

Earnings Release

2Q22 and 6M22



Earnings Release 2Q22

Belo Horizonte, August 09, 2022 - Patrimar S.A. ("Patrimar" or "Company"), one of the largest development and construction companies in Brazil, operating in the economic, middle-income, and high-income segments with luxury and high-luxury products, discloses its results for the second quarter of fiscal year 2022 ("2Q22") and for the six months of 2022 ("6M22"). Except where otherwise indicated, the information in this document is expressed in Brazilian Reais (R\$) and shows the consolidated value (100%).

Highlights

- **Net Contracted Sales of R\$175.8 million in 2Q22**, 26.6% higher than in 1Q22, reaching **R\$328.7 million in 6M22 sales**;
- **We launched Atlântico Golf in July 2022**, with a total value of **R\$ 933.4 million (100%) in PSV**, with great sales success, reaching **R\$ 252.3 million in July total sales**, which **R\$ 165.2 million is from Company sales**;
- **Net Contracted Sales of R\$ 195.4 million in the month of July only**, 11.2% higher than the amount recorded in 2Q22;
- **Deleveraging (Net Debt to Equity) of -6.3% in June/22 ended**, 0.5 p.p. better than the same period last year;
- **In July 2022, we settled a CRI of R\$150.0 million with five years term at a cost of CDI + 2.00% yy**, improving the debt profile.

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About Patrimar Group

The Company is a real estate developer and homebuilder based in the city of Belo Horizonte, state of Minas Gerais, on the Southeast region of Brazil with over 59 years of experience, placed among the best real estate companies of Brazil. Its business model is vertical, developing and constructing real estate projects, as well as marketing and selling real estate units.

The Company diversifies its operations in the residential real estate segment with a presence in the high-income real estate segment offering luxury and high-income developments through the Patrimar brand, in addition to a presence in the middle and low-income segments through the Novolar brand.



*Oceana Golf e
Atlântico Golf*
Barra da Tijuca,
Rio de Janeiro - RJ

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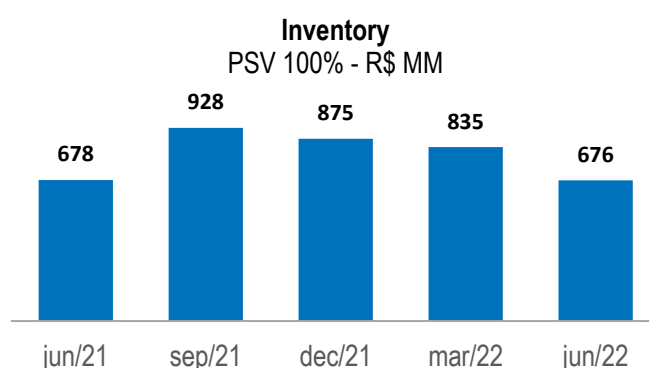


Message from the Management

We are pleased to present our operational and financial results for the second quarter of 2022. We are confident in our operation and quality of execution and we remain financially solid and excited about the growth prospects in our markets.

Inventory management and profitability

During the first two quarters of the year, we carried out an inventory management aimed at reducing the volumes of available apartments, opening space for the launches that will come in the second half of the year. Additionally, we are raising our prices in all segments, adjusting the status of the apartments and the cost structure in order to recover margins, which have suffered and are still suffering with the inflation of the construction sites. In 2022, until June 30, we adjusted our prices between 2% and 5% above inflation, depending on the segment and region.



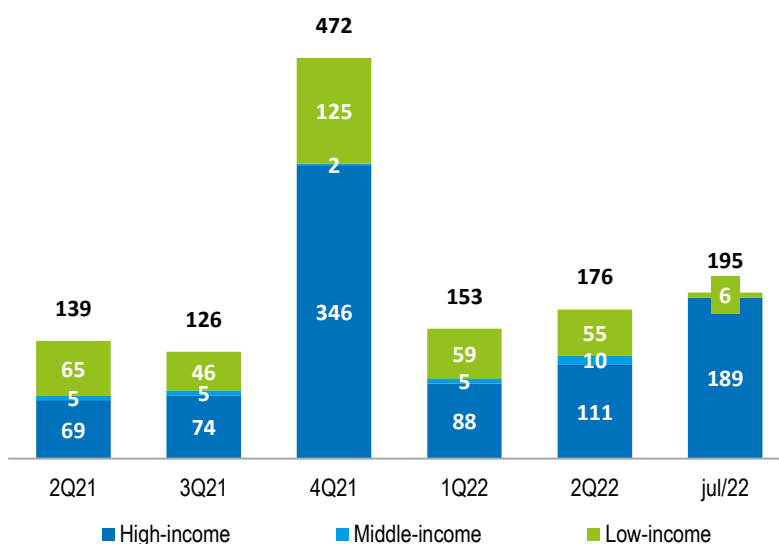
These effects impact our sales speed, in addition to a reduced volume of available units, causing our sales volume to fall. Due to a lower volume of launches and a lower-than-expected construction volume, either due to rains in the first quarter, or due to the late start of large and well-sold construction works (for example Oceana Golf and Novolar Recreio) in the quarter, our net revenue decreased compared to 6M21. We are convinced of this volume recovery, with the month of June showing net revenue 7.8% higher than April 2022 and 29.3% higher than January 2022.

Furthermore, in July we had a sales volume well above the average for the year, mainly due to the launch of Atlântico Golf, with a total PSV of almost R\$ 1 billion (100%), whose total sales in July reached R\$ 252.3 million (R\$ 165.2 million % Patrimar). We also sold inventories and, mainly, units with a high percentage of execution and even already concluded, indicating revenue growth for the third quarter of 2022.

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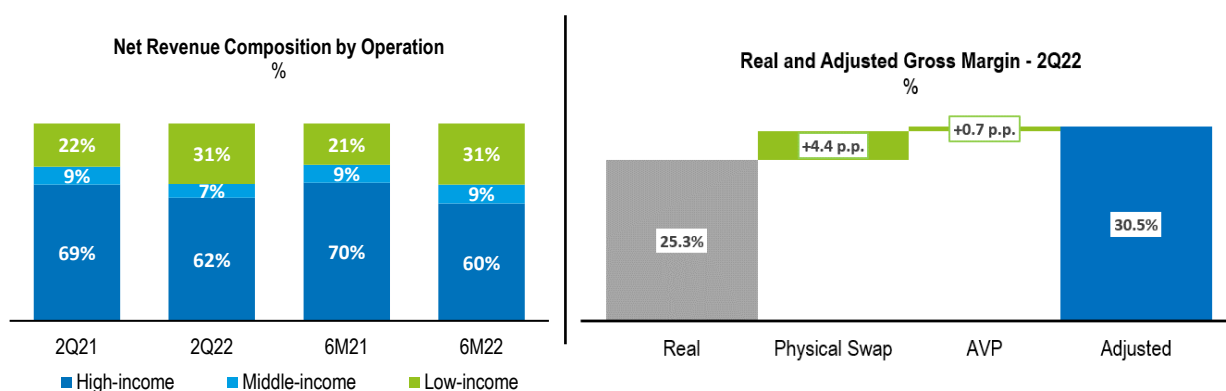


Net Contracted Sales by Operation
PSV 100% - R\$ MM



Gross margin has suffered from pressures related to cost increases caused by inflation. We are always looking for alternatives to mitigate these impacts, one of which is mentioned above – price increase, which has been below the growth of our construction works inflation in recent months, in addition to a more efficient cost management.

Additionally, we are better balancing the mix of our products and seeking to gain more efficiency in our operations, seeking the best profitability for our capital employed in the long term. The proportion of projects in the economic segment increased in our revenue mix in 2Q22 compared to 2Q21, similarly in 6M22 compared to 6M21.



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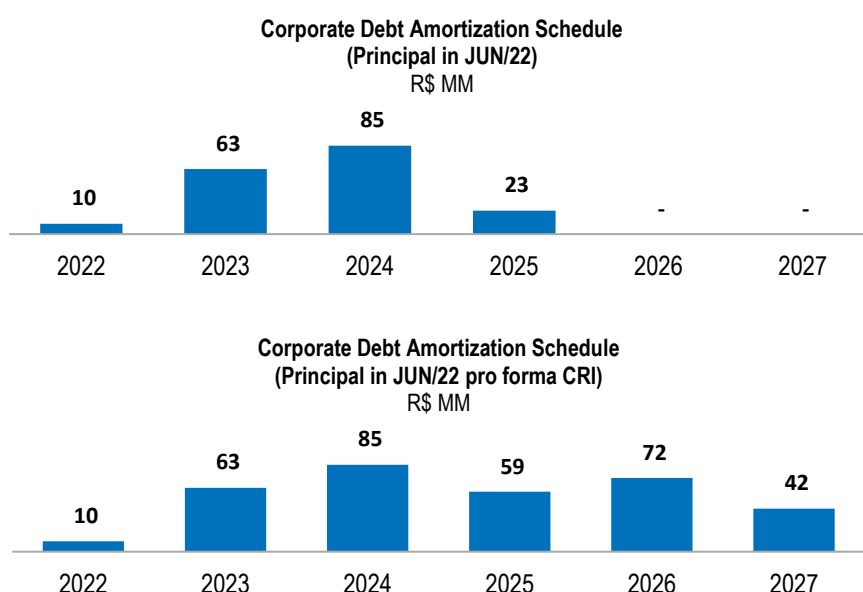
We are already seeing improvement in margins as a result of our actions, although we still see pressure on gross margin in the third quarter due to the accounting effect of the Atlântico Golf swap launched in 3Q22, as mentioned above.

We continue to invest in our landbank, with the acquisition in this quarter of two plots of land, with a PSV of R\$148.0 million, totaling our landbank as of June 30, 2022 of R\$10.2 billion. Our strategy of increasing the products volume available in our markets, in the three operations - high income, middle income and economic, remains firm and we are confident in the recovery of the business profitability with improvement in the costs pressure, increase in the prices of sales and operating leverage due to the investments being made in team and technology.

The Group is always attentive to opportunities to increase its business and performance portfolio, always focusing on our customers, their life journeys and updates on people's behavior in relation to housing.

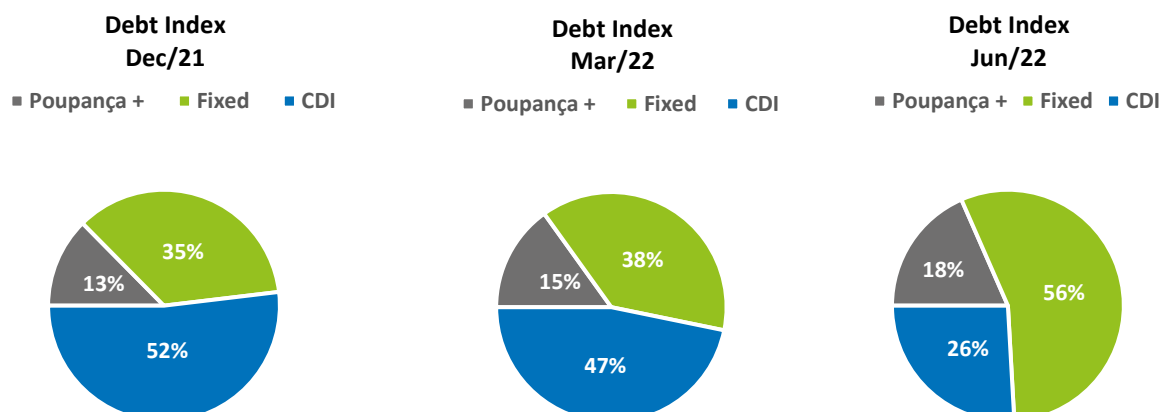
Capital Structure and Liquidity

As disclosed in the Subsequent Events below, in July 2022 we settled a CRI of R\$150.0 million, for a period of five years at a cost of CDI + 2.00% yy. This operation reinforces our liquidity position for the investments we will make, as well as allowing us to improve the Company's debt profile, extending its duration.



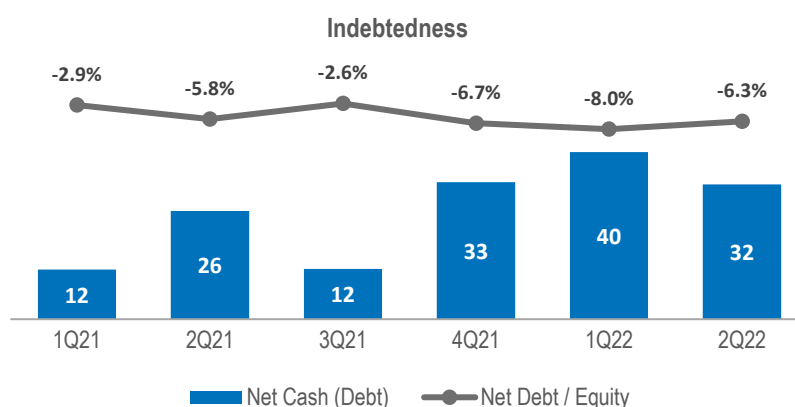
As the Company has already announced, we have been changing the profile of construction financing liabilities in the recent quarters, making them more pre-fixed than linked to CDI.

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In July, we settled approximately R\$ 18.5 million of construction financing in CDI, and renegotiated with the financing banks the exchange of the CDI index to TR+. These movements allowed an estimated aggregate interest savings of R\$ 2.6 million over the next 12 months.

We remain with an unleveraged operation, despite the growth and strategies implemented to control costs and investments in technology and productivity.

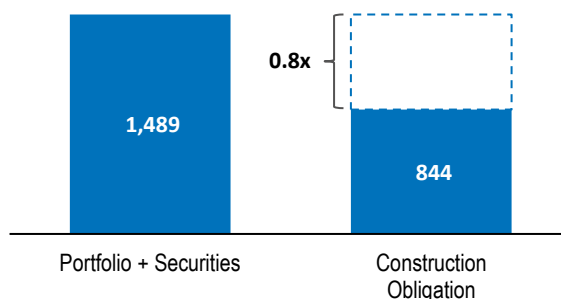


Our receivables portfolio, of R\$1.2 billion at the end of the second quarter of 2022, added to our cash position, is enough to overcome our construction liabilities.

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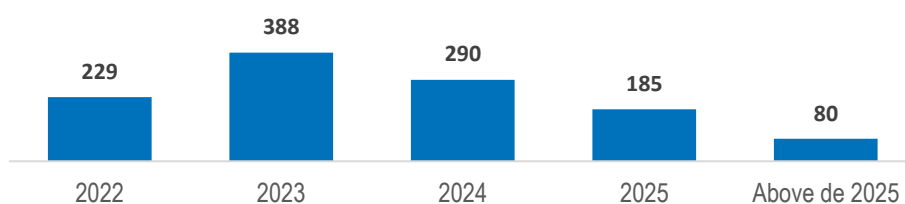


**Accounts Receivable x Construction
Obligation in 06/30/2022**
R\$ MM



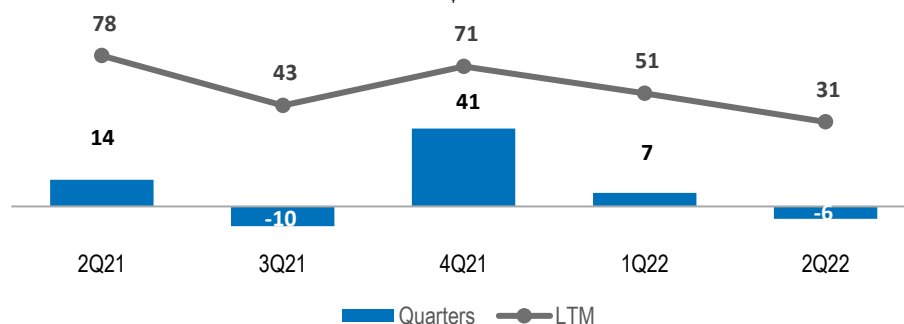
The Company has maintained the strategy of anticipating the portfolio cash flow, however the incentive of buyers to carry out these anticipations has decreased with the increase in the SELIC.

Accounts Receivable
R\$ MM



In view of a more stabilized flow of receivables and a scaled purchase strategy, the Company recorded a slight cash burn in 2Q22.

Cash Generation
R\$ MM



We remain confident about the operation, the strong demand in our markets and the mix of products and markets that Grupo Patrimar is able to offer.



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Subsequent Events

In connection with the approval of the Company's Board of Directors, which, in June 2022, approved the 3rd (third) issuance of simple debentures, not convertible into shares, in a single series, of the unsecured type, for private placement ("Debentures"), in the total amount of R\$ 150.0 million, which were fully subscribed privately by VIRGO COMPANHIA DE SECURITIZAÇÃO, being certain that the Debentures are linked to the issuance of 150,000 certificates of real estate receivables ("CRI") of single series of the 38th issue of the securitization company which were distributed through a public offering with restricted distribution efforts, under firm guarantee of placement, pursuant to CVM Instruction No. 476, of January 16, 2009, as amended, in July 2022 the procedure for collecting investment intentions ("Book building Procedure") was completed, which defined the surcharge to be applied to the remuneration of the Debentures and, consequently, of the CRI, that is, CDI + 2.00% pa. The financial settlement of the operation also took place in July 2022.

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Main Indicators

Financial Indicators (R\$ '000)	2Q22 (a)	2Q21 (b)	Δ % (a/b)	6M22 (c)	6M21 (d)	Δ % (c/d)
Net Operational Revenue	190,759	189,522	0.7%	335,236	366,665	-8.6%
Gross Profit	48,274	71,624	-32.6%	91,379	139,412	-34.5%
% Gross Margin	25.3%	37.8%	-12.5 p.p.	27.3%	38.0%	-10.8 p.p.
EBITDA	17,532	43,987	-60.1%	33,613	88,261	-61.9%
% EBITDA Margin	9.2%	23.2%	-14.0 p.p.	10.0%	24.1%	-14.0 p.p.
EBITDA Ajustado	20,873	46,590	-55.2%	39,333	92,588	-57.5%
% Adjusted EBITDA Margin	10.9%	24.6%	-13.6 p.p.	11.7%	25.3%	-13.5 p.p.
Net Income	12,022	38,969	-69.1%	22,109	79,391	-72.2%
% Net Margin	6.3%	20.6%	-14.3 p.p.	6.6%	21.7%	-15.1 p.p.

Launches by Income Levels (R\$ '000)	2Q22 (a)	2Q21 (b)	Δ % (a/b)	6M22 (c)	6M21 (d)	Δ % (c/d)
PSV 100%	-	-	n/a	112,782	87,241	29.3%
Low-income	-	-	n/a	38,284	87,241	-56.1%
Middle-income	-	-	n/a	74,498	-	n/a
High-income	-	-	n/a	-	-	n/a
PSV % Patrimar	-	-	n/a	107,272	65,872	62.8%
Low-income	-	-	n/a	38,284	65,872	-41.9%
Middle-income	-	-	n/a	68,988	-	n/a
High-income	-	-	n/a	-	-	n/a
Units	-	-	n/a	316	400	-21.0%
Low-income	-	-	n/a	220	400	-45.0%
Middle-income	-	-	n/a	96	-	n/a
High-income	-	-	n/a	-	-	n/a

Net Contracted Sales (R\$ '000)	2Q22 (a)	2Q21 (b)	Δ % (a/b)	6M22 (c)	6M21 (d)	Δ % (c/d)
PSV 100%	175,752	138,826	26.6%	328,727	390,570	-15.8%
Low-income	54,684	65,127	-16.0%	113,752	124,070	-8.3%
Middle-income	9,992	4,807	107.9%	15,416	13,633	13.1%
High-income	111,076	68,893	61.2%	199,559	252,866	-21.1%
PSV % Patrimar	157,810	95,019	66.1%	290,715	245,892	18.2%
Low-income	53,470	59,616	-10.3%	111,866	108,069	3.5%
Middle-income	9,448	3,365	180.8%	14,184	9,543	48.6%
High-income	94,892	32,038	196.2%	164,665	128,279	28.4%
Units	316	365	-13.4%	582	714	-18.5%
Low-income	263	330	-20.3%	493	611	-19.3%
Middle-income	18	11	63.6%	29	33	-12.1%
High-income	35	24	45.8%	60	70	-14.3%
Average Price	556	380	46.2%	565	547	3.3%
Low-income	208	197	5.4%	231	203	13.6%
Middle-income	555	437	27.0%	532	413	28.7%
High-income	3,174	2,871	10.6%	3,326	3,612	-7.9%

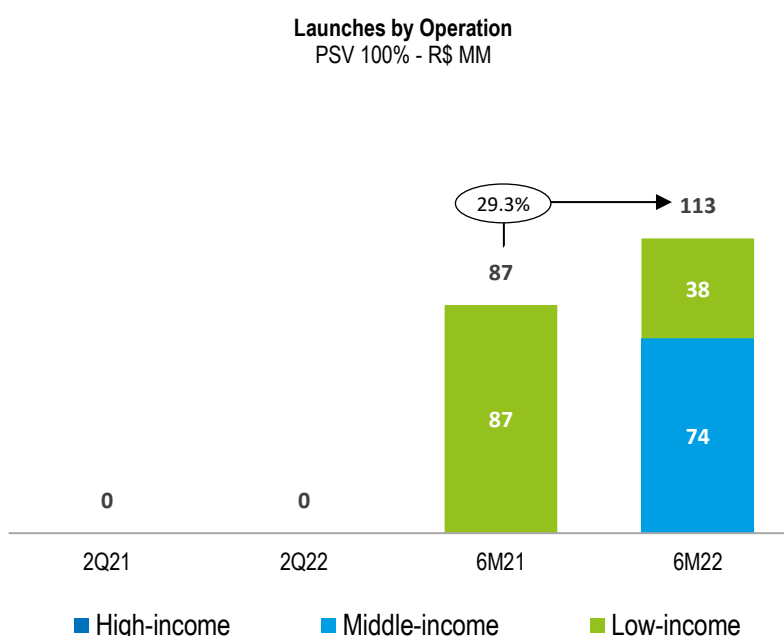
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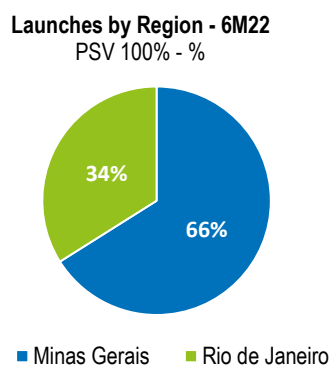
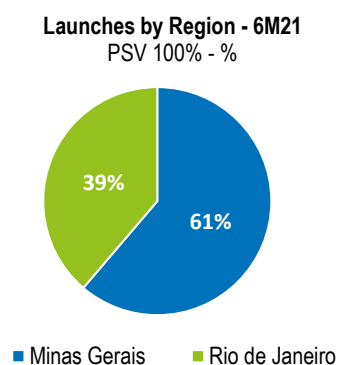
Operational Performance

Launches

In the second quarter, we did not launch, opting to extract the best of our positioning in the second half of the year, considering our availability of projects prepared face market fluctuations. In fact, at the beginning of July 2022, we launched the high-end project Atlântico Golf with a PSV of R\$933.4 million in Rio de Janeiro. Other launches are prepared for the course of the year and their execution will continue to be evaluated according to the economic and demand scenario.



With no launches in 2Q22, the company's average share of launches in 6M22 remained at 95.1% (75.5% in 6M21). Likewise, we did not present any changes in our geographic mix of launches and we continued operating where we know and have absorption capacity in the markets, due to the strength of our brands.

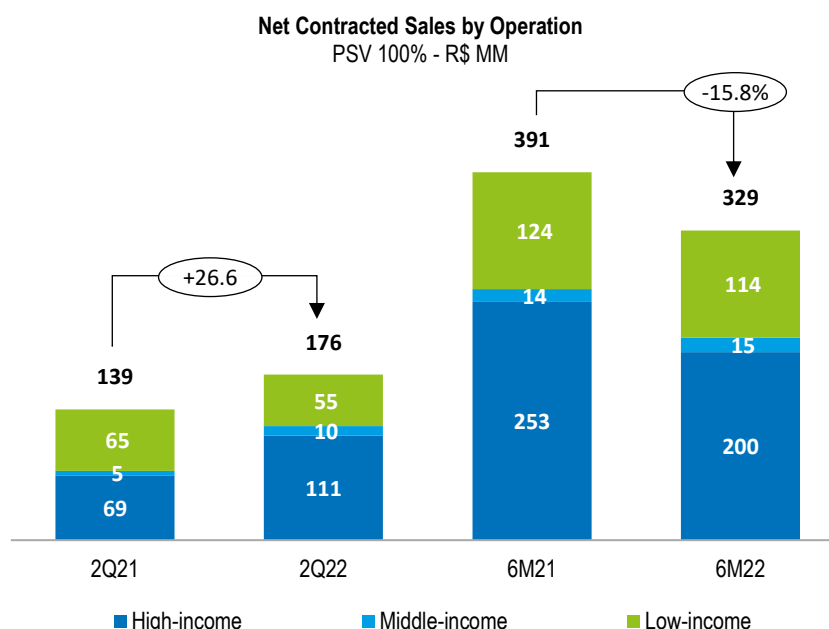


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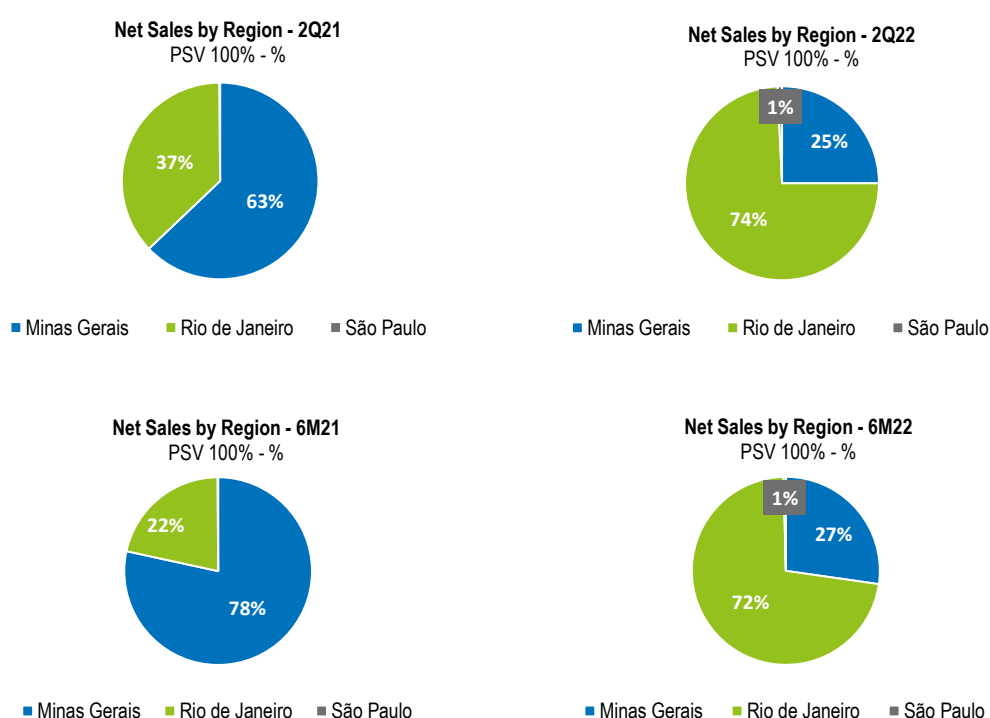


Contracted Sales

We continued with our focus on reducing inventories in 2Q22, similarly to what was done in 1Q22, with a pricing strategy that is appropriate for the cost scenario and general economic environment.



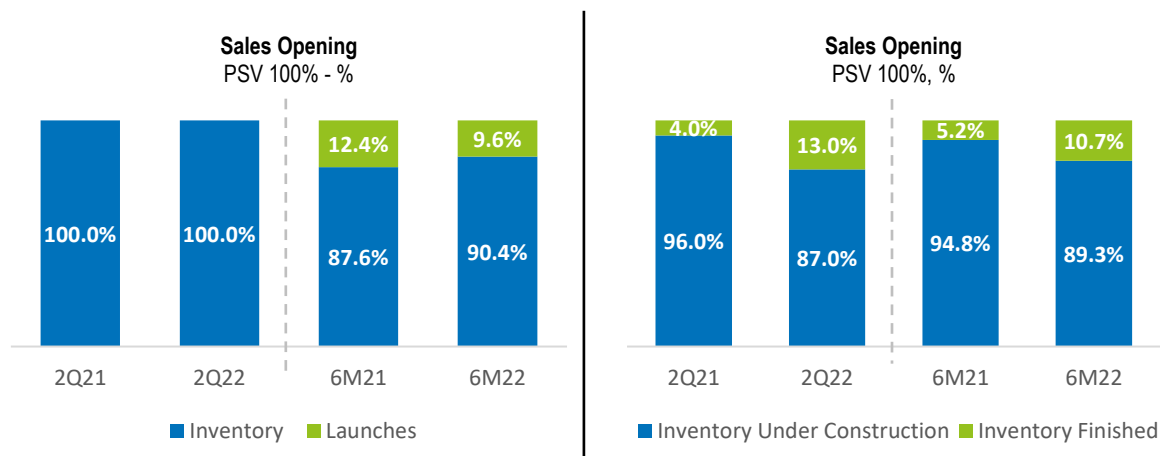
In terms of geographic distribution, our operations continue to be concentrated in the states of Minas Gerais and Rio de Janeiro, markets in which we have a strong presence with the Group's two brands. Land acquisitions in the inland cities of the São Paulo state have been employed pursuing a greater balance of regional exposure and, thus, obtaining better results with the combination of markets and products.



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Our focus continued to be on concentrating inventories sales and preparing launches for the second half of the year. Of the projects with availability in stock, 80% have more than 60% of their PSV sold.



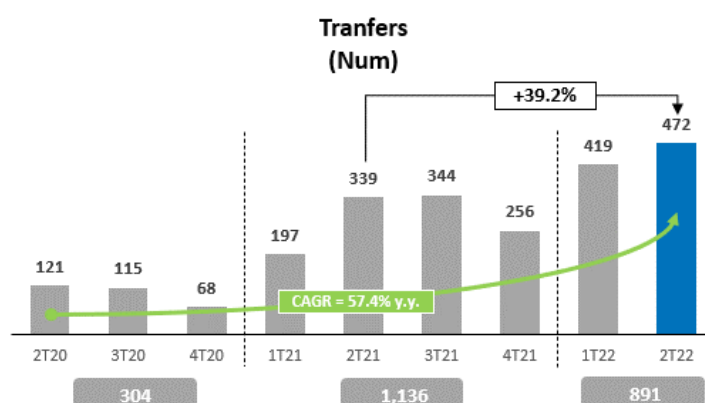
The table below provides more information about sales.

Net Contracted Sales (R\$ '000)	2Q22 (a)	2Q21 (b)	Δ % (a/b)	6M22 (c)	6M21 (d)	Δ % (c/d)
PSV 100%	175,752	138,826	26.6%	328,727	390,570	-15.8%
Low-income	54,684	65,127	-16.0%	113,752	124,070	-8.3%
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Units	316	365	-13.4%	582	714	-18.5%
Low-income	263	330	-20.3%	493	611	-19.3%
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Low-income	208	197	5.4%	231	203	13.6%
Middle-income	555	437	27.0%	532	413	28.7%
High-income	3,174	2,871	10.6%	3,326	3,612	-7.9%

Patrimar's PSV % in the analyzed periods showed an evolution, meaning a higher percentage of the Company's sales, in an evolution of our land bank with a lower participation of partners in the sales made. The Company had an 89.8% share of sales in 2Q22 against 68.4% in 2Q21 and an 88.4% share of sales in 6M22 against 63.0% in 6M21. We can also see an important evolution in the average ticket in the three segments in 2Q22 compared to 2Q21.

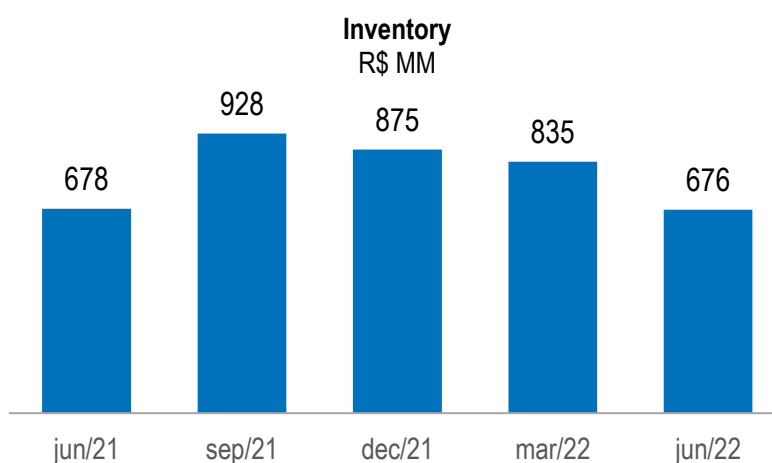
We continue to improve our transfers, mainly in the PCVA. The 472 units transferred in 2Q22 represent an amount of R\$ 100.2 million, which positively impacts our cash cycle. In comparative terms, the units transferred in 6M22 already represent 78.4% of what we carried out in the whole of 2021.

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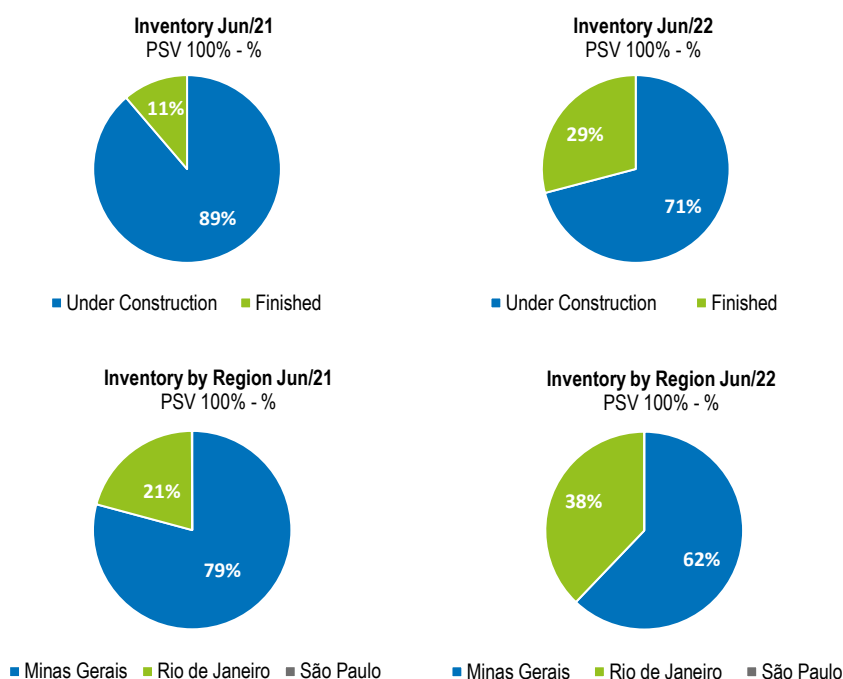
Inventory

Our efforts to reduce inventories showed a reduction of 19.1% in June 2022 compared to the end of March 2022 and in line with the value in June 2021.

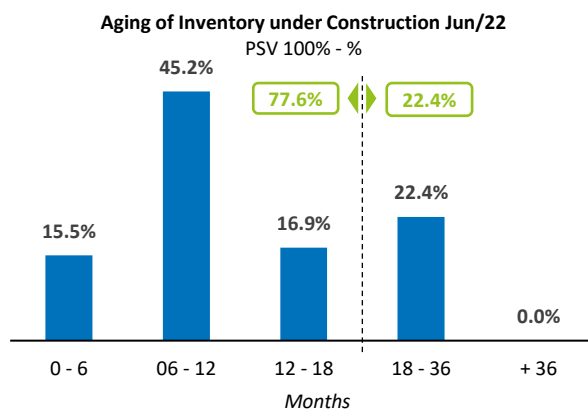


The inventory profile remains increasingly comfortable and balanced. Our position, mostly concentrated in apartments under construction, corroborates the success of our launches carried out in the 2018 and 2019 harvests. Completed inventories in 2Q22 increased 17.8 p.p. compared to 2Q21, basically due to the conclusion of a high-end development in the metropolitan region of Belo Horizonte and the reduction of the inventory under construction at a higher speed, due to sales, increasing the representativeness of completed inventories.

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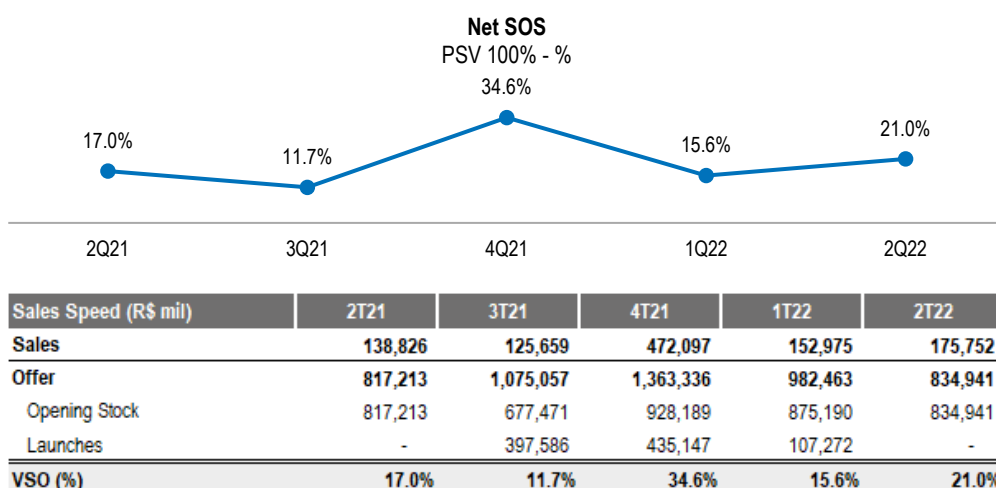
Of the total inventory under construction, most of it is due to recent launches within the last 18 months, which reinforces our ability to sell at launches and not carry finished inventories over time.



VSO

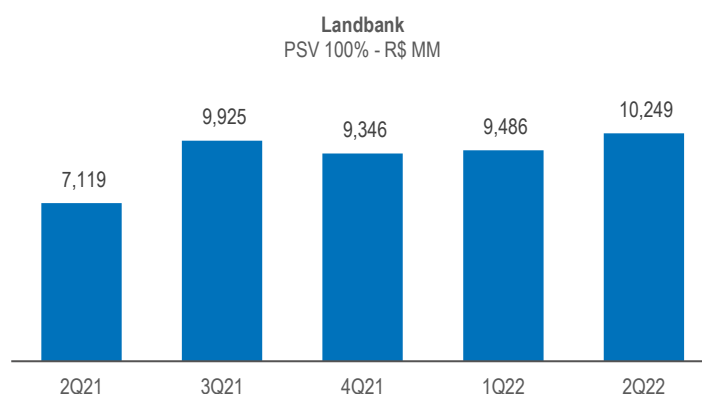
Net sales velocity in 2Q22, measured by the net VSO indicator (Net Sales over Supply), was 5.5 p.p. above the immediately previous quarter and 4.1 p.p. above the same period in 2021, demonstrating the quality and sales force of the Group's projects.

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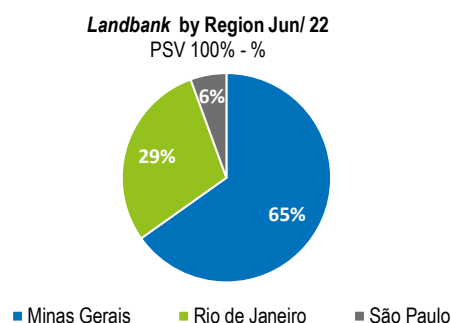
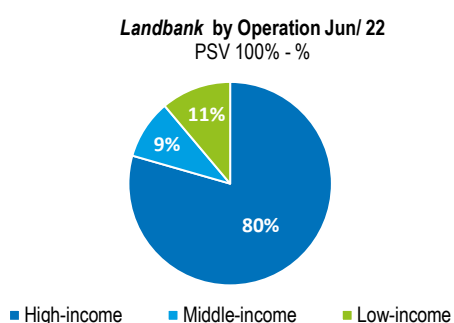


Landbank

Our Landbank has 11,966 units and our average share is 69.1%. The increase in the value of the Land bank in March 2022 was due to the recomposition of the land, aiming at our future growth plan, the PX2.



In line with the strategy of geographic diversification, 2 plots of land were purchased in 2Q22, in São Paulo and Rio Janeiro, totaling a potential PSV of R\$148.0 million. We ended the second quarter with approximately R\$1.8 billion in projects already approved for launch.



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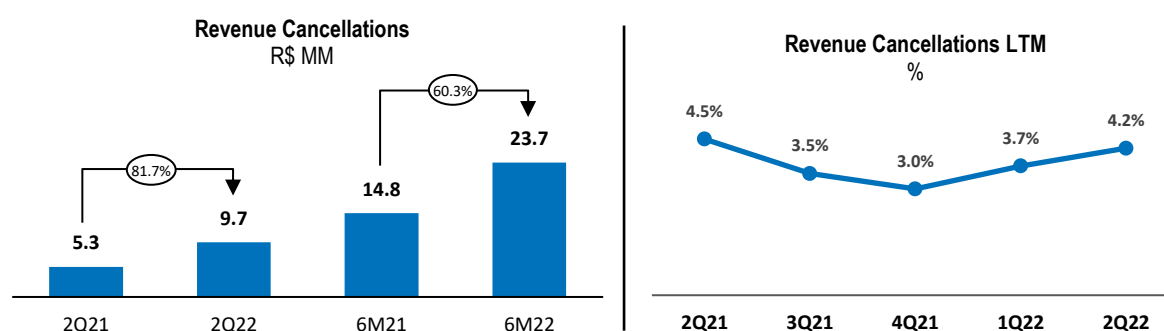
Financial Performance

Net Income

Net Operating Revenue (R\$ '000)	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Gross revenue from properties sales	200,546	194,877	2.9%	360,188	380,589	-5.4%
Service revenue	1,668	2,328	-28.3%	2,074	4,536	-54.3%
Gross Revenue	202,214	197,205	2.5%	362,262	385,125	-5.9%
AVP - Adjustment to present value	2,164	1,957	10.6%	4,155	4,557	-8.8%
Canceled sales	(9,671)	(5,324)	81.7%	(23,736)	(14,809)	60.3%
Deduction and taxes	(3,948)	(4,316)	-8.5%	(7,445)	(8,208)	-9.3%
Net Revenue	190,759	189,522	0.7%	335,236	366,665	-8.6%

In the second quarter of 2022, Net Revenue was slightly higher than in the second quarter of the past year as a result of the better sales performance, in addition to the better progress in the evolution of the works. However, the first quarter with a lower-than-expected revenue volume, impacted by the rains, ended up affecting the comparison between 6M22 and 6M21.

The volumes of cancellations in the quarter and in the year are largely related to the exchange of units, mainly from clients aiming at upgrades in high-luxury developments recently launched. Cancellations of gross sales due to unit exchanges grew 493.4% in this quarter compared to the same period in the previous year and 134.5% when comparing the accumulated results of the first semesters.



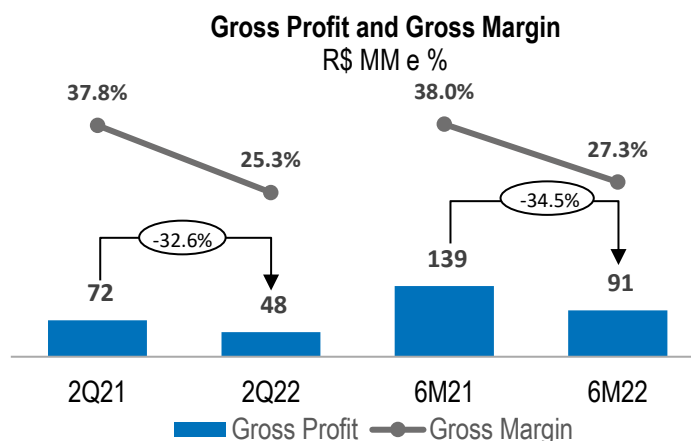
Gross Profit and Gross Margin

Comparing 2Q22 with 2Q21, in addition to the higher cost pressures observed in the sector mainly due to the increase in material prices, our gross margin continues to be impacted by the accounting effect generated by physical swaps and AVP. It is also worth mentioning that, with the higher MIX of the economic operation in our

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results in this quarter and semester, our Gross Margin adjusts to the greater impact of a segment with historically lower margins.



Operational Expenses

Operating Expenses (R\$ '000)	2Q22	2Q21	Δ %	6M22	6M21	Δ %
General and Administrative Expenses	13,347	9,028	47.8%	25,919	19,450	33.3%
Commercial Expenses	19,023	11,953	59.1%	35,322	21,180	66.8%
Other Operating Expenses (Revenues)	829	8,279	-90.0%	1,696	7,581	-77.6%
Total	33,199	29,260	13.5%	62,938	48,211	30.5%
% of ROL	17.4%	15.4%	1.96 p.p.	18.8%	13.1%	5.63 p.p.

General and Administrative Expenses (G&A)

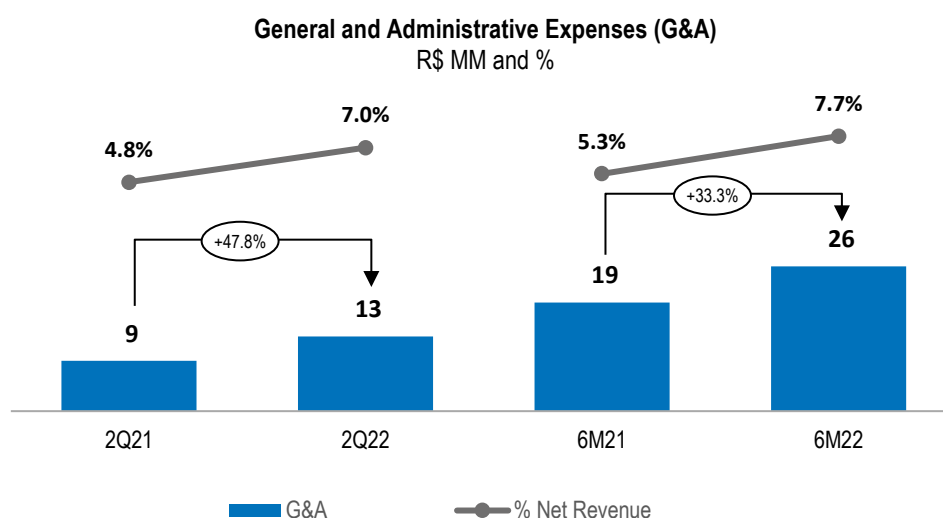
General and Administrative Expenses (R\$ '000)	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Personnel expenses	8,163	5,227	56.2%	16,155	10,057	60.6%
Depreciation and amortization	1,885	1,701	10.8%	3,764	3,514	7.1%
Third-party services	2,390	1,631	46.5%	4,261	4,465	-4.6%
General administrative expenses	909	469	93.8%	1,739	1,414	23.0%
Total	13,347	9,028	47.8%	25,919	19,450	33.3%

The strengthening of our team alongside to the same level of revenue appropriation, led to an increase in the proportion of G&A from 2Q22 versus 2Q21 and 6M22 to 6M21. However, with the progress of the launched projects, which have a high percentage of sales, the new growth cycle due to new launches to be carried out and the operational leverage added to the company's diligence in managing expenses will enable productivity gains for our teams, so that we expect this proportion to return historic levels of the operation.

Earnings Release 2Q22



In June 2022, we grew our administrative headcount by approximately 25% compared to the position in June 2021. We are always attentive to external scenarios and, therefore, open to making occasional adjustments or route corrections, always aiming to increase the productivity of our staff.



Commercial Expenses

Commercial Expenses (R\$ '000)	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Commissions and brokerages	5,840	5,351	9.1%	10,566	8,005	32.0%
Advertising	6,473	2,409	168.7%	11,194	5,294	111.4%
Other commercial expenses	3,704	2,890	28.2%	7,107	5,314	33.7%
Personnel expenses	1,432	1,188	20.5%	3,295	2,318	42.2%
Sales stands / decorated apartments	1,574	115	1268.7%	3,160	249	1169.2%
Total	19,023	11,953	59.1%	35,322	21,180	66.8%

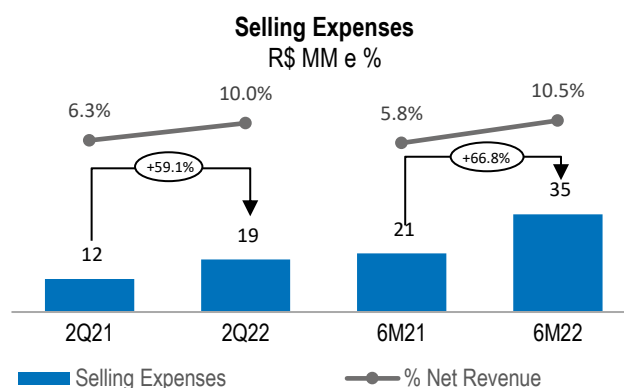
With the launch of Atlântico Golf in early July and our efforts to reduce inventory, we invested heavily in advertising and publicity in 2Q22 and 6M22.

The development in the Rio market also explains the increases in commissions and brokerages observed in 2Q22 compared to 2Q21 and in 6M22 compared to 6M21, insofar as we need to use more external sales channels that require greater participation in sales made than our own (*house*). Real estate sales grew 3.3 p.p in 2Q22 against 2Q21, representing 68.8% of total sales and 6.5 p.p in 6M22 against 6M21, reaching 68.7% in a scenario of lower sales. With the development of our in-house sales team in these new markets, we expect to return to historic levels in terms of our *house*'s share of total sales.

Earnings Release 2Q22



The increase in depreciation expenses for stands and decorated apartments is due to the high volume of launches carried out in the second half of 2021.



Other Operational Expenses (Income)

Other Operating Expenses / Revenues (R\$ '000)	2Q22	2Q21	Δ %	2021	2020	Δ %
Real estate loan expenses	-	212	-100.0%	5	405	-98.7%
Tax expenses	140	20	600.0%	148	26	469.2%
Provision for contingencies	164	3,098	-94.7%	806	4,683	-82.8%
Eventual losses	203	4,278	-95.3%	320	1,352	-76.3%
Other operating income and expenses	321	671	-52.2%	417	1,115	-62.6%
Total	829	8,279	-90.0%	1,696	7,581	-77.6%

The reductions in the lines of other operating expenses (revenues) in both 2Q22 and 6M22 compared to the same periods last year are mainly due to the decrease in eventual losses in our results, related to the write-off of balances due to judicial recoveries of properties sold.

Financial Result

Financial Income	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Monetary adjustment and contractual interest	1,971	2,431	-18.9%	2,980	6,023	-50.5%
Interest on financial investments	7,672	1,724	345.0%	14,430	2,250	541.3%
Swap Creditor Result	-	-	n/a	-	-	n/a
Other Financial Results	156	12	1200.0%	209	30	596.7%
Total	9,799	4,167	135.2%	17,619	8,303	112.2%
Financial Expenses	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Interest on loans and financing	(6,575)	(2,582)	154.6%	(12,268)	(3,747)	227.4%
Debits from bank charges and fees	(688)	(219)	214.2%	(1,114)	(396)	181.3%
Financing Expenses	-	-	n/a	-	(1)	-100.0%
Other Financial Expenses	(138)	(3)	4500.0%	(141)	(24)	487.5%
Total	(7,401)	(2,804)	163.9%	(13,523)	(4,168)	224.4%
Financial Result	2,398	1,363	75.9%	4,096	4,135	-0.9%

Earnings Release 2Q22



We are working with a higher cash level, anticipating balances and obtaining construction financing at costs in TR+ and applied in CDI. As the cost of financing is recorded in the cost of properties sold, revenue increases without compromising expenses.

Our treasury financial management has been efficient in managing our cash. Consequently, we have been able to extract from the constant increases in the economy's basic interest rate (SELIC) a better positive effect on financial investments than a negative effect on loans and financing.

Equity Result

Equity Result	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Equity Result	(865)	(995)	-13%	(1,462)	(8,115)	-82%

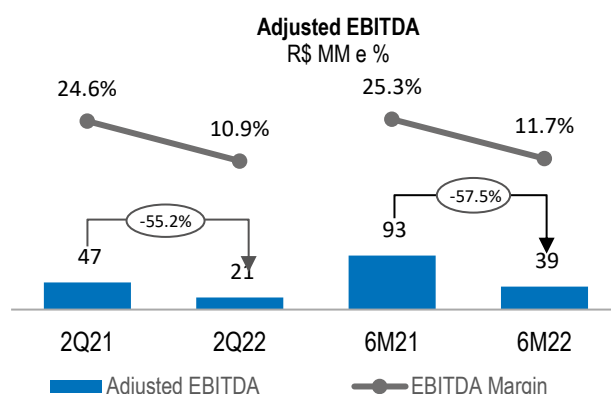
As we have been announcing for a longer time, it is possible to see another important reduction in equity expenses in 2Q22 compared to 2Q21, in the same way for 6M22 compared to 6M21. The contingency installments established to deal with construction issues of economic operation ventures formed in partnership for more than five years have been written off in increasingly smaller amounts.

EBITDA and Adjusted EBITDA

The reductions in EBITDA and Adjusted EBITDA, whether in 2Q22 versus 2Q21 or in the comparison of 6M22 versus 6M21, resulted mainly from the reduction in gross profit (excluding the financial effects of charges capitalized in cost in the case of Adjusted EBITDA), followed by increases in commercial and marketing expenses. In addition, there were increases in personnel and general expenses, mainly due to the structuring of the administrative staff. These negative impacts were partially offset by the substantial decrease in eventual losses in our results and the forecast of lower legal losses, especially in the quarter comparison, while the robust decrease in equivalence expenses greatly benefited the semester comparative.

Without a level of revenue proportionally higher to the increase in costs and expenses, EBITDA Margins and Adjusted EBITDA also suffered reductions when comparing the second quarter and the first half of this year with the same periods of last year.

Earnings Release 2Q22



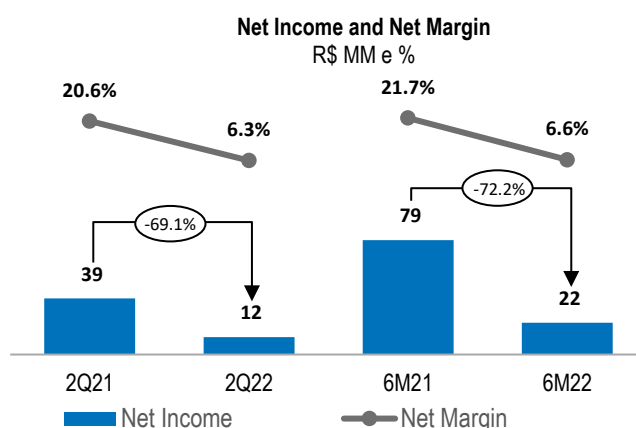
We expect, with the progress of operations, a higher volume of revenue and volumes of extraordinary events even lower than what happened in this quarter, leading to the normalization of our margins. Below, we present the reconciliation of EBITDA and Adjusted EBITDA with Net Income:

EBITDA (R\$ '000)	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Net Income	12,022	38,969	-69.1%	22,109	79,391	-72.2%
(+) Income Tax and Social Contribution	4,586	3,763	21.9%	8,967	7,830	14.5%
(+) Financial Results	(2,398)	(1,363)	75.9%	(4,096)	(4,135)	-0.9%
(+) Depreciation and Amortization	3,322	2,618	26.9%	6,633	5,175	28.2%
EBITDA	17,532	43,987	-60.1%	33,613	88,261	-61.9%
EBITDA Margin (%)	9.2%	23.2%	-0.6p.p.	10.0%	24.1%	-0.6p.p.
Capitalized Interest Expense	3,341	2,603	28.3%	5,720	4,327	32.2%
Adjusted EBITDA	20,873	46,590	-55.2%	39,333	92,588	-57.5%
Adjusted EBITDA Margin (%)	10.9%	24.6%	-0.6p.p.	11.7%	25.3%	-0.5p.p.

Net Profit and Net Margin

The lower net income and lower net margin in 2Q22 compared to 2Q21, as well as in 6M22 compared to 6M21, continues to be impacted by the drop in gross margin as already mentioned, but also by the choices made to keep our investments in personnel and marketing relying on our long-term strategy. At the same time, we optimized profitability by preserving our cash, efficiently allocating resources and working on our debt profile.

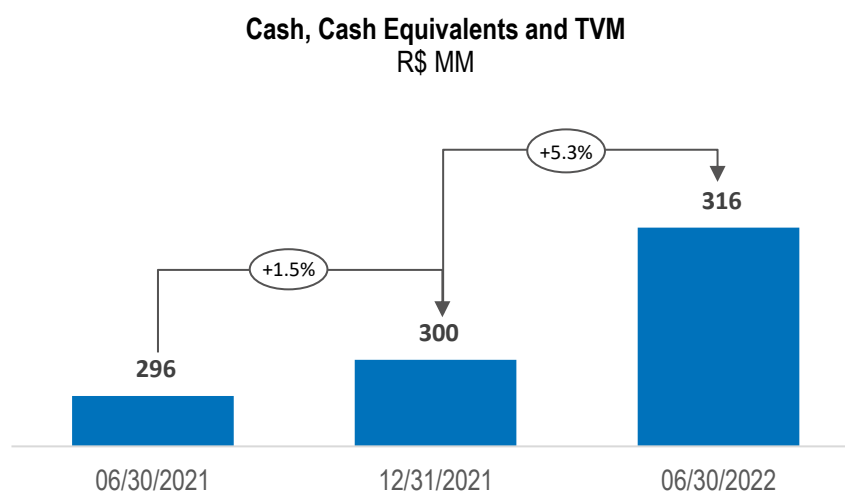
Earnings Release 2Q22



Balance Sheet Highlights

Cash, Cash Equivalents and TVM

Supported by our financial diligence, but also supported by continuous cash generation in the last twelve months, we are managing to evolve beyond just preserving our liquidity. For the next quarters, we can take advantage of good negotiations with suppliers and anticipate purchases of inputs, in order to guarantee better prices and conditions, which could impact our cash position.



Accounts Receivable

The growth in the accounts receivable balance is mainly a result of the increase in completed and unfinished units, which can be explained by the progress or completion of works, lengthening of the payment profile by customers with a greater number of sales.

Earnings Release 2Q22



Accounts Receivable (R\$ '000)	06/30/2022	12/31/2021	Δ %
Completed units	58,939	43,269	36.2%
Units under construction	440,221	405,895	8.5%
Management services	17,040	15,138	12.6%
Provision for canceled sales / losses / PVA	(21,697)	(17,375)	24.9%
Total	494,503	446,927	10.6%

According to current accounting rules, the recognition of Accounts Receivable is proportional to the rate of execution of the respective works (Percentage of Completion - PoC). Therefore, the portfolio balance of units sold for development and those not yet built is not fully reflected in the Financial Statements. The total balance of accounts receivable for sales made continues to grow and we expect it to increase even further with launches scheduled for the next quarter. This balance currently stands at R\$1.2 billion, reflecting the accumulated sales volume and our portfolio management strategies.

Accounts Receivable (R\$ '000)	06/30/2022	12/31/2021
Due within 1 year	484,054	408,462
Due 1 to 2 years	244,620	326,937
Due 2 to 3 years	184,560	172,679
Due 3 to 4 years	235,350	127,183
Due over 4 years	5,186	41,662
	1,153,770	1,076,923
Expired up to 1 year	15,590	14,182
Expired between 1 to 2 years	1,587	1,164
Expired between 2 to 3 years	922	765
Expired between 3 to 4 years	598	371
Expired over 4 years	127	34
	18,824	16,516
Total	1,172,594	1,093,439

Our portfolio's profile has become increasingly healthy and aligned with the cycle of works, with a greater concentration in the next two years - around 63.2% of the total, 3.9% on 07/31/22 and 7.1% on 12/31/22. We are in line with the financial strategy of combining financing to production and the financial cycle of sales and construction, with a view to increase the return on our projects.

We are always attentive to the dynamics between inflation and interest in order to obtain the best return on our monetary assets, whether carrying a greater balance of accounts receivable obtaining a hedge against inflation via the INCC or greater cash focusing on the return of financial investments with higher CDI.

Real Estate for Sale

The significant increase in land inventory is basically explained by the recognition of Atlântico Golf, a development launched in July 2022.

Earnings Release 2Q22



Properties for Sales (R\$ '000)	06/30/2022	12/31/2021	Δ %
Inventories of land	339,360	144,598	134.7%
Properties under construction	235,576	273,874	-14.0%
Completed properties	9,300	7,792	19.4%
Provision for canceled sales	961	747	28.6%
Total	585,197	427,011	37.0%

Advances from Costumers

The variation in the balance of advances from customers basically refers to land swaps whose projects have not yet been launched. Atlântico Golf, launched in July 2022, reflects this increase.

Advances from Customers (R\$ '000)	06/30/2022	12/31/2021	Δ %
Advances from customers and barter made for construction in pr	279,946	280,142	-0.1%
Advances from customers for customized units	48,623	47,435	2.5%
Barter made for land - not launched developments	225,364	45,590	394.3%
Total	553,933	373,167	48.4%

Suppliers

The variation in the suppliers account in this second quarter is explained by the work we are doing to extend payment terms in order to improve the financial cycle of the works, in addition to a greater volume of works in progress, which also explains the increase in technical retentions:

Trade Payables (R\$ '000)	06/30/2022	12/31/2021	Δ %
Trade Payables	45,732	37,775	21.1%
Technical Retentions	7,986	6,627	20.5%
Total	53,718	44,402	21.0%

Real Estate Purchase Obligations

The reduction in the balance of obligations due to real estate purchase is mainly explained by the settlement of 15.4% of the land incorporated on June 30, 2022 compared to December 31, 2021, as the previously signed obligations were fulfilled.

Real estate purchase obligations (R\$ '000)	06/30/2022	12/31/2021	Δ %
Land developed	37,719	44,609	-15.4%
Physical Swap	7,712	7,851	-1.8%
Financial Exchange	30,007	36,758	-18.4%
Land not developed	21,154	23,334	-9.3%
Physical Swap	9,065	11,244	-19.4%
Financial Exchange	12,090	12,090	0.0%
Total	58,873	67,943	-13.3%

Earnings Release 2Q22

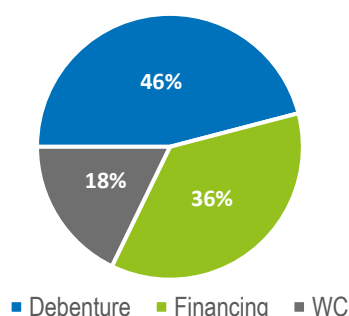


Indebtness

About 36.3% of our debt liabilities are linked to our construction financing works and we still have a volume of financing to be disbursed of R\$ 657.2 million, which with the accounts receivable volume from the already sold units, offer us great comfort to withstand both a more adverse scenario and the growth targeted for the operation in the coming years.

Financial Leverage Indicators			
Net Debt / Equity (R\$ '000)	06/30/2022	12/31/2021	Δ %
(+) Loans and Financing	283,993	267,650	-5.8%
(-) Cash and Cash Equivalent	316,134	300,341	-5.0%
(=) Net Debt	(32,141)	(32,691)	1.7%
(=) Equity	509,891	487,282	-4.4%
Net Debt/ Equity	-6.3%	-6.7%	0.1p.p.

Composition of total debt by type
%



As we disclosed in the Message from the Management, since last year we have been reducing the share of construction financing linked to CDI and raising funds in TR+ or Savings+, which bring less volatility to the results of the projects. In July, we paid and exchanged indexes in order to reduce interest costs.

Additionally, with the funding of CRI, settled in July 2022, in the amount of R\$ 150.0 million, our cash generation allows us to devise better strategies to improve the liability profile and reduce costs, eventually anticipating debt maturities that would occur in years forward.

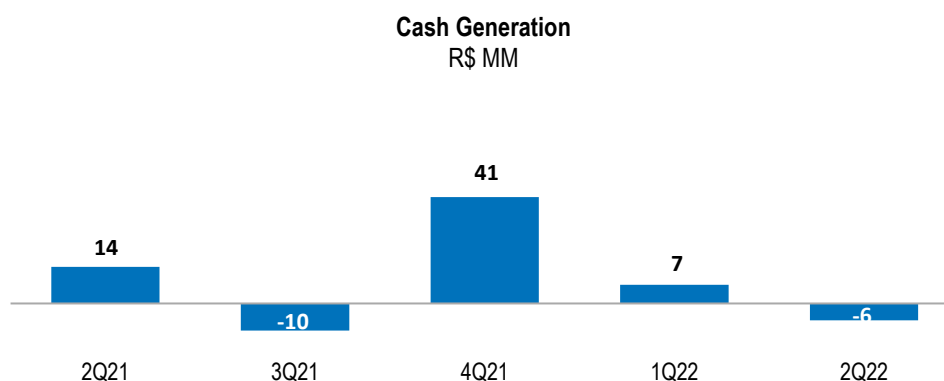
We continue to present an unleveraged capital structure, with room for growth, but within our concepts of financial discipline and profitability.

Earnings Release 2Q22



Cash Generation (*Cash Burn*)

This quarter we had a cash burn, but still bringing a sense to our history and investment plan for the following years. The financial management and accounts receivable strategy have helped to control our cash generation.



The healthy cash position and leverage allow us to evaluate alternatives to acquire inputs in advance, with more attractive commercial conditions, which contribute to a better result of our operation. Such factor may lead to a greater cash burn in the following quarters.

Earnings Release 2Q22

Attachments



Consolidated Results Report

Income Statement (R\$ '000)	2Q22	2Q21	Δ %	6M22	6M21	Δ %
Net operating Revenue	190,759	189,522	0.7%	335,236	366,665	-8.6%
Cost of properties sold	(142,485)	(117,898)	20.9%	(243,857)	(227,253)	7.3%
Gross profit	48,274	71,624	-32.6%	91,379	139,412	-34.5%
Gross profit margin	25.3%	37.8%	-12.5 p.p.	27.3%	38.0%	-0.3 p.p.
Operating income (expenses)	(33,199)	(29,260)	13.5%	(62,937)	(48,211)	30.5%
General and administrative expenses	(13,347)	(9,028)	47.8%	(25,919)	(19,450)	33.3%
Selling expenses	(19,023)	(11,953)	59.1%	(35,322)	(21,180)	66.8%
Other operating income (expenses), net	(829)	(8,279)	-90.0%	(1,696)	(7,581)	-77.6%
Operating profit (loss)	15,075	42,364	-64.4%	28,442	91,201	-68.8%
Finance income	9,799	4,167	135.2%	17,619	8,303	112.2%
Finance costs	(7,401)	(2,804)	163.9%	(13,523)	(4,168)	224.4%
Finance income (costs), net	2,398	1,363	75.9%	4,096	4,135	-0.9%
Equity in the results of investees	(865)	(995)	-13.1%	(1,462)	(8,115)	-82.0%
Profit (loss) before income tax and social contribution	16,608	42,732	-61.1%	31,076	87,221	-64.4%
Income tax and social contribution	(4,586)	(3,763)	21.9%	(8,967)	(7,830)	14.5%
Profit (loss) for the period	12,022	38,969	-69.1%	22,109	79,391	-72.2%
Net Profit Margin	6.3%	20.6%	-14.3 p.p.	6.6%	21.7%	-15.1 p.p.
Attributable to:						
Owners of the company:	1,904	19,438	-90.2%	7,139	40,151	-82%
Non-controlling interests	10,118	19,531	-48.2%	14,970	39,240	-62%

Earnings Release 2Q22

Balance Sheet



Ativo	30/06/2022	31/12/2021	Δ %
Circulante			
Caixa e equivalentes de caixa	266,857	243,926	9.4%
Título e valores mobiliários	49,227	56,415	-12.7%
Conta a receber de clientes	287,717	201,174	43.0%
Imóveis a comercializar	555,264	402,608	37.9%
Tributos a recuperar	11,647	9,270	25.6%
Despesas antecipadas	25,365	22,011	15.2%
Outras contas a receber	13,009	14,138	-8.0%
Total do ativo circulante	1,209,136	949,542	27.3%
Não circulante			
Aplicações Financeiras	2,453	2,339	4.9%
Contas a receber de clientes	206,786	245,753	-15.9%
Imóveis a comercializar	29,933	24,403	22.7%
Depósitos judiciais	1,327	1,189	11.6%
Créditos com partes relacionadas	6,394	12,013	-46.8%
Total do ativo realizável a longo prazo	246,893	285,697	-13.6%
Total do ativo não circulante	329,488	362,379	-9.1%
Total do ativo	1,538,624	1,311,921	17.3%

Passivo	30/06/2022	31/12/2021	Δ %
Circulante			
Empréstimos e financiamentos	67,469	60,797	11.0%
Arrendamento	2,489	2,362	5.4%
Fornecedores	53,718	44,402	21.0%
Salários e encargos sociais	12,434	9,531	30.5%
Tributos a pagar	3,691	3,941	-6.3%
Obrigações por compra de imóveis	27,194	35,942	-24.3%
Dividendos a pagar	155	80	93.8%
Adiantamentos de clientes	553,933	373,167	48.4%
Provisão distrato			n/a
Tributos diferidos	23,896	22,256	7.4%
Outras contas a pagar	3,607	1,963	83.7%
Provisão para manutenção de imóveis	2,886	6,425	-55.1%
Total do passivo circulante	751,472	560,866	34.0%
Não circulante			
Empréstimos e financiamentos	216,524	206,853	4.7%
Arrendamento	1,959	2,874	-31.8%
Obrigações por compra de imóveis	31,679	32,001	-1.0%
Adiantamentos recebidos de clientes			n/a
Provisão para riscos	3,309	6,626	-50.1%
Provisão para manutenção de imóveis	11,883	6,358	86.9%
Débitos com partes relacionadas	6,617	4,268	55.0%
Provisão para passivo a descoberto	5,290	4,793	10.4%
Total do passivo não circulante	277,261	263,773	5.1%
Patrimônio líquido			
Capital social	269,172	269,172	0.0%
Reservas de capital	-	-	n/a
Reservas de lucro	81,162	75,237	7.9%
Lucro acumulado			n/a
Total do patrimônio líquido	350,334	344,409	1.7%
Participação dos não controladores	159,557	142,873	11.7%
Total do patrimônio líquido	509,891	487,282	4.6%
Total do passivo e patrimônio líquido	1,538,624	1,311,921	17.3%

Earnings Release 2Q22



Cash Flow

Cash Flows (R\$ '000)	06/30/2022	06/30/2021	Δ %
Cash flows from operating activities			
Profit for the year	22,109	79,391	-72.2%
Adjustments to reconcile profit with cash flows from operating activities			
Depreciation and amortization	6,400	5,175	23.7%
Present value adjustment of receivables	3,694	(3,017)	-222.4%
Equity in the results of investees	1,462	8,115	-82.0%
Provision for real estate maintenance	1,986	1,569	26.6%
Provision for Cancellations	46	(957)	-104.8%
Provision for doubtful accounts	582	(848)	-168.6%
Provision for labor, civil, and tax contingencies	2,178	1,357	60.5%
Provision for interest on loans and financing	17,662	6,782	160.4%
Income tax and social contribution	8,967	7,830	14.5%
Write-off of fixed assets	-	698	-100.0%
	65,086	106,095	-38.7%
Changes in working capital			
Increase (decrease) in assets and liabilities			
Accounts receivable	(51,898)	(70,685)	-26.6%
Properties for sale	(158,186)	(19,521)	710.3%
Taxes recoverable	(2,377)	(1,150)	106.7%
Other assets	(2,363)	(6,257)	-62.2%
Trade payables	9,316	29,860	-68.8%
Salaries and social charges	2,903	4,228	-31.3%
Tax liabilities	(564)	2,163	-126.1%
Real estate purchase obligations	(9,070)	(19,813)	-54.2%
Advances from customers	180,766	67,894	166.2%
Other liabilities	154	(3,003)	-105.1%
Amounts paid for civil, labor and tax contingencies	(2,079)	(798)	160.5%
	(33,398)	(17,082)	95.5%
Interest paid	(5,167)	(6,283)	-17.8%
Income tax and social contribution paid	(8,976)	(5,362)	67.4%
Net cash provided by (used in) operating activities	17,545	77,368	-77.3%
Cash flows from investing activities			
Increase in securities	7,138	-	n/a
Changes in restricted financial investments	(114)	(25)	356.0%
Advances to related parties	7,968	3,072	159.4%
Investment contributions (returns)	(4,144)	(6,814)	-39.2%
Purchases of property and equipment and intangible assets	(9,592)	(14,568)	-34.2%
Additions to intangible assets	-	-	n/a
	1,256	(18,335)	-106.9%
Cash flows from financing activities			
New loans and financing	56,132	169,809	-66.9%
Repayment of loans and financing - principal	(52,502)	(34,497)	52.2%
Dividends paid	(1,214)	(15,001)	-91.9%
Capital Reduction	-	-	n/a
Distributions to non-controlling interests, net	1,714	(3,067)	-155.9%
Net cash provided by (used in) financing activities	4,130	117,244	-96.5%
Net increase in cash and cash equivalents	22,931	176,277	-87.0%
Cash changes			
Cash and cash equivalents at the beginning of the year	243,926	119,256	104.5%
Cash and cash equivalents at the end of the year	266,857	295,533	-9.7%
Increase in cash and cash equivalents	22,931	176,277	-87.0%



Glossary

Landbank 100% - total PSV amount of all lands owned by the Company or which the Company has a stake.

Land bank % Patrimar – total PSV amount of all lands owned by the Company or which the Company has a stake, except for swap units and partners' participation, in other words, the net PSV of lands owned by the Company.

Launches 100% - total amount of the PSV for launched projects, at launching prices, considering eventual swaps of units and partners participation in these enterprises.

Launches % Patrimar – total PSV amount of projects already launched, at launching prices, not considering swap units and partners' participation, in other words, only considers the percentage of Net PSV belonging to the Company.

Contracted Sales - Value of contracts signed with customers, referring to the sale of finished units or for future delivery. Does not consider swap units. Contracted sales (100%) refer to all trading units within the period (except swap units) and %Patrimar contracted sales refer to the participation percentage of the Company in such sales, not considering partners participation.

Net Contracted Sales – Contracted Sales minus the value of the cancelations in the period.

Sales Speed – Sales Speed over Supply.

Gross Sales Speed – $\text{Gross Sales} / (\text{Initial Inventory of a Period} + \text{Period Launches})$

Net Sales Speed – $\text{Net Sales} / (\text{Beginning Period Inventory} + \text{Period Launches})$

PSV – Potential Sales Value.

Percentage of Completion ("PoC") – According to IFRS, revenues, costs and expenses related to real estate costs are appropriated based on the Percentage of Completion ("PoC"), measuring the progress of work by actual costs incurred versus total budgeted costs for each enterprise phase.

EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization) - Net income before financial result, income tax and social contribution, and depreciation expenses;

Adjusted EBITDA - EBITDA adjusted by construction financing interest classified as cost of properties sold;

ROE - Return on Equity - ROE is defined as the quotient between net income attributed to majority shareholders and the average value of the shareholders' equity of controlling company for annualized periods;

ROE LTM- Return on Equity. ROE LTM is defined by the quotient between net income attributed to majority shareholders and average value of parent company's shareholders' equity for the period of last 12 months;

Cash Burn – Cash generation or (consumption) measured by change in net debt, excluding capital increases, repurchase of shares held in treasury and dividends paid, if any;

Portfolio - represented by receivables from sales of concluded or to be concluded residential real estate units and amounts receivable for services rendered;

Construction Liabilities – Construction cost to be incurred.

Earnings Release 2Q22



Disclaimer

The statements contained in this document relative to business perspectives, projections of operational and financial results and those relative to the growth projections of Patrimar are mere projections and as such, they are exclusively based on the expectations of the Board of Directors regarding the future of the business. These expectations depend, substantially, on approvals and licenses necessary for ratifying projects, market conditions, Brazilian economy performance, the performance of the industry and of international markets and therefore, they are subject to changes without notice in advance.

This performance report includes non-accounting data, such as operational, financial and projection data based on the expectations of the Company's management. Non-accounting data such as quantitative information and values of Launches, Contracted Sales, values of the Casa Verde Amarela Program - CVA (formerly MCMV), market value inventory, Land bank, Results to appropriate, cash consumption and projections were not subject to review by the Company's independent auditors.

The EBITDA indicated in this report represents net earnings before financial results, financial charges in the cost of property sold title, income tax and social contribution, expenses due to depreciation and amortization and participation of non-controlling shareholders. Patrimar understands that the reversal of the adjustment to present value of accounts receivable from units sold and not delivered, registered as gross operating revenue is part of its operating activities and therefore, that revenue was not removed from the calculation of EBITDA. EBITDA is not a financial performance measurement according to Accounting Practices Adopted in Brazil and the IFRS, and it shall also not be considered in isolation, or as an alternative to net profit, as a measurement of operational performance, or as an alternative to operational cash flows, or as a measurement of liquidity. For not being considered in its calculation, the financial results, financial charges included in the title and the cost of property sold, income tax and social contribution, expenses with depreciation and amortization and participation of non-controlling shareholders, EBITDA works as an indicator of the general economic performance of Patrimar, not impacted by changes of the burden of income tax and social contribution or depreciation and amortization levels. EBITDA, however, presents limitations that negatively impact its use as a measurement of Patrimar's profitability, for not considering some cost incurred in Patrimar's businesses, which could significantly impact Patrimar's profits, such as financial results, taxes, depreciation and amortization, capital expenditures and other related cost.



Divulgação de Resultados 2T22



Relationship with Independent Auditors

The Company's policy in contracting the services of independent auditors ensures there is no conflict of interests, loss of independence or objectivity.

In accordance with CVM Instruction No. 381/03, we inform that our independent auditors - Ernst & Young Auditores Independentes ("EY") did not provide services other than those related to the external audit.