



SANTANA



April 1st, 2024

Webconference
Call
4Q23
and **2023**

PDGR
B3 LISTED NM



Agenda

❖ Executive Summary

4Q23 and 2023 Highlights

❖ Financial and Operating Results

Launches

Sales Performance

Inventory

SG&A

Indebtedness

Deleveraging

Income Statement



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CAPITAL INCREASE

conclusion

amounting to

R\$439 million in 4Q23

NET PROFIT

R\$1.7 billion in 4Q23

R\$1.1 billion in 2023

GROSS PROFIT

R\$38.4 million in 2023

22% above 2022

ix. **SANTANA** LAUNCH



FINANCIAL PROFIT

R\$2.3 billion in 4Q23

R\$1.8 billion in 2023

GROSS MARGIN

41,9% in 2023

Deleveraging of R\$3.1 billion (73%) in 4Q23

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SPECIFICATIONS

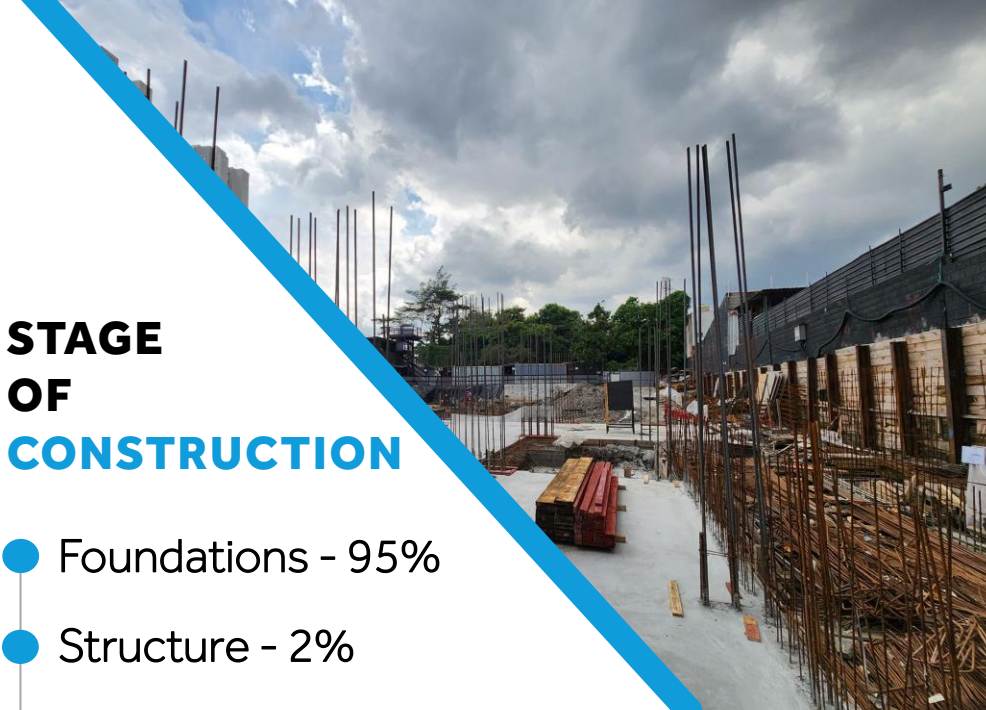
- Single tower
- 4,719.34 m² of land
- Over 1,000 m² of green area
- 3 rooftop levels
- Over 18 leisure areas
 - 156 units
- 2 or 3 bedrooms
 - 60 m² or 75 m²
- 1 or 2 parking spaces

At ix.Santana there's fun and security, that allows to live in harmony in the most desirable neighborhood of the North Zone, providing sophistication and tranquility. The product is aimed at the middle-to-high income range, with Potential Sales Value (PSV) of R\$116 million.

[Click here](#) to learn more about the launch.

STAGE OF CONSTRUCTION

- Foundations - 95%
- Structure - 2%
- Masonry
- Facilities
- Finishing
- Facade
- Common area



■ **PSV of
R\$ 60 million**

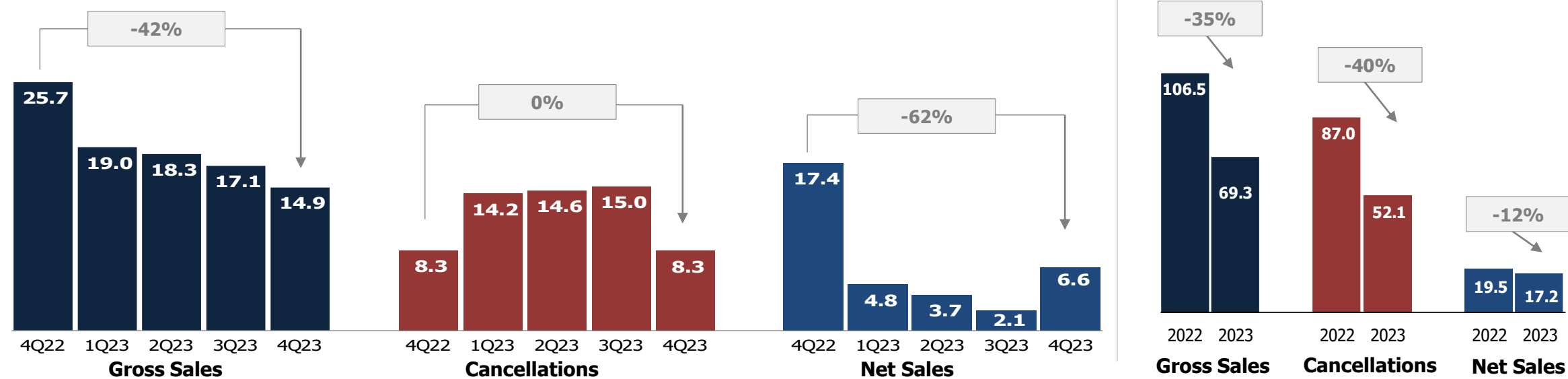
- Tatuapé –
São Paulo/SP
- Single tower
 - 1.977m²
of land
 - Over 10
leisure areas
- 147 units with
parking spaces
- 2 or 3 bedrooms
 - 46 and 57m²

Financial and Operational Results

Sales Performance



Sales and Cancellations Historical – R\$ million



Includes payment in assets

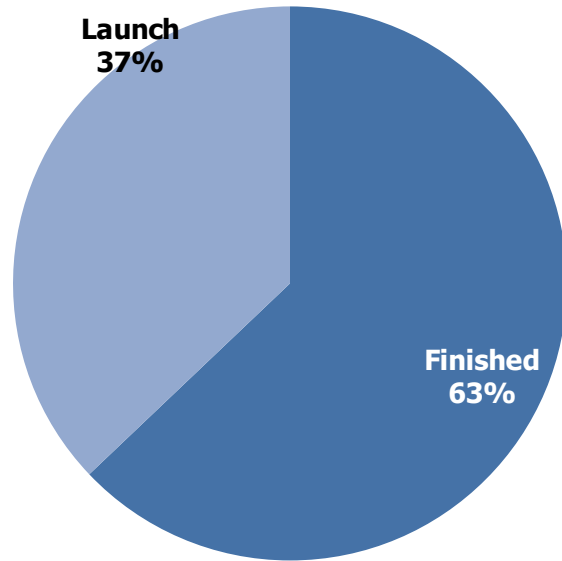
- ❖ In 4Q23 gross sales totaled R\$14.9 million, a 42% decrease over 4Q22. In 2023 gross sales totaled R\$69.3 million, a 35% decrease over 2022 and slightly below the Company's projection for the year.
- ❖ Cancellations totaled R\$52.1 million in 2023, 40% lower than in 2022. Cancellations continue to be an important way of increasing the number of units available for sale, therefore our main sales indicator is gross sales.

Financial and Operational Results

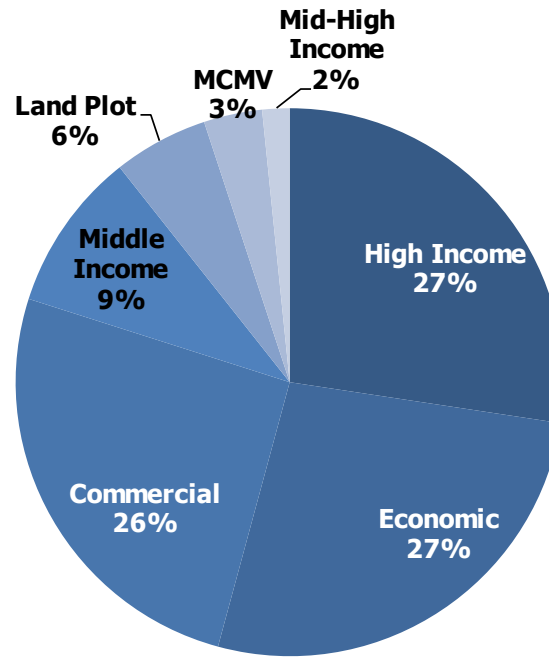
Inventory



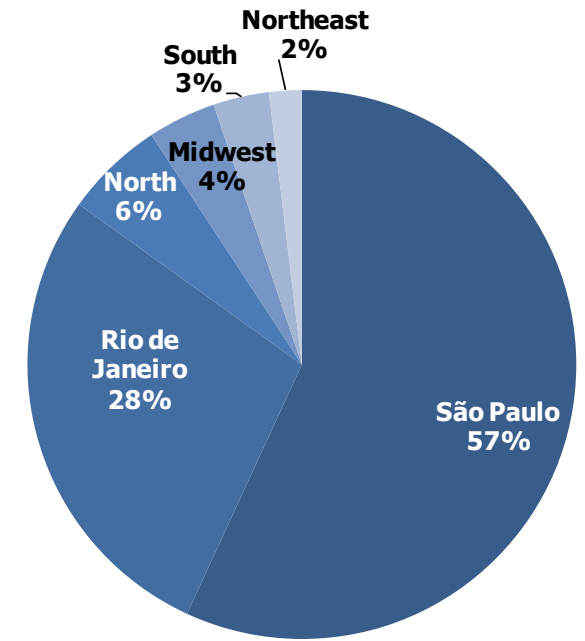
Inventory by Status of Conclusion



Inventory by Product



Inventory by Region



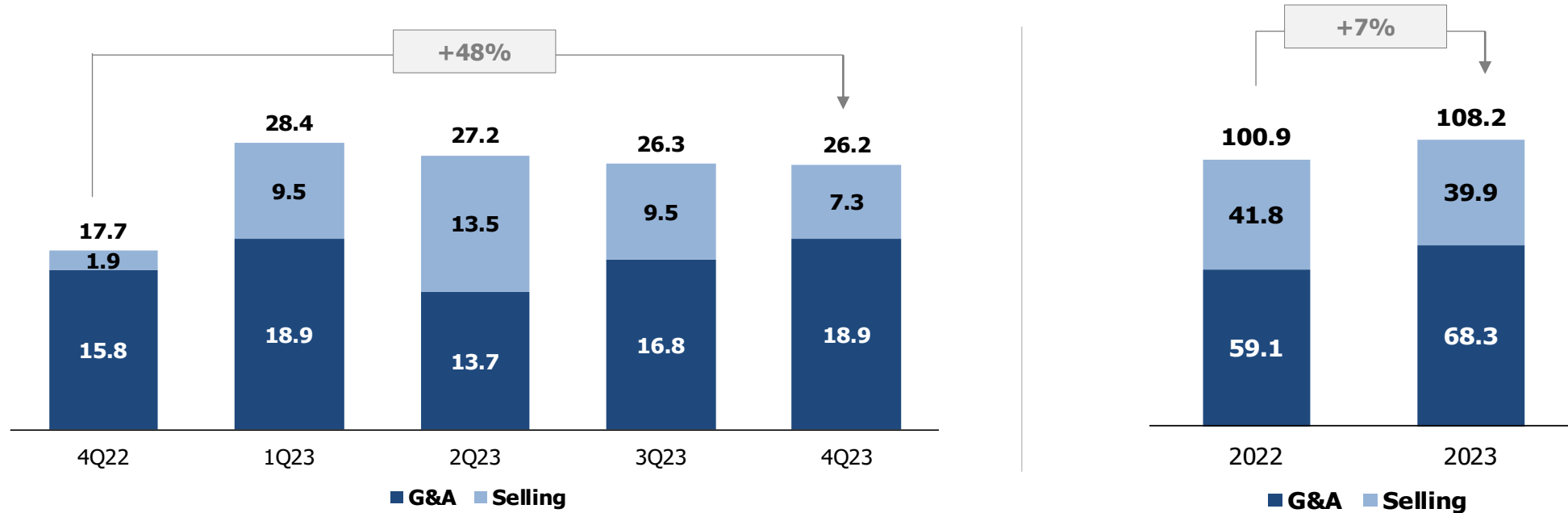
- At the end of 4Q23 the inventory available for sale totaled R\$391.4 million, 33% higher than the amount recorded in 4Q22. This increase was mainly due to (i) the launch of ix.Santana in 4Q23 and (ii) the monetary correction applied to the inventory.

Obs.: Starting in 4Q23 the inventory of projects with paralyzed construction were unconsidered, since these units are not available for sale until viable solutions are found for these projects.

Financial and Operational Results

Selling, General & Administrative Expenses

SG&A Historical – R\$ million



- ❖ G&A expenses increased by 20% quarter-on-quarter and 16% year-on-year. The increase was mainly due to higher expenses with legal advisory services.
- ❖ Selling Expenses increased 284% quarter-on-quarter, because in 4Q22 we recorded a higher reversal of carrying cost of units in inventory. It is worth noting that commercial expenses registered in 4Q23 below those recorded in the other quarters of 2023. Year-on-year, commercial expenses were reduced by 5%.

Financial and Operational Results

Indebtedness

Extraconcursal Debt Historical – R\$ million

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 1Q23 | 2Q23 | 3Q23 | 4Q23 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| Initial Debt | 5,772 | 2,672 | 2,777 | 2,995 | 2,817 | 2,185 | 2,621 | 2,735 | 2,783 | 2,946 |
| Conversion into concursal debt | (3,309) | - | - | (439) | (421) | (4) | (10) | (21) | - | (83) |
| Interest, Tax and Monetary Correction | 209 | 451 | 427 | 334 | (96) | 465 | 127 | 71 | 158 | 147 |
| Payment of Principal, Interest and Donations | - | (358) | (175) | (84) | (115) | (25) | (3) | (2) | (1) | (1) |
| Fundraise | - | 12 | 6 | 11 | - | - | - | - | 6 | 6 |
| Deconsolidation of Subsidiary | - | - | (40) | - | - | - | - | - | - | - |
| Debts Recalculation | - | - | - | - | - | - | - | - | - | (2,591) |
| Total Indebtedness | 2,672 | 2,777 | 2,995 | 2,817 | 2,185 | 2,621 | 2,735 | 2,783 | 2,946 | 424 |
| Var (%) | | 4% | 8% | -6% | -22% | 20% | 4% | 2% | 6% | -86% |

- ❖ On February 6th, 2024, the 2nd Chamber of Business Law of the São Paulo Court of Justice rejected the appeal of three creditors in relation to the treatment of the residual balance of extraconcursal debts, fully maintaining the guidelines of the Sentence closing the RJ. This decision provided the necessary legal certainty for the Company to recalculate the extraconcursal debts in accordance with the Sentence.
- ❖ As a result, the amount of extraconcursal debt was reduced by R\$2.5 billion (86%) during 4Q23.
- ❖ In the year to 2023, the extraconcursal debt was reduced by R\$2.2 billion (84%).

Financial and Operational Results

Indebtedness

Concursal Debt Historical – R\$ million

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 1Q23 | 2Q23 | 3Q23 | 4Q23 |
|---|------------|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Initial Debt | 4,627 | 838 | 744 | 784 | 975 | 1,070 | 1,208 | 1,245 | 1,288 | 1,308 |
| Recovery of Fines and Interest | (819) | - | - | - | - | - | - | - | - | - |
| Interest, Monetary Correction and Fair Value Adjustment | (2,970) | 152 | 64 | (206) | 83 | 253 | 21 | 36 | 41 | 246 |
| Payments and Payments in Assets* | - | (246) | (30) | (47) | (412) | (387) | (2) | - | (9) | (439) |
| Changes in the Creditors database** | - | - | 6 | 444 | 424 | 273 | 18 | 7 | (12) | 109 |
| Total Debt Adjusted to Fair Value | 838 | 744 | 784 | 975 | 1,070 | 1,208 | 1,245 | 1,288 | 1,308 | 1,223 |
| Var (%) | | -11% | 5% | 24% | 10% | 13% | 3% | 3% | 2% | -6% |

* Payments in cash, payments in assets and through conversion into equity;

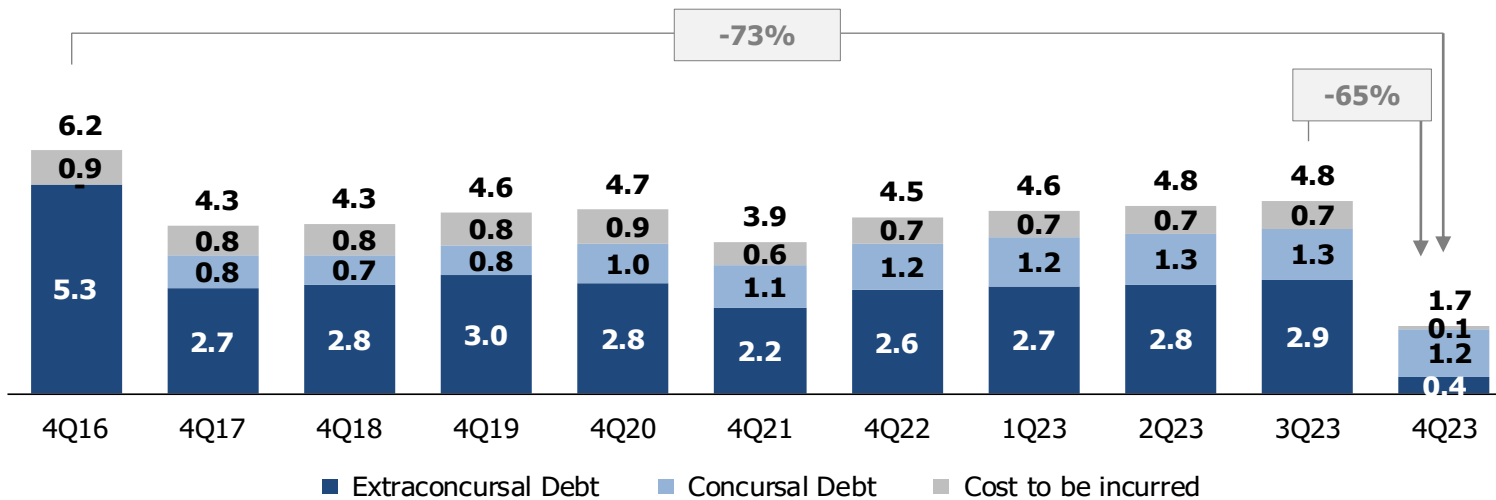
** Refers to new creditor's habilitation, renegotiations, among other movements.

- ❖ The concursal debt decreased by R\$85 million (6%) during 4Q23, mainly due to the payment made through the conversion of credits into shares, which totaled R\$439 million.
- ❖ Over 2023 concursal debt increased by R\$15 million (1%), due to the accrual of interest during the period and the inclusion of new credits in the judicial recovery process.
- ❖ Considering the capital increases already completed, the payments to creditors and the donations made, the company has already amortized R\$1.5 billion in concursal debts.

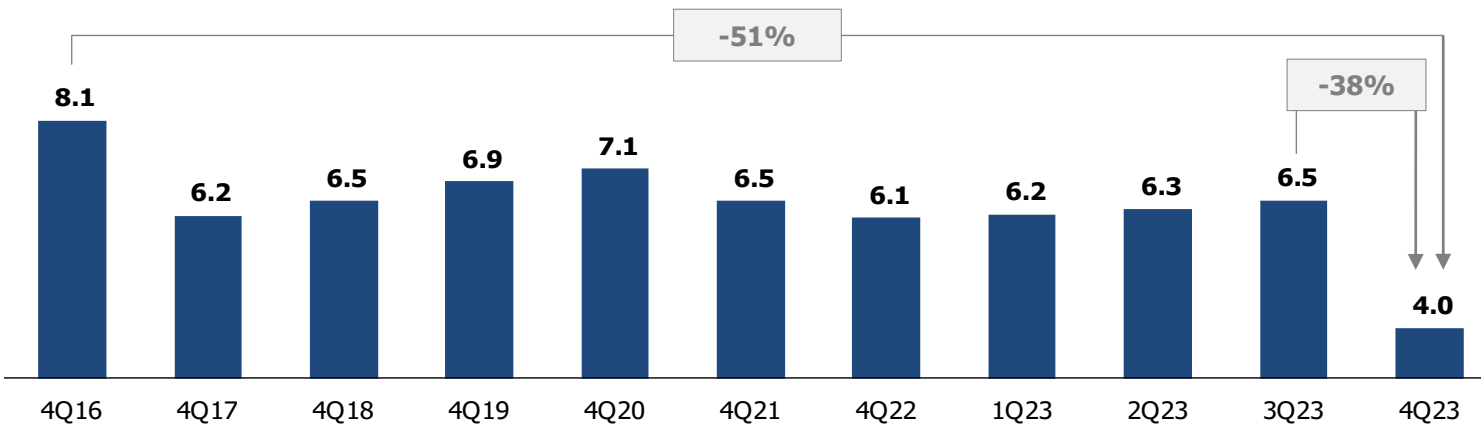
Financial and Operational Results

Deleveraging

Extended leverage – R\$ billion



Total liabilities – R\$ billion



At the end of 4Q23 the Company's "extended" leverage totaled R\$1.7 billion, considering extraconcursal debts, concursal debts and costs to be incurred. In 4Q23 we recorded a significant reduction in leverage of R\$3.1 billion, due to (i) the recalculation of the extraconcursal debt; (ii) the provision for the desconsolidation of the projects with paralyzed projects and (iii) the payment of concursal debts through the conversion of credits into shares.

In addition, due to the recalculation of the extraconcursal, the company's total liabilities were reduced by 38% in 4Q23.

Financial and Operational Result

Income Statement

| INCOME STATEMENTS (R\$ '000) - IFRS | QUARTER | | | YTD | | |
|---|------------------|------------------|-------------|------------------|------------------|-------------------|
| | 4Q23 | 4Q22 | (%) Var. | 2023 | 2022 | (%) Var. |
| Operating Gross Revenue | | | | | | |
| Real Estate Sales | 463 | 48,059 | -99% | 94,270 | 138,961 | -32% |
| Other Operating Revenues | 4,037 | 107 | n.m. | 6,776 | 1,951 | n.m. |
| (-) Revenues Deduction | (3,258) | (3,062) | 6% | (9,299) | (21,594) | -57% |
| Operating Net Revenue | 1,242 | 45,104 | -97% | 91,747 | 119,318 | -23% |
| Cost of Sold Units | (14,961) | (15,259) | -2% | (50,525) | (84,910) | -40% |
| Interest Expenses | (1,004) | (393) | n.m. | (2,801) | (3,021) | -7% |
| Cost of sold properties | (15,965) | (15,652) | 2% | (53,326) | (87,931) | -39% |
| Gross Income (loss) | (14,723) | 29,452 | n.m. | 38,421 | 31,387 | 22% |
| Gross margin | n.a. | 65.3% | n.m. | 41.9% | 26.3% | 15.6 pp |
| Adjusted gross margin ⁽¹⁾ | n.a. | 66.2% | n.m. | 44.9% | 28.8% | 16.1 pp |
| Operating Revenues (expenses): | | | | | | |
| Equity Income | (1,315) | (215) | n.m. | (795) | 757 | n.m. |
| General and Administrative | (18,877) | (15,872) | 19% | (68,337) | (59,134) | 16% |
| Commercial | (7,300) | (1,896) | n.m. | (39,861) | (41,757) | -5% |
| Taxes | (207) | 10,304 | n.m. | (515) | (794) | -35% |
| Depreciation & Amortization | (187) | (186) | 1% | (749) | (741) | 1% |
| Other | (422,802) | 16,657 | n.m. | (461,446) | 9,808 | n.m. |
| Financial Result | 2,274,058 | (468,671) | n.m. | 1,774,031 | (362,286) | n.m. |
| Total operating revenues (expenses) | 1,823,370 | (459,879) | n.m. | 1,202,328 | (454,147) | n.m. |
| Income before taxes | 1,808,647 | (430,427) | n.m. | 1,240,749 | (422,760) | n.m. |
| Income Taxes and Social Contribution | (119,275) | 71,137 | n.m. | (121,355) | 339,940 | n.m. |
| Income before minority stake | 1,689,372 | (359,290) | n.m. | 1,119,394 | (82,820) | n.m. |
| Minority interest | 727 | 944 | -23% | 5,099 | 4,382 | 16% |
| Net Income (loss) | 1,690,099 | (358,346) | n.m. | 1,124,493 | (78,438) | n.m. |
| Net margin | n.a. | n.a. | n.m. | 1225.6% | -65.7% | 1,291.4 pp |

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



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