Earnings Release

2Q23 & 6M23

Belo Horizonte, August 9th, 2023 - Patrimar Engenharia S.A. (“Patrimar” or “Group”), one of the largest developers and builders in Brazil, operating in the economic, middle-income and high-income levels (luxury and high luxury products), discloses its operational and financial results for the second quarter of 2023 (“2Q23”). Unless otherwise indicated, the information in this document is expressed in Brazilian Reais (R$) and the Potential Sales Value (“PSV”) demonstrates the consolidated value (100%).

Highlights

Net Revenue of **R$ 1 billion** in the last 12 months, achieving a CAGR of over **50%** YoY since 2021;

Net Profit of **R$ 18 million** in 2Q23, 50% higher than 2Q22, and **R$ 35 million** in 6M23, 58% higher than the amount achieved in 6M22;

R$ 1.6 billion in accounts receivable portfolio, the highest value ever achieved in the company's history. Combined with Cash and Marketable Securities, we have over R$ 2 billion in assets to meet our operational and expansion needs;

Net Contracted Sales of **R$ 154 million** in July 2023.

Message from the Management

It is with pleasure that we present our operational and financial results for the second quarter of 2023 (2Q23) and the first six months of 2023 (6M23). This was a quarter marked by shifts in the overall financial market moods, especially concerning credit, as well as in the real estate market. The announcements regarding changes in the "Minha Casa Minha Vida" program, along with a strong demand for the middle and high-income segments, provide promising prospects for the latter half of the year 2023.

As previously communicated to the market since last year, our brand Novolar is poised to continue expanding its presence in our product mix within the landbank and upcoming launches in the next years. We maintain a strong focus on land and land portfolios acquisitions to expedite our operations in the affordable housing segment. With extensive experience in this sector, having delivered over 36 thousand units in our operating markets, we possess a substantial appetite to accelerate and potentially expedite this growth in the upcoming years.

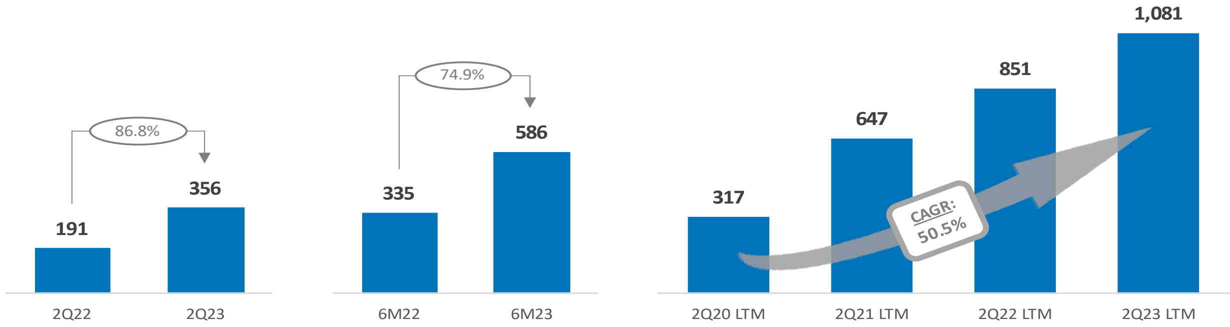
The middle and high-income segment is expected to become increasingly concentrated among a few key players. This is due to funding access restrictions for smaller construction companies, which will limit competition for prime land, availability, and cost (in addition to higher opportunity costs due to interest rate levels). With the brand Patrimar holding a significant position in its operating markets — Rio de Janeiro and Belo Horizonte (including Nova Lima) — our robust landbank, already possessing an advanced level of maturity in the approval cycle, will play a pivotal role in our growth trajectory, offering increasingly distinctive and exclusive products.

Business Growth

Our operation has been on a growth trajectory since 2020. The Compound Annual Growth Rate (CAGR) of our Last Twelve Months' (LTM) Revenue, from 2Q20 to 2Q23, stands at 50.5%. This surge in revenue is the outcome of a significant increase in project launches that our operation has undertaken and will continue to carry out in the upcoming quarters. Our capacity to execute construction projects, oversee expansion, and consistently deliver quality and timely results have been pivotal factors propelling this growth.

Net Operating Revenue

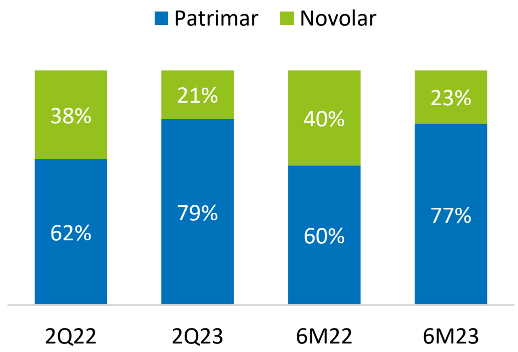
(R$ MM)



In 2Q23 and in 6M23, consequently, the significance of the Patrimar brand in revenue was elevated due to the resurgence of high-end luxury launches in the Belo Horizonte market, which garnered remarkable success. In this phase of operational growth, the quarterly fluctuation of this indicator will continue to be influenced by the launches of each respective brand.

Net Operating Revenue

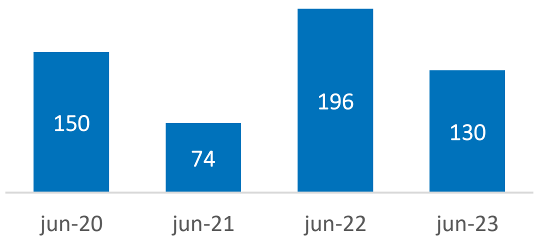
(%)



Additionally, regardless of the brands, the Group historically maintains a low level of completed inventory, resulting in an improved cash cycle, profitability, and revenue growth, aligned with the progression of construction sites and project advancement.

FINISHED INVENTORY

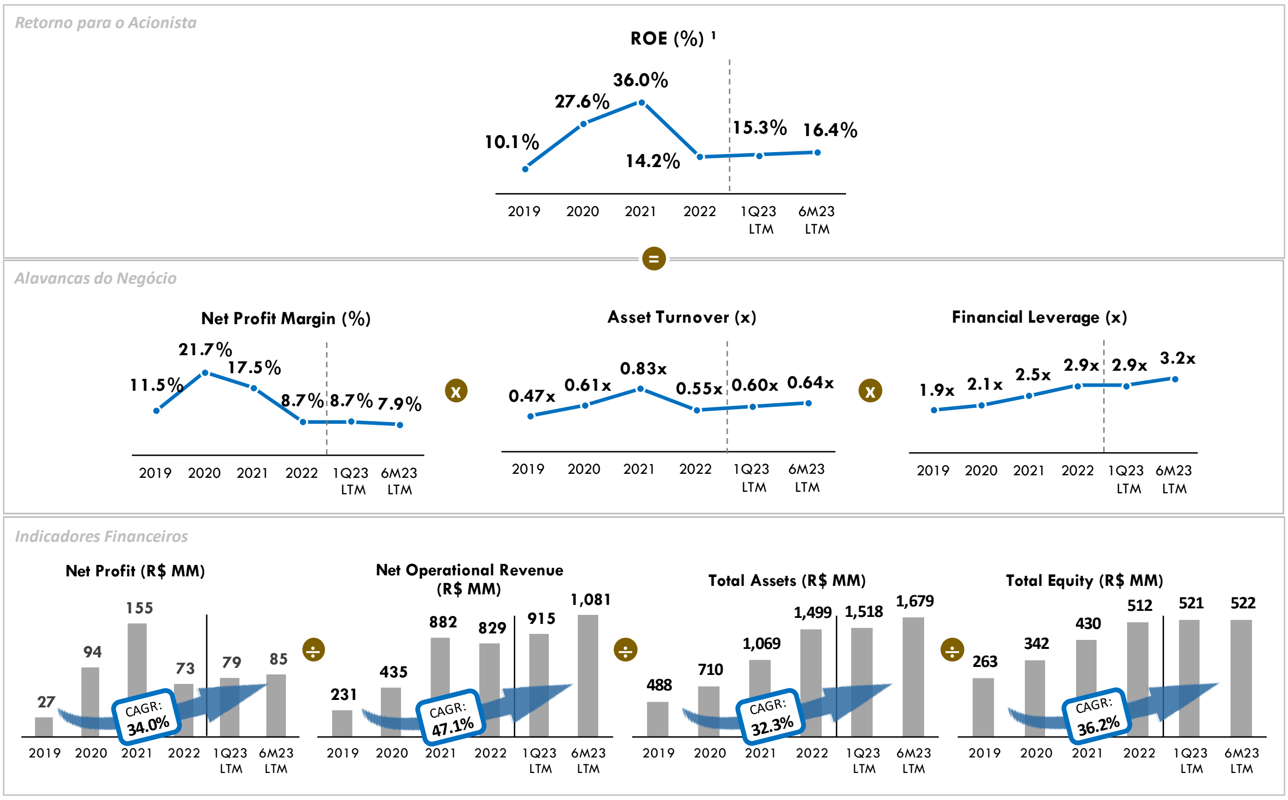
(R$ MM)



The month of July 2023 demonstrates the ongoing strength of demand, with contracted sales amounting to R$ 153.6 million, of which R$ 37 million correspond to completed inventory.

Business Growth

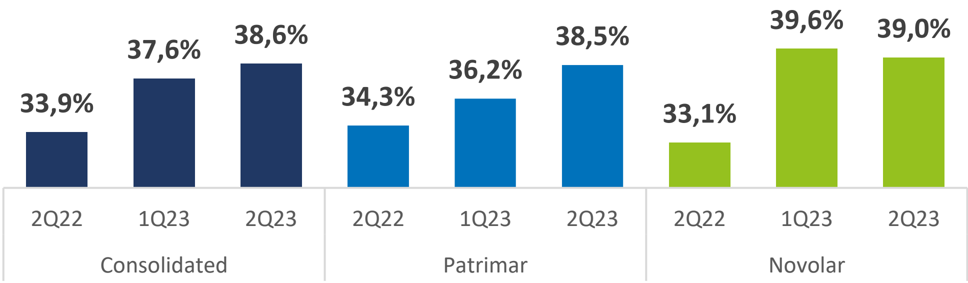
Our focus on profitability continues to center around Return on Equity (ROE), a metric against which we gauge our internal measurements and the success of our ventures. We believe in investments with optimal capital allocation, returns, and appropriate remuneration for shareholders and partners.



Within our strategic planning developed in 2022, with a clear distinction between the two brand operations, Patrimar and Novolar, we assigned to each their respective competitive advantages that precisely mirror our focus on ROE: Patrimar represents a high-margin business, while Novolar is poised to be a business characterized by a swift cash generation cycle.

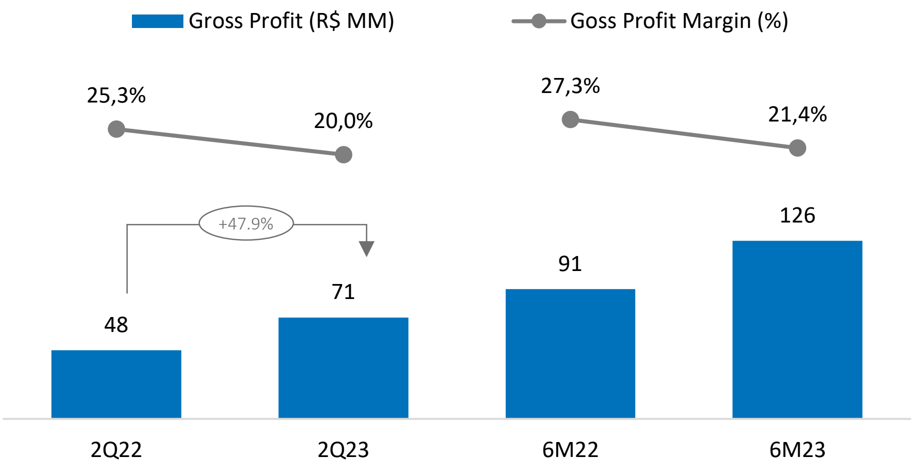
[1] Consolidated ROE. The calculation of ROE takes into account the average Total Assets and Equity for each period. The blue growth arrows reflect the CAGR for each of the financial indicators during the period from 2019 to 6M23 LTM (excluding 1Q23).

SALES GROSS MARGIN [2]
(%)



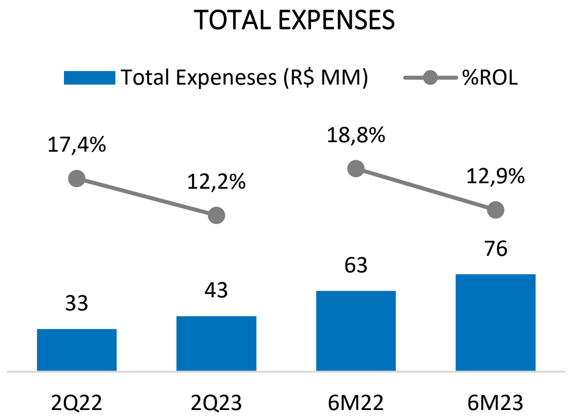
The accounting gross margin has still been affected by the impacts of legacy projects nearing their final construction phases (there are five projects set to conclude in the second half of 2023), which are pre-pandemic launches or were initiated shortly after the pandemic. These projects had short sales and receipt cycles, generating substantial cash flow, but they were significantly impacted by inflationary effects throughout 2021 and 2022. As stated above, the margins of new sales are already showing healthy recovery. We anticipate that the margins will stabilize at levels above 30% in the consolidated financials starting from 2024.

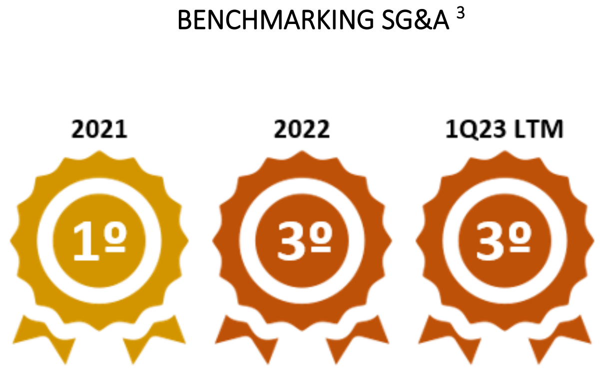
GROSS PROFIT



As our profitability focus remains on ROE, we will continue to maintain one of the lowest ratios of operational expenses (general, administrative, and commercial) in the real estate market, with an adjusted capital structure to maximize the profitability of our projects and capital, aligning with our strategic objective.

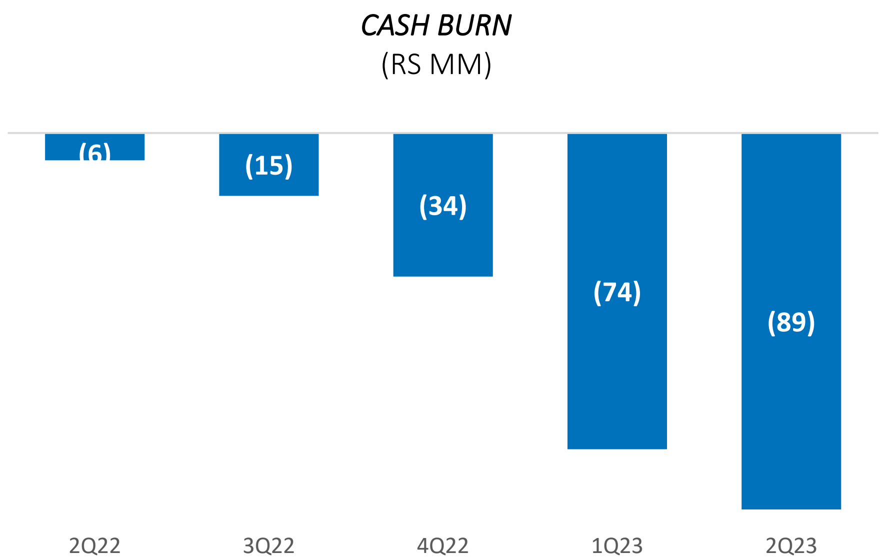
[2] Gross Sales Margin: Contract values minus taxes, subtracted from the cost of the sold fraction.



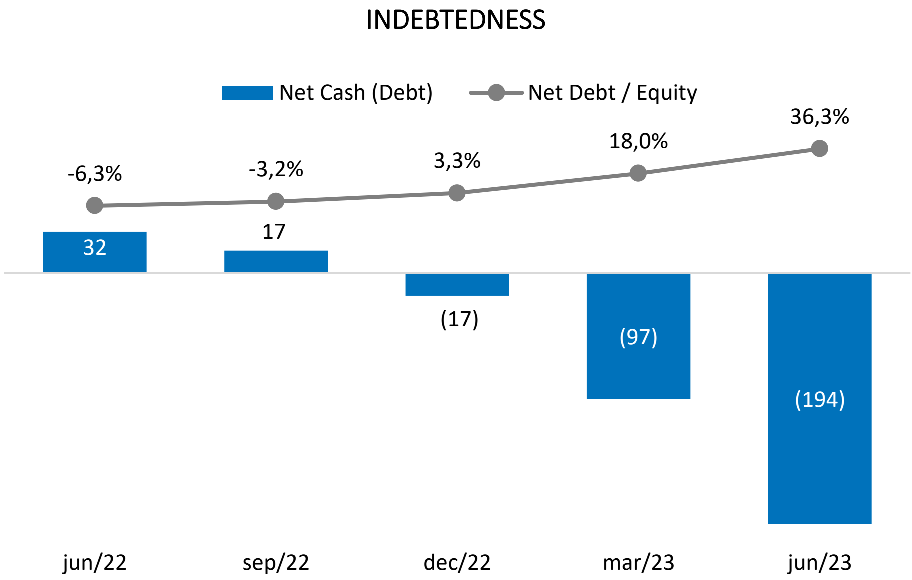


Leverage, Liquidity, and Financial Discipline

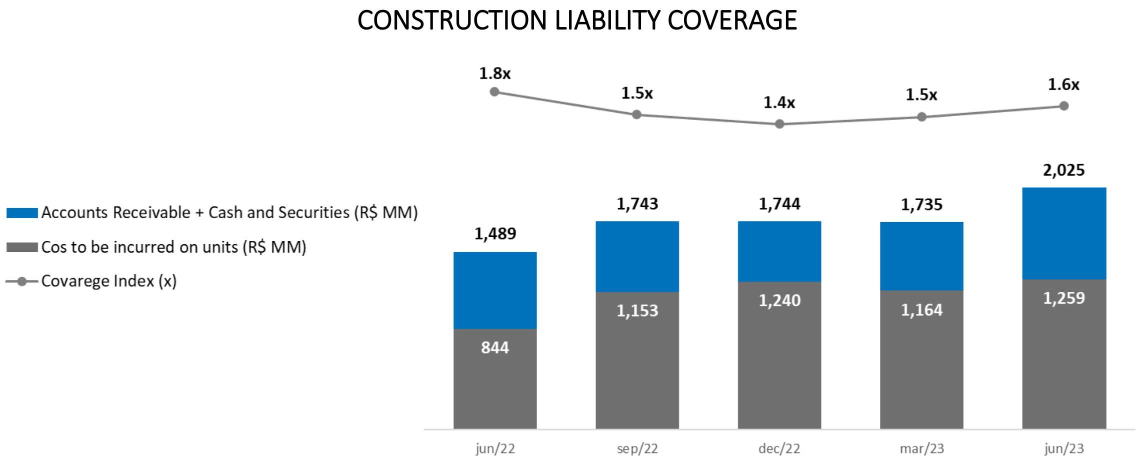
The cash burn observed in 2Q23 is closely tied to the construction cycle and investments within our portfolio. Leveraging the capital structure inherited from prudent strategic decisions made in previous years, we have strategically accumulated leeway on our balance sheet. This allowed us to accelerate our construction activities during the first half of 2023, capitalizing on favorable conditions for scaled negotiations that effectively lower our overall project costs. Consequently, this initiative absorbed our cash reserves and resulted in increased leverage.



[3] Survey of the Investor Relations department of Patrimar based on the Financial Statements published by 19 companies in the sector, considering the indicated periods: Cury, Cyrela, Direcional, Emccamp, Even, Eztec, Gafisa, Helbor, Kallas, Lavvi, Melnick, Mitre, Moura D., MRV, Plano e Plano, Tecnisa, Tenda, and Trisul.



Despite new project launches and ongoing construction activities in the latter half of the year, a substantial volume of receivables remains for 2023 (due to projects nearing completion). Approximately R$ 400 million is expected to be received by December 2023, and R$ 600 million within the next 12 months, considering only sales made up to June 30, 2023. As mentioned earlier, sales of completed inventory in July 2023 alone amounted to approximately R$ 37 million, most of which is expected to be collected within the year, alongside upcoming launches, and strong sales projections for the following quarters. Our efforts are directed towards reducing leverage by the end of 2023.



With the goal of preserving liquidity and investment capacity, in July 2023, we amended construction financing contracts, increasing their value. Additionally, we entered into new agreements for upcoming project launches and issued Commercial Papers maturing in January 2027.

DRE per business unit

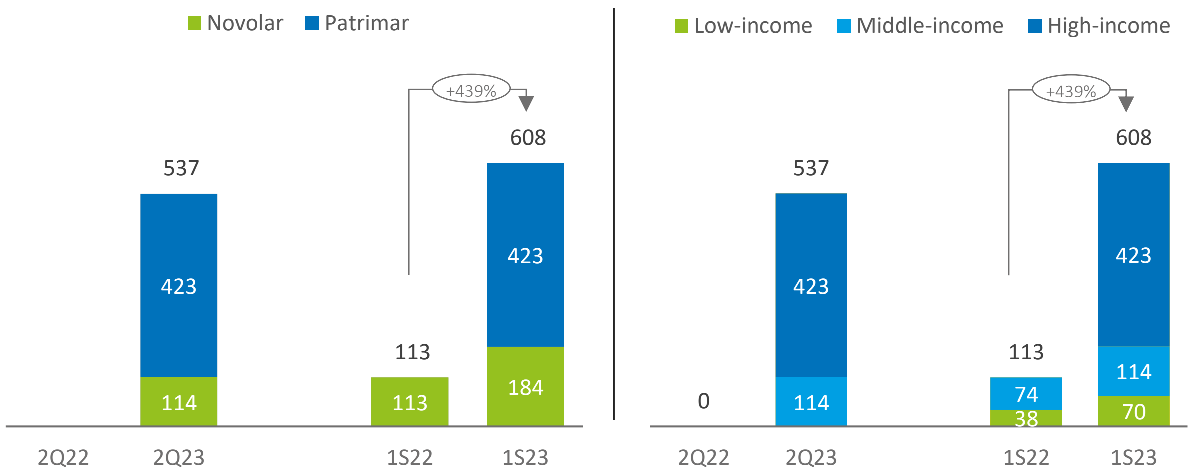
INCOME STATEMENT (BRL k, except when indicated otherwise)	CONSOLIDATED	PATRIMAR	NOVOLAR	CORPORATE
Net Operating Revenue	586,328	452,913	133,416	-
Cost of Properties Sold	(460,796)	(361,445)	(99,351)	-
Gross Profit	**125,532**	**91,468**	**34,064**	**-**
Gross Profit Margin	*21.4%*	*20.2%*	*25.5%*	-
Operating Expenses	**(75,869)**	**(28,414)**	**(22,243)**	**(25,212)**
General and Administrative Expenses	(31,900)	(4,350)	(4,279)	(23,271)
Selling Expenses	(37,362)	(22,643)	(14,455)	(264)
Other operating income (expenses), net	(6,607)	(1,422)	(3,509)	(1,677)
Operating Profit (Loss)	**49,663**	**63,053**	**11,821**	**(25,212)**
Finance Income (Costs), Net	**(886)**	**14,412**	**4,812**	**(20,111)**
Equity in the Results of Investees	**(1,895)**	**(430)**	**(1,465)**	**(0)**
Profit (loss) before Income Taxes	**46,882**	**77,036**	**15,169**	**(45,322)**
Income Taxes	**(11,888)**	**(8,874)**	**(3,013)**	**-**
Profit (Loss) for the Period	**34,994**	**68,162**	**12,155**	**(45,322)**
Net Profit Margin	*6.0%*	*15.0%*	*9.1%*	-

Operational Performance

Launches

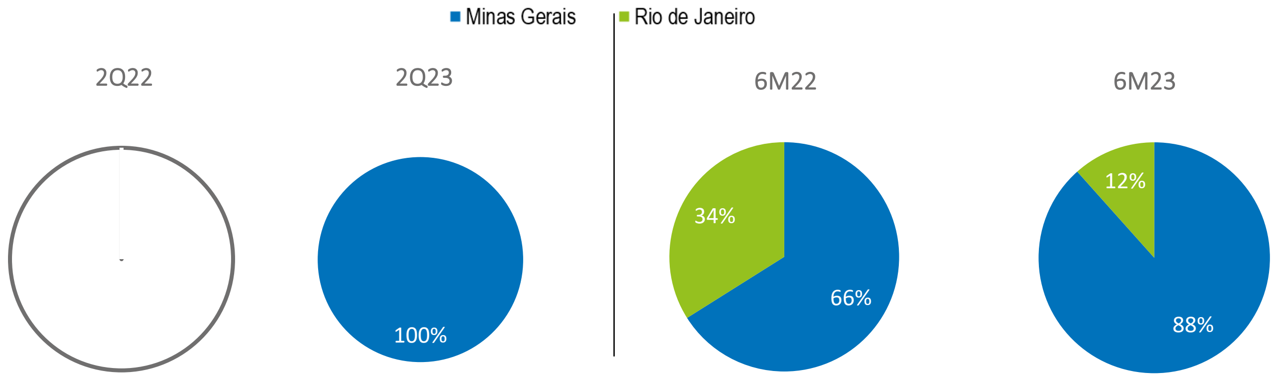
We have resumed a strong pace of project launches in 2Q23, experiencing significant volume growth in 6M23 compared to the same period last year. Noteworthy are the launches made during this period, covering all three segments. The percentage of Patrimar's launches in 2Q23 was 60.4% and 6M23 it was 61.0%.

LAUNCHES 100%
(R$ MM)



Following our market experience, we have continued to explore our geographic flexibility, and we directed our launches towards the state of Minas Gerais in this quarter.

LAUNCHES 100%, BY REGION
(%)

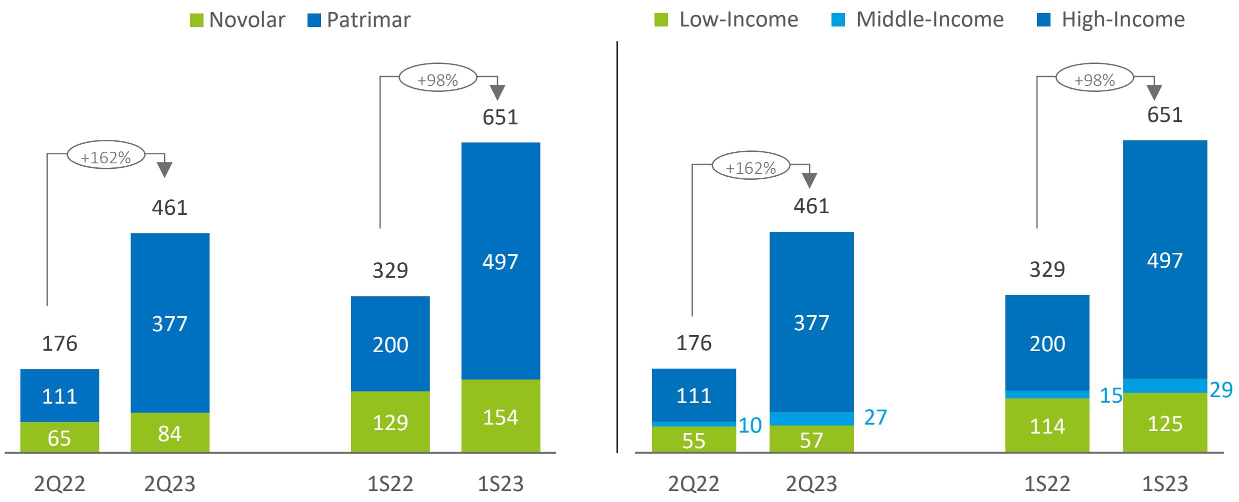


Historically, the Group has experienced the second half of the year as the strongest period for project launches, and we anticipate this trend to continue in 2023. In the month of July alone, we are expecting launches totaling around R$ 250 million in two projects.

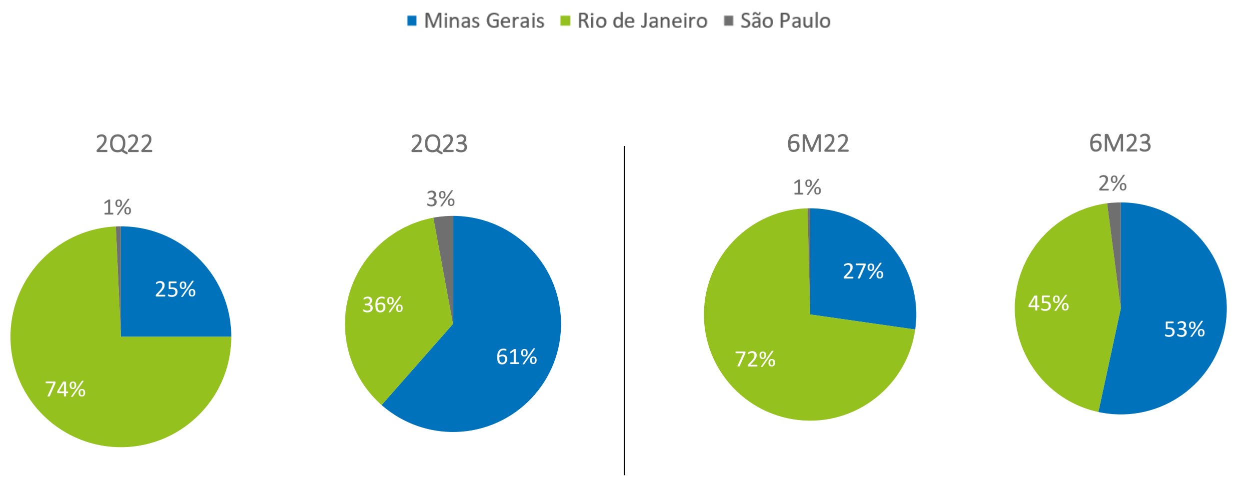
Sales

Net Sales in the second quarter of 2023 achieved the highest value for a second quarter and the second-best quarter in the company's history, driven by a robust sales volume in the high-income segment due to the resumption of launches in the market of Minas Gerais. Sales in the "Minha Casa Minha Vida" segment continue to thrive, and with the acceleration of future launches in the coming quarters, we believe that this segment will deliver strong performance.

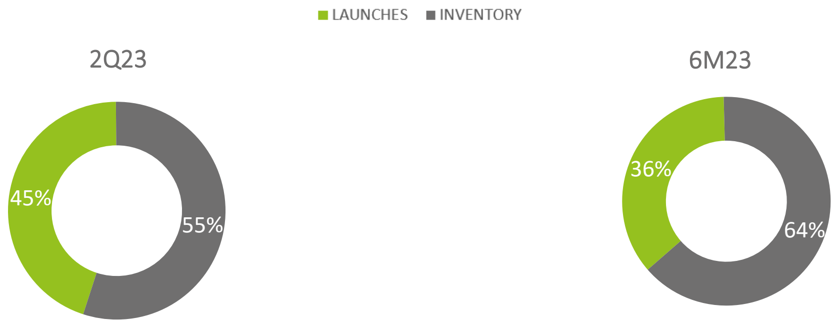
NET SALES 100%
(R$ MM)



NET SALES 100%, BY REGION
(%)



SALES SOURCE
(%)



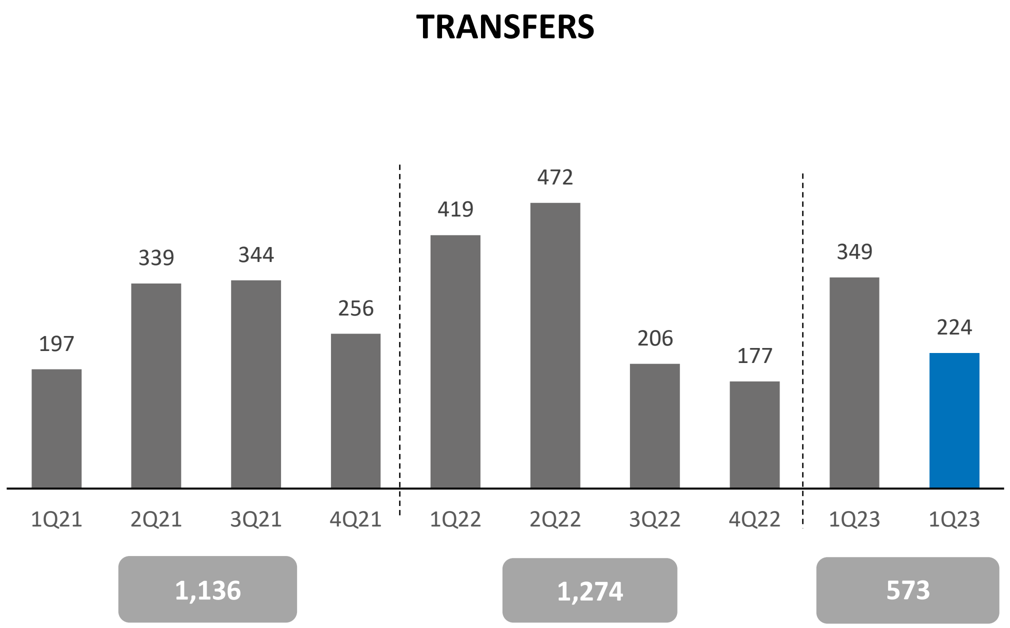
Considering that the second half of the year is expected to outperform the first half in terms of project launches, along with a strong market, our competitive products, low competition in our target markets, and annualized sales (based on 6M23) exceeding R$ 1.3 billion, we have excellent sales prospects for this year. Below, you will find more information about our sales:

Net Contracted Sales (R$ '000)	2Q23 (a)	2Q22 (b)	Δ % (a/b)	6M23 (c)	6M22 (d)	Δ % (c/d)
PSV 100% (R$ thousand)	**460,742**	**175,752**	**162%**	**650,892**	**328,727**	**98%**
Patrimar	**376,704**	**111,076**	**239%**	**497,040**	**199,559**	**149%**
High-income	376,704	111,076	239%	497,040	199,559	149%
Middle-income	-	-	0%	-	-	0%
Novolar	**84,037**	**64,676**	**30%**	**153,852**	**129,168**	**19%**
Middle-income	27,364	9,992	174%	29,320	15,416	90%
Low-income	56,673	54,684	4%	124,532	113,752	9%
PSV % Patrimar (R$ thousand)	**312,580**	**157,668**	**98%**	**464,381**	**290,715**	**60%**
Patrimar	**249,526**	**94,750**	**163%**	**344,929**	**164,665**	**109%**
High-income	249,526	94,892	163%	344,929	164,665	109%
Middle-income	-	-	0%	-	-	0%
Novolar	**63,055**	**62,918**	**0%**	**119,451**	**126,050**	**5%**
Middle-income	25,814	9,448	173%	27,183	14,184	92%
Low-income	37,241	53,470	-30%	92,268	111,866	18%
Units Contracted	**398**	**316**	**26%**	**762**	**582**	**31%**
Patrimar	**88**	**35**	**151%**	**122**	**60**	**103%**
High-income	88	35	151%	122	60	103%
Middle-income	-	-	-	-	-	-
Novolar	**310**	**281**	**10%**	**640**	**522**	**23%**
Middle-income	68	18	278%	72	29	148%
Low-income	242	263	-8%	568	493	15%
Average Price (R$ thousand/unit)	**1,158**	**556**	**108%**	**854**	**565**	**51%**
Patrimar	**4,281**	**3,174**	**35%**	**4,074**	**3,326**	**22%**
High-income	4,281	3,174	35%	4,074	3,326	22%
Middle-income	-	-	0%	-	-	0%
Novolar	**271**	**230**	**18%**	**240**	**247**	**-3%**
Middle-income	402	555	-28%	407	532	-23%
Low-income	234	208	13%	219	231	-5%

Despite the influences of product mix on the analysis of average prices in the high-income segment, we can see a consistent increase in prices across all segments. This is a result of our strategic approach, which includes healthy adjustments to our pricing tables aimed at margin recovery and aligning with the specific strategies of each brand.

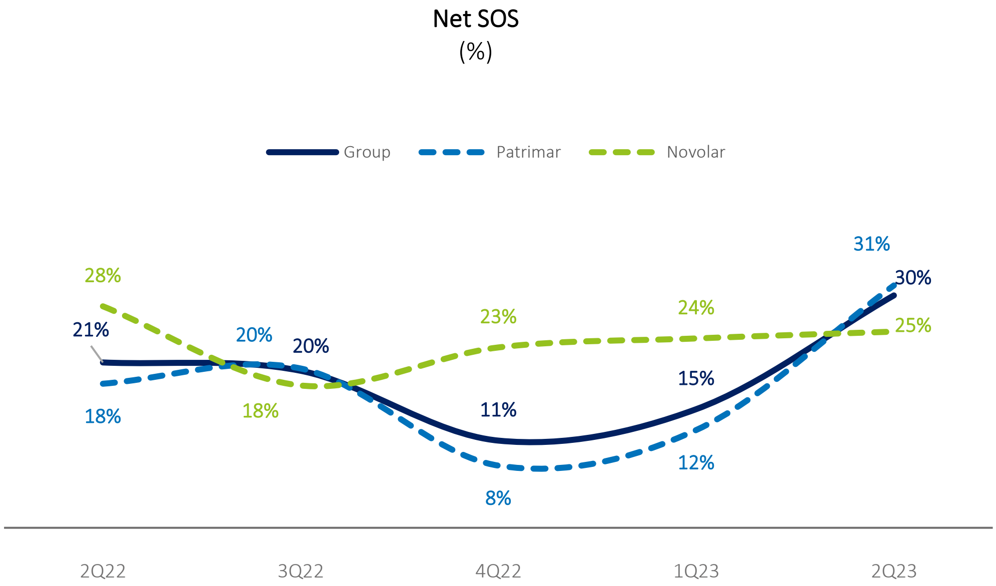
Transfers

The lower volume of transfers in this quarter is due to the properties that have already been transferred in previous periods, reducing the inventory of units available for transfer. The launches and sales completed in this quarter had their transfers concluded in July.



SOS - (Sales Speed) – Sales over Supply

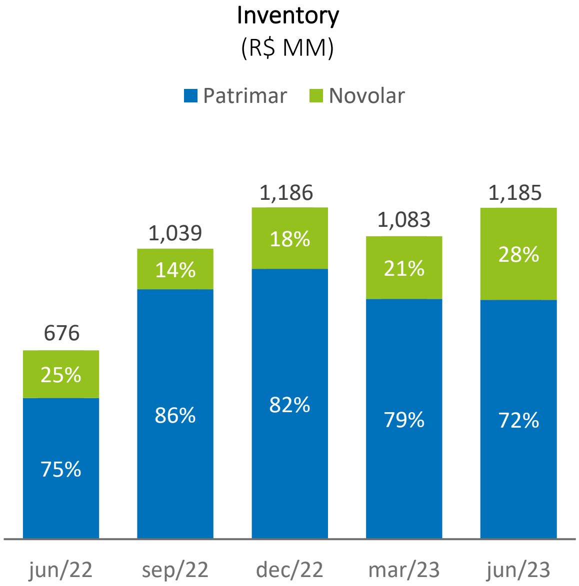
The net SOS of the Patrimar brand performed exceptionally well, primarily driven by the successful launch in June. This contributed to the overall net SOS performance and reinforced the message that the high-income market remains resilient and continues to demand our products. The SOS of the Novolar brand remains at healthy levels and is expected to gain further strength in the coming quarters with the implementation of the new guidelines of the Minha Casa Minha Vida program.

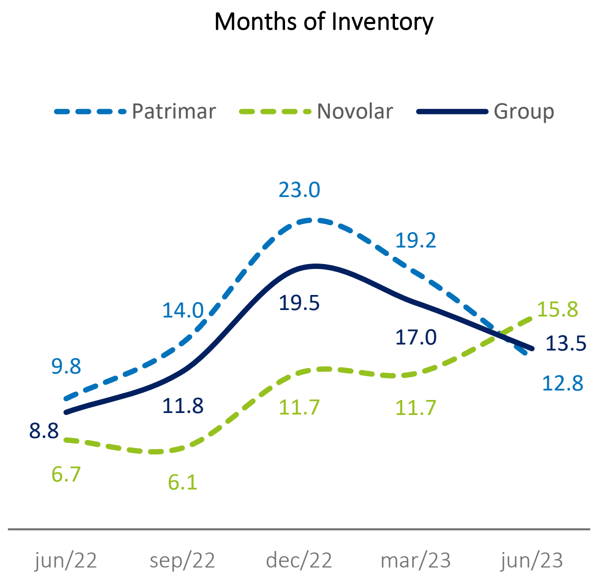


Sales Speed	2Q22	3Q22	4Q22	1Q23	2Q23
SOS Group (%)	**21.0%**	**20.0%**	**11.1%**	**15.1%**	**29.6%**
SOS Patrimar (%)	**18.3%**	**20.3%**	**7.9%**	**12.4%**	**30.9%**
Sales Patrimar	**111,076**	**222,787**	**82,528**	**120,336**	**376,704**
Offer Patrimar	**605,587**	**1,098,474**	**1,042,369**	**966,671**	**1,220,877**
Opening Stock	605,587	504,791	893,159	966,671	859,559
Launches	0	593,683	149,210	0	361,318
SOS Novolar (%)	**28.2%**	**18.1%**	**23.0%**	**24.1%**	**25.0%**
Sales Novolar	**64,676**	**30,966**	**64,556**	**69,814**	**84,037**
Offer Novolar	**229,354**	**170,877**	**281,127**	**289,602**	**336,508**
Opening Stock	229,354	170,877	145,405	219,158	223,465
Launches	0	0	135,723	70,443	113,044

Inventory

With the resumption of project launches in the first half of 2023, particularly in the second quarter, our inventory has grown by 9.4% compared to the end of the previous quarter. However, it has remained constant compared to the beginning of the year due to strong sales performance. The resurgence of project launches in the second half of the year will be crucial in maintaining the sales momentum, as the inventory volume in terms of months of sales has been decreasing.

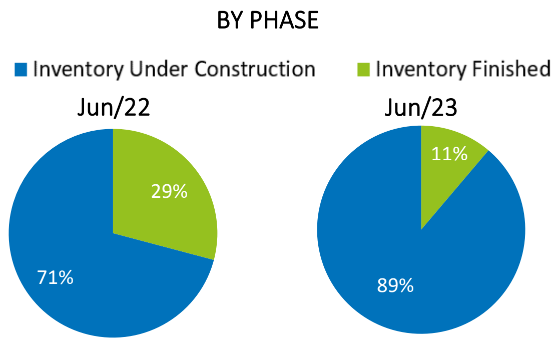


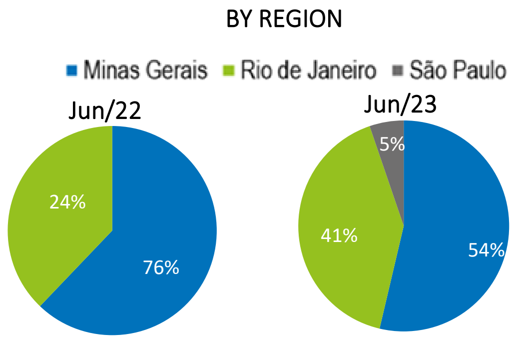


With the increase in completed unit sales and the addition of new units to our inventory through recent launches, the proportion of completed inventory to the total inventory has reached the lowest level in recent quarters.

As of June 30, 2023, the %Patrimar share in our inventory stands at 81%.

INVENTORY 100%
(%)



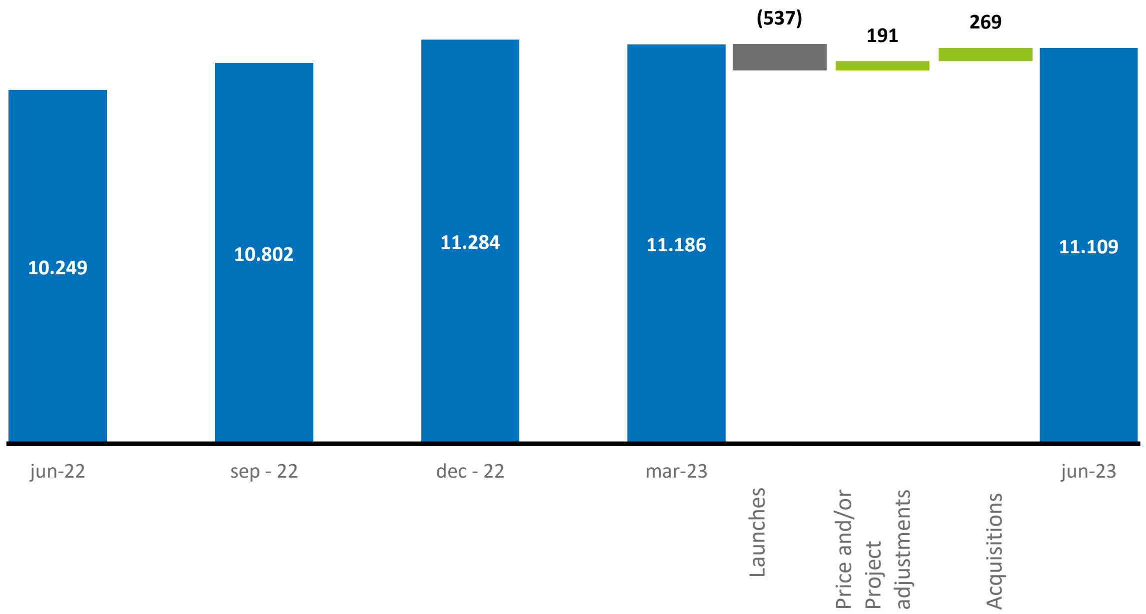


Landbank

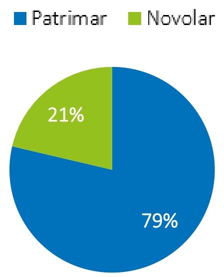
As of June 30, 2023, the landbank for our company has remained at similar levels compared to March 31, 2023, and December 31, 2022. Additionally, we have acquired two new land plots in 2Q23, with an estimated Gross Value of Sales (VGV) of R$ 269 million. We have also implemented stronger pricing strategies for Novolar-branded land plots, particularly in the affordable housing segment, in anticipation of advancements in the PMCMV (Minha Casa Minha Vida Program).

We are committed to expanding our landbank to support our growth trajectory. Currently, our landbank consists of approximately 13,000 units, with the %Patrimar share as of June 30, 2023, standing at 70%.

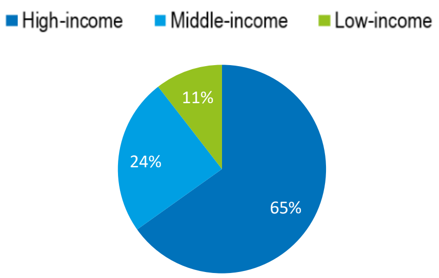
Landbank 100%
(%)



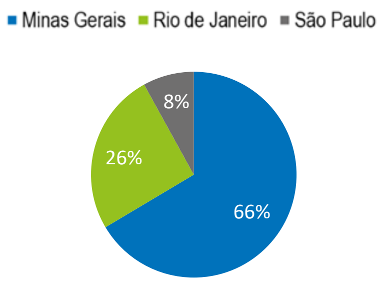
BY COMPANY



BY OPERATION



BY REGION



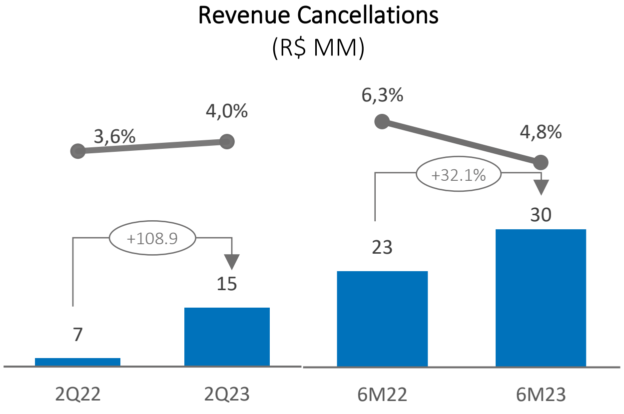
Financial Performance

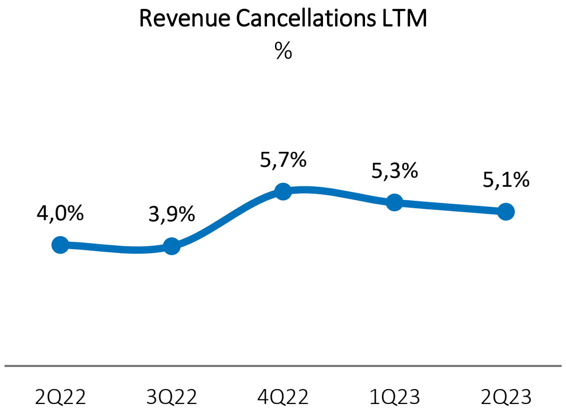
Net Income

Net Operating Revenue (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Gross revenue from properties sales	377,622	200,546	88.3%	623,375	360,188	73.1%
Service revenue	260	1,668	-84.4%	727	2,074	-64.9%
Gross Revenue	**377,882**	**202,214**	**86.9%**	**624,102**	**362,262**	**72.3%**
Canceled sales	(15,179)	(7,267)	108.9%	(30,177)	(22,843)	32.1%
Allowance for doubtful accounts	(623)	(368)	69.3%	(1,287)	(625)	105.9%
Provision (reversal) for contract terminations	(3,486)	(2,036)	71.2%	(3,101)	(268)	1057.1%
AVP - Adjustment to present value	4,761	2,164	120.0%	8,132	4,155	95.7%
Deduction and taxes	(6,954)	(3,948)	76.1%	(11,341)	(7,445)	52.3%
Net Revenue	**356,401**	**190,759**	**86.8%**	**586,328**	**335,236**	**74.9%**

The growth in Net Revenue during 2Q23 compared to 2Q22, as well as for 6M23 against 6M22, is attributed to the exceptional operational performance achieved thus far in the year. The volume of project launches and sales have expanded, along with an increase in our average transaction values, reflecting the benefits of our brand enhancement strategy, particularly for the Patrimar brand. Furthermore, we have a higher volume of ongoing construction projects and improved project progression when compared to the same quarter of the previous year.

As the overall real estate market sentiment improves, along with increased consumer expectations, we are returning to historically low levels of contract cancellations, or "distratos." With the rise in revenue, there has naturally been an absolute increase in the number of distratos, although at a lower proportion compared to previous periods.

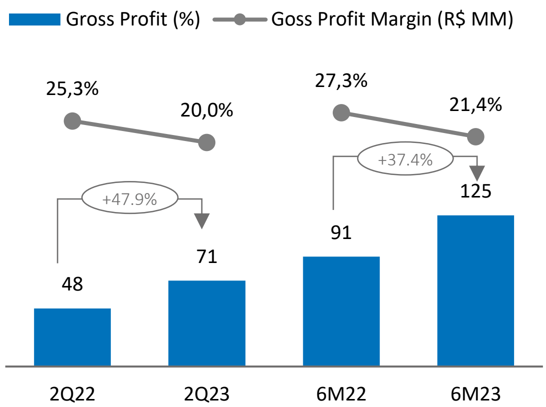




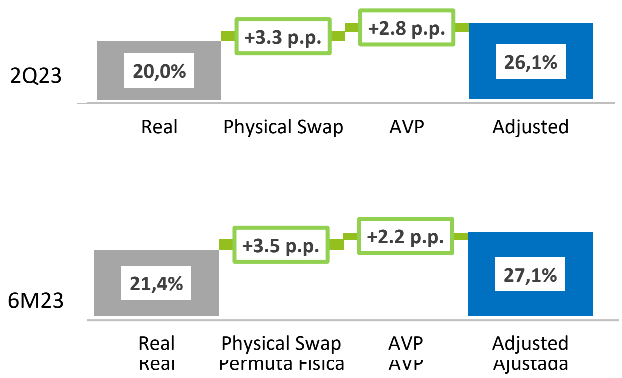
Gross Profit and Gross Margin

In addition to the mentioned inflationary effects outlined in our management message above, the accounting gross margin has also been impacted by our strategy of acquiring land through physical swaps, which, while advantageous in reducing cash exposure, does affect operational profitability. This is especially notable during periods with a concentration of project launches involving this particular business characteristic. Additionally, albeit to a lesser extent, we experienced an exceptional impact from AVP (Accruals for Unconcluded Sales) due to high interest rates and our strategy of maintaining prices for Patrimar brand products. This strategy extends our revenue realization cycle, temporarily decreasing the present value of the contracted portfolio in terms of immediate financial impact. If we exclude the effects of swaps and AVP from the quarter, the Gross Margin for 2Q23 would be higher than in 2Q22, and when comparing the adjusted 6M23 margin with that of 6M22, it would be in line.

Gross Profit and Gross Margin



Real and Adjusted Gross Margin



We continue to experience a significant impact from the strategy of shortening the cash cycle for Patrimar sales in the past, as well as the mismatch between the On-Site INCC (National Construction Cost Index) and the INCC in our portfolio. The margins for both brands have been gradually recovering (as seen in the Gross Margins for 2Q23 sales mentioned above), but we still foresee a few quarters of impact on specific projects that are nearing completion.

MARGIN PER BUSINESS UNIT
(6M23)

INCOME STATEMENT (BRL k, except when indicated otherwise)	CONSOLIDATED	PATRIMAR	NOVOLAR
Net Operating Revenue	586,328	452,913	133,416
Cost of Properties Sold	(460,796)	(361,445)	(99,351)
Gross Profit	**125,532**	**91,468**	**34,064**
Gross Profit Margin	*21.4%*	*20.2%*	*25.5%*

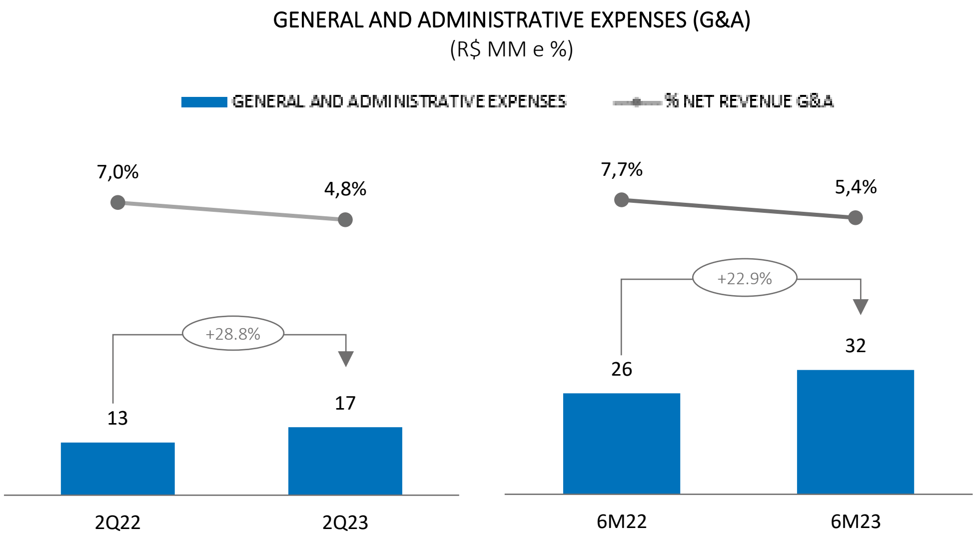
Operational Expenses

Operating Expenses (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
General and administrative expenses	17,197	13,347	28.8%	31,900	25,919	23.1%
Selling expenses	20,920	19,023	10.0%	37,362	35,322	5.8%
Other operating revenue (expenses)	5,254	829	533.8%	6,607	1,696	289.6%
Total	**43,371**	**33,199**	**30.6%**	**75,869**	**62,937**	**20.5%**
% of ROL	**12.2%**	**17.4%**	**-5.2p.p.**	**12.9%**	**18.8%**	**-5.8p.p.**

General and Administrative Expenses (G&A)

General and Administrative Expenses (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Personnel expenses	9,393	8,163	15.1%	18,076	16,155	11.9%
General administrative expenses	3,013	909	231.5%	4,920	1,739	182.9%
Depreciation and amortization	1,541	1,885	-18.2%	3,141	3,764	-16.6%
Third-party services	3,250	2,390	36.0%	5,763	4,261	35.2%
Total	**17,197**	**13,347**	**28.8%**	**31,900**	**25,919**	**23.1%**

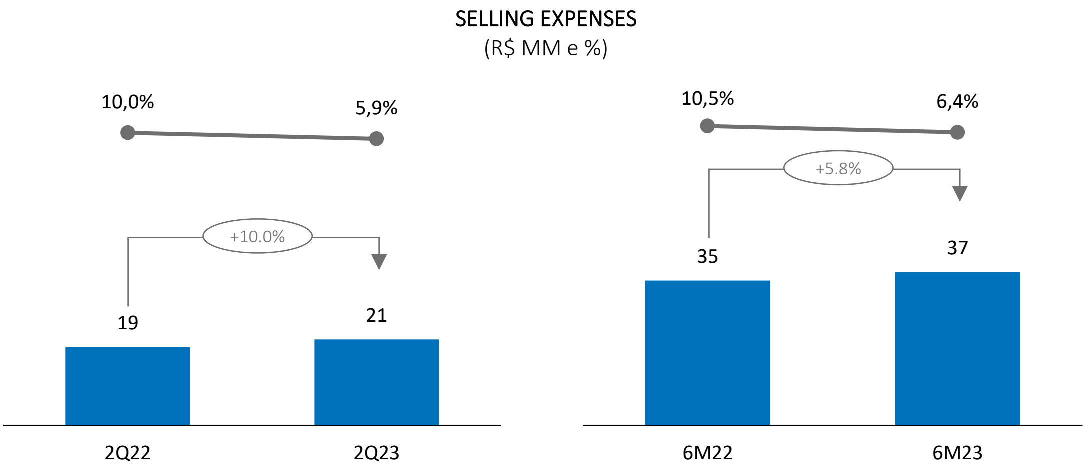
Following the trend observed in previous quarters, the growth of our operation has led to a spreading out (dilution) of investments made in infrastructure and personnel. Consequently, even with a relative increase in expenses related to personnel, third-party services, and general administrative expenses, the General and Administrative (G&A) expenses as a percentage of Revenue demonstrated a positive progression when comparing 2Q23 with 2Q22, as well as 6M23 against 6M22.



Commercial Expenses

Commercial Expenses (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Personnel expenses	1.573	1.432	9,8%	2.775	3.295	-15,8%
Commissions and brokerages	7.583	5.840	29,8%	12.884	10.566	21,9%
Sales stands / decorated apartments	4.100	1.574	160,5%	7.309	3.160	131,3%
Advertising	4.893	6.473	-24,4%	9.229	11.194	-17,6%
Other commercial expenses	2.771	3.704	-25,2%	5.165	7.107	-27,3%
Total	20.920	19.023	10,0%	37.362	35.322	5,8%

Likewise, with the operational scale gained from a higher volume of sales achieved in 2Q23 and 6M23, we managed to maintain our sales expenses while simultaneously reducing the total as a percentage of Revenue. The increase in "Stand de vendas" expenses is attributed to the depreciation of sales stands in Rio de Janeiro due to successful sales outcomes..



Other Operational Expenses (Incomes)

Other Operating Expenses / Revenues (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Real estate loan expenses	2	-	-	9	5	80.0%
Tax expenses	56	140	-60.0%	291	148	96.6%
Provision for contingencies	2,255	164	1275.0%	4,697	806	482.8%
Eventual losses	1,573	204	671.1%	1,588	320	396.3%
Gain on contract termination	(398)	-197	102.0%	(877)	(1,085)	-19.2%
Other operating income and expenses	1,766	518	240.9%	899	1,502	-40.1%
Total	**5,254**	**829**	**533.8%**	**6,607**	**1,696**	**289.6%**
% of ROL	**1.5%**	**0.4%**	**1.0 p.p.**	**1.1%**	**0.5%**	**0.6 p.p.**

The increase in other expenses primarily resulted from the rise in civil and labor contingencies, as well as the write-off of expenses due to the cancellation of land contracts that no longer aligned with our expansion strategy.

Financial Result

Financial Income	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Monetary adjustment and contractual interest	(201)	1,971	-110.2%	653	2,980	-78.1%
Interest on financial investments	9,460	7,672	23.3%	21,065	14,430	46.0%
Other Financial Results	99	156	-36.5%	295	209	41.1%
Total	9,358	9,799	-4.5%	22,013	17,619	24.9%
Financial Expenses	2T23	2T22	Δ %	6M23	6M22	Δ %
Interest on loans and financing	(10,888)	(6,575)	65.6%	(21,778)	(12,268)	77.5%
Debits from bank charges and fees	(612)	(688)	-11.0%	(1,107)	(1,114)	-0.6%
Other Financial Expenses	(8)	(138)	-94.2%	(14)	(141)	-90.1%
Total	(11,508)	(7,401)	55.5%	(22,899)	(13,523)	69.3%
Financial Result	(2,150)	2,398	-189.7%	(886)	4,096	-121.6%

The decrease in financial results is primarily attributed to a lower average cash volume during these periods, stemming from the higher level of investments made in construction during 2023. Additionally, there has been an increase in loan and financing interest expenses, especially due to the issuance of the Real Estate Receivables Certificates (CRI) in July 2022.

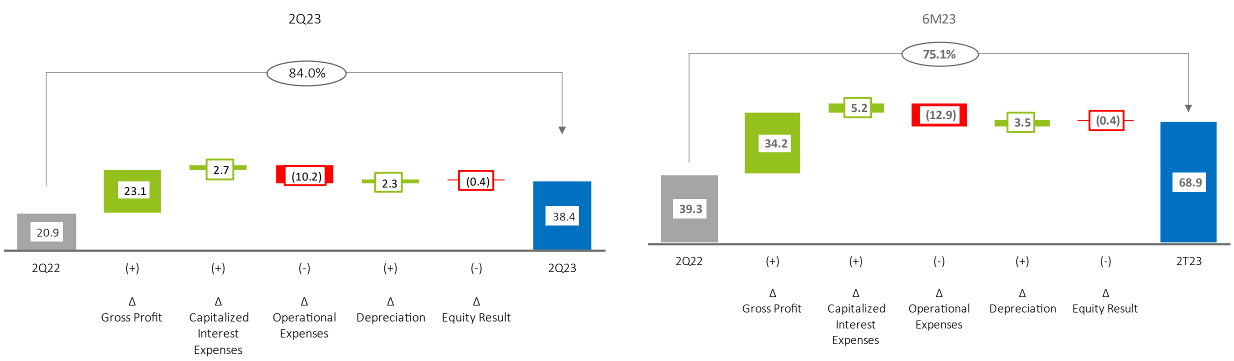
Equity Result

Equity Result	2T23	2T22	Δ %	6M23	6M22	Δ %
Equity Result	(1,221)	(865)	41%	(1,895)	(1,462)	29.6%

In this particular 2Q23, we recorded a lower Equity Income due to expenses incurred in projects with partners that are in their initial structuring phase. Nevertheless, we anticipate that the trend observed in previous quarters will persist, and our Equity Income will be increasingly less impacted by issues related to the construction of projects within the economic operation formed in partnerships established over five years ago.

EBITDA and Adjusted EBITDA

Adjusted EBITDA Bridge
(%)



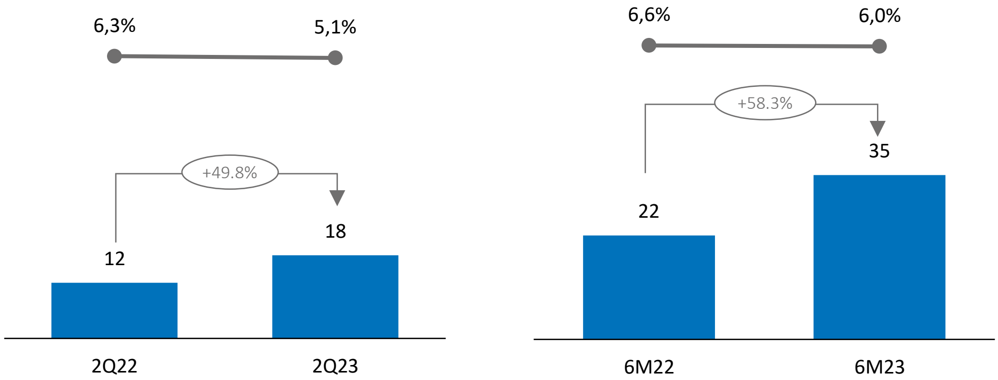
With the achieved scale gain up to this point, we've been able to generate more gross profit than expenses proportionally, as well as less impactful equity income. Consequently, both EBITDA and Adjusted EBITDA have grown in comparison to both quarterly and semi-annual periods. Additionally, since the growth of EBITDA and Adjusted EBITDA was roughly in line with revenue growth, we've managed to maintain the EBITDA margin and Adjusted EBITDA margin at the same levels. Below, we provide a reconciliation of these indicators with Accounting Profit.

EBITDA (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Net Income	**18,006**	**12,022**	**49.8%**	**34,995**	**22,109**	**58.3%**
(+) Income Tax and Social Contribution	6,668	4,586	45.4%	11,887	8,967	32.6%
(+) Financial Results	2,150	(2,398)	-189.7%	887	(4,096)	-121.6%
(+) Depreciation andf Amortiation	5,582	3,322	68.0%	10,175	6,633	53.4%
EBITDA	**32,406**	**17,532**	**84.8%**	**57,944**	**33,613**	**72.4%**
EBITDA Margin (%)	**9.1%**	**9.2%**	**-0.1p.p.**	**9.9%**	**10.0%**	**-0.1p.p.**
Capitalized Interest Expense	6,006	3,341	79.8%	10,921	5,720	90.9%
Adjusted EBITDA	**38,412**	**20,873**	**84.0%**	**68,865**	**39,333**	**75.1%**
Adjusted EBITDA Margin (%)	**10.8%**	**10.9%**	**-0.2p.p.**	**11.7%**	**11.7%**	**0.0p.p.**

Net Profit and Net Margin

Similar to our gross profit, our net profit has also grown compared to the same quarter of the previous year, thanks to operational expansion. With our operational financial diligence and the strategies already implemented to aim for margin growth, we intend to achieve margin restoration in the subsequent periods.

Net Profit and Net Margin
(R$ MM and %)

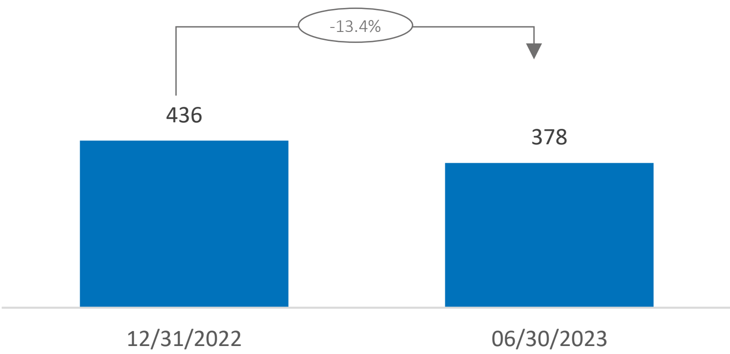


Balance Sheet Highlights

Cash, Cash Equivalents and Market Securities

Cash, Cash Equivalents and Market Securities
(R$ MM)

Due to our decision to invest in the operation and pursue profitability, we've witnessed a Cash Burn in the recent quarters, resulting in reduced liquidity. Nevertheless, as construction progresses, we will naturally see the influx of real estate credit and the return of capital upon the completion of projects in the upcoming quarters. This will contribute to the restoration of liquidity.



Accounts Receivable

Accounts Receivable (R$ '000)	06/30/2023	12/31/2022	Δ %
Completed units	62,737	53,649	16.9%
Units under construction	717,833	543,021	32.2%
Management services	22,327	24,418	-8.6%
Provision for canceled sales / losses / PVA	(46,581)	(29,276)	59.1%
Total	**756,316**	**591,812**	**27.8%**

The growth in the Accounts Receivable balance is primarily the result of an increase in completed and ongoing units, which can be explained by the advancement or completion of construction projects, an extended payment profile from customers, and a higher volume of sales. The overall balance of Accounts Receivable from sales continues to grow, and we expect it to increase even further with the planned launches in the upcoming quarters. Presently, this balance stands at R$ 1.6 billion, reflecting the cumulative sales volume and our result management strategies.

Accounts Receivable (R$ '000)	06/30/2023	12/31/2022
Due within 1 year	571,628	486,161
Due 1 to 2 years	307,509	276,460
Due 2 to 3 years	426,186	297,691
Due 3 to 4 years	300,534	210,975
Due over 4 years	6,576	6,110
	1,612,433	**1,277,397**
Expired up to 1 year	19,400	20,953
Expired between 1 to 2 years	12,268	6,956
Expired between 2 to 3 years	1,395	969
Expired between 3 to 4 years	1,096	1,130
Expired over 4 years	829	630
	34,988	**30,638**
Total	**1,647,421**	**1,308,035**

Real Estate for Sale

Properties for Sales (R$ '000)	06/30/2023	12/31/2022	Δ %
Inventories of land	203,966	178,492	14.3%
Properties under construction	253,178	281,249	-10.0%
Completed properties	50,931	49,851	2.2%
Provision for canceled sales	2,910	950	206.3%
Total	**510,985**	**510,542**	**0.1%**

Despite the increase in the land inventory line, resulting from strategic purchases aimed at expanding our landbank, the overall inventory of properties available for sale remained stable. This reflects our ability to sell not only off-plan properties but also ready-to-move-in properties, even with a significant increase in project launches during the quarter.

Advances from Customers

Advances from Customers (R$ '000)	06/30/2023	12/31/2022	Δ %
Advances from customers and barters made for construction in progress	386,594	421,724	-8.3%
Advances from customers for customized units	-	22,356	-
Advance from Customers - Other Transaction	12,400	-	-
Barters made for land - not launched developments	9,828	43,020	-77.2%
Total	**408,822**	**487,100**	**-16.1%**

The change in the advance from customers' balance pertains to the swaps of projects that were launched and are subsequently being used for construction activities. Additionally, with the completion of projects that offered customizations, the balance of outstanding custom unit advances has been brought to zero.

Suppliers

Trade Payables (R$ '000)	06/30/2023	12/31/2022	Δ %
Trade Payables	85,913	51,606	66.5%
Technical Retentions	9,872	9,313	6.0%
Total	**95,785**	**60,919**	**57.2%**

The increase in the suppliers balance is naturally explained by the increase in construction activities.

Real Estate Purchase Obligations

Real estate purchase obligations (R$ '000)	06/30/2023	12/31/2022	Δ %
Land developed	**25,561**	**35,591**	**-28.2%**
Physical Swap	698	8,346	-91.6%
Financial Exchange	24,863	27,245	-8.7%
Land not developed	**65,212**	**11,100**	**487.5%**
Physical Swap	65,212	11,100	487.5%
Financial Exchange	-	-	-
Total	**90,773**	**46,691**	**94.4%**

The increase in the account of real estate purchase obligations reflects obligations assumed by the company in its real estate development activities.

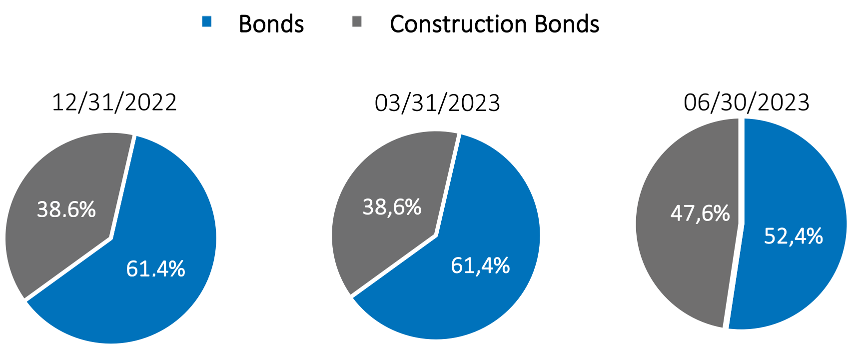
Indebtedness

Net Debt / Equity (R$ '000)	06/30/2023	12/31/2022	Δ %
(+) Loans and Financing	572,072	453,669	26.1%
(-) Cash and Cash Equivalent	377,814	436,183	-13.4%
(=) Net Debt	(194,258)	17,486	-1210.9%
(=) Equity	534,783	537,696	-0.5%
Net Debt/ Equity	**36.3%**	**3.3%**	**33.1p.p.**

In this quarter, the increase in net debt is a consequence of the Cash Burn, as previously mentioned. Our decision to invest in the operation (construction costs and sales stands) and acquire land, while continuing our efforts to enhance margins, has led to higher leverage.

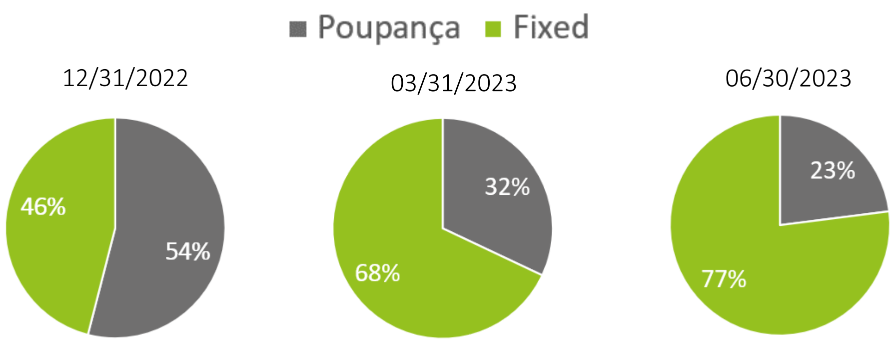
However, this year we anticipate concluding construction phases that will bring in resources (customer payments), increasing liquidity. Among the ongoing projects, approximately 30% of the construction sites are over 85% completed and are expected to be finished within this year.

DEBT PROFILE, BY TYPE
(%)



The mix of our liabilities has been changing with the growth of our operations and a strategy of leveraging at the asset level, unlike what was done in the past when the CDI was lower.

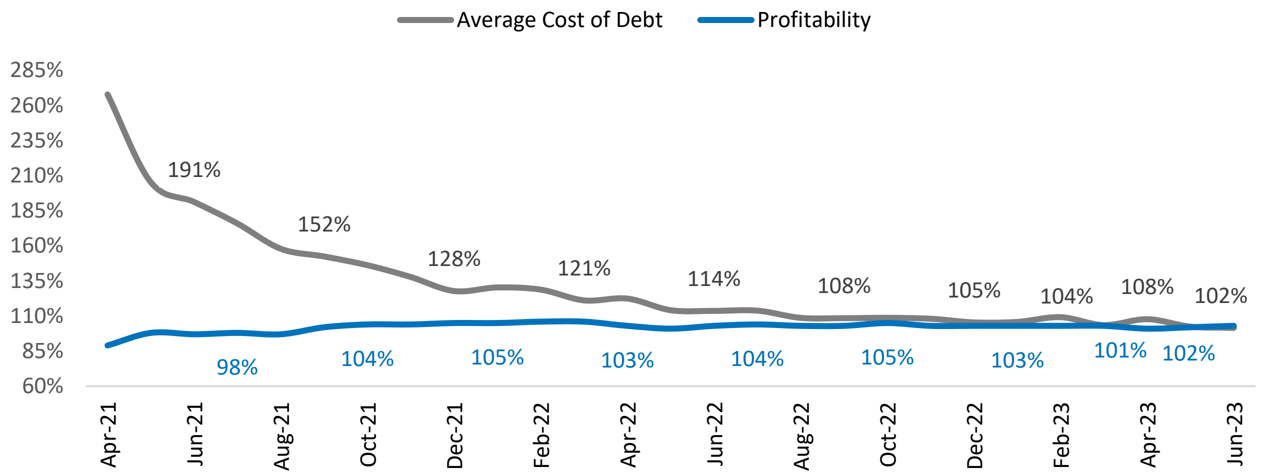
Debt Index
(%)



Due to the composition of our liabilities and the progress of construction financing acquisitions – a debt linked to the Company's productive activities – the weighted average cost of our liabilities remains low and closely aligned with the average returns on our financial investments. We anticipate that the weighted average cost will decrease throughout 2023, considering the financing acquisitions that have already been contracted and chose yet to be released.

Additionally, as over 50% of our liabilities are indexed to the CDI, primarily consisting of corporate debts, with the decline of the SELIC rate already initiated in August 2023, our relative cost of fixed operations will increase in terms of CDI. However, our overall financial cost of liabilities will decrease due to the interest rate reduction, thereby enhancing our final profitability.

Average Cost of Debt x Profitability of Applications
(In percentage of CDI)



Attachments

Consolidated Results Report

Income Statement (R$ '000)	2Q23	2Q22	Δ %	6M23	6M22	Δ %
Net operating Revenue	356,401	190,759	86.8%	586,328	335,236	74.9%
Cost of properties sold	(284,985)	(142,485)	100.01%	(460,796)	(243,857)	88.96%
Gross profit	**71,416**	**48,274**	**47.94%**	**125,532**	**91,379**	**37.38%**
Gross profit margin	**20.0%**	**25.3%**	**-20.82%**	**21.4%**	**27.3%**	**-21.46%**
Operating expenses	**(43,371)**	**(33,199)**	30.64%	**(75,869)**	**(62,937)**	20.55%
General and administrative expenses	(17,197)	(13,347)	28.85%	(31,900)	(25,919)	23.08%
Selling expenses	(20,920)	(19,023)	9.97%	(37,362)	(35,322)	5.78%
Other operating income (expenses), net	(5,254)	(829)	533.78%	(6,607)	(1,696)	289.56%
Operating profit (loss)	**26,824**	**14,210**	**88.77%**	**47,768**	**26,980**	**77.05%**
Finance income	9,358	9,799	-4.50%	22,013	17,619	24.94%
Finance costs	(11,508)	(7,401)	55.49%	(22,899)	(13,523)	69.33%
Finance income (costs), net	**(2,150)**	**2,398**	**-189.66%**	**(866)**	**4,096**	**-121.14%**
Equity in the results of investees	**(1,221)**	**(865)**	**41.16%**	**(1,895)**	**(1,462)**	**29.62%**
Profit (loss) before income tax and social contribution	**24,674**	**16,608**	**48.57%**	**46,882**	**31,076**	**50.86%**
Income tax and social contribution	(6,668)	(4,586)	45.40%	(11,887)	(8,967)	32.56%
Profit (loss) for the period	**18,006**	**12,022**	**49.8%**	**34,995**	**22,109**	**58.28%**
Net Profit Margin	**5.1%**	**6.3%**	**-19.84%**	**6.0%**	**6.6%**	**-9.50%**
Attributable to:						
Owners of the company:	5,420	1,904	184.7%	16,624	7,139	132.9%
Non-controlling interests	12,586	10,118	24.4%	18,371	14,970	22.7%

Balance Sheet

Assets (R$ '000)	06/30/2023	12/31/2022	Δ %
Current assets			
Cash and cash equivalents	279,255	330,137	-15.4%
Securities	98,559	106,046	-7.1%
Accounts receivable	397,488	315,643	25.9%
Properties for sale	458,438	419,866	9.2%
Taxes recoverable	16,675	16,318	2.2%
Prepaid expenses	29,738	25,105	18.5%
Other receivables	19,364	14,229	36.1%
Total current assets	1,299,517	1,227,344	5.9%
Non-current assets			
Financial investments	2,751	2,664	3.3%
Accounts receivable	358,828	276,169	29.9%
Properties for sale	52,547	90,676	-42.0%
Judicial deposits	960	1,634	-41.2%
Related parties	13,724	8,040	70.7%
Active deferred taxes	2,468	-	
Long-term receivables	431,278	379,183	13.7%
Investments	29,031	28,074	3.4%
Property and equipment	45,590	36,094	26.3%
Right to use lease	8,398	6,530	28.6%
Intangible assets	6,451	9,320	-30.8%
Total non-current assets	520,748	459,201	13.4%
Total assets	1,820,265	1,686,545	7.9%

Liabilities and Equity (R$ '000)	06/30/2023	12/31/2022	Δ %
Current liabilities			
Loans and financing	262,263	93,475	180.6%
Leases	4,432	4,894	-9.4%
Trade payables	95,785	60,919	57.2%
Salaries and social charges	18,590	12,032	54.5%
Tax liabilities	4,953	5,559	-10.9%
Real estate purchase obligations	50,482	35,774	41.1%
Dividends payable	152	6,814	-97.8%
Advances from customers	238,826	202,973	17.7%
Deferred taxes	1,394	1,561	-10.7%
Other payables	28,133	21,134	33.1%
Provision for property maintenance	4,839	1,831	164.3%
Total current liabilities	709,849	446,966	58.8%
Non-current liabilities			
Loans and financing	309,809	360,194	-14.0%
Leases	2,161	1,758	22.9%
Real estate purchase obligations	40,291	10,917	269.1%
Advances from customers	169,996	284,127	-40.2%
Advances from customers	6,370	4,716	35.1%
Provision for contingencies	17,047	14,365	18.7%
Provision for real estate maintenance	7,034	5,089	38.2%
Related parties	15,960	14,718	8.4%
Provision for net capital deficiency	6,965	5,999	16.1%
Total non-current liabilities	575,633	701,883	-18.0%
Equity			
Capital	269,172	269,172	0.0%
Capital Reserve	259	259	0.0%
Revenue Reserves	108,039	98,354	9.8%
Retained earnings		-	n/a
	377,470	367,785	2.6%
Non-controlling interests	157,313	169,911	-7.4%
Total equity	534,783	537,696	-0.5%
Total liabilities and equity	1,820,265	1,686,545	7.9%

Cash Flow

Cash Flows (R$ '000)	06/30/2023	06/30/2022	Δ %
Cash flows from operating activities			
Profit for the year	34,995	22,109	58.3%
Adjustments to reconcile profit with cash flows from operating activities			
Depreciation and amortization	9,989	6,400	61.4%
Adjustment of trade receivables to present value	15,122	3,694	309.4%
Equity in the results of investees	1,895	1,462	29.6%
Provision for real estate maintenance	5,151	1,986	159.4%
Provision for labor, civil, and tax contingencies	4,989	46	10745.7%
Provision for termination of contracts	2,992	582	414.1%
Allowance for doubtful accounts	(809)	2,178	-137.1%
Provision for interest on borrowings	31,693	17,662	79.4%
Income tax and social contribution	5,443	8,967	-39.3%
Write-off of fixed assets	4,508	-	n/a
Income from securities	5,764	-	n/a
	121,732	65,086	87.0%
Changes in working capital			
Increase (decrease) in assets and liabilities			
Trade receivables	(181,809)	(51,898)	250.3%
Properties for sale	(443)	(158,186)	-99.7%
Taxes recoverable	(2,825)	(2,377)	18.8%
Other assets	(9,094)	(2,363)	284.8%
Trade payables	34,866	9,316	274.3%
Salaries and social charges	6,558	2,903	125.9%
Tax liabilities	9,339	(564)	-1755.9%
Real estate purchase obligations	44,082	(9,070)	-586.0%
Advances from customers	(78,278)	180,766	-143.3%
Other liabilities	5,142	3,570	-90.0%
Payments made for maintenance of properties held as collateral	(2,636)	-	n/a
Amounts paid for civil, labor, and tax contingencies	(3,335)	(5,495)	-39.3%
	(178,433)	(33,398)	434.3%
Interest paid	(38,630)	(5,167)	647.6%
Income tax and social contribution paid	(6,444)	(8,976)	-28.2%
Net cash provided by (used in) operating activities	(101,775)	17,545	-680.1%
Cash flows from investing activities			
Investment in marketable securities	1,723	7,138	-75.9%
Changes in restricted financial investments	(87)	(114)	-23.7%
Advances to related parties	(4,442)	7,968	-155.7%
Contributions to (return on) investments	(1,886)	(4,144)	-54.5%
Purchases of property and equipment and intangible assets	(22,992)	(9,592)	162.8%
Net cash used in investing activities	(27,684)	1,256	-2304.1%
Cash flows from financing activities			
New borrowings	169,825	56,132	471.6%
Repayment of borrowings and leases - principal amount	(46,679)	(52,502)	-1906.8%
Dividends paid	(13,600)	(1,214)	1963.9%
Distributions (reversal) paid to non-controlling interests, net	(30,969)	1,714	-321.9%
Net cash provided by (used in) financing activities	78,577	4,130	1802.6%
Net increase in cash and cash equivalents	(50,882)	22,931	-321.9%
Cash changes			
Cash and cash equivalents at the beginning of the year	330,137	243,926	35.3%
Cash and cash equivalents at the end of the year	279,255	266,857	4.6%
Increase in cash and cash equivalents	(50,882)	22,931	-321.9%

About Patrimar Group

The Company is a developer and homebuilder based in Belo Horizonte, focusing its activities in the southeastern region of Brazil, with over 59 years of experience in the construction industry, and is positioned among the largest in the country. Its business model is vertically integrated, acting in the development and construction of real estate projects, as well as the commercialization and sale of independent real estate units.

The Company operates diversely in the residential (main activity) and commercial segments, with a presence in high-income operations (luxury and ultra-luxury products) through the Patrimar brand, as well as in the economic and middle-income operations through the Novolar brand.

PATRIMAR novolar

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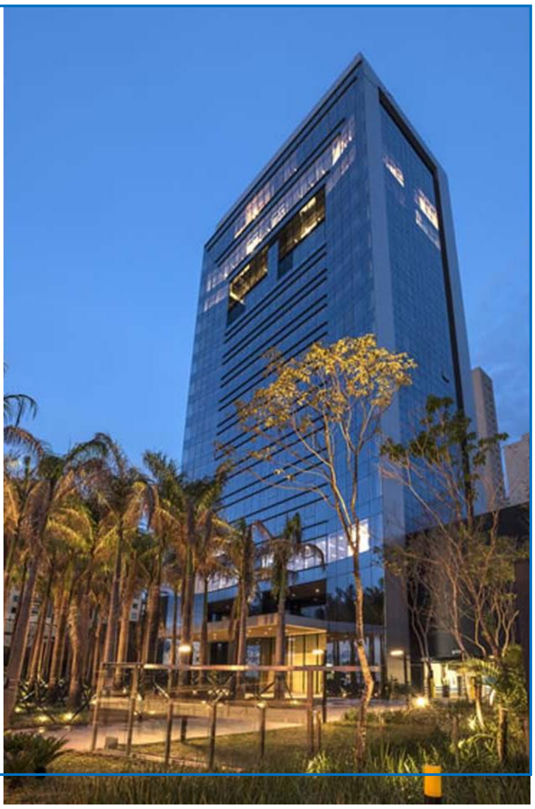

Glossary

Grupo Patrimar, Patrimar e Novolar: Division of indicator values by brand, with Patrimar grouping projects with estimated sales prices typically above R$10,000/sqm and Novolar below, with exceptions. The Patrimar Group encompasses both brands, including investments in new businesses.

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

Landbank %Patrimar's Group: Total amount of PSV of all lands owned by the Company or which the Company has a stake, except for swapped units and partners' participation, in other words, the net PSV of lands owned by the 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's Group: Total amount of the PSV for the already launched projects, at launch prices, not considering swapped units and partners participation, in other words, it only considers the percentage of Net PSV belonging to the Company;

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

Net Sales: Contracted Sales minus the value of cancelations in the period;

Months of Inventory: Value of Inventories for the period divided by the contracted sales of the last twelve months;

Sales Speed: Sales Speed over Supply (SOS);

Gross Sales Speed: Gross Sales / (Beginning Period Inventory + Period Launches);

Net Sales Speed: Net Sales / (Beginning Period Inventory + Period Launches);

PSV: Potential Sales Value.