**Transcription – 3Q24 Conference – 11/11/2024 – 11 am (Brasília) – 09 am (NY)**

**Renato Barboza:** Good morning, everyone. Thank you for waiting. Welcome to PDG's conference call regarding the results for the third quarter and the nine-month period ended September 30, 2024. Joining me today is Mr. Augusto Reis, CEO and Investor Relations Officer. Please note that during the presentation, all participants will be in listen-only mode. Following the presentation, we will open the session for questions and answers.

Before proceeding, I would like to clarify that any statements made during this conference regarding PDG's business outlook, projections, and operational and financial goals are based on the company's management assumptions, using currently available information. Such forward-looking statements are not guarantees of future performance as they involve risks, uncertainties, and assumptions dependent on events or circumstances that may or may not materialize. Investors should be aware that general economic conditions, industry trends, and other operational factors may affect the company's future performance, leading to results different from those expressed in projections.

Now, I'd like to turn the floor over to Mr. Augusto Reis. Augusto, please go ahead.

**Augusto Reis:** Hello, good morning, everyone. First, I'd like to thank you all for joining our earnings conference. As Renato mentioned, today we will discuss the third quarter of 2024 and the first nine months of the year.

Before we dive into today's agenda, I'd like to highlight the company's key strategic priorities during the first nine months. We have remained focused on consolidation and increasing efficiency, with special attention to our two launches: ix.Tatuapé and ix.Santana.

The ix.Tatuapé project is currently in the superstructure phase, with 31% of the physical execution completed, in line with the scheduled timeline. The project is progressing as planned in both timeline and budget, enabling the release of financing installments and, consequently, the physical and financial advancement of the project. As part of our strategy to provide better customer experiences, we accelerated the start of construction, which allows us to bring forward the expected delivery by two months.

Regarding ix.Santana, launched in Q4 2023, we are working to begin construction in the coming months. We continue to make progress on technical aspects and the development of legal projects and approvals, closely monitoring economic conditions to minimize risks and identify the best timing for launching new products in the market.

Now turning to the reverse stock split, in October, we called a new shareholders' meeting to deliberate on the adjustment of the reverse split factor due to fluctuations in PDGR3's share price over the past months. We proposed a new reverse split ratio of 250 to 1 to ensure the adjustment meets its objectives and complies with B3's issuer regulations. The first meeting, held on October 7, did not reach a quorum. We will proceed with a second call.

Moving to the period's highlights, in September, we concluded a capital increase totaling R$416 million through the conversion of bankruptcy-related debt into equity. This was a significant step toward continuing the deleveraging process, improving financial indicators, and reducing risks. During the quarter, we reduced net bankruptcy-related debt by R$160 million (12%) and total liabilities by 5%.

During the quarter, we sold a plot of land that did not align with our strategic priorities. Excluding properties transferred for debt settlements, our net sales grew by 172% in the first nine months of 2024 compared to the same period in 2023. General and administrative expenses dropped 22%, and commercial expenses declined 4% year-over-year.

On sales performance, gross sales reached R$80 million, up 367% from Q3 2023. For the first nine months, gross sales totaled R$116 million, a 113% year-over-year increase. Cancellations amounted to R$12 million for the quarter, down 17% year-over-year, and R$30 million for the first nine months, a 31% decrease year-over-year. Net sales totaled R$68 million for the quarter, with a substantial increase from the previous year, and R$86 million year-to-date, representing a 709% growth compared to the first nine months of 2023. Excluding debt settlements, gross sales for the quarter were R$19 million and R$46 million year-to-date, with net sales of R$6 million for the quarter and R$15 million year-to-date, up 172%.

We transferred 24 units during the quarter, with a total sales value (VGV) of R$1.4 million. Year-to-date, 103 units were transferred, with a VGV of R$5 million, a 34% decrease compared to the same period in 2023.

At the end of the quarter, our inventory totaled R$261 million, a 29% reduction mainly due to debt settlements. Of the current inventory, 47% is related to the two new launches, 64% is located in São Paulo, and 83% consists of residential products.

General and administrative expenses fell 34% quarter-over-quarter and 22% year-over-year, mainly due to reduced legal advisor costs. Commercial expenses dropped 5% for the quarter and 4% for the year, reflecting lower costs associated with inventory units.

We initiated strategic planning for 2025 and the next five years, identifying initiatives to reduce costs and strengthen cash flow, which are essential for new investments. We aim to conclude this planning in November.

Extrajudicial debt increased by R$5 million in the quarter and R$13 million year-to-date due to the release of financing installments and accrued interest. Judicial debt decreased by R$160 million in the quarter and R$62 million year-to-date, driven by the capital increase and a total amortization of R$1.9 billion in judicial debt since the start of the judicial recovery process.

Including judicial and extra-judicial debt as well as costs to be incurred, extended leverage totaled R$1.7 billion at the end of the quarter, an 8% reduction. It's worth noting that judicial debts mature by 2042 and can be amortized through equity conversion or payment-in-kind settlements.

We reported a financial loss of R$275 million for the quarter, up 34% due to the reversal of AVJ for judicial debt. For the year-to-date, the financial loss was R$358 million, a 28% improvement year-over-year. Net loss increased by 22% for the quarter but was reduced by 28% year-to-date, reflecting the capital increase and debt recalculation.

**Renato Barboza:** A reminder: to ask questions, click the icon in the bottom-right corner of the screen or send your questions to ri@pdg.com.br. In the absence of questions, I'll hand the floor back to Augusto Reis for closing remarks.

**Augusto Reis:** Thank you, Renato. I'd also like to thank everyone for participating. I'd like to emphasize the company's focus on resuming launches, advancing sales, and efficiently executing projects, as demonstrated by ix.Tatuapé, which remains on track both physically and financially. This is a critical moment for the company, marking an efficient and controlled operational recovery, which is essential to consolidating the restructuring process. Thank you again, and see you at our next conference.

**Renato Barboza:** PDG's earnings conference is now concluded. Thank you all for attending, and have a great day.