. In the twelve-month period ended in 1Q22, Gross Operating Revenue reached BRL 2 billion, up 11% from 1Q21 LTM.

In terms of representativeness, the revenue from real estate sales accounted for 97% of the total revenue in the quarter. In 1Q22 LTM, the representativeness was 96%.

Gross Revenue (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Gross Operating Revenue	488,974	528,064	443,882	-7.4%	10.2%
Real Estate Sales	474,798	503,290	423,180	-5.7%	12.2%
Services	14,176	24,774	20,702	-42.8%	-31.5%

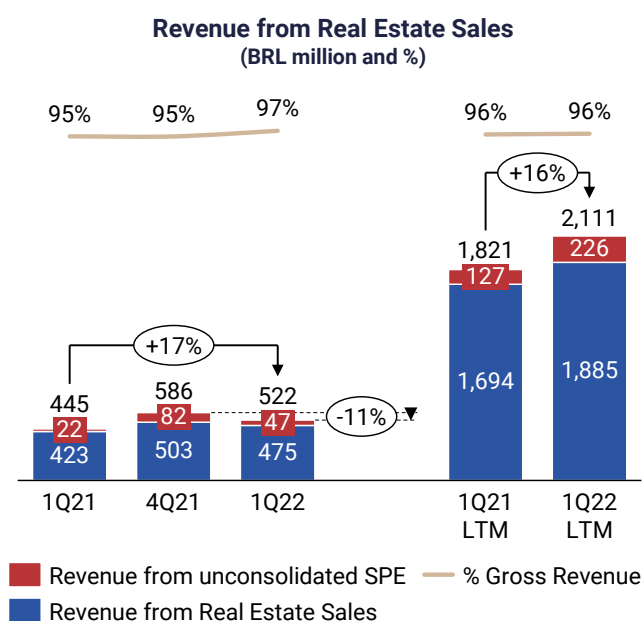
Revenue from Real Estate Sales

Gross Revenue from real estate sales, which consolidates the results of sales of Direcional, Riva and Old Harvest products, totaled BRL 475 million in 1Q22, an increase of 12% over 1Q21, and a decrease of 6% over 4Q21. It is worth mentioning that the performance of this segment is mainly linked to the sales volume and the construction evolution observed in a given period.

In 1Q22 LTM, Gross Revenue from real estate sales grew 11% compared to 1Q21 LTM, totaling BRL 1.9 billion.

When also considering Gross Revenue from sales from products that are not consolidated in the Company's balance sheet (jointly controlled companies), it is possible to observe a reaching of BRL 47 million in 1Q22 and BRL 226 million in 1Q22 LTM.

Adding the revenue from sales of these unconsolidated projects to the revenue from sales that actually makes up Direcional's top line, the total volume was BRL 522 million in 1Q22 (+17% over 1Q21) and BRL 2.1 billion in 1Q22 LTM (+16% compared to 1Q21 LTM).

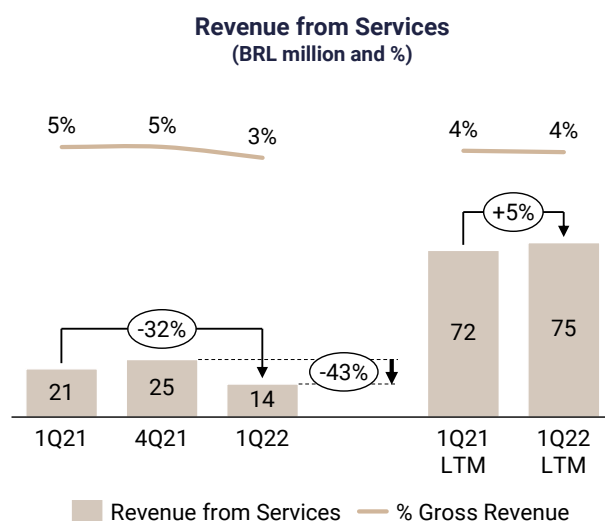




Revenue from Services

Gross Revenue from services represented 3% of the total revenue in the quarter. This segment consists of (i) brokerage on sales made by a brokerage firm; (ii) works management fee; and (iii) recognition of revenue from works under contract (former *Minha Casa, Minha Vida Faixa 1*).

In 1Q22, segment revenue was BRL 14 million, 43% lower than in 4Q21 and 32% lower than in 1Q21. In 1Q22 LTM, the revenue from services totaled BRL 75 million, an increase of 5% compared to 1Q21 LTM. As already discussed in the latest earnings disclosures, this revenue line is expected to have low representativeness in total Gross Revenue.

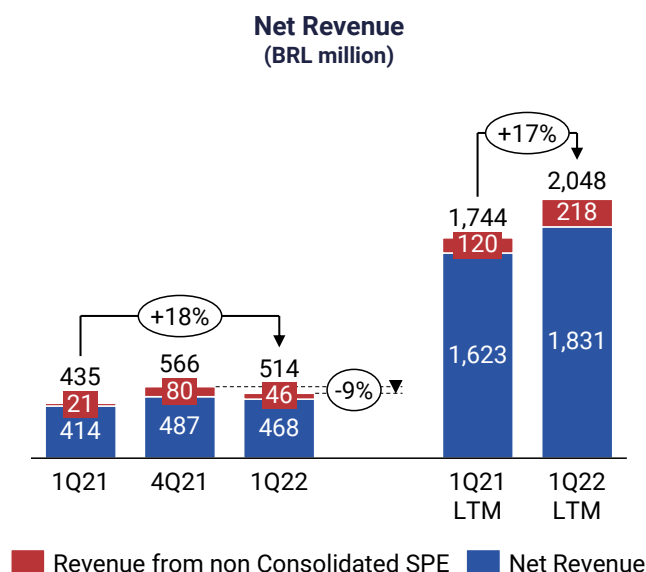


Net Revenue

Net Operating Revenue totaled BRL 468 million, representing a 13% growth compared to 1Q21. Considering 1Q22 LTM, Net Revenue was also 13% higher than in 1Q21 LTM, totaling BRL 1.8 billion.

It is important to note that, over the last few quarters, there has been a considerable change in the Company's sales mix, with greater participation of units closer to the launch stage, rather than completed units or in a more advanced stage of work. This effect causes a lower acceleration in the accrual of revenues at first and, consequently, an increase in revenues to be appropriated (REF). In that sense, the records of sales reported in the last quarters should impact the growth of Net Revenue in a relevant way in the coming quarters, as the volume of construction of the units evolves.

Considering only the jointly controlled companies, Net Revenue from projects that are not consolidated in the Company's balance sheet was BRL 46 million in 1Q22 and BRL 218 million in 1Q22 LTM. The graph below shows the net revenue added to the revenue of these unconsolidated SPEs. In this scenario, the total volume of net revenue reached BRL 514 million in the quarter (+18% over 1Q21) and BRL 2.0 billion in 1Q22 LTM (+17% over 1Q21 LTM).



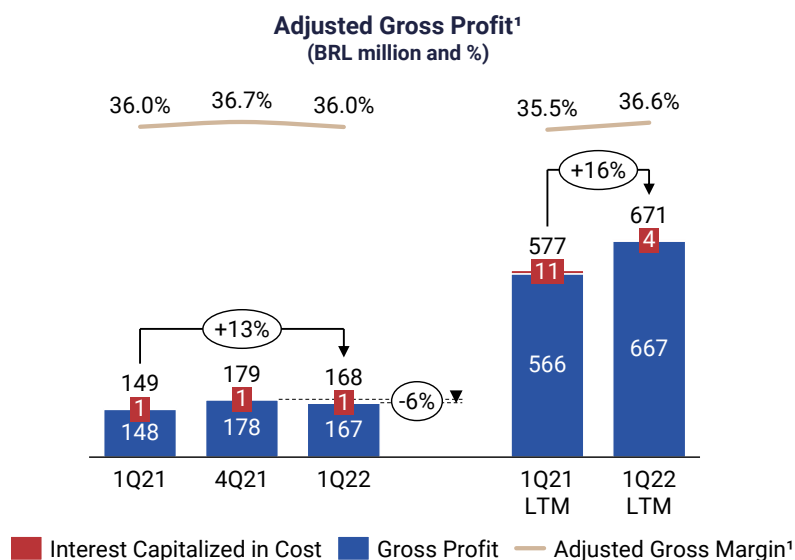


Gross Profit

Adjusted Gross Profit¹ in 1Q22 came in at BRL 168 million, an increase of 13% compared to 1Q21. Thus, the Adjusted Gross Margin¹ for the period was 36.0%.

In 1Q22 LTM, Adjusted Gross Profit totaled BRL 671 million, an amount 16% higher than in 1Q21 LTM. In this scenario, the Adjusted Gross Margin was 36.6%, a gain of 1.1 p.p. in the period.

This level of Gross Margin that Direcional has been reporting quarter after quarter is mainly due to (i) the constant monitoring and gradual increase in product prices; (ii) the management of supply inventory, with careful evaluation of input acquisitions throughout the year; (iii) the adjustment in the Company's mix of products; and (iv) the continuous search for efficiency in cost control and the recurrent budget monitoring of all works in progress.

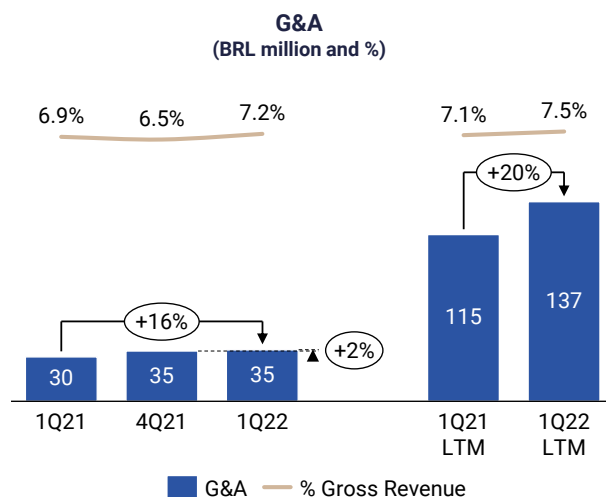


1 - Adjusted Gross Profit and Margin: excluding capitalized interest for financing of production.

General and Administrative Expenses (G&A)

In 1Q22, General and Administrative Expenses totaled BRL 35 million, an amount in line with that recorded in 4Q21 and 16% above 1Q21. As a result, the representativeness over Gross Revenue was 7.2% in the quarter.

The G&A expenses totaled BRL 137 million in 1Q22 LTM, a 20% increase compared to 1Q21 LTM. In this case, the G&A on Gross Revenue ratio was 7.5%.



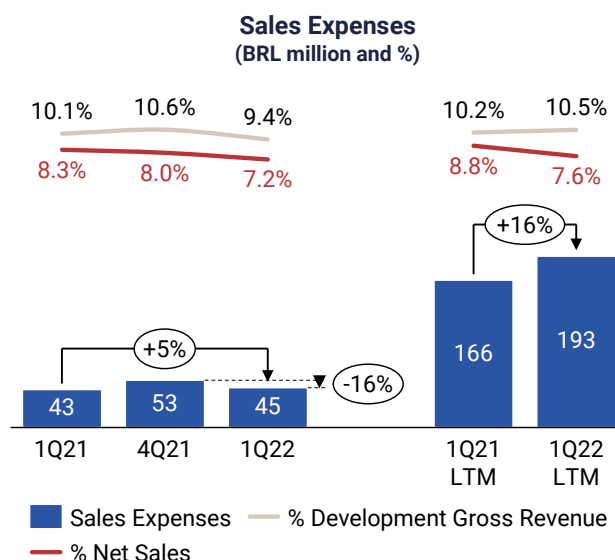


Sales Expenses

The Sales Expenses line is basically composed of expenses with commissions, marketing and maintenance of points of sales. In 1Q22, the line totaled BRL 45 million, 16% lower than in 4Q21, and 5% higher than in 1Q21. The representativeness of Sales Expenses on Gross Revenue was diluted both in the comparison with the previous quarter and with the same quarter of the previous year. Compared to Net Sales, dilution was also observed in relation to both periods.

In 1Q22 LTM, sales expenses reached BRL 193 million, up 16% from the BRL 166 million in 1Q21 LTM, with a relevant dilution when analyzing the representativeness in relation to Net Sales.

It should be noted that part of these expenses is recognized in its accrual period, while revenues are appropriated according to the PoC (Percentage of Completion) methodology. Thus, when sales are in a growth cycle, there is a time mismatch between the expenses of a given period and the speed of appropriation of revenues from these sales. Therefore, according to the construction of the units sold, a dilution of these expenses is expected, due to the expected growth in revenue.



Other Operational Revenues and Expenses

The Other Operating Revenues and Expenses line recorded a negative net result of BRL 9 million in 1Q22. The main impacts in this line are: (i) constitution of provisions and legal expenses that totaled about BRL 5 million; (ii) amortization of goodwill for the acquisition of equity interests, totaling about BRL 2 million; and (iii) expenses related to the sale of receivables portfolio in the amount of BRL 1 million.

Financial Results

In 1Q22, the Financial Results totaled a negative net amount of BRL 26 million. The main factors that impacted this result were: (i) the negative result of BRL 5 million from an equity swap referenced in the Company's stocks, contracted under the share buyback program approved in December 2021; (ii) the two increases in the Selic rate in the period, from 9.25% p.a. to 11.75% p.a., which directly reflected in the remuneration of cash and financial expenses linked to the Company's indebtedness; and (iii) the sale of part of the receivables portfolio, in an approximate amount of BRL 2 million.

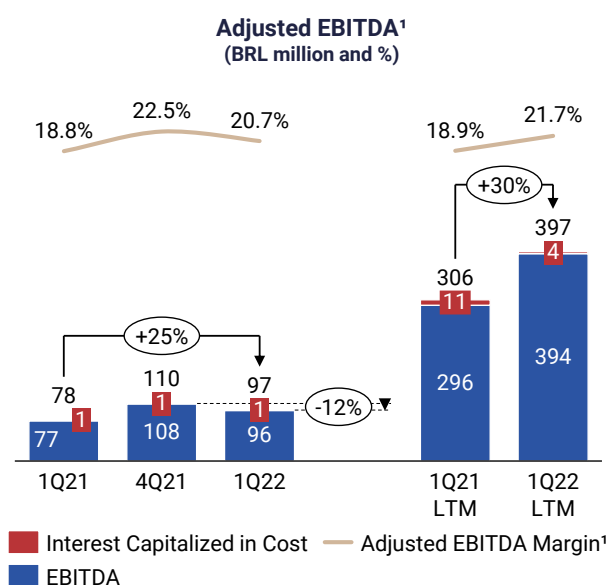


EBITDA

In 1Q22, EBITDA reached BRL 96 million, representing an EBITDA Margin of 20.5%. In the 12-month period ended in 1Q22, EBITDA totaled BRL 394 million and the EBITDA Margin for the period was 21.5%.

Adjusted EBITDA¹ was also calculated, considering the adjustment for capitalized interest on production financing, which makes up the Costs line. It reached BRL 97 million in 1Q22, representing a 25% growth compared to 1Q21. The Adjusted EBITDA Margin¹ was 20.7%.

In 1Q22, Adjusted EBITDA totaled BRL 397 million, representing an Adjusted EBITDA Margin of 21.7%. Consequently, the Company continues to show its focus on operational efficiency and the continuous search for improvement.



EBITDA (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Net Income	27,431	44,526	27,106	-38.4%	1.2%
(+) Depreciation and Amortization	14,185	13,662	12,168	3.8%	16.6%
(+) Income Tax and Social Contribution	9,805	9,904	7,956	-1.0%	23.2%
(+) Minority Interest	18,639	16,239	9,005	14.8%	107.0%
(+/-) Financial Results	25,834	24,161	20,282	6.9%	27.4%
EBITDA	95,893	108,492	76,516	-11.6%	25.3%
EBITDA Margin	20.5%	22.3%	18.5%	-2 p.p.	2 p.p.
(+) Cost of production financing	1,140	1,269	1,287	-10.2%	-11.4%
Adjusted EBITDA¹	97,033	109,761	77,803	-11.6%	24.7%
Adjusted EBITDA Margin¹	20.7%	22.5%	18.8%	-2 p.p.	2 p.p.

1 - Adjusted EBITDA and Margin: excluding capitalized interest for financing of production.

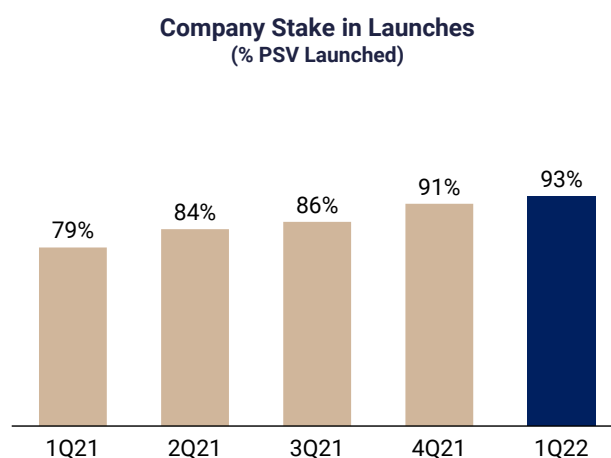
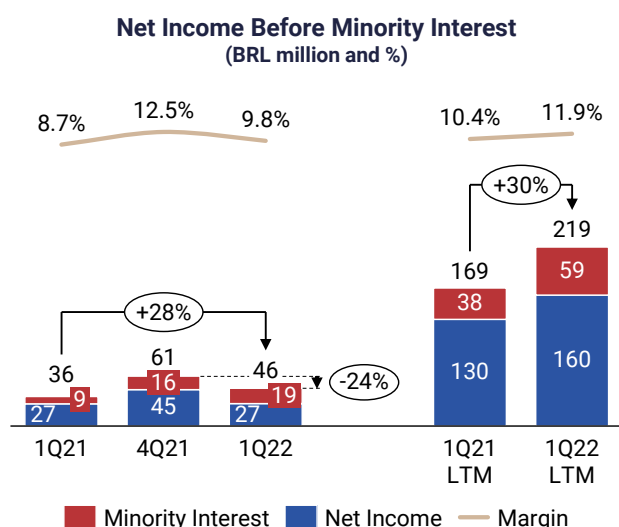


Net Income before Minority Interest

In 1Q22, the Result before the non-controlling participants in SPE and SCP ("Minority") came in at BRL 46 million, representing a 28% growth compared to 1Q21, and a 24% decrease compared to 4Q21. The resulting margin in the period was 9.8%.

In 1Q22 LTM, the Net Income before Minority Shareholders totaled BRL 219 million, an increase of 30% compared to 1Q21 LTM, representing a Margin of 11.9% in the period.

It is worth mentioning that the development of projects in partnerships was part of the strategy to accelerate the Company's expansion at the beginning of the growth cycle, allowing greater dilution of expenses.

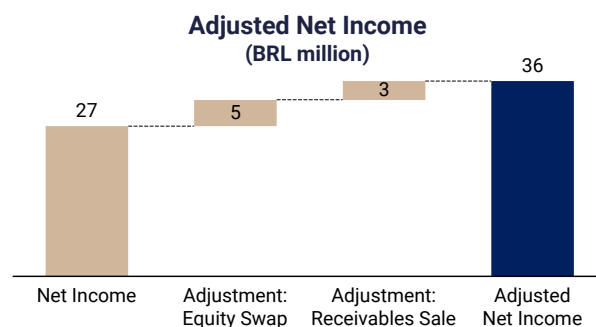


Finally, it is important to highlight the evolution in the movement to increase the Company's participation and the consequent dilution of minority partners in the projects launched. According to the graph above, the launches of 1Q22 reached a Company stake of 93% of PSV. In this same context, it is also worth mentioning that the Group's participation (Direcional + Riva), considering only the projects that are consolidated in the result, reached 92% of the total PSV in inventory and 88% in Deferred Revenue (revenue to be appropriated in the result). The development of these projects, whose participation of Direcional is greater, will result in a reduction in the stake of minority partners in the Company's consolidated result.

Net Income

Net Income came in at BRL 27 million in 1Q22, an amount in line with that recorded in 1Q21. Compared to 4Q21, the value was 38% lower. As a result, the Net Margin for the period was 5.9%.

In addition, analyzing the net income disregarding the non-recurring effects caused by (i) the equity swap indexed to the Company's stocks, within the scope of the share buyback program, in the amount of BRL 5 million; and (ii) the impact of expenses arising from the portfolio sale operation incurred in the lines of financial expenses and other revenues and expenses, in the total amount of approximately BRL 3 million, the net income for 1Q22 would have reached BRL 36 million.



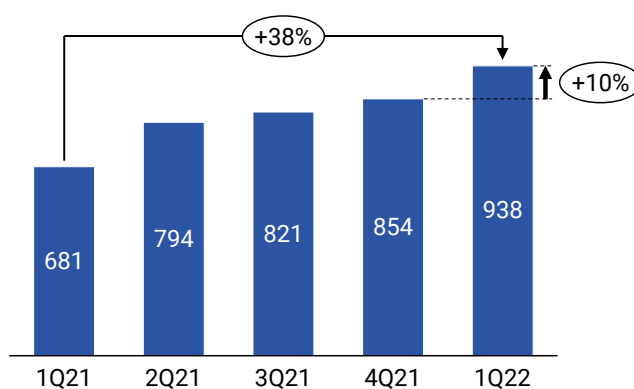


Deferred Results from Real Estate Sales

At the end of 1Q22, the consolidated Deferred Revenue (REF) was BRL 940 million. Considering only the Real Estate Sales segment, the revenue to be appropriated totaled BRL 938 million, representing an increase of 10% in relation to 4Q21 and 38% in relation to 1Q21.

As previously mentioned, the significant change in the sales mix – with a greater presence of units closer to the launch stage rather than completed units or at an advanced stage of work, due to the relevant reduction in the inventories of these units – led to a lower recognition of revenues from sales that occurred during the quarter, culminating in an increase in revenues to be appropriated. This means that **the increase in REF should significantly impact the growth of Net Revenue in the coming quarters, with the acceleration in the volume of construction of the projects.**

Deferred Revenue from Real Estate Sales
(BRL million)



The Backlog Margin (REF Margin) for the quarter was 38.9%, 0.2 p.p. above the 4Q21 margin and 0.3 p.p. below the 1Q21 margin. The table below presents a breakdown of the Deferred Results from Real Estate Sales:

Deferred Results from Real Estate Sales (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Deferred Revenue from Real Estate Sales	938	854	681	9.8%	37.7%
Deferred Costs from Real Estate Sales	-573	-524	-414	9.4%	38.4%
Deferred Results from Real Estate Sales	365	330	267	10.5%	36.6%
Backlog Margin	38.9%	38.7%	39.2%	0.3 p.p.	-0.3 p.p.

BALANCE SHEET HIGHLIGHTS

Cash, Cash Equivalents and Financial Investments

The balance of Cash, Cash Equivalents and Financial Investments totaled BRL 1.1 billion at the end of 1Q22, in line with the balance recorded in the previous quarter and 9% above the amount observed in the year-ago period.

It is important to note that Direcional continues to maintain its cash position at levels that the Company considers comfortable to sustain the growth of operations in accordance with the business plan and still maintain its solid capital return policy for shareholders.

Cash, Cash Equivalents and Investments (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Cash and Cash Equivalents	753,588	723,954	801,483	4.1%	-6.0%
Financial Investments	306,665	325,206	173,497	-5.7%	76.8%
Total	1,060,253	1,049,160	974,980	1.1%	8.7%

Accounts Receivable

The book balance of Accounts Receivable¹ at the end of 1Q22 was BRL 534 million, an increase of 12% over 4Q21 and 24% over 1Q21. Considering the balance of Accounts Receivable for Real Estate Sales, as well as the Net Operating Revenue of this segment, the Accounts Receivable Days² index reached 102 days, an increase of 15% compared to 4Q21 and 12% compared to 1Q21. This result keeps receivables management at well-controlled levels, with one of the best indicators in the sector.

Accounts Receivable ¹ (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Real Estate Sales	515,643	458,931	398,580	12.4%	29.4%
Services	15,822	15,289	29,281	3.5%	-46.0%
Land Sales	2,123	2,126	1,497	-0.2%	41.8%
Total	533,588	476,346	429,358	12.0%	24.3%
Current	307,780	231,761	253,720	32.8%	21.3%
Non-current	225,808	244,585	175,638	-7.7%	28.6%
Accounts Receivable – Real Estate Sales	515,643	458,931	398,580	12.4%	29.4%
Net Operating Revenue – Real Estate Sales	456,916	465,731	395,647	-1.9%	15.5%
Accounts Receivable Days ²	102	89	91	14.5%	12.0%

1 - Short-term accountable 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).

According to current accounting rules, the recognition of Accounts Receivable is proportional to the performance index of the respective works (Percentage of Completion - PoC). Therefore, the Accounts Receivable balance from development 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 1Q22 totaled BRL 1.5 billion.

Indebtedness

At the end of 1Q22, the gross balance of Loans and Financing was BRL 1.3 billion, an amount 4% higher than the balance recorded at the end of 4Q21, and 20% higher than the balance in 1Q21.

It should be noted that the current cash position is more than sufficient to cover the next 4 years of total gross indebtedness. The leverage ratio, measured by Adjusted Net Debt² in relation to Shareholders' Equity, closed the quarter at 15.4%, with approximately **86% of total indebtedness being long-term**. The weighted average maturity was 39 months.

The Company's characteristic conservative profile keeps it in a comfortable position to support its growth in the coming years and to take advantage of the opportunities that appear ahead.

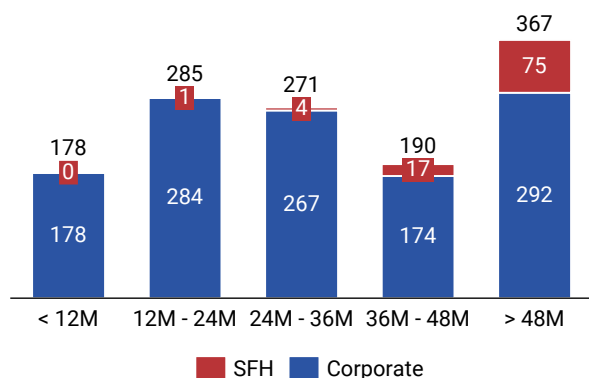
The table and graphs below show more details on the debt breakdown and its amortization schedule:

Indebtedness (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Loans and Financing Operations	1,290,949	1,241,402	1,077,179	4.0%	19.8%
CRI	742,816	728,884	672,821	1.9%	10.4%
Debentures	354,146	357,133	249,078	-0.8%	42.2%
Construction Financing	96,616	42,172	41,271	129.1%	134.1%
CCB	83,617	100,445	100,194	-16.8%	-16.5%
Working Capital	0	0	0	n/a	n/a
FINAME and Leasing	13,753	12,768	13,815	7.7%	-0.4%
Cash, Cash Equivalents and Financial Investments	1,060,253	1,049,160	974,980	1.1%	8.7%
Net Debt ¹	230,696	192,242	102,199	20.0%	125.7%
Swap agreements position	353	-3,668	-2,009	-109.6%	-117.6%
Adjusted Net Debt ²	230,343	195,910	104,208	17.6%	121.0%
Adjusted Net Debt / Equity	15.4%	13.4%	7.7%	2.0 p.p.	7.7 p.p.
Loans and Financing Operations by index	1,290,949	1,241,402	1,077,179	4.0%	19.8%
TR	86,462	23,407	2,810	269.4%	2977.3%
IPCA	445,501	431,795	276,259	3.2%	61.3%
CDI	758,986	786,200	798,110	-3.5%	-4.9%

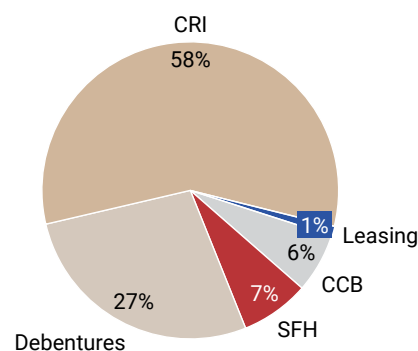
1 - Net Debt: Total balance of Loans and Financing Operations reduced by the balance of Cash, Cash Equivalents and Financial Investments.

2 - Adjusted Net Debt: Net debt plus the balance of open positions in swap agreements for protection against interest rate float.

Debt Amortization Schedule
(BRL million)



Loans and Financing
(% of Debt)



Cash Generation (Cash Burn)¹

In 1Q22, there was a cash consumption in the amount of BRL 34 million. This consumption is due to the relevant operational growth that the Company has been reporting in recent periods, with a significant expansion of launches and sales volumes, in addition to the active management of inventories, with a cautious evaluation regarding the acquisition of inputs, which aims to mitigate possible inflation pressures and to maintain the profitability of projects at levels that the Company considers to be healthy.

1 - Cash Generation (Cash Burn): net debt variation adjusted by payment of dividends, stock repurchase, and variation in the balance of interest swap operation agreements.

DIRETO

After the approval by the Administrative Council for Economic Defense (CADE), which took place during 1Q22, Direto started its activities in wholesale and retail during the month of February.

According to the Notice to the Market published on April 4th, 2022, in its first month of operations, Direto originated real estate credit operations that exceeded BRL 40 million.

RIVA – Operating Highlights

Riva, a subsidiary with operations focused on the mid-low income segment, launched 2 projects in 1Q22, totaling a PSV of BRL 203 million (BRL 203 million % Company), up 61% in comparison with 1Q21.

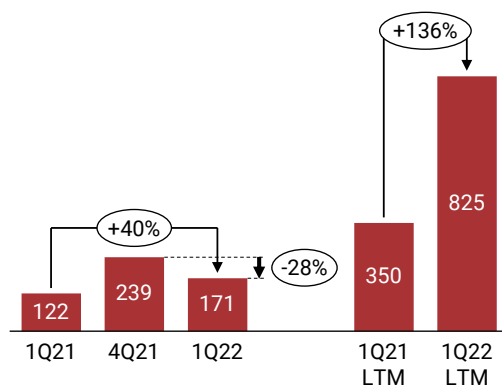
Net sales reached BRL 171 million in 1Q22 (BRL 135 million % Company), a 40% growth over 1Q21, and a 28% drop versus 4Q21.

As previously mentioned, VSO in 1Q22 was 14%, mainly due to the launches having taken place at the end of March, which limited the time for sales of these projects still within the quarter. Thus, taking into account only sales related to products in inventory, the inventory VSO index reached 16% in the Riva segment.

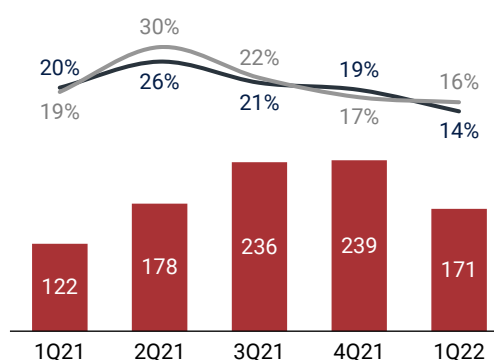
In 1Q22 LTM, net sales grew 136% in relation to the amount sold in 1Q21 LTM, totaling BRL 825 million in the period (BRL 640 million % Company).



Net Sales
(PSV 100% - BRL million)



Net Sales Evolution and VSO
(PSV 100% - BRL million)



■ Net Sales — VSO — Inventory VSO



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

STOCK TICKER: DIRR3

Quotation on 03/31/2022: BRL 12.16

Number of Stocks (Ex-Treasury Shares):

149 million

Market Capitalization:

BRL 1,817 million / US\$ 384 million

Free Float:

54%

1Q22 Average Daily Volume:

1,788 thousand shares

BRL 21,143 thousand

6,266 transactions

CONFERENCE CALL

(In Portuguese with simultaneous translation into English)

05/06/2022 - Friday

10:00 a.m. – Brasília Time

9:00 a.m. – New York Time

Access:

Zoom

<https://us06web.zoom.us/j/87279785644>

YouTube

<https://www.youtube.com/watch?v=YCdti oh11C8>

CONTACTS

IR Team

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

ri@direcional.com.br
www.direcional.com.br/ri

www.direcional.com.br

Rua dos Otoni, 177 – 10th floor
Belo Horizonte - MG
Zip Code: 30.150-270



CONSOLIDATED BALANCE SHEET

IFRS

Consolidated Balance Sheet (BRL '000)	03/31/2022	12/31/2021	Δ %
Current Assets			
Cash, cash equivalents and financial investments	1,060,253	1,049,160	1%
Accounts receivable	307,780	231,761	33%
Inventory	1,295,806	1,230,591	5%
Receivables from related parties	75,546	82,261	-8%
Taxes recoverable	23,692	24,462	-3%
Accounts receivable from divestiture	11,654	17,540	-34%
Other receivables	260,077	220,565	18%
Total Current Assets	3,034,808	2,856,340	6%
Non-Current Assets			
Accounts receivable	225,808	244,585	-8%
Inventory	2,273,294	2,303,436	-1%
Receivables from related parties	1,636	1,636	-
Judicial deposits	16,710	16,097	4%
Accounts receivable from divestiture	0	0	-
Other receivables	21,328	21,457	-1%
Investments	119,611	117,980	1%
Fixed assets	103,721	99,075	5%
Intangible assets	20,756	19,013	9%
Total Non-Current Assets	2,782,864	2,823,279	-1%
Total Assets	5,817,672	5,679,619	2%



Consolidated Balance Sheet (BRL '000)	03/31/2022	12/31/2021	Δ %
Current Liabilities			
Loans and financing operations	178,275	127,205	40%
Suppliers	90,528	92,054	-2%
Labor obligations	38,047	31,827	20%
Tax obligations	24,061	25,094	-4%
Lease financing	10,188	10,088	1%
Real estate commitments payable	96,367	62,779	54%
Advances from customers	26,466	14,705	80%
Other accounts payable	115,660	90,346	28%
Provision for guarantee	26,159	28,143	-7%
Payables to related parties	16,473	14,600	13%
Total Current Liabilities	622,224	496,841	25%
Non-Current Liabilities			
Loans and financing operations	1,112,674	1,114,197	-0%
Suppliers	6,845	5,958	15%
Provision for guarantee	15,074	12,051	25%
Tax obligations	8,834	9,701	-9%
Lease financing	23,687	25,129	-6%
Real estate commitments payable	2,049,724	2,060,218	-1%
Advances from customers	364,327	375,344	-3%
Provision for labor, tax, and civil contingencies	25,704	24,008	7%
Other accounts payable	97,392	97,392	-
Payables to related parties	0	0	-
Total Non-Current Liabilities	3,704,261	3,723,998	-1%
Shareholder's Equity			
Capital	752,982	752,982	-
Capital reserves	177,690	177,690	-
Stock options granted	1,230	2,259	-46%
Equity adjustment	-29,685	-29,847	-1%
Treasury shares	-5,407	-7,360	-27%
Income reserves	431,403	404,153	7%
	1,328,213	1,299,877	2%
Non-controlling interest	162,974	158,903	3%
Total Shareholder's Equity	1,491,187	1,458,780	2%
Total Liabilities and Shareholder's Equity	5,817,672	5,679,619	2%

CONSOLIDATED INCOME STATEMENT

Consolidated Income Statement (BRL '000)	1Q22 (a)	4Q21 (b)	1Q21 (c)	Δ % (a/b)	Δ % (a/c)
Real Estate Sales Revenue	474,798	503,290	423,180	-5.7%	12.2%
Revenue from Services	14,176	24,774	20,702	-42.8%	-31.5%
Gross Revenue	488,974	528,064	443,882	-7.4%	10.2%
Deductions from Gross Revenue - Taxes and others	-20,880	-41,093	-29,997	-49.2%	-30.4%
Net Operating Revenue	468,094	486,971	413,885	-3.9%	13.1%
Cost of real property sale and services rendered	-300,936	-309,329	-266,217	-2.7%	13.0%
Gross Profit	167,158	177,642	147,668	-5.9%	13.2%
General and administrative expenses	-35,322	-34,558	-30,477	2.2%	15.9%
Sales expenses	-44,831	-53,126	-42,750	-15.6%	4.9%
Equity in the results of investees	3,530	6,259	2,704	-43.6%	30.5%
Other operating income and expenses	-8,827	-1,387	-12,797	536.3%	-31.0%
Other Operating Revenues (Expenses)	-85,450	-82,812	-83,320	3.2%	2.6%
Financial Expenses	-62,142	-62,343	-29,111	-0.3%	113.5%
Financial Revenues	36,308	38,182	8,829	-4.9%	311.2%
Financial Results	-25,834	-24,161	-20,282	6.9%	27.4%
Income before Income and Social Contribution Taxes	55,874	70,669	44,066	-20.9%	26.8%
Income and social contribution taxes - current and def.	-9,805	-9,904	-7,956	-1.0%	23.2%
Net Income before Interests in SPCs and SPEs	46,069	60,764	36,110	-24.2%	27.6%
Interest in SPCs and SPEs	-18,638	-16,239	-9,004	14.8%	107.0%
Net Income	27,431	44,526	27,106	-38.4%	1.2%
Gross Margin	35.7%	36.5%	35.7%	-0.8 p.p.	0.0 p.p.
Gross Adjusted Margin	36.0%	36.7%	36.0%	-0.8 p.p.	0.0 p.p.
Net Margin	5.9%	9.1%	6.5%	-3.3 p.p.	-0.7 p.p.



CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flow Statement (BRL '000)	03/31/2022	03/31/2021
Cash Flow from Operating Activities		
Profit before income and social contribution taxes	55,874	44,066
Adjustments for conciliating the result to the availability generated by the operating activities		
Depreciations and Amortizations	14,185	12,168
Equity earnings	-3,530	-2,704
Revenue from financial investments	-7,164	-798
Provision for guarantee	4,907	6,027
Interest on charges and financing	40,788	19,919
Hedge accounting – fair value	1,668	0
Exchange Rate on loans and financing	0	1,098
Provision for labor, tax, and civil contingencies	3,502	1,009
Gains (losses) on physical swaps	-1,552	-6,984
Gains (losses) on disposal of equity interests	0	-142
Correction of accounts receivable for acquisition of equity interests	0	0
Present value adjustment of accounts receivable	-381	2,436
Present value adjustment on lease financing	529	616
Adjustment to net realizable amount on inventory completed	31	-79
Provision for losses on accounts receivable	406	2,864
Provision for losses on related parties	0	0
Provision for stock option plan	744	541
Provision for profit sharing	1,248	3,089
Increase (decrease) in assets		
Accounts receivable	-57,267	-59,214
Inventory	36,955	71,187
Other credits	-39,383	934
Related parties	7,881	-4,257
Escrow deposits	-613	302
Taxes recoverable	770	-1,062
(Decrease) increase in liabilities		
Suppliers	-3,111	-23,720
Labor obligations	4,972	395
Tax liabilities	41	-1,613
Real estate commitments payable	-53,152	-39,942
Advances from clients	5,880	-868
Accounts payable	25,314	22,095
Provision for labor, tax, and civil contingencies	-1,806	-3,873
Related parties	1,873	-4,434
Collateral for works	-3,868	-5,011
Paid income and social contribution tax	-11,746	-9,438
Net Cash generated (applied) in Operating Activities	23,995	24,607
Cash Flow from Investment Activities		
Increase (Decrease) of investments (SPCs and SPEs)	-363	-6,788
Received dividend	2,262	4,895
Stockholding sales	5,886	40,000
Increase of fixed assets	-2,876	-2,392
Leased fixed assets	0	0
Increase of intangible assets	-6,936	-6,787
Financial Investments	25,705	22,661
Net Cash generated (applied) in Investment Activities	23,678	51,589
Cash Flow from Financing Activities		
Sale of treasury shares	0	0
Dividends paid	-1	0
Stock repurchase	0	-21,254
Increase in leasing investment	0	0
Leasing investment amortization	-1,977	-2,297
Interest paid on lease	-193	-127
Loan	83,189	100,438
Payment of debt structuring costs	-830	0
Loan amortization	-53,485	-65,538
Interest paid	-30,337	-11,098
Increase (Reduction) of capital by non-controlling shareholders	-14,405	-6,406
Net cash generated (applied) in financing activities	-18,039	-6,282
Increase of Cash and Cash Equivalents	29,634	69,914
Cash and Cash Equivalents		
At the beginning of the period	723,954	731,569
At the end of the period	753,588	801,483

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 (profit before financial result, financial charges included in cost of property sold, Income Tax and Social Contribution, depreciation and amortization expenses) less the participation of non-controlling stockholders and less the expenses with the stock option program. 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 Casa Verde e Amarela (PCVA) - New name attributed to the popular housing program previously known as “*Minha Casa, Minha Vida*” Program

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.