

São Paulo, May 13, 2022: PDG Realty S.A. (B3: PDGR3) – announces **today** its results for the first quarter of 2022. Founded in 2003, PDG develops projects for different segments and publics, operating in the development, construction and sale of residential and commercial units, as well as land plots.

Highlights:

- ❖ **Net profit amounted to R\$46 million in 1Q22.** (page 19)
- ❖ **Since the beginning of the Company's Reorganization Plan, debts amortization totaled R\$709 million.** (page 18)
- ❖ **G&A was reduced by 47% QoQ.** (page 15)
- ❖ **SG&A was reduced by 10% QoQ.** (page 15)
- ❖ **The cost to be incurred was reduced by R\$32 million QoQ.** (page 16)
- ❖ **The PSV transferred increased by 13% QoQ.** (page 11)

Conference Call

Monday, May 16th, 2022

➤ **Portuguese**

11:00 a.m. (Brasília)
10:00 a.m. (NY)

[WEBCAST](#)

➤ **English (simultaneous translation)**

10:00 a.m. (NY)
11:00 a.m. (Brasília)

[WEBCAST](#)

Replay: The recording will be available on the Investor Relations website after the end of the conference.

Investor Relations:

(+55 11) 2110-4400
www.pdg.com.br/ri
ri@pdg.com.br

❖	Message from Management	3
❖	Operating and Financial Indicators	6
❖	Operating Performance – Sales	7
❖	Operating Performance – Cancellations and Resale	8
❖	Operating Performance – Sales over Supply (SoS)	9
❖	Operating Performance – Inventory	10
❖	Operating Performance – Landbank	12
❖	Operating Performance – Historical Data	12
❖	Operating Performance – Mortgage Transfers	13
❖	Financial Performance	14
❖	Income Statement and Balance Sheet	19

Initial Message

Throughout the first quarter of 2022, we've continued executing our short, medium, and long-term strategic planning. As we reported last quarter, PDG's main focuses this year are: (i) cashflow control and management, (ii) solution for unfinished constructions, (iii) return of launches, (iv) continuous improvement in our clients' experience, (v) acceleration in revenues from Vernyy products, (vi) development, implementation and continuous improvement of our Digital Journey project and (vii) implementation of a robust ESG, inclusion and diversity agenda.

About Vernyy, throughout 1Q22 we kept strengthening the dissemination networks and prospecting new customers. I invite everyone to visit the Vernyy website at www.vernyy.com.br and get to know more about the products and services offered.

We continue working on our Digital Journey Project, which aims to transform the entire journey of our clients into an experience that surprises them, from their first contact with PDG until they receive the keys and technical assistance. Concerning the project to improve the experience of our customers, we hired a specialized consulting firm, aiming to improve the entire chain of support and service, which will assist us in conducting the whole process of improvement and innovation that we seek, but also and mainly, support us in transforming the journey of our client in a true experience. We have directed even more attention to this journey, seeking to provide, both to current and future customers, a more assertive and timely experience. In line with this objective, we also started to provide customer service via WhatsApp, through our internal customer service team, to offer another fast, versatile, effective, and quality service option to our customers.

We finished the modernization of the facilities of our headquarters in São Paulo, to offer an even better structure for customer service, including Vernyy's customers, besides optimizing the space for our new work format, which is now in the hybrid modality. With this adaptation, we seek to prioritize an environment to better receive our customers and also to provide our team with an environment with more interaction and synergy.

In addition, we are working on our ESG Agenda, also with the external assistance of a specialized Consulting firm to identify the Company's moment, the material items to be addressed, and the main opportunities for improvement in the sustainability, social and corporate governance areas. Within this ESG Agenda, we are directing special efforts to the issue of diversity in our team, since we believe that this is an essential theme for achieving our long-term goals. The theme of Diversity is a fundamental part of our strategy!

Concerning the corporate governance, we are making the necessary adjustments foreseen in the Novo Mercado Regulation (from B3), regarding the supervisory and control structures (compliance, internal controls, and inspection). In April, we implemented the Audit Committee, with a structure that will raise even further the quality of the Company's controls, processes, and financial statements. And, throughout May, we are finalizing the remaining adjustments to the compliance and risk policies and structures. We will be working to continuously increase our standards of governance and transparency with our investors and the market.

As announced to the market on April 11, we are conducting the Capital Increase process for the conversion of credits, as foreseen in our Reorganization Plan. The amount of the Capital Increase will correspond to the aggregate balance of Labor creditors and Adherent Credits (this is, unsecured Creditors who wish to adhere to the Facultative Capitalization of Credits). PDG's shareholders will have preemptive rights for subscription of the shares in proportion to their interest in the Company's equity. We will adopt all the procedures necessary to the Capital Increase and will keep all our shareholders and the market informed about the development of this important stage for the deleveraging and continuity of PDG's recovery process.

Operating Results

In 1Q22 gross sales totaled R\$22 million, 37% lower than in 1Q21. We have intensified our process of reassessing the commercial strategy, in order to maintain the level of commercialization foreseen in our Strategic Planning, and we continue to constantly monitor changes in the scenario.

During 1Q22 cancellations amounted to R\$26 million. These cancellations are essential for the release of the necessary inventory for the execution of our sales curve.

During 1Q22, 119 units were transferred, equivalent to a PSV of R\$18 million, an 13% increase QoQ. We continue conducting transfers through a fast process and strictly aligned with our commercial strategy, focused on the generation of free cash inflow.

G&A expenses were reduced by 47% QoQ, mainly due to lower expenses with legal and financial consulting.

In 1Q22 gross debt increased by R\$81 million mainly due to the interest accrued in the period.

During 1Q22 the concursal debt increased by R\$106 million (10%), mainly due to the interest accrued in the period and the adjustment to fair value on concursal debts.

In 1Q22, we recorded a net profit of R\$46 million, versus a net loss of R\$220 million in 1Q21.

Final Message

We are going through a moment in which the Brazilian and world economies face great challenges, with the pandemic impacts, besides the war that involves part of Europe. In addition, we are already facing the uncertainties of a presidential election year, in this case further intensified by rising inflation, interest rates on mortgages, and a drop in the consumer confidence index.

Thus, we've maintained and intensified our commercial strategy reevaluation process to maintain the level of commercialization foreseen in our Planning, and we are keep paying attention to the scenario changes. As for the resumption of the launchings, we continue with our planning to launch a new project in the second half of this year, but we are very attentive to the scenario mentioned above, considering all its immediate and medium-term consequences in our market. We will maintain our caution, responsibility, and commitment to choosing the right moment to launch, being prepared for a tougher scenario that may require us to change this planning, if necessary.

In line with our recovery strategy, we continue working on the development and approval of our 2023 launches and also of our new landplots prospecting agenda, necessary for our long-term planning.

We believe that this will be another year of important strategic achievements, building the path to a sustainable and planned recovery daily, always focusing and looking at the short-term results and impacts, but guided by our medium and long-term strategy.

Management

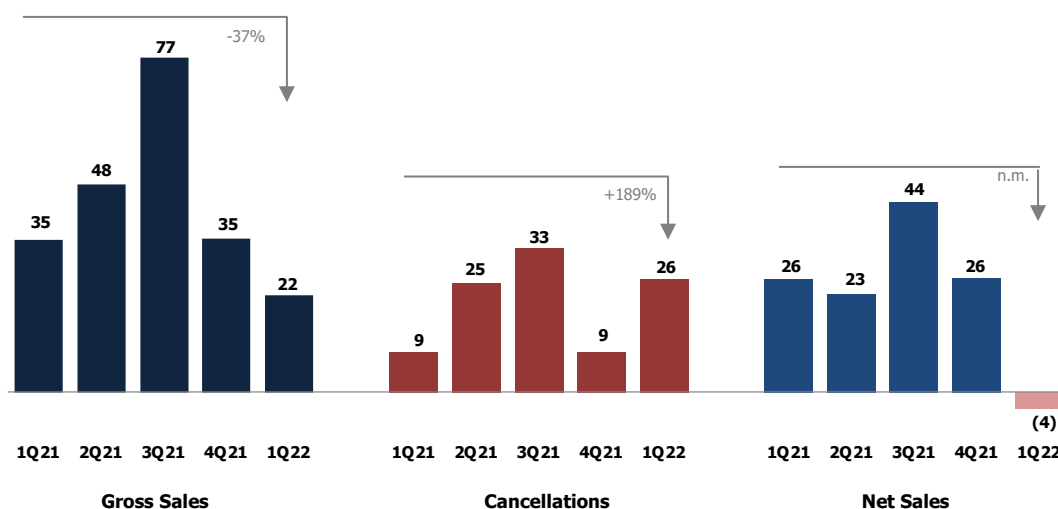
❖ The Company's main results and indicators regarding 1Q22 are the following:

	1Q22	1Q21	1Q22 vs. 1Q21	4Q21	1Q22 vs. 4Q21
Sales and Inventory					
Gross Sales %PDG - R\$ million	22	35	-37%	35	-37%
Net Sales %PDG - R\$ million	(4)	26	<i>n.m.</i>	26	<i>n.m.</i>
Inventory at Market Value %PDG - R\$ million	1,295	1,886	-32%	1,273	2%
Operational Result ⁽¹⁾					
Net Operational Revenues - R\$ million	8	93	-92%	97	-92%
Gross Profits (Losses) - R\$ million	(0)	12	<i>n.m.</i>	26	<i>n.m.</i>
Gross Margin - %	<i>n.a.</i>	13.3	<i>n.m.</i>	26.4	<i>n.m.</i>
Adjusted Gross Margin - %	<i>n.a.</i>	20.5	<i>n.m.</i>	28.9	<i>n.m.</i>
EBITDA Margin - %	(29)	(32)	-10%	(24)	19%
Net Earnings (Losses) - R\$ million	46	(220)	<i>n.m.</i>	349	-87%
Net Margin - %	593.4	(237.1)	830.6 p.p	358.9	234.5 p.p
Backlog Results (REF) ⁽¹⁾					
Gross Revenues (REF) - R\$ million	408	535	-24%	401	2%
COGS - R\$ million	(358)	(435)	-18%	(351)	2%
Gross Profit - R\$ million	50	100	-50%	50	0%
Gross Backlog Margin - %	12.3	18.7	-6.4 p.p	12.5	-0.2 p.p
Balance Sheet ⁽¹⁾					
Cash and Cash Equivalents - R\$ million	98	133	-26%	98	0%
Net Debt - R\$ million	2,168	2,761	-21%	2,087	4%
Shareholders Equity - R\$ million	(5,167)	(5,606)	-8%	(5,212)	-1%
Total Assets - R\$ million	1,222	1,656	-26%	1,275	-4%

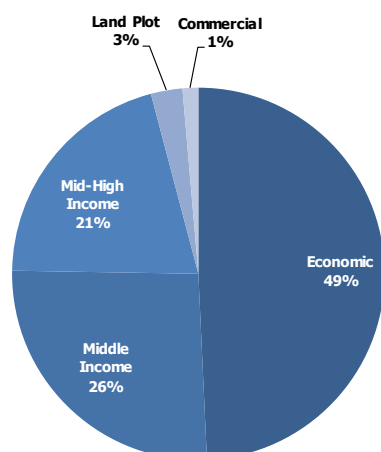
Operating Performance – Sales

- ❖ In 1Q22 gross sales totaled R\$22 million, 37% lower than in 1Q21. We have intensified our process of reassessing the commercial strategy, in order to maintain the level of commercialization foreseen in our Strategic Planning, and we continue to constantly monitor changes in the scenario.
- ❖ Cash sales amounted to R\$5 million in 1Q22, representing 23% of the quarter gross sales.
- ❖ During 1Q22 cancellations amounted to R\$26 million. We've accelerated the cancellation of units free of encumbrance to reinforce the immediate cash inflow at resale.
- ❖ Net sales were R\$4 million negative in 1Q22.

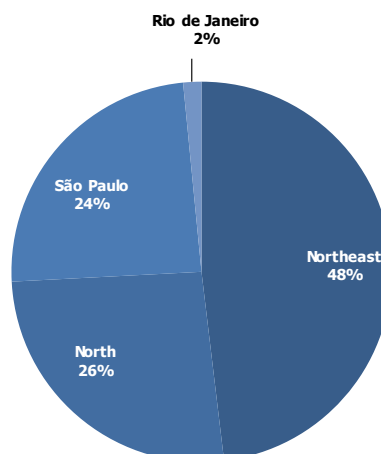
Sales Performance – PSV %PDG in R\$ million



Gross Sales by Product – %PSV – YTD



Gross Sales by Location – %PSV – YTD



Operating Performance – Cancellations and Resale

- ❖ In 1Q22 100% of the cancellations were on projects with more than 60% of its units sold, reflecting the sales strategy of prioritizing cancellations of units with good market liquidity which should present higher resale speed.
- ❖ During the quarter 100% of cancellations corresponded to units of finished projects. Hence these units are available to be resold, generating immediate cash inflow.

Cancellations in by Percentage of Resale and Year of Delivery

PSV in R\$ million

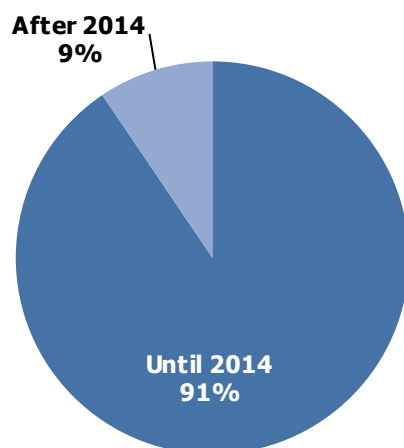
Percentage Sold	Finished		Unfinished		Total	
	Units	PSV	Units	PSV	Units	PSV
20% or less	-	-	-	-	-	-
21% to 40%	-	-	-	-	-	-
41% to 60%	-	-	-	-	-	-
61% to 80%	3	0.5	-	-	3	0.5
81% to 99%	90	25.3	-	-	90	25.3
TOTAL	93	25.8	-	-	93	25.8

100 %

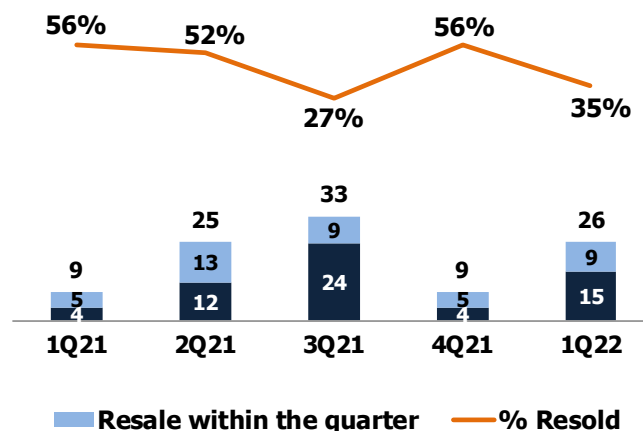
100 %

- ❖ Considering the cancellations per period of sale, 91% of the cancellations that occurred in the 1Q22 were from units sold up to 2014.
- ❖ Of the R\$26 million canceled in the 1Q22, R\$9 million (35%) were resold within the same quarter, proving the assertiveness of the strategy of prioritizing cancellations of units with higher liquidity.

Cancellations by Year of Sale – %PSV – YTD

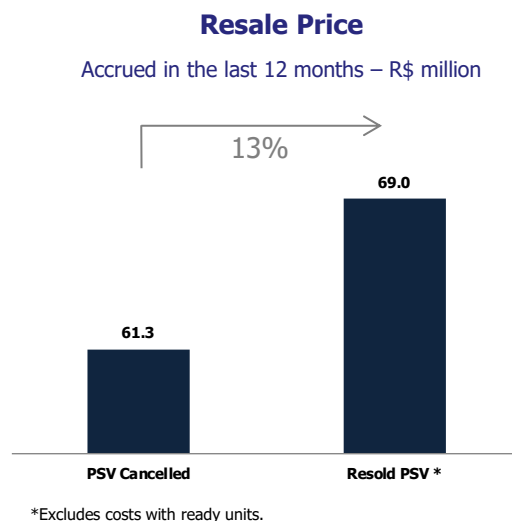
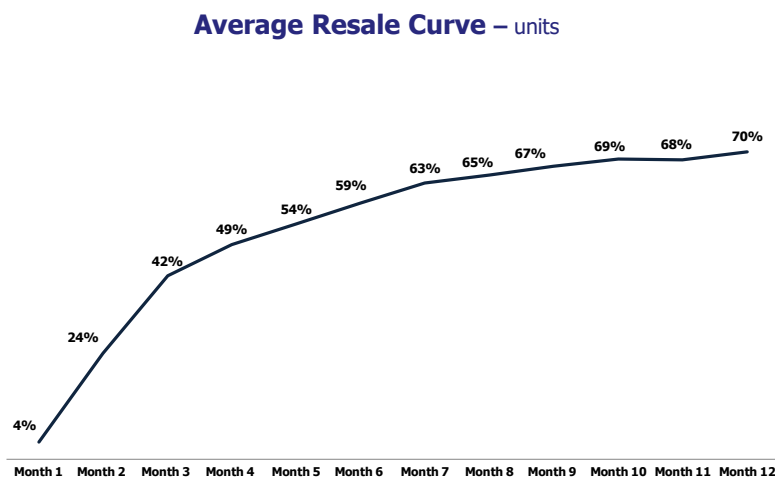


Cancellations and Resale Evolution – R\$ million



Operating Performance – Cancellations and Resale

- ❖ On average 70% of canceled units are resold in up to 12 months.
- ❖ In the last 12 months, the resale price was 13% higher than the original sale price. Showing a recomposition in the sales price.



Operating Performance – Sales over Supply (SoS)

- ❖ Considering the concept of sales over effectively available inventory (SoS of gross sales), the index amounted to 1.7% in 1Q22.

Sales Speed (SoS) – R\$ million

	1Q21	2Q21	3Q21	4Q21	1Q22
Initial Inventory	1,941	1,886	1,697	1,280	1,273
(-) Net Sales	3	23	44	26	-4
Gross Sales ⁽¹⁾	35	48	77	35	22
Cancellations ⁽¹⁾	32	25	33	9	26
(+) Adjustments ⁽²⁾	-51	-167	-373	19	18
Final Inventory	1,886	1,697	1,280	1,273	1,295
Quarterly Sales Speed (SoS) - Gross Sales	1.8%	2.5%	4.5%	2.8%	1.7%
Quarterly Sales Speed (SoS) - Net Sales	0.1%	1.2%	2.6%	2.0%	n.a.

(1) Gross sales and cancellations include resales within the same quarter.

(2) The positive adjustment of R\$18 million is mainly due to monetary correction.

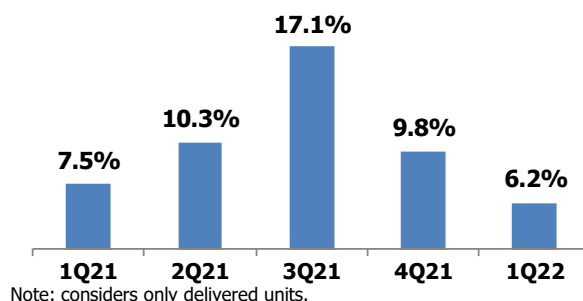
Operating Performance – Sales over Supply (SoS)

- ❖ In 1Q22 the Northeast region recorded the best sales over supply (SoS) results.
- ❖ The SoS of delivered units amounted to 6.2% in 1Q22. This result reflects the strategy of prioritizing the sales of unencumbered and ready units.

SoS by Region

Region (ex-Commercial)	1Q21	2Q21	3Q21	4Q21	1Q22
SÃO PAULO	2%	5%	6%	6%	2%
RIO DE JANEIRO	0%	1%	0%	1%	0%
MG/ES	6%	0%	0%	0%	0%
NORTH	8%	4%	6%	3%	3%
NORTHEAST	3%	7%	14%	8%	7%
SOUTH	5%	0%	11%	12%	0%
MIDWEST	14%	0%	2%	0%	0%
TOTAL (EX-COMMERCIAL)	3%	4%	7%	5%	3%
COMMERCIAL	0%	0%	2%	0%	0%
TOTAL	1.8%	2.5%	4.5%	2.8%	1.7%

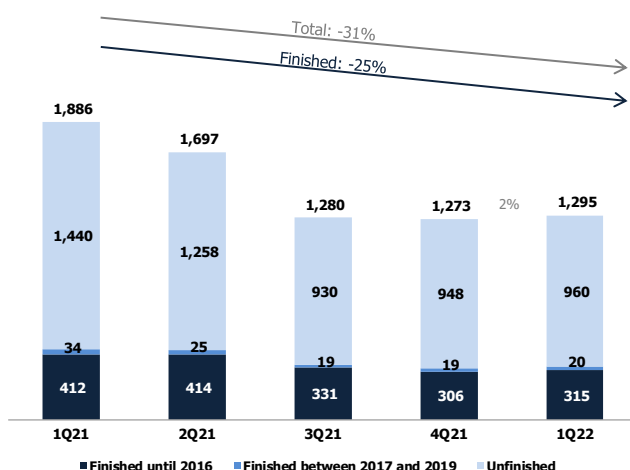
SoS of delivered units



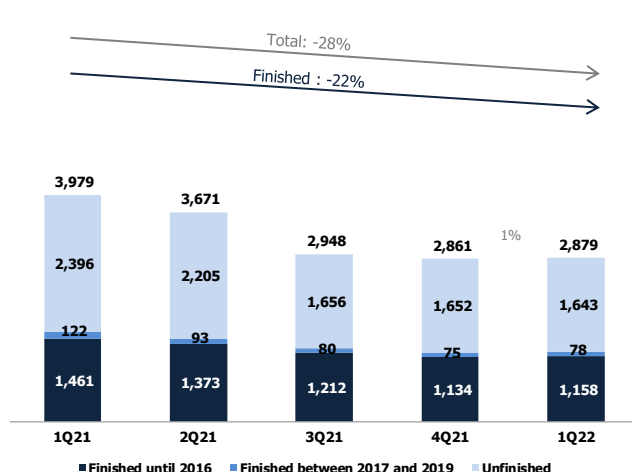
Operating Performance – Inventory

- ❖ At the end of 1Q22, inventory at market value totaled R\$1,295 million, 31% lower than 1Q21 and 2% higher than 4Q21. The number of units decreased 28% over 1Q21 and increased 1% over 4Q21.

Inventory at Market Value – R\$ million



Inventory Units



Operating Performance – Inventory

- In 1Q22 the states of São Paulo and Rio de Janeiro concentrated 45% of the Company's inventory, excluding the commercial product. Considering the residential units available, 49% are concentrated in projects that have more than 60% of its units sold, hence with better market liquidity.

Inventory by Percentage of Sales and Region

PSV in R\$ million

Region	Up to 60%		From 61 to 80%		From 81 to 99%		Total		%
	Units	PSV	Units	PSV	Units	PSV	Units	PSV	
SÃO PAULO	179	100.3	138	28.8	429	84.9	746	214.0	30%
RIO DE JANEIRO	63	50.1	59	37.1	101	22.9	223	110.1	15%
MG/ES	-	-	-	-	22	4.8	22	4.8	1%
NORTH	134	68.9	113	113.0	92	27.2	339	209.0	29%
NORTHEAST	404	153.1	-	-	39	15.9	443	169.0	23%
SOUTH	-	-	-	-	24	9.1	24	9.1	1%
MIDWEST	-	-	-	-	42	9.0	42	9.0	1%
TOTAL (Ex-Commercial)	780	372.5	310	178.8	749	173.7	1,839	725.1	56%
% Total (Ex- Commercial)	0%	51%	0%	25%	0%	24%	-	-	-
COMMERCIAL	602	388.0	408	167.5	30	14.3	1,040	569.8	44%
TOTAL	1,920	983.1	831	459.6	976	249.4	2,879	1,294.9	-
% Total	0%	76%	0%	35%	0%	19%	-	-	100%

45%

49%

Inventory by Percentage of Sales and Status of Delivery

PSV in R\$ million

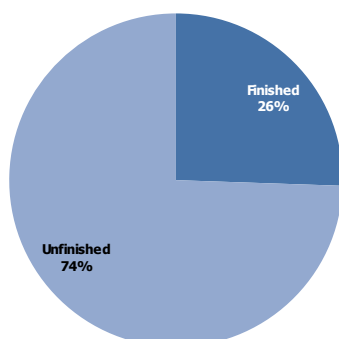
Percentage Sold	Finished		Unfinished		Total		% Total
	Units	PSV	Units	PSV	Units	PSV	
20% or less	6	2.3	-	-	6	2.3	0%
21% to 40%	-	-	578	251.4	578	251.4	19%
41% to 60%	-	-	798	506.8	798	506.8	39%
61% to 80%	451	145.1	267	201.3	718	346.4	27%
81% to 99%	779	188.0	-	-	779	188.0	15%
TOTAL	1,236	335.4	1,643	959.4	2,879	1,294.9	100%

99%

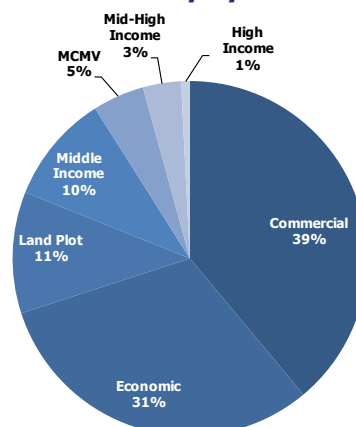
41%

- Company's inventory presents the following characteristics: (i) 41% of total inventory (including commercial units) is concentrated in projects that are more than 60% sold; (ii) 63% is concentrated in residential products (excluding Brazil's social housing program - Minha Casa, Minha Vida - land development and commercial units).
- Regarding the concluded inventory (R\$335 million): (i) 80% of PSV is concentrated in projects placed in São Paulo and Rio de Janeiro, (ii) 45% is concentrated in residential products and (ii) 99% is concentrated in projects that are more than 60% sold.

Inventory by Status of Conclusion – % PSV



Finished Inventory by Product – % PSV



Operating Performance – Landbank

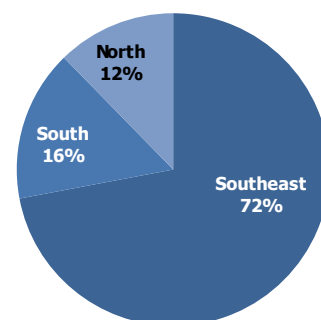
- During 1Q22 one landplot was sold. Thus, the land bank ended 1Q22 with a potential PSV of R\$4.2 billion (%PDG), equivalent to about 9 thousand units.
- Other land plots that also do not fit the Company's strategy will continue to be sold or canceled, helping to accelerate cost reduction, monetize assets for deleveraging, and reinforce cash inflow.

Landbank – Units and PSV

Product	Units (%PDG)	%	PSV PDG (R\$ mm)	%
High Income	913	10%	476.9	11%
Mid-High Income	-	0%	-	0%
Middle Income	643	7%	255.8	6%
Economic	5,348	56%	1,874.4	44%
Residential	6,904	73%	2,607.1	62%
Commercial	-	0%	-	0%
Land Plot	2,590	27%	1,631.6	38%
Total	9,494		4,238.7	

Landbank by Region

PSV %PDG



Operating Performance – Historical Data

- In total, PDG has already concluded 701 developments, equivalent to approximately 152 thousand units.
- At the end of 1Q21, the Company had 8 uncompleted projects, with a total of 3,010 units (%PDG).

	# Projects	# Total Units	# PDG Units
Launches⁽¹⁾	709	160,526	155,046
Finished⁽²⁾	701	157,504	152,036
Unfinished⁽³⁾	8	3,022	3,010

(1) Historical launches - net of cancellations

(2) Projects with Occupancy Permit or Sold

(3) Ongoing projects

Finished Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	430	97,818	96,423
MCMV	271	59,686	55,613
Total	701	157,504	152,036

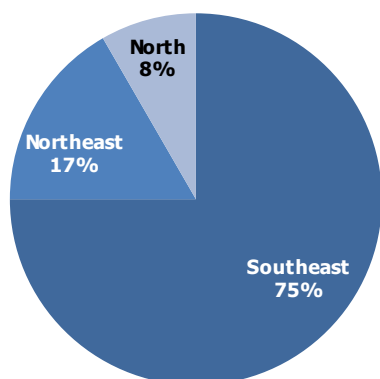
Ongoing Projects	# Projects	# Total Units	# PDG Units
Residential, Commercial and Land Plots (ex- MCMV)	7	2,766	2,754
MCMV	1	256	256
Total	8	3,022	3,010

Obs.: Only projects under PDG management.

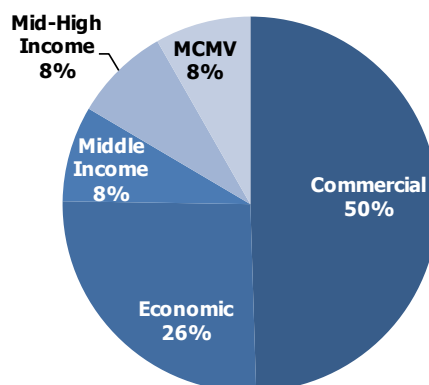
Operating Performance – Historical Data

- Of the 8 unfinished projects, 75% are located in the Southeast region and 42% are residential (excluding MCMV, land plot, and commercial units).

Breakdown by Location – % PSV



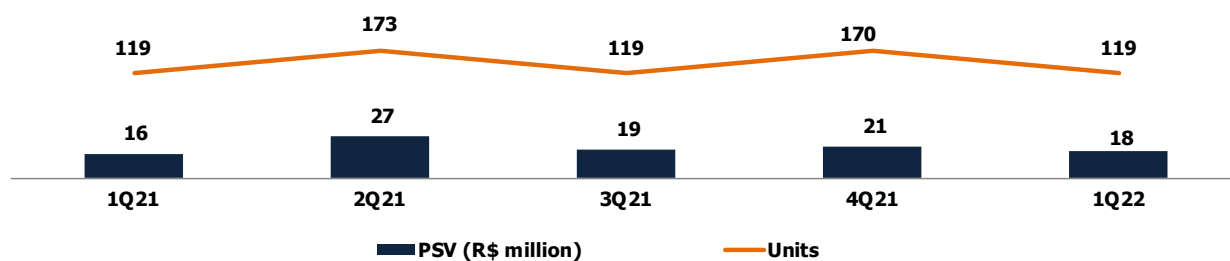
Breakdown by Product – % PSV



Operating Performance – Mortgage Transfers

- During 1Q22, 119 units were transferred, equivalent to a PSV of R\$18 million, an 13% increase QoQ.

Mortgage Transfers by Quarter – PSV and Units



Gross Margin

- In 1Q22 costs were in line with revenues, therefore gross profit was around zero.

GROSS MARGIN	QUARTER		
	1Q22	1Q21	(%) Var.
Net Revenues	8	93	-92%
Cost	(8)	(81)	-90%
Gross Profit (Loss)	(0)	12	n.m.
(+) Capitalized Interest	n.a.	13.3%	n.m.
Adjusted Profit	(0)	7	n.m.
Gross Margin	(0)	19	n.m.
Adjusted Gross Margin	n.a.	20.5%	n.m.

Backlog Result (REF)

- At the end of 1Q22, REF gross margin amounted to 12.3%.
- The expected schedule for the appropriation of gross REF profit in the Company's result is 26% in 2022 and 84% from 2023 on.

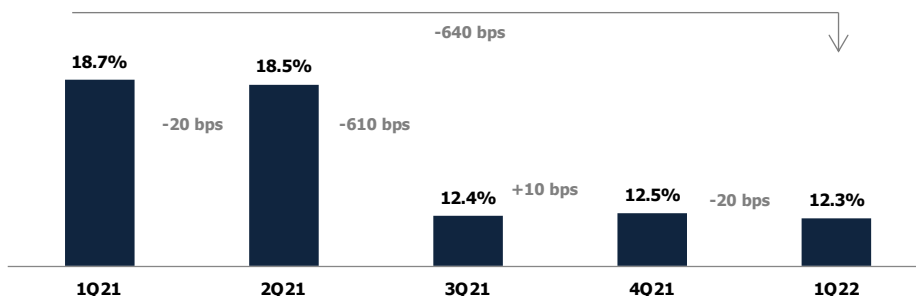
Backlog Results (REF)	R\$ million in IFRS	
	1Q22	4Q21
Gross Revenues	415	408
(-) Taxes *	(7)	(7)
Net Revenues - REF	408	401
(-) COGS	(358)	(351)
Gross Profit - REF	50	50
Gross Backlog Margin	12.3%	12.5%
Capitalized Interest	10	10
Adjusted Gross margin **	9.8%	10.0%

* PIS and Cofins Estimate

** Backlog margin differs from reported margin in that it does not include capitalized interest effect, future guarantees and goodwill amortization.

Backlog result recognition schedule	2021	2022 on
	26.5%	84.0%

Backlog Margin Trends (REF)

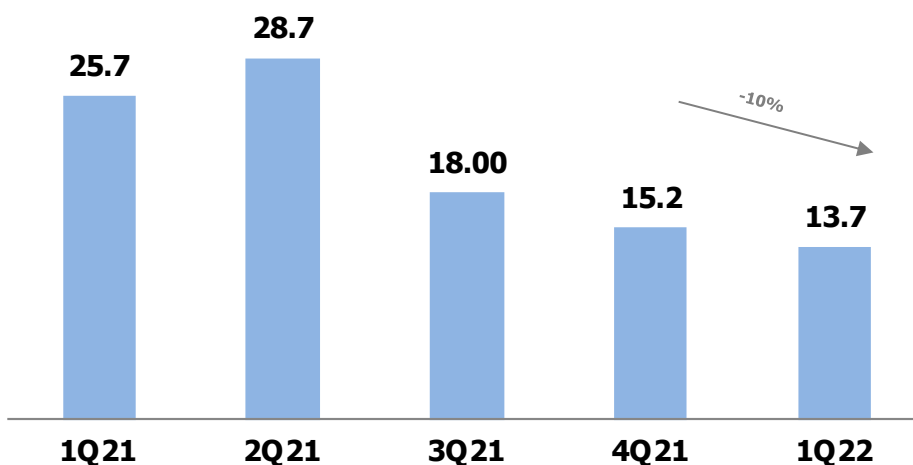


Selling, General and Administrative Expenses (SG&A)

- ❖ G&A expenses were reduced by 47% QoQ, mainly due to lower expenses with legal and financial consulting.
- ❖ Commercial expenses increased by 148% QoQ, due to the higher expenses with finished ready units in inventory.

GENERAL, ADMINISTRATIVE E COMMERCIAL EXPENSES	QUARTER		
	1Q22	1Q21	(%) Var.
Total Commercial Expenses	14.9	6.0	n.m.
Salaries and Benefits	7.6	8.2	-7%
Third Party Services	3.2	13.0	-75%
Other Admin. Expenses	2.3	4.5	-49%
Other Admin. Expenses	13.7	25.7	-47%
Total G&A	28.6	31.7	-10%

Evolution of General and Administrative Expenses - R\$ million



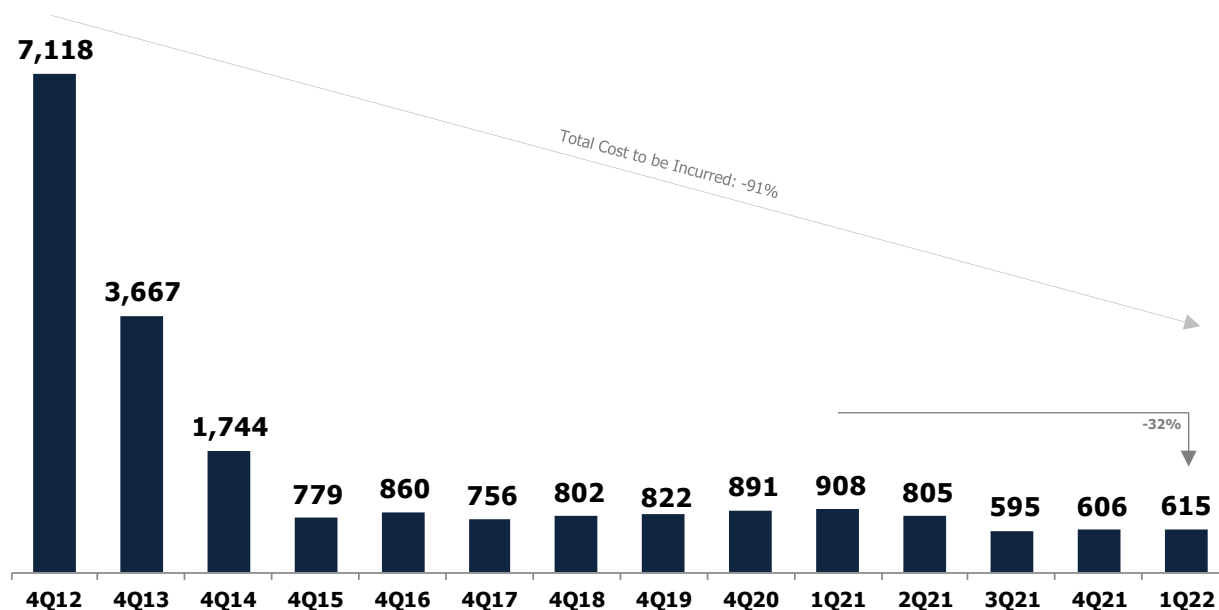
On and Off Balance Sheet Receivables

- Total accounts receivable amounted to R\$478 million at 1Q22, a reduction of 5% over 4Q21.

ON AND OFF BALANCE RECEIVABLES (R\$ MN)	1Q22	4Q21	(%) Var.
Receivables (<i>on balance</i>)	216	248	-13%
Gross Backlog Revenues - REF	415	408	2%
Advances from Clients - sales installments	(51)	(50)	2%
Advances from Clients - physical barter from launches	(102)	(101)	1%
Total Receivables (a)	478	505	-5%
Cost to be Incurred - Sold Units	(354)	(348)	2%
Cost to be Incurred - Inventory Units	(261)	(258)	1%
Total Costs to be Incurred (b)	(615)	(606)	1%
Total Net Receivables (a+b)	(137)	(101)	36%
Short Term	187	207	-10%
Long Term	29	41	-29%
Total Receivables (<i>on balance</i>)	216	248	-13%

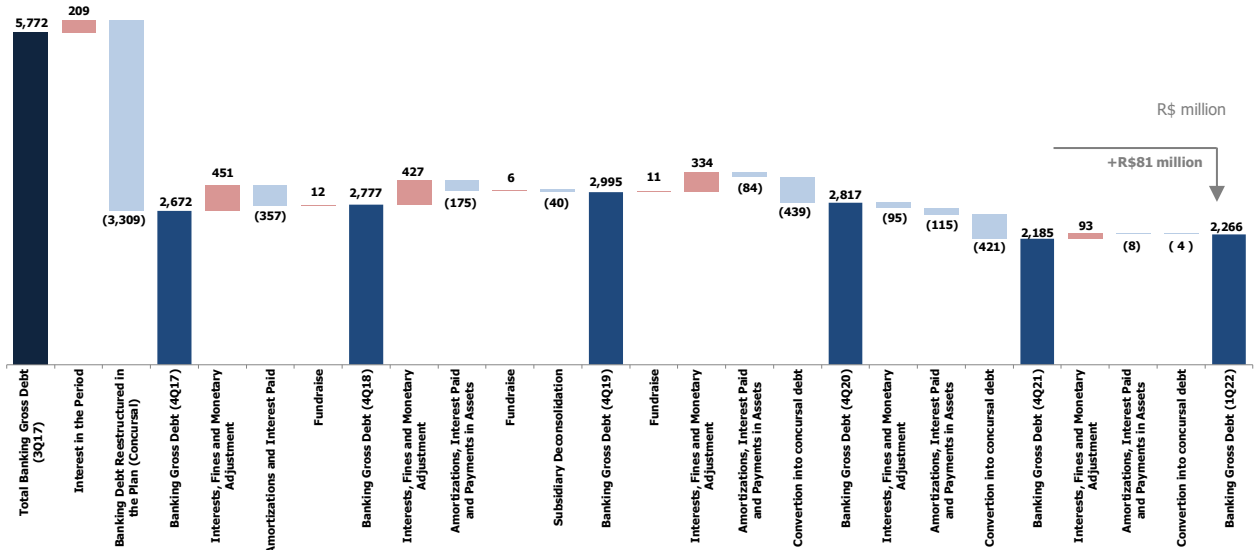
Costs to be Incurred – R\$ million

- Cost to be incurred increased by R\$9 million (1%) in 1Q22, due to the monetary adjustment by the INCC.
- Cost to be incurred was reduced by 32% QoQ, due to the deconsolidation of four projects during 2021.



Indebtedness (Extraconcursal)

- In 1Q22 gross debt increased by R\$81 million mainly due to the interest accrued in the period.



- Cash and Cash equivalents were flat when compared to 4Q21, thus, net debt increased by R\$81 million (4%) during the quarter.

INDEBTEDNESS	1Q22	4Q21	(%) Var.
Cash	98	98	0%
SFH	451	439	3%
Debentures	268	258	4%
CCB/CRI	5	5	0%
Construction Financing	724	702	3%
Working Capital, SFI and Promissory Notes	383	385	-1%
Finop/Finame	4	4	0%
Debentures	38	36	6%
CCB/CRI	1,114	1,055	6%
Obligation for the issuance of CCB and CCI	3	3	0%
Corporate Debt	1,542	1,483	4%
Gross Debt	2,266	2,185	4%
Net Debt	2,168	2,087	4%
Net Debt (ex. Construction Financing)	1,444	1,385	4%
Shareholders Equity ⁽¹⁾	(5,167)	(5,212)	-1%
Net Debt (ex. SFH)/ Equity	n.a.	n.a.	n.m.

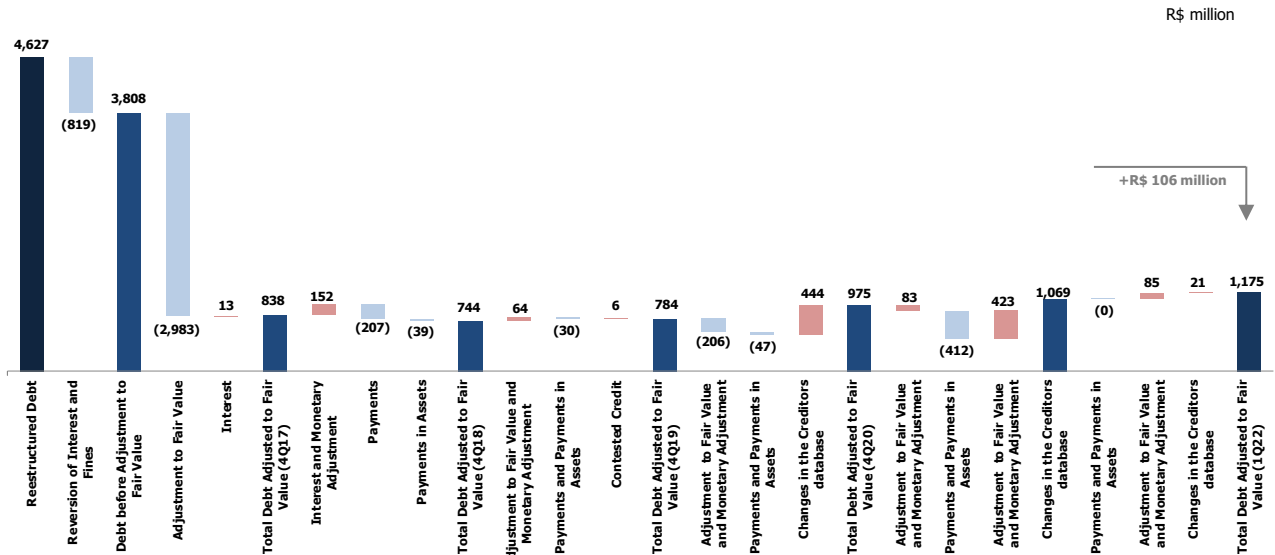
(1) Includes non-controlling equity

Net Debt Variation

NET DEBT VARIATION (R\$ MN)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	1Q22
Cash and Cash Equivalents	1,821	1,353	1,092	604	201	213	138	118	122	98	98
Cash Variation	-	(468)	(261)	(488)	(403)	12	(75)	(20)	4	(24)	-
Gross Debt	7,765	8,367	7,869	6,155	5,319	2,672	2,777	2,995	2,817	2,185	2,266
Construction Financing	4,289	5,215	4,517	2,719	1,643	1,050	1,086	1,111	1,089	702	724
Corporate Debt	3,476	3,152	3,352	3,436	3,676	1,622	1,691	1,884	1,728	1,483	1,542
Gross Debt Variation	-	602	(498)	(1,714)	(836)	(2,647)	105	218	(178)	(632)	81
Net Debt Variation	-	(1,070)	237	1,226	433	2,659	(180)	(238)	182	608	(81)

Debt Subjected to the Recovery Plan (Concursal)

- During 1Q22 the concursal debt increased by R\$106 million (10%), mainly due to the interest accrued in the period and the adjustment to fair value on concursal debts.



Obs.: The methodology used to calculate the Fair Value and therefore the Total Debt Adjusted to Fair Value, is explained in Note 13 of the Financial Statements.

Financial Results

- The financial loss increased by 38% QoQ, mainly due to the fair value adjustment on the concursal debts.

FINANCIAL RESULTS (R\$ MN)		QUARTER		R\$ million in IFRS
		1Q22	1Q21	(%) Var.
Investment Income		2.0	0.4	n.m.
Interest and fines		1.8	2.4	-25%
Other financial revenue		14.3	2.3	n.m.
Total financial revenues		18.1	5.1	n.m.
Interest		(93.4)	(92.0)	2%
Bank Expenses		(0.1)	-	n.m.
Other		(97.8)	(42.8)	n.m.
Gross Financial Expenses		(191.3)	(134.8)	42%
Capitalized Interest on Inventory		-	4.3	-100%
Total Financial Expenses		(191.3)	(130.5)	47%
Total Financial Result		(173.2)	(125.4)	38%

INCOME STATEMENTS (R\$ '000) - IFRS	QUARTER		
	1Q22	1Q21	(%) Var.
Operating Gross Revenue			
Real Estate Sales	12,110	90,453	-87%
Other Operating Revenues	1,277	4,278	-70%
(-) Revenues Deduction	(5,571)	(1,840)	n.m.
Operating Net Revenue	7,816	92,891	-92%
Cost of Sold Units	(7,955)	(73,873)	-89%
Interest Expenses	129	(6,666)	n.m.
Cost of sold properties	(7,826)	(80,539)	-90%
Gross Income (loss)	(10)	12,352	n.m.
Gross margin	n.a.	13.3%	n.m.
Adjusted gross margin ⁽¹⁾	n.a.	20.5%	n.m.
Operating Revenues (expenses):			
Equity Income	186	58	n.m.
General and Administrative	(13,751)	(25,666)	-46%
Commercial	(14,897)	(6,037)	n.m.
Taxes	(1,546)	(642)	n.m.
Depreciation & Amortization	(204)	(147)	39%
Other	(78,216)	(74,145)	5%
Financial Result	(173,269)	(125,604)	38%
Total operating revenues (expenses)	(281,697)	(232,183)	21%
Income before taxes	(281,707)	(219,831)	28%
Income Taxes and Social Contribution	326,619	(1,092)	n.m.
Income before minority stake	44,912	(220,923)	n.m.
Minority interest	1,472	638	n.m.
Net Income (loss)	46,384	(220,285)	n.m.
Net margin	593.4%	-237.1%	830.6 pp

(1) Adjusted by interest expenses in cost of sold units and recognition of goodwill

EBITDA	QUARTER		
	1Q22	1Q21	(%) Var.
Income (loss) before taxes	(281,707)	(219,831)	28%
(-/+) Financial Result	173,269	125,604	38%
(+) Depreciation and Amortization	204	147	39%
(+) Interest Expenses - Cost of Sold Units	(129)	6,666	n.m.
(-/+) Equity Income result	(186)	(58)	n.m.
EBITDA	(108,549)	(87,472)	24%
EBITDA Margin	n.a.	n.a.	n.m.

Consolidated Balance Sheet - ASSETS

ASSET (R\$ '000)	1Q22	4Q21	(%) Var.
Current Assets			
Cash, cash equivalents and short-term investments	97,666	98,072	0%
Accounts receivable	187,188	207,000	-10%
Properties held for sale	671,175	678,063	-1%
Prepaid expenses	2,198	3,139	-30%
Accounts with related parties	3,511	3,467	1%
Taxes to recover	9,059	10,571	-14%
Total Current Assets	970,797	1,000,312	-3%
Noncurrent Assets			
Long-Term			
Accounts receivable	28,719	40,517	-29%
Properties held for sale	80,949	82,850	-2%
Taxes to recover	14,133	13,940	1%
Accounts with related parties	51,120	51,637	-1%
Accounts with related parties	44,444	54,728	-19%
Total Long-Term Assets	219,365	243,672	-10%
Permanent Assets			
Investments	30,422	30,108	1%
Property and Equipment	234	387	-40%
Intangible	904	894	1%
Total Permanent Assets	31,560	31,389	1%
Total Noncurrent Assets	250,925	275,061	-9%
Total Assets	1,221,722	1,275,373	-4%

Consolidated Balance Sheet - LIABILITIES

LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ '000)			
	1Q22	4Q21	(%) Var.
Current			
Loans and financings	838,191	828,456	1%
Debentures	306,092	294,537	4%
Obligation for the issuance of CCB & CCI	1,118,707	1,059,315	6%
Co-obligation for the issuance of CRI	2,655	2,504	6%
Suppliers	139,101	132,519	5%
Payable obligations subject to the Reorganization Plan	107,037	101,485	5%
Property acquisition obligations	267	267	0%
Advances from clients	242,968	233,864	4%
Tax and labor obligations	25,428	31,161	-18%
Deferred taxes	18,168	18,679	-3%
Income and social contribution taxes	9,692	7,950	22%
Accounts with related parties	11,839	11,213	6%
Other provisions for contingencies	140,890	135,246	4%
Other Obligations	117,549	118,534	-1%
Total Current	3,078,584	2,975,730	3%
Long-Term			
Obligation for the issuance of CCB & CCI	-	-	n.m.
Payable obligations subject to the Reorganization Plan	1,068,047	967,813	10%
Property acquisition obligations	18,180	17,794	2%
Advances from clients	41,084	43,539	-6%
Taxes and contributions payable	87,728	84,775	3%
Accounts with related parties	62,216	61,358	1%
Deferred taxes	724,848	1,053,400	-31%
Other provisions for contingencies	724,635	731,319	-1%
Other Obligations	582,962	551,493	6%
Total Long-Term	3,309,700	3,511,491	-6%
Shareholders' equity			
Subscribed capital	5,293,820	5,293,820	0%
Capital reserve	1,236,743	1,236,743	0%
Treasury shares	(6,668)	(6,668)	0%
Accumulated losses	(11,627,950)	(11,674,334)	0%
Minority interest	(62,507)	(61,409)	2%
Total Shareholders' equity	(5,166,562)	(5,211,848)	-1%
Total liabilities and shareholders' equity	1,221,722	1,275,373	-4%