

Operational Preview 3Q20 and 9M20

Operational Preview 3Q20



Belo Horizonte, October 13, 2020 - Patrimar S.A. ("Patrimar" or "Company"), one of the largest homebuilders in Brazil, operating in the low, medium and high-income segments with luxury and high-luxury products, discloses here its operational results for the third quarter of 2020 ("3Q20") and for the nine months of 2020 ("9M20"). Except when indicated otherwise, all information disclosed in this document is expressed in local currency ("Brazilian Reais - R\$"), and the Potential Sales Value ("PSV") demonstrates the consolidated amount (100%).

About Patrimar Group

The Company is a real estate development and homebuilder based in the city of Belo Horizonte state of Minas Gerais, on the Southeast region of Brazil with over 56 years of experience being placed in the top best real estate companies of Brazil. Its business model based on a vertical model, 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-end developments through the Patrimar brand, as well as with a presence in the middle- and low-income segments through the Novolar brand.



MG

Grand Resort Jaraquá - Novolar

MG

L'Essence - Patrimar

RJ

Reserva Mirataia - Novolar

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Highlights

- **All time high volume of Net Contracted Sales in the 3Q20 of R\$ 243 million, 260% higher when compared to the 2Q20;**
- **Healthy SOS of 25% in 3Q20;**
- **Large volume of launches and sales in the city of Belo Horizonte/Nova Lima, enhancing our leadership and market share;**
- **Land Bank of R\$ 7.6 billion on September 30, 2020, with over R\$ 800 Million already approved.**

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Launches

High Line Square
Nova Lima/MG



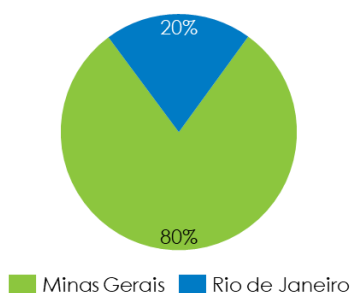
Villagio Florença
Rio de Janeiro/RJ



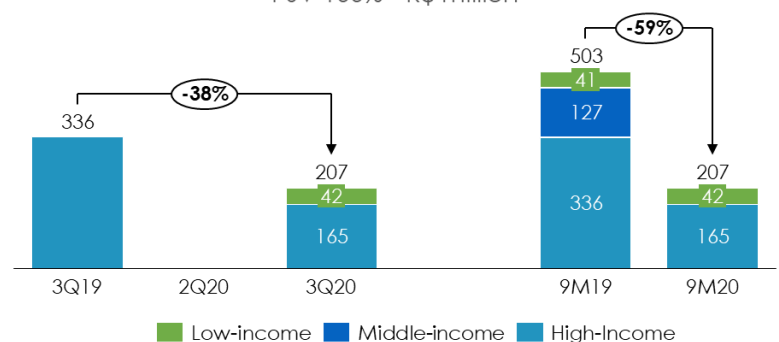
Due to the COVID-19 pandemic that impacted most part of first half of 2020, the Company did not launch any project during this period, resuming only in the third quarter of the same year. The Company has already an estimated portfolio of projects of more than R\$ 800 million in PSV 100% approved to be launched.

The Patrimar Group owns an average percentage of 81% of the launches in the 3Q20 and 9M20.

Launches by Regions – 3Q20 and 9M20
PSV 100% - % / R\$ MM



Launches by Regions
PSV 100% - R\$ million



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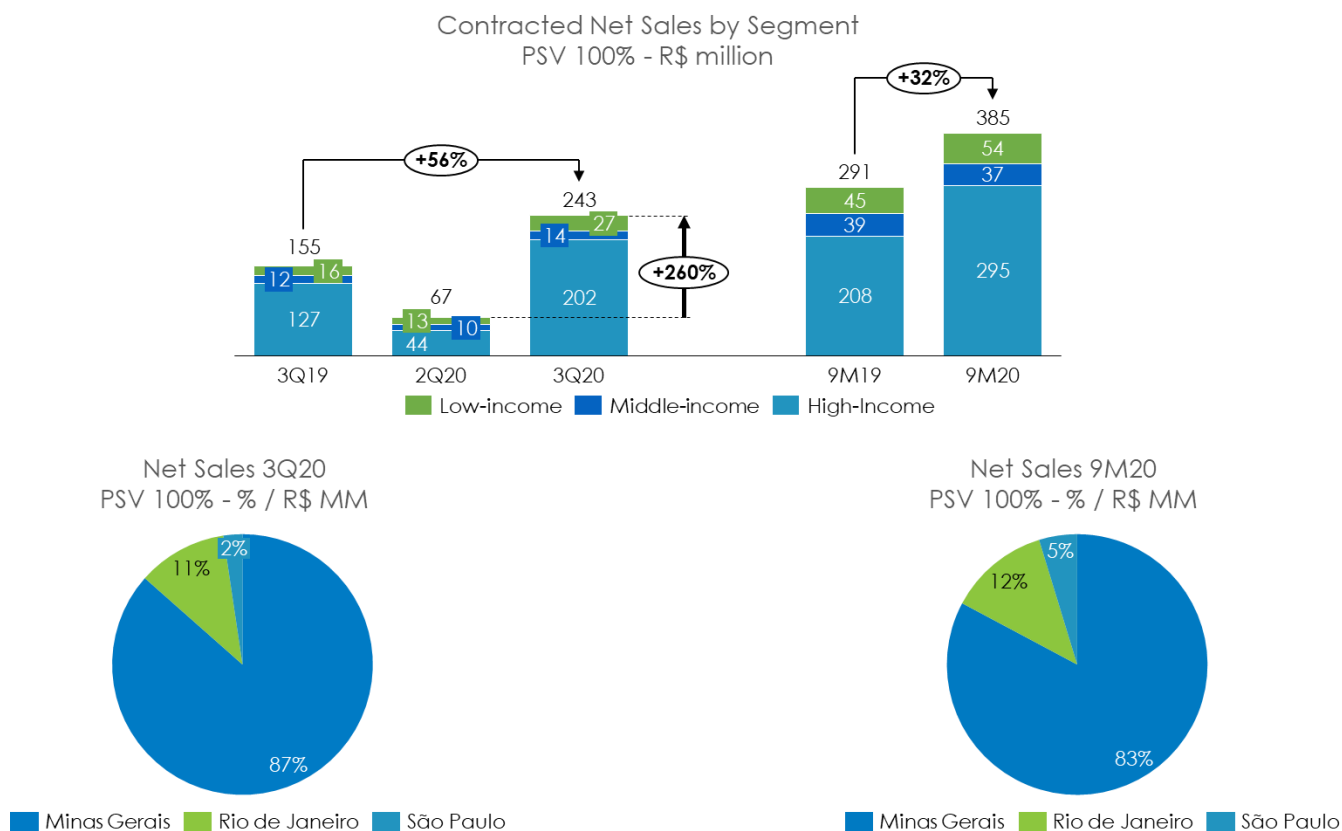


Contracted Sales

The 3Q20 was all time high sales volume the Company, with more than 389 units sold (651 in 9M20), with a project launched in 3Q20 nearly fully sold in the same quarter, showing the Company's sales power, product quality and strong market performance.

The high-income segment is still the most representative segment of the Company in terms of sales volume, with a 76.6% share in 9M20. Despite the low volume of launches in the 3Q20 and 9M20, sales growth gives us a good perspective about future results in the upcoming quarters.

The Patrimar Group owns an average percentage of 94% of net sales in the 3Q20 and 77% in the 9M20.



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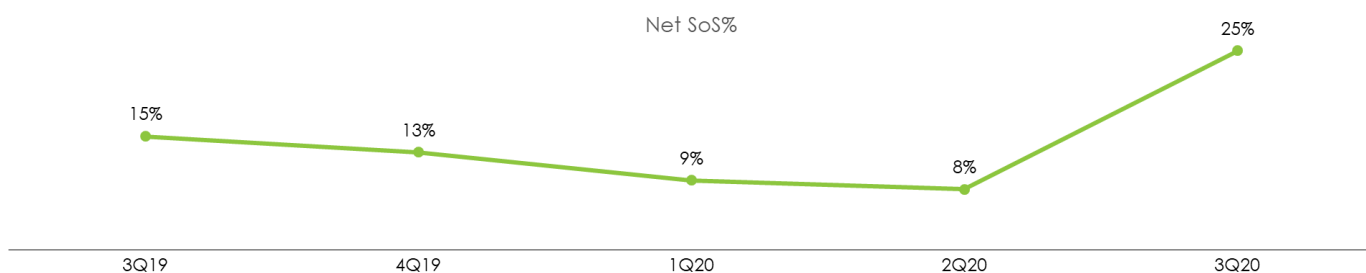


The table below consolidates the information for 3Q20 and 9M20:

Contracted Net Sales	3Q20 (a)	2Q20 (b)	3Q19 (c)	Δ % (a/b)	Δ % (a/c)	9M20 (d)	9M19 (e)	Δ % (d/e)
Net PSV Contracted 100% (R\$ '000)	242,790	67,499	155,290	359.7%	43.5%	385,248	291,268	132.3%
Low-Income	27,219	13,237	16,313	205.6%	81.1%	53,355	45,008	118.5%
Medium-Income	13,875	10,108	12,426	137.3%	81.3%	36,843	38,620	95.4%
High-Income	201,696	44,154	126,552	456.8%	34.9%	295,050	207,641	142.1%
Net PSV Contracted % Patrimar (R\$ '000)	196,983	50,271	90,440	391.8%	55.6%	297,094	201,995	147.1%
Low-Income	27,219	13,237	16,313	205.6%	81.1%	53,355	45,008	118.5%
Medium-Income	10,959	7,387	8,723	148.4%	84.7%	27,660	29,948	92.4%
High-Income	158,805	29,647	65,405	535.7%	45.3%	216,079	127,039	170.1%
Units Contracted (100%)	389	119	226	326.9%	52.7%	651	495	131.6%
Low-Income	139	69	97	201.4%	71.1%	284	237	119.8%
Medium-Income	31	25	32	124.0%	78.1%	87	91	95.6%
High-Income	219	25	97	876.0%	25.8%	280	167	168.2%

SoS (Sales speed) – Sales over Supply

The Net Sales Speed for 3Q20, measured by the net SoS ratio (Net Sales over Supply), had a significant impulse due to the almost full sale of a project launches in the same quarter.

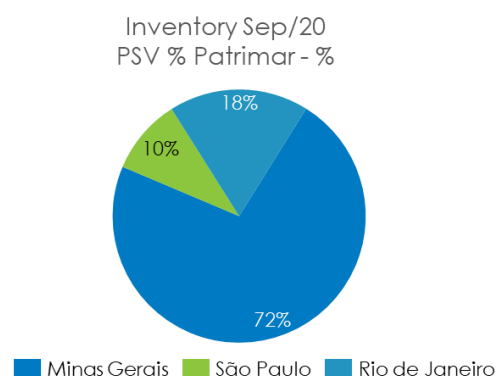
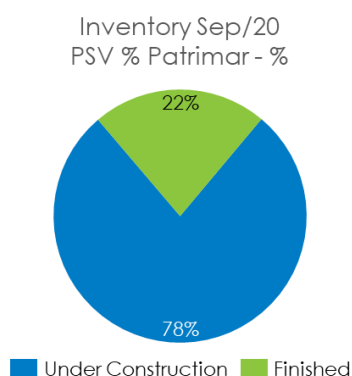


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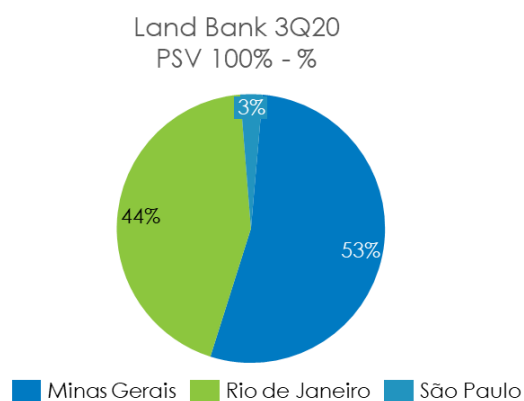
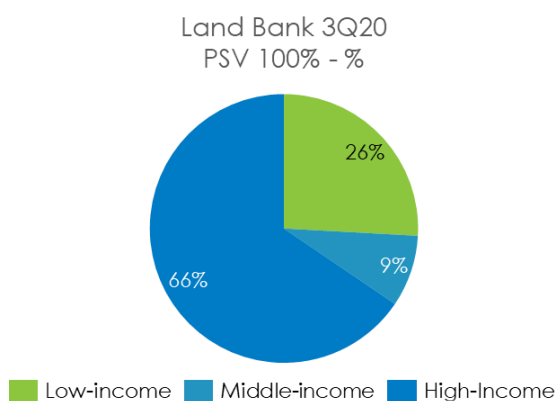
Inventory

On September 30 2020, the market value of our inventory was R\$ 391 Million (% Patrimar). The Company expects to reduce its inventory of finished units during the 4Q20.



Land Bank

The Patrimar Group ended the 3Q20 with a land bank of PSV of R\$ 7.6 billion (R\$ 5.2 billion % Patrimar) detailed as follows:





Glossary

Land Bank 100% - total amount of PSV of all lands owner by the Company or which the Company has a stake.

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

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

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

Contracted Sales - PSV arising from real estate sales contracts concluded in a given period, including the sale of units launched in the period and the sale of units in inventory. Does not consists swap units. 100% Contracted sales refer to all trading units within the period (except swap units) and % Patrimar contracted sales refer to the percentage of participation of the Company in such sales, not considering partners participation.

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

Sales Speed – Sales Speed over Supply.

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

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

PSV – Potential Sales Value

This document contains statements related to prospects and statements about future events that are subject to risks and uncertainties. Such information is based on the beliefs and assumptions of the management of Patrimar S.A. ("Company") and information that the Company currently has access to. Currently these statements may refer to the Company's ability to manage its business and financial liquidity during and after the COVID-19 related pandemic as well as the impact of this pandemic on the results of its operations. Forward-looking statements include information about our current intentions. Beliefs or expectations as well as those of the Company's management members.

Forward-looking statements and information are not performance guarantees. They involve risks, uncertainties and assumptions because they refer to future events, depending on circumstances that may or may not occur. Future results and value creation for shareholders may differ significantly from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict.