

# Financial Statements 2022

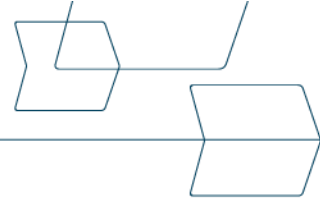


---

## Contents

|  |    |
|--|----|
| Management Report 2022 .....                                   | 03 |
| Audited financial statements                                   |    |
| Statement of financial position .....                          | 13 |
| Statement of profit or loss .....                              | 15 |
| Statement of comprehensive income.....                         | 16 |
| Statement of changes in equity .....                           | 17 |
| Statement of cash flows .....                                  | 18 |
| Statement of value added .....                                 | 19 |
| Notes to the financial statements.....                         | 20 |
| Independent auditor's report on the financial statements ..... | 53 |





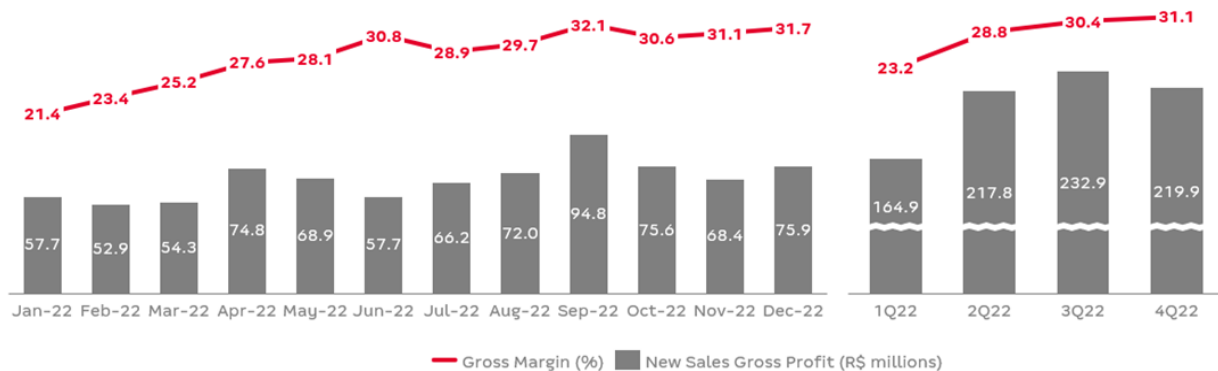
# MANAGEMENT REPORT 2022

## MESSAGE FROM THE MANAGEMENT

2022 ended with the issue of costs proving to be more challenging than initially imagined, but on the other hand with important achievements in our profitability resumption. We reported a loss, until recently unthinkable, of R\$ 547 million in the year, as a result of a highly inflationary period in the civil construction sector, which especially impacted our construction model based on concrete walls and quick turnover, minimizing our time to respond to price increases. In addition, as we will show later, the unfolding of the disruption in the supply chain has had a relevant impact on our construction model, also based on an industrial approach, in addition to the impact of high interest rates in a period when we had to leverage our balance sheet.

But the good news is that 2023 is showing clear signs that this will be the final year of transition to resume profitability. Some of these signs have already appeared in 4Q22 results, such as operating cash generation and the continued recovery of new sales margins. In 4Q21 release we had made a commitment to reach the end of 2022 with gross margin on new sales between 28% and 30% and 32% to 34% by the end of 2023. We managed to exceed the ceiling of this guidance, with gross margin on new sales at 31.1% in 4Q22.

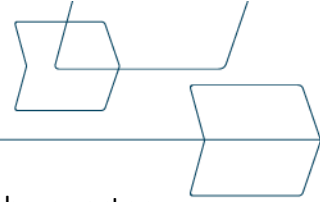
**Evolution of Gross Margin from New Sales (%) and Gross Profit from New Sales (R\$ million)**



This margin improvement has two main pillars:

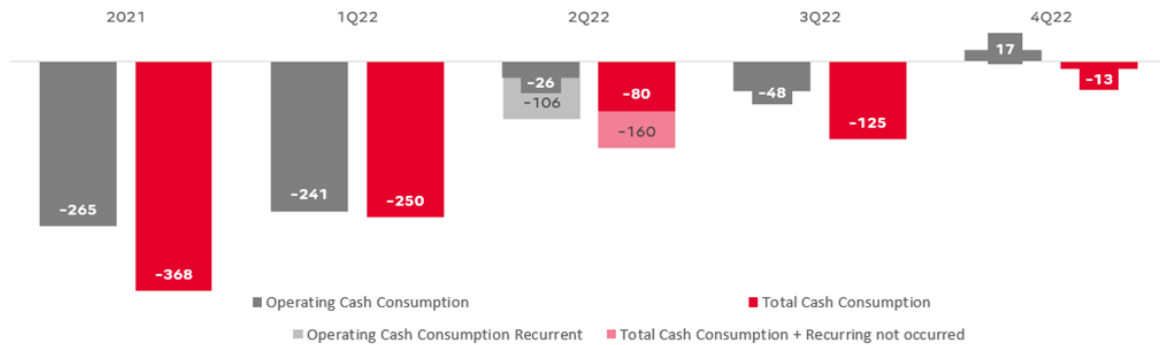
- Improving our processes and work controls:** As already explained over the last few quarters, we continue with an extensive action plan that includes the discontinuity of typologies above 16 floors, which, in addition to being more complex in execution, have worse specific consumption of cement and steel per unit, in addition to increased control of the infrastructure execution and project implementation, previously outsourced to contractors, among other measures.
- Price gain:** Although we have already reached 32% of adjusted gross margin from new sales, we want to continue improving this indicator. In the current context, we are already finding it more difficult to increase this indicator in several regions, where our customers' income already conflicts with our ambition to set a higher price. However, we are confident that the improvements in the parameters of Minha Casa Minha Vida (MCMV) program, which tends to benefit families with incomes of up to R\$ 2,640 Brazilian reais/month, in addition to the entry into force of the use of future FGTS in income composition, will allow us to reach higher margins, in the search for the top of our guidance, which ranges from 32% to 34% in new sales margins in the year.





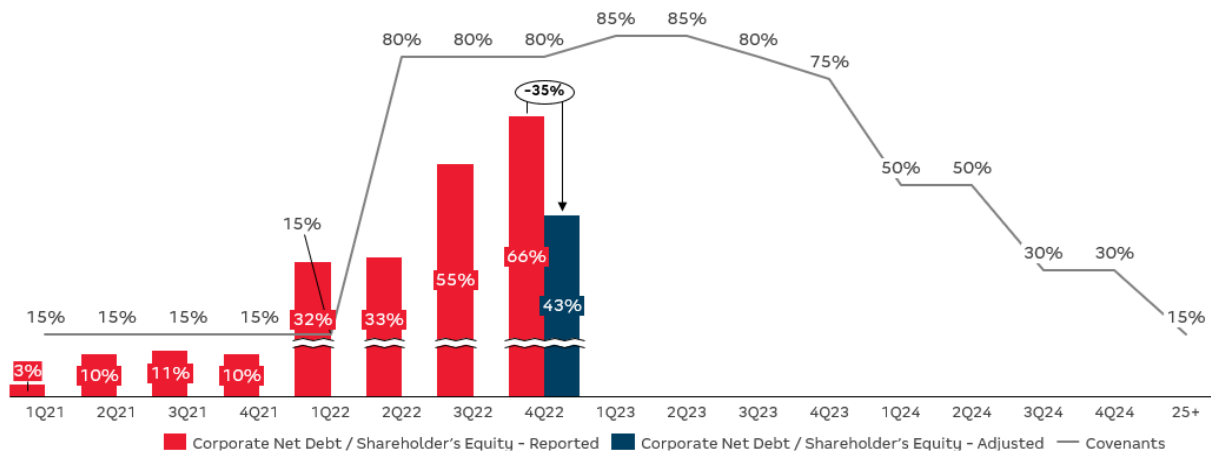
Regarding cash consumption, this was another major positive highlight of the quarter, since not only did we continue the downward trend in total cash consumption, which has been going on since 1Q22, but we also had operating cash generation of R\$ 17.4 million in 4Q22, an important milestone in the company's restructuring process.

### Total and Operating Cash Consumption (R\$ million)



As a result, our leverage measured by corporate net debt / equity closed 4Q22 at 66%, versus a threshold set by our covenants of 80% (which increases to 85% in 1H23). This indicator would have been 43%, if we consider the effect of the assignment of receivables completed in March.

### Corporate Net Debt / Shareholder's Equity (%)



We are convinced that we will still have a challenging year ahead, but we are confident that our levers are strong enough to resume profitability from 2024 onwards. Therefore, we see 2023 as the last year of crossing this new turnaround started in 3Q21, when we detected worse than expected inflationary pressures and execution challenges in the context of the pandemic. In this context, an important subsequent event that we announced on March 4<sup>th</sup>, 2023 was the settlement of an transaction to assign our receivables portfolio, in the amount of R\$ 160 million. For this transaction, we assigned a portfolio of R\$ 320 million in receivables, which is more than enough to cover the yield of these CRIs in the period (of CDI + 5% p.a.), where, after their settlement, all surplus receivables not used to amortize the transaction returns to Tenda. This assignment had Kinea Investimentos as counterparty, and exclusively involved receivables from projects still under construction.



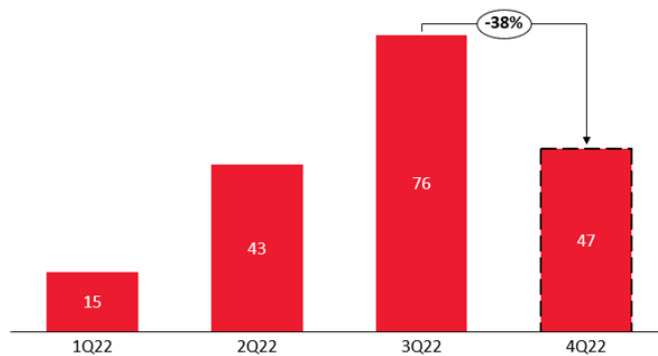


We see the assignment of receivables as our main source of funding through 2023, since with the resumption of our expected profitability in 2024, we expect other funding sources to become more attractive to the company. As for the assignment of receivables, we also expect that receivables from projects delivered, therefore with no execution risk, may have a lower rate of return than our first issue.

Another important subsequent event was Tenda's participation in the Póde Entrar program in the municipality of São Paulo. As soon as the result of the program is released, we will inform you whether or not we were included.

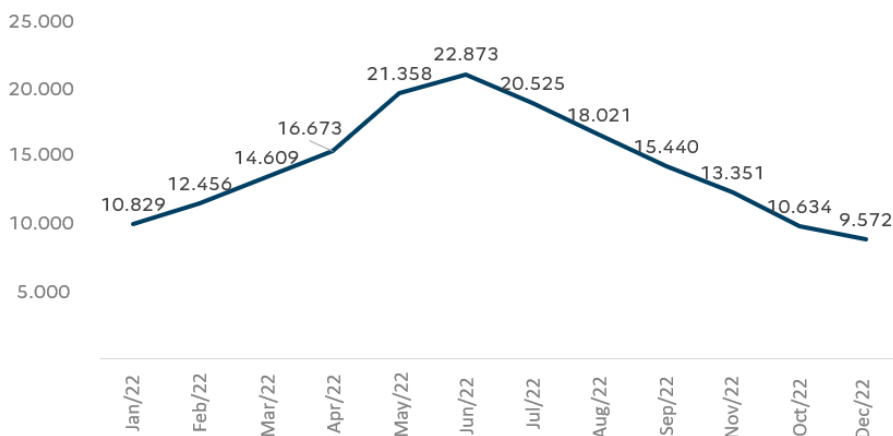
We remain confident in the return to profitability throughout 2023, however, we continue to report cost deviations in 4Q22, which totaled R\$ 47 million in the quarter. It should be noted that our cost variances should follow this new downward trend, and as we anticipated in the 3Q22 results conference, the expectation is that approximately 80% of the most problematic works in terms of cost deviations (launched by Dec/2021) end by the end of 2023, which ensures a significant recovery of margins expected for the second half of 2023.

### Impact P&L Cost Variance (R\$ million)



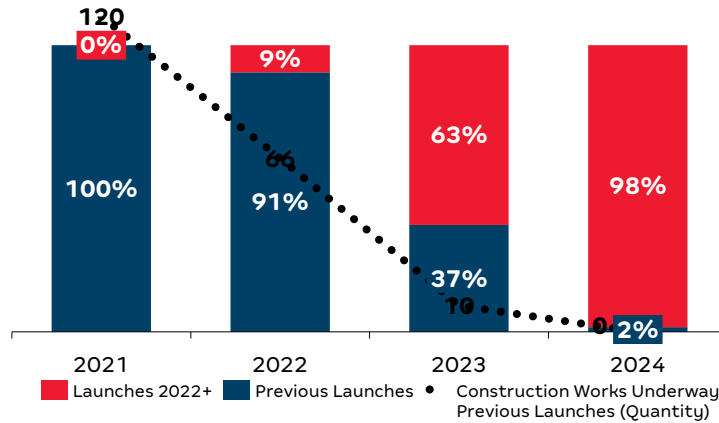
Other indicator evidencing this continuous improvement in our construction efficiency is the indicator of backlog of finishing activities. Due to our industrial approach, each subsequent stage has its pre-defined goal for each construction work, giving rise to a delay when it is not executed within the pre-established period. This indicator was negligible before the pandemic and began to steepen sharply after the start of the pandemic, as shown in the graph below, peaking at almost 23,000 delayed activities in Jun/22, and following a steady decline since then. We remind that the simple checking of the closure of a door is a delayed activity.

### Overdue finishing activities



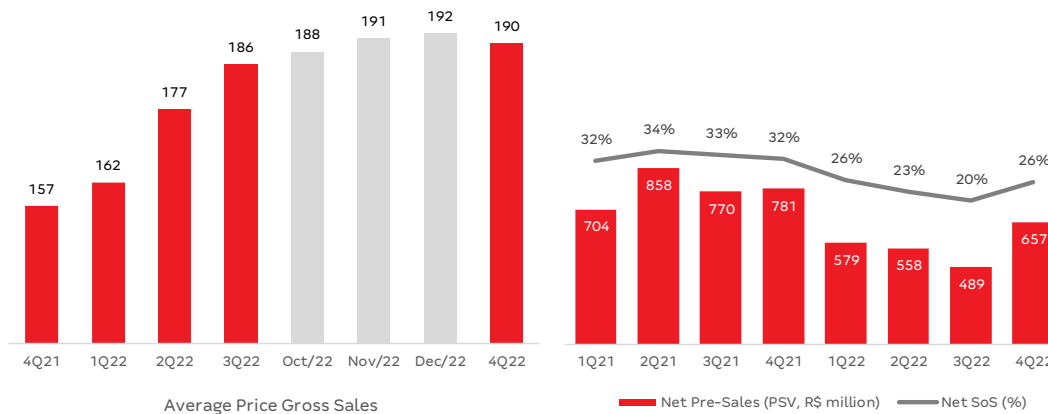


Another evidence that attests to the expectation of a strong margin recovery throughout 2023 is the composition of Revenue that will transit through the Income Statement during the year.



Now going a little further into the 4Q22 result, we continue to increase our average selling price, which reached R\$ 190 thousand reais per unit, an increase of 2% compared to 3Q22 and 37% compared to 4Q21.

### Price Evolution x Net Pre-Sales (PSV, R\$ million) and Net SoS (%)



However, new cost deviations had an impact of R\$ 47 million in 4Q22, compared to R\$ 76 million in 3Q22, when the concrete exacerbated this effect. This amount of R\$ 47 million is mainly due to execution inefficiencies, as previously discussed, which are primarily linked to works in the final construction stage.

| 4Q22                                | Revenues       | Cost                | Adjusted GP    | GB %         | Expenses            | NI               | NM %          |
|-------------------------------------|----------------|---------------------|----------------|--------------|---------------------|------------------|---------------|
| <b>DRE</b>                          | <b>631,099</b> | <b>(548,319)</b>    | <b>82,780</b>  | <b>13.1%</b> | <b>(237,891)</b>    | <b>(155,111)</b> | <b>-24.6%</b> |
| (-) Alea                            | (8,730)        | 20,547              | 11,818         | 2.1%         | 12,948              | 24,766           | 3.6%          |
| <b>DRE Tenda</b>                    | <b>622,369</b> | <b>(527,772)</b>    | <b>94,598</b>  | <b>15.2%</b> | <b>(224,943)</b>    | <b>(130,345)</b> | <b>-20.9%</b> |
| (-) Cost Deviation                  | 46,965         | -                   | 46,965         | 6.0%         | -                   | 46,965           | 1.8%          |
| (-) Impairment                      | -              | 25,421              | 25,421         | 3.8%         | -                   | 25,421           | 0.9%          |
| (-) Outros                          | -              | 12,042 <sup>1</sup> | 12,042         | 1.8%         | 20,905 <sup>2</sup> | 32,948           | 1.2%          |
| <b>DRE Tenda (Ex-extraordinary)</b> | <b>669,334</b> | <b>(490,308)</b>    | <b>179,026</b> | <b>26.7%</b> | <b>(204,038)</b>    | <b>(25,012)</b>  | <b>-3.7%</b>  |
| Delta                               | 46,965         | 37,463              | 84,428         | 11.5pp       | 20,905              | 105,334          | 17.2pp        |

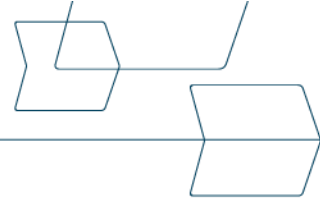
<sup>1</sup> Cost: Successful legacy tax claim (R\$3.3m), write-off related to land purchase (R\$8.7m);

<sup>2</sup> Expenses: Settlement SWAP Repurchase (R\$5.8m), reversal of provision for monetary correction blocked balance CEF (R\$15.1m);

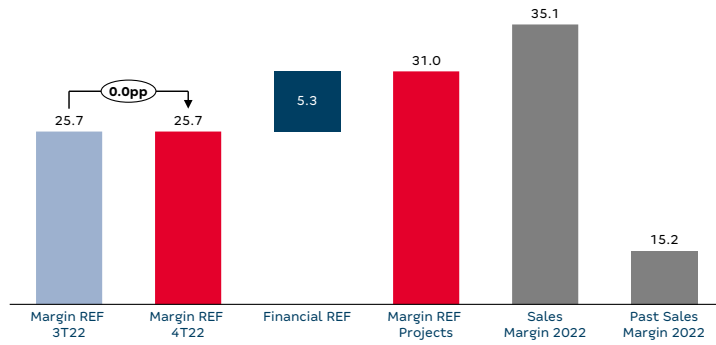
On one hand, the table above shows that our cost challenge was much worse than anticipated at the end of 2021, but, on the other hand, it confirms that we are on track to quickly regain a margin above 25% as soon as these effects cease.

Our Backlog Margin was flat QoQ, as the continued price gain was partially offset by increased costs to be incurred.





### Margin REF 4Q22 (%)



*Backlog Financials is composed of: Brokerage, Provision for Cancellations, Exchanges and Monetary Correction*  
*Off-site operation values are not provided yet*

Regarding Alea, we already have clear signs that our growth lever through partnership with land developers will be important for the year. In March alone, we launched two projects in this modality, totaling 241 units, and we are confident that we now have the necessary conditions to accelerate Alea's operation, towards the launch target of 10,000 units in 2026.

### Mococa – SP

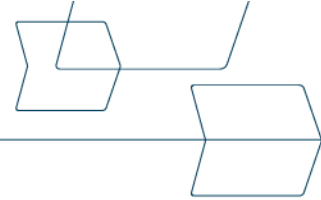


### Luiz Antônio – SP



We are aware that our cost deviations are much higher than expected by us and all our stakeholders, but at the same time we are confident that 2023 will be an important year of turning point for the company, from which we will emerge stronger and able to capture any of the many improvements expected for the low-income housing market in the country.





## OPERATIONAL PERFORMANCE

### LAUNCHES

In 2022, Tenda launched 35 projects, totalizing R\$ 2.4 billion in PSV, 23.9% decrease in the annual comparison. The factor mix of products affected the average price per unit, which amounted R\$195.9 thousand, an increase of 31.1% in the annual comparison.

| Launches                                     | 2022           | 2021           | YoY (%)          |
|--|----------------|----------------|------------------|
| Number of projects launched                  | 35             | 63             | (44.4%) ↓        |
| <b>PSV (R\$ million)</b>                     | <b>2,380.0</b> | <b>3,128.8</b> | <b>(23.9%) ↓</b> |
| Number of units launched                     | 12,148         | 20,942         | (42.0%) ↓        |
| Average price per unit (R\$ thousand)        | 195.9          | 149.4          | 31.1% ↑          |
| Average size of projects launched (in units) | 347.1          | 332            | 4.5% ↑           |

### SALES

Gross sales totaled R\$ 2.9 billion in 2022, a 20.8 % decrease in the annual comparison. Net sales accounted for R\$ 2.4 billion, a decrease of 24.8% YoY.

Net sales over supply ("Net SOS") was 54.7% in 2022, reduce of 10.1 p.p in the annual comparison.

In 2022, the cancellation rate was 17.7%, an increase of 4.3 p.p. compared to 2021.

| (PSV, R\$ million)                 | 2022           | 2021           | YoY (%)              |
|------------------------------------|----------------|----------------|----------------------|
| <b>Gross Sales</b>                 | <b>2,869.7</b> | <b>3,625.6</b> | <b>(20.8%) ↓</b>     |
| <b>Cancellations</b>               | <b>507.0</b>   | <b>484.8</b>   | <b>4.6% ↑</b>        |
| <b>Net Pre-Sales</b>               | <b>2,362.7</b> | <b>3,140.8</b> | <b>(24.8%) ↓</b>     |
| % Launches <sup>1</sup>            | 34.80%         | 54.80%         | (20.0 p.p.) ↓        |
| % Inventory                        | 65.20%         | 45.20%         | 20.0 p.p. ↑          |
| <b>Cancellations / Gross Sales</b> | <b>17.70%</b>  | <b>13.40%</b>  | <b>4.3 p.p. ↑</b>    |
| <b>Net SoS</b>                     | <b>54.70%</b>  | <b>64.80%</b>  | <b>(10.1 p.p.) ↓</b> |

1. Current year launches







## UNITS TRANSFERRED, UNITS DELIVERED AND CONSTRUCTION WORKS UNDERWAY

PSV transferred totaled R\$ 2.1 billion in 2022, a decrease of 18.8% YoY. Tenda ended the year with 80 works in progress, a decrease of 14.9% compared to 2021 (94 works).

| Transfers, Deliveries and Construction Sites | 2022           | 2021           | YoY (%)          |
|--|----------------|----------------|------------------|
| <b>PSV Transferred (in R\$ million)</b>      | <b>2,071.1</b> | <b>2,551.1</b> | <b>(18.8%) ↓</b> |
| Transferred Units                            | 14,883         | 20,658         | (28.0%) ↓        |
| <b>Delivered Units</b>                       | <b>15,497</b>  | <b>14,879</b>  | <b>4.2% ↑</b>    |
| <b>Construction Sites</b>                    | <b>80</b>      | <b>94</b>      | <b>(14.9%) ↓</b> |

## INVENTORY AT MARKET VALUE

By the end of 2022 inventories at market value totaled R\$ 1.9 billion in PSV, an increase of 14.5% compared to 2021. The finished inventory accounted for R\$ 54.5 million representing 2.8% of the total.

| Inventory at Market Value             | 2022           | 2021           | YoY (%)        |
|---------------------------------------|----------------|----------------|----------------|
| <b>PSV (R\$ million)</b>              | <b>1,954.3</b> | <b>1,706.9</b> | <b>14.5% ↑</b> |
| Number of Units                       | 10,052         | 10,917         | (7.9%) ↓       |
| Average price per unit (R\$ thousand) | 194.4          | 156.4          | 24.3% ↑        |

| Status of Construction - PSV (R\$ million) | 4Q22           | Not Initiated | Up to 30% built | 30% to 70% built | More than 70% built | Finished units |
|--|----------------|---------------|-----------------|------------------|---------------------|----------------|
| <b>PSV (R\$ million)</b>                   | <b>1,954.3</b> | <b>580.7</b>  | <b>821.7</b>    | <b>254.6</b>     | <b>242.8</b>        | <b>54.5</b>    |

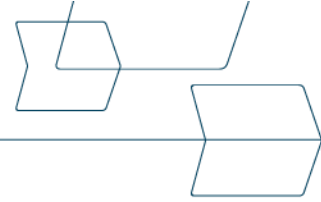
## LANDBANK

Tenda ended 4Q22 with R\$ 16.3 billion in PSV, increase of 31.8% in its land bank compared to 2021 and the percentage in exchange reached 51.9%, an increase of 8.6 p.p. in the annual comparison.

| Landbank <sup>1</sup>                  | 2022            | 2021            | YoY (%)        |
|--|-----------------|-----------------|----------------|
| Number of projects                     | 378             | 309             | 22.3% ↑        |
| <b>PSV (R\$ million)</b>               | <b>16,332.0</b> | <b>12,392.3</b> | <b>31.8% ↑</b> |
| Number of units                        | 92,927          | 78,483          | 18.4% ↑        |
| Average price per unit (R\$ thousands) | 175.8           | 157.9           | 11.3% ↑        |
| % Swap Total                           | 51.90%          | 43.30%          | 8.6 p.p. ↑     |
| % Swap Units                           | 9.70%           | 8.60%           | 1.1 p.p. ↑     |
| % Swao Financial                       | 42.20%          | 34.70%          | 7.5 p.p. ↑     |

1. Tenda holds 100% equity interest in its Landbank.





## FINANCIAL RESULTS

### NET INCOME, GROSS PROFIT AND GROSS MARGIN

In 2022, Net operational revenue totaled R\$ 2.4 billion, a decrease of 5.0% compared to 2021. Adjusted gross profit reached R\$ 337.0 million showing a decrease of 30.9% compared to 2021, and the adjusted gross margin reached 13.9% in this year.

| (R\$ million)                            | 2022         | 2021         | YoY (%)          |
|--|--------------|--------------|------------------|
| Net Revenue                              | 2,412.6      | 2,540.0      | (5.0%) ↓         |
| <b>Gross Profit</b>                      | <b>274.7</b> | <b>451.3</b> | <b>(39.1%) ↓</b> |
| Gross Margin                             | 11.39%       | 17.80%       | (6.4 p.p.) ↓     |
| (-) Financial Costs                      | 62.3         | 36.4         | 71.1% ↑          |
| <b>Adjusted Gross Profit<sup>1</sup></b> | <b>337.0</b> | <b>487.7</b> | <b>(30.9%) ↓</b> |
| Adjusted Gross Margin                    | 13.97%       | 19.20%       | (5.2 p.p.) ↓     |

1. Adjusted by capitalized interests.

### SALES, GENERAL AND ADMINISTRATIVE EXPENSES

Selling expenses totaled R\$ 241.3 million in 2022, an improvement of 1.8% compared to the previous year, representing 8.4% of gross sales in the year, increase 1.6 p.p. in the annual comparison. General and administrative expenses ("G&A") corresponded to 8.6% of net operating revenue in 2022, an increase of 1.2 p.p. YoY.

| (R\$ million)                                   | 2022           | 2021           | YoY (%)           |
|---|----------------|----------------|-------------------|
| Selling Expenses                                | (241.3)        | (245.8)        | (1.8%) ↓          |
| General & Admin Expenses (G&A)                  | (208.5)        | (188.1)        | 10.8% ↑           |
| <b>Total SG&amp;A Expenses</b>                  | <b>(449.7)</b> | <b>(433.9)</b> | <b>3.6% ↑</b>     |
| <b>Selling Expenses / Gross Sales</b>           | <b>8.41%</b>   | <b>6.80%</b>   | <b>1.6 p.p. ↑</b> |
| <b>G&amp;A Expenses / Net Operating Revenue</b> | <b>8.64%</b>   | <b>7.40%</b>   | <b>1.2 p.p. ↑</b> |

### OTHER OPERATING REVENUES AND EXPENSES

The other operating income and expenses account totaled negative R\$ 96.5 million in 2022, an increase of 41.9% compared to the same period of the previous year.

| (R\$ million)                                | 2022          | 2021          | YoY (%)       |
|--|---------------|---------------|---------------|
| <b>Other Operating Revenues and Expenses</b> | <b>(96.5)</b> | <b>(68.0)</b> | 41.9% ↑       |
| Litigation Expenses                          | (76.1)        | (57.4)        | 32.5% ↑       |
| Others                                       | (20.4)        | (10.6)        | 92.6% ↑       |
| <b>Equity Income</b>                         | <b>(7.4)</b>  | <b>(6.8)</b>  | <b>8.5% ↑</b> |



## NET INCOME

In 2022 Tenda recorded a net loss of R\$ 547.3 million.

| (R\$ million)                                       | 2022           | 2021           | YoY (%)         |
|---|----------------|----------------|-----------------|
| Net Income after Income Tax and Social Contribution | (555.7)        | (196.6)        | 182.7% ↑        |
| (-) Minority shareholders                           | 8.4            | 5.1            | 64.9% ↑         |
| <b>Net Income</b>                                   | <b>(547.3)</b> | <b>(191.5)</b> | <b>185.8% ↑</b> |
| Net Margin  | (22.69%)       | 7.50%          | (15.1 p.p.) ↓   |

## CASH & CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

| (R\$ million)              | December 22  | September 22 | QoQ (%)         | December 21    | YoY (%)          |
|----------------------------|--------------|--------------|-----------------|----------------|------------------|
| Cash & Cash Equivalents    | 83.7         | 27.7         | 202.6% ↑        | 87.1           | (3.9%) ↓         |
| Short-term Investments     | 590.5        | 688.4        | (14.2%) ↓       | 977.9          | (39.6%) ↓        |
| <b>Total Cash Position</b> | <b>674.2</b> | <b>716.0</b> | <b>(5.8%) ↓</b> | <b>1,064.9</b> | <b>(36.7%) ↓</b> |

## INDEBTEDNESS

We ended the year with a total debt of R\$ 1.5 billion, with a duration of 22.3 months and with an average nominal cost of 15.4% YoY.

| Debt Maturity Schedule (R\$ million) | 4Q22           | Bank Debt    | Corporate Debt | Project Finance (SFH) |
|--------------------------------------|----------------|--------------|----------------|-----------------------|
| 2023                                 | 589.7          | 90.0         | 246.0          | 253.7                 |
| 2024                                 | 340.4          | 67.5         | 203.0          | 69.9                  |
| 2025                                 | 169.3          | 0.0          | 153.5          | 15.9                  |
| 2026                                 | 220.4          | 0.0          | 220.4          | 0.0                   |
| 2027 onwards                         | 154.3          | 0.0          | 154.3          | 0.0                   |
| <b>Total Debt</b>                    | <b>1,474.2</b> | <b>157.5</b> | <b>977.2</b>   | <b>339.5</b>          |
| <b>Duration (in months)</b>          | <b>22.3</b>    |              |                |                       |

## NET DEBT

The company ended 2022 with a Gross Debt of R\$ 1.5 billion, an increase of 5.5% compared to 2021. The net debt to equity ratio ended the year at 111.5%.

| (R\$ million)   | December 22    | September 22   | QoQ (%)         | December 21    | YoY (%)         |
|---|----------------|----------------|-----------------|----------------|-----------------|
| <b>Gross Debt</b>                                       | <b>1,474.2</b> | <b>1,502.9</b> | <b>(1.9%) ↓</b> | <b>1,396.8</b> | <b>5.5% ↑</b>   |
| (-) Cash and cash equivalents and financial investments | (674.2)        | (716.0)        | (5.8%) ↓        | (1,064.9)      | (36.7%) ↓       |
| <b>Net Debt</b>   | <b>799.9</b>   | <b>786.9</b>   | <b>1.7% ↑</b>   | <b>331.8</b>   | <b>141.1% ↑</b> |
| Shareholders' Equity + Minority Shareholders (SE+MS)    | 717.6          | 848.8          | (15.5%) ↓       | 1,212.6        | (40.8%) ↓       |
| Net Debt / Equity (SE+MS)                               | 111.5%         | 92.7%          | 18.8 p.p. ↑     | 27.4%          | 84.1 p.p. ↑     |
| Adjusted EBITDA (Last 12 months)                        | (203.8)        | (366.4)        | 44.4% ↑         | (4.7)          | (4,213.3%) ↓    |



## CASH GENERATION AND CAPITAL DISTRIBUTION

In 2022, Tenda totaled operating cash consumption of R\$ 297.3 million, with no capital distributions, share buybacks, or dividends paid to shareholders.

| (R\$ million)        | 2022 | 2021  | YoY (%)    |
|----------------------|------|-------|------------|
| Stock buyback        | 0.0  | 95.3  | (100.0%) ↓ |
| Dividends paid       | 0.0  | 17.1  | (100.0%) ↓ |
| Capital Distribution | 0.0  | 112.4 | (100.0%) ↓ |

| (R\$ million)                            | 2022           | 2021           | QoQ (%)    |
|--|----------------|----------------|------------|
| Change in Available Cash                 | (390.7)        | (240.5)        | 62.5% ↑    |
| (-) Change in Gross Debt                 | 77.4           | 239.6          | (67.7%) ↓  |
| (+) Capital Distribution                 | 0.0            | 112.4          | (100.0%) ↓ |
| <b>Cash Generation<sup>1</sup></b>       | <b>(468.1)</b> | <b>(367.8)</b> | 27.3% ↑    |
| Operational Cash Generation <sup>2</sup> | (297.3)        | (265.1)        | 12.1% ↑    |

1. Cash Generation is obtained through the difference between the variation of Available Cash and the variation of Gross Debt, adjusted to the amounts of Share Buyback and Dividends Paid

2. Operating Cash Generation is the result of the company's internal managerial calculation which neither reflects nor is compared with the figures reported in the financial statements

## CORPORATIVE GOVERNANCE

With pulverized capital, with free float of over 90% of the issued shares, listed on B3's Novo Mercado, the highest level of corporate governance in the country.

### BOARD OF DIRECTORS

Tenda's Board of Directors is the body responsible for making decisions and formulating general guidelines and policies concerning the Company's business, including its long-term strategies. In addition, the Board also appoints the executive officers and supervises their activities.

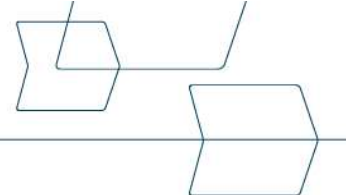
The Board of Directors is composed a minimum of five and a maximum of seven members, all elected as a body at our Shareholders' Meeting (AGM) for a two-year term, and re-election is allowed. The members of the Board of Directors indicate, among those elected by the General Meeting, what will be the Chairman of the Board of Directors.

### BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers is the responsible for the management and daily monitoring of the general policies and guidelines established by the Shareholders' General Meeting and by the Board of Directors for the Company.

Tenda's Board of Executive Officers should be composed of at least two and a maximum of twenty members, including the President, the Chief Financial Officer and the Investor Relations Officer, elected by the Board of Directors for a term of up to three years, eligible for re-election, as provisions of the Bylaws. In the current mandate, fifteen members make up the Board.

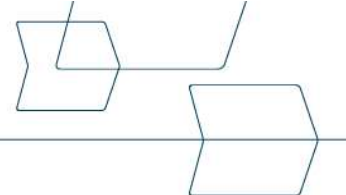




|  | Notes | Parent           |                  | Consolidated     |                  |
|--|-------|------------------|------------------|------------------|------------------|
|  |       | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| <b>ASSETS</b>                                      |       |                  |                  |                  |                  |
| <b>CURRENT ASSETS</b>                              |       |                  |                  |                  |                  |
| Cash and cash equivalents                          | 10    | 32,080           | 53,693           | 83,692           | 87,074           |
| Securities   | 10    | 169,561          | 473,103          | 590,549          | 977,870          |
| Receivables from development and services provided | 4     | 27,163           | 64,423           | 549,895          | 601,886          |
| Properties for sale                                | 5     | 92,429           | 129,474          | 631,273          | 978,450          |
| Due from related parties                           | 6     | 24,905           | 50,112           | 5,795            | 3,276            |
| Escrow deposits                                    | 15    | 19,247           | 20,598           | 19,504           | 21,562           |
| Other receivables                                  |       | 149,470          | 139,369          | 128,280          | 145,818          |
| <b>Total current assets</b>                        |       | <b>514,855</b>   | <b>930,772</b>   | <b>2,008,988</b> | <b>2,815,936</b> |
| <b>NONCURRENT ASSETS</b>                           |       |                  |                  |                  |                  |
| Receivables from development and services provided | 4     | 58,897           | 51,633           | 474,817          | 492,085          |
| Properties for sale                                | 5     | 267,327          | 135,456          | 1,319,659        | 798,667          |
| Due from related parties                           | 6     | 27,512           | 40,665           | 29,976           | 39,031           |
| Escrow deposits                                    | 15    | 30,712           | 27,977           | 31,129           | 29,253           |
| Property and equipment                             | 7     | 122,081          | 139,933          | 187,879          | 202,262          |
| Intangible assets                                  | 8     | 41,944           | 31,765           | 42,576           | 32,027           |
| Investments in equity interests                    | 9     | 1,510,651        | 1,548,314        | 33,330           | 32,236           |
| <b>Total noncurrent assets</b>                     |       | <b>2,059,124</b> | <b>1,975,743</b> | <b>2,119,366</b> | <b>1,625,561</b> |
| <b>TOTAL ASSETS</b>                                |       | <b>2,573,979</b> | <b>2,906,515</b> | <b>4,128,354</b> | <b>4,441,497</b> |

The accompanying notes are an integral part of these financial statements,





|   | Notes       | Parent           |                  | Consolidated     |                  |
|---|-------------|------------------|------------------|------------------|------------------|
|   |             | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| <b>LIABILITIES AND EQUITY</b>                                   |             |                  |                  |                  |                  |
| <b>CURRENT LIABILITIES</b>                                      |             |                  |                  |                  |                  |
| Borrowings and financing  | 10          | 96,939           | 74,956           | 343,767          | 207,127          |
| Debentures  | 10          | 232,045          | 118,519          | 245,968          | 118,519          |
| Other financial instruments                                     | 11          | 7,618            | 19,208           | 7,618            | 19,208           |
| Lease – right of use  | 12          | 5,934            | 8,385            | 5,934            | 8,385            |
| Payables for materials and services                             |             | 54,167           | 40,896           | 136,164          | 110,842          |
| Taxes and contributions   |             | 4,778            | 4,503            | 30,122           | 32,591           |
| Payroll, related taxes and profit sharing                       |             | 13,468           | 11,736           | 92,498           | 68,478           |
| Payables for purchase of properties and advances from customers | 13          | 84,915           | 92,191           | 459,526          | 554,292          |
| Provisions and contract terminations payable                    |             | 3,708            | 3,982            | 8,880            | 7,738            |
| Due to related parties  | 6           | 283,984          | 139,005          | 27,082           | 25,654           |
| Allowance for loss on investments                               | 9           | 10,781           | 8,300            | 8,333            | 5,956            |
| Dividends payable   |             | 120              | 122              | 120              | 122              |
| Other payables  |             | 11,131           | 39,235           | 49,082           | 78,795           |
| Provision for contingencies                                     | 15          | 58,964           | 39,342           | 65,672           | 43,099           |
| <b>Total current liabilities</b>                                |             | <b>868,552</b>   | <b>600,380</b>   | <b>1,480,766</b> | <b>1,280,806</b> |
| <b>NONCURRENT LIABILITIES</b>                                   |             |                  |                  |                  |                  |
| Borrowings and financing  | 10          | 70,083           | 113,613          | 153,226          | 195,675          |
| Debentures  | 10          | 669,416          | 856,228          | 731,211          | 856,228          |
| Lease – right of use  | 12          | 30,999           | 34,209           | 30,999           | 34,209           |
| Payables for purchase of properties and advances from customers | 13          | 171,326          | 66,611           | 931,522          | 801,231          |
| Provision for contingencies                                     | 15          | 50,452           | 30,885           | 56,191           | 33,756           |
| Deferred taxes  | 14          | 250              | 294              | 17,289           | 17,251           |
| Other payables  |             | 627              | 882              | 9,538            | 9,713            |
| <b>Total noncurrent liabilities</b>                             |             | <b>993,153</b>   | <b>1,102,722</b> | <b>1,929,976</b> | <b>1,948,063</b> |
| <b>EQUITY</b>   |             |                  |                  |                  |                  |
| Capital   | 16,1        | 1,095,511        | 1,095,511        | 1,095,511        | 1,095,511        |
| Capital and stock option reserve                                |             | 9,441            | 6,392            | 9,441            | 6,392            |
| Treasury shares   | 16,3        | (62,829)         | (158,995)        | (62,829)         | (158,995)        |
| Retained earnings (accumulated losses)                          |             | (329,849)        | 285,269          | (329,849)        | 285,269          |
| Other comprehensive income                                      | 19 (a) (IV) | -                | (24,764)         | -                | (24,764)         |
| Equity attributable to the Company's owners                     |             | 712,274          | 1,203,413        | 712,274          | 1,203,413        |
| Noncontrolling interests  |             | -                | -                | 5,338            | 9,215            |
| <b>Total equity</b>   |             | <b>712,274</b>   | <b>1,203,413</b> | <b>717,612</b>   | <b>1,212,628</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>                             |             | <b>2,573,979</b> | <b>2,906,515</b> | <b>4,128,354</b> | <b>4,441,497</b> |

The accompanying notes are an integral part of these financial statements,



|   | Notes | Parent     |            | Consolidated |             |
|---|-------|------------|------------|--------------|-------------|
|   |       | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021  |
| NET REVENUE   | 20    | 142,404    | 140,596    | 2,412,586    | 2,539,954   |
| COSTS   | 21    | (165,169)  | (178,659)  | (2,137,896)  | (2,088,664) |
| GROSS PROFIT (LOSS)   |       | (22,765)   | (38,063)   | 274,690      | 451,290     |
| <b>(EXPENSES) INCOME</b>  |       |            |            |              |             |
| Selling expenses  | 21    | (63,440)   | (60,555)   | (241,287)    | (245,808)   |
| General and administrative expenses                             | 21    | (63,286)   | (61,131)   | (208,450)    | (188,112)   |
| Share of profit (loss) of investees                             | 9     | (91,303)   | 125,809    | (7,381)      | (6,801)     |
| Other income (expenses) - net                                   | 21    | (119,264)  | (95,322)   | (133,381)    | (100,999)   |
| PROFIT (LOSS) BEFORE FINANCE INCOME (COSTS)                     |       | (360,058)  | (129,262)  | (315,809)    | (90,430)    |
| <b>FINANCE INCOME (COSTS)</b>                                   |       |            |            |              |             |
| Finance income  | 22    | 29,238     | 21,452     | 54,509       | 37,642      |
| Finance costs   | 22    | (216,040)  | (82,744)   | (249,781)    | (97,753)    |
| PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION         |       | (546,860)  | (190,554)  | (511,081)    | (150,541)   |
| <b>INCOME TAX AND SOCIAL CONTRIBUTION</b>                       |       |            |            |              |             |
| Current income tax and social contribution                      | 14    | (488)      | (999)      | (44,638)     | (44,229)    |
| Deferred income tax and social contribution                     | 14    | 44         | 76         | 6            | (1,819)     |
| PROFIT (LOSS) FOR THE YEAR                                      |       | (547,304)  | (191,477)  | (555,713)    | (196,589)   |
| <b>PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO:</b>              |       |            |            |              |             |
| Owners of the Company   |       | (547,304)  | (191,477)  | (547,304)    | (191,477)   |
| Noncontrolling interests  |       | -          | -          | (8,411)      | (5,112)     |
| <b>EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO COMPANY OWNERS</b> |       |            |            |              |             |
| Basic earnings (loss) per thousand shares – in reais            | 18    | (5,6431)   | (1,9892)   | (5,6431)     | (1,9892)    |
| Diluted earnings (loss) per thousand shares – in reais          | 18    | (5,3462)   | (1,8540)   | (5,3462)     | (1,8540)    |

The accompanying notes are an integral part of these financial statements,

|  | <b>Parent</b> |            | <b>Consolidated</b> |            |
|--|---------------|------------|---------------------|------------|
|  | 12/31/2022    | 12/31/2021 | 12/31/2022          | 12/31/2021 |
| PROFIT (LOSS) FOR THE YEAR                         | (547,304)     | (191,477)  | (555,713)           | (196,589)  |
| Other comprehensive income                         | 24,764        | (24,764)   | 24,764              | (24,764)   |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR            | (522,540)     | (216,241)  | (530,949)           | (221,353)  |
| COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO: |               |            |                     |            |
| Owners of the Company                              | (522,540)     | (216,241)  | (522,538)           | (216,241)  |
| Noncontrolling interests                           | -             | -          | (8,411)             | (5,112)    |

The accompanying notes are an integral part of these financial statements,



|                                       | Attributable to owners of the Company |           |                 |                 |                  |  |                            |              | Total equity |                          |
|---------------------------------------|---------------------------------------|-----------|-----------------|-----------------|------------------|--|----------------------------|--------------|--------------|--------------------------|
|                                       | Notes                                 | Capital   | Capital reserve | Treasury shares | Earnings reserve | Retained earnings (accumulated losses) | Other comprehensive income | Total Parent |              | Noncontrolling interests |
| BALANCES AS AT DECEMBER 31, 2020      |                                       | 1,095,511 | 35,642          | (90,269)        | 476,746          | -                                      | -                          | 1,517,630    | 491          | 1,518,121                |
| Share buyback                         |                                       | -         | -               | (95,332)        | -                | -                                      | -                          | (95,332)     | -            | (95,332)                 |
| Decrease of capital reserve           |                                       | -         | (737)           | -               | -                | -                                      | -                          | (737)        | -            | (737)                    |
| Recognized stock options granted      |                                       | -         | 8,960           | -               | -                | -                                      | -                          | 8,960        | -            | 8,960                    |
| Stock option exercise                 |                                       | -         | (37,473)        | 26,606          | -                | -                                      | -                          | (10,867)     | -            | (10,867)                 |
| Purchase / sale of interest           |                                       | -         | -               | -               | -                | -                                      | -                          | -            | 7,441        | 7,441                    |
| Capital increases                     |                                       | -         | -               | -               | -                | -                                      | -                          | -            | 6,395        | 6,395                    |
| Effect of cash flow hedge instruments |                                       | -         | -               | -               | -                | -                                      | (24,764)                   | (24,764)     | -            | (24,764)                 |
| Loss for the year                     |                                       | -         | -               | -               | -                | (191,477)                              | -                          | (191,477)    | (5,112)      | (196,589)                |
| Offset of losses                      |                                       | -         | -               | -               | (191,477)        | 191,477                                | -                          | -            | -            | -                        |
| BALANCES AS AT DECEMBER 31, 2021      |                                       | 1,095,511 | 6,392           | (158,995)       | 285,269          | -                                      | (24,764)                   | 1,203,413    | 9,215        | 1,212,628                |
| Decrease of capital reserve           | 16,2                                  | -         | (548)           | -               | -                | -                                      | -                          | (548)        | -            | (548)                    |
| Recognized stock options granted      | 16,2                                  | -         | 11,203          | -               | -                | -                                      | -                          | 11,203       | 232          | (11,203)                 |
| Stock option exercise                 | 16,3                                  | -         | (7,606)         | 7,606           | -                | -                                      | -                          | -            | -            | -                        |
| Capital increases                     |                                       | -         | -               | -               | -                | -                                      | -                          | -            | 4,302        | 4,302                    |
| Effect of cash flow hedge instruments |                                       | -         | -               | -               | -                | -                                      | 24,764                     | 24,764       | -            | 24,764                   |
| Sale of treasury shares               |                                       | -         | -               | 88,560          | (67,814)         | -                                      | -                          | 20,746       | -            | 20,746                   |
| Loss for the year                     |                                       | -         | -               | -               | (217,455)        | (329,849)                              | -                          | (547,304)    | (8,411)      | (555,715)                |
| BALANCES AS AT DECEMBER 31, 2022      |                                       | 1,095,511 | 9,441           | (62,829)        | -                | (329,849)                              | -                          | 712,274      | 5,338        | 717,612                  |

The accompanying notes are an integral part of these financial statements.

|   | Notes   | Parent           |                  | Consolidated     |                  |
|---|---------|------------------|------------------|------------------|------------------|
|   |         | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>  |         |                  |                  |                  |                  |
| PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION   |         | (546,860)        | (190,554)        | (511,081)        | (150,541)        |
| <b>Adjustments for:</b>   |         |                  |                  |                  |                  |
| Depreciation and amortization   | 7 and 8 | 49,916           | 41,194           | 59,509           | 44,553           |
| Estimated allowance for (reversal of) doubtful debts and contract terminations (net of termination costs) | 4 and 5 | 12,070           | 4,230            | 71,571           | 26,535           |
| Present value adjustment  | 4       | 1,874            | 2,150            | 25,125           | 25,353           |
| Allowance for impairment of nonfinancial assets   | 5       | 14,051           | (2,189)          | 25,421           | 1,655            |
| Share of profit (loss) of investees   | 9       | 91,303           | (125,809)        | 7,381            | 6,801            |
| Provision for contingencies and commitments   | 15      | 39,189           | 5,657            | 45,009           | 6,768            |
| Unrealized interest and finance charges, net  |         | 16,577           | 49,589           | 67,088           | 48,603           |
| Provision for warranties  |         | (23,425)         | 18,377           | (15,200)         | 16,298           |
| Accrued profit sharing  | 21      | 7,537            | 4,218            | 37,502           | 13,895           |
| Stock option costs  |         | 6,936            | 12,410           | 12,872           | 16,308           |
| Derecognition of property and equipment, intangible assets and leases, net                                |         | 3,357            | 198              | 3,357            | 198              |
| Gain (loss) on purchase/sale of interest  |         | (4,877)          | (2,028)          | 2                | (901)            |
| Derivative financial instruments  |         | 13,174           | (14,860)         | 24,764           | (14,860)         |
| Other provisions  |         | (136)            | 579              | 1,228            | 2,218            |
| Provision for/(reversal of) deferred taxes (PIS and COFINS)   |         | (1,697)          | (9,075)          | 4,949            | (3,937)          |
| <b>(Increase) decrease in operating assets</b>  |         |                  |                  |                  |                  |
| Receivables from development and services provided  |         | 16,017           | (5,580)          | (24,309)         | (249,128)        |
| Properties and land for sale  |         | (105,971)        | (175,483)        | (242,244)        | (183,008)        |
| Other receivables   |         | (9,695)          | (97,452)         | 19,510           | (47,396)         |
| <b>Increase (decrease) in operating liabilities</b>   |         |                  |                  |                  |                  |
| Payables for materials and services   |         | 13,271           | 34,642           | 25,322           | 72,692           |
| Taxes and contributions   |         | (173)            | (208)            | (12,399)         | (17,590)         |
| Payroll, related taxes and profit sharing   |         | (1,538)          | (21,435)         | (15,151)         | (19,558)         |
| Payables for purchase of properties and advances from customers   |         | 94,568           | 178,431          | 75,405           | 250,310          |
| Other payables  |         | (5,057)          | 10,479           | (14,792)         | (657)            |
| Related-party transactions  |         | 168,187          | 278,295          | 3,226            | 15,027           |
| Income tax and social contribution paid   |         | (134)            | (810)            | (41,403)         | (23,295)         |
| <b>Net cash used in (provided by) operating activities</b>  |         | <b>(151,536)</b> | <b>(5,034)</b>   | <b>(367,338)</b> | <b>(163,657)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |         |                  |                  |                  |                  |
| Capital increase (decrease) in investees  |         | (44,283)         | (112,661)        | (6,100)          | 4,351            |
| Purchase of tangible and intangible assets  |         | (45,599)         | (95,542)         | (59,031)         | (143,240)        |
| Investments in/redemption of securities   |         | 443,883          | 364,482          | 496,594          | 277,335          |
| <b>Net cash provided by (used in) investing activities</b>  |         | <b>354,001</b>   | <b>156,279</b>   | <b>431,463</b>   | <b>138,446</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |         |                  |                  |                  |                  |
| Share sale (buyback)  |         | 20,745           | (95,332)         | 20,745           | (95,332)         |
| Dividends paid  |         | -                | (17,055)         | -                | (17,055)         |
| (Decrease) increase of capital reserve  |         | (551)            | (737)            | (319)            | (737)            |
| Payment of lease – right of use   |         | (7,233)          | (6,885)          | (7,233)          | (6,885)          |
| Borrowings, financing and debentures  |         | 64,280           | 646,924          | 738,681          | 1,093,657        |
| Repayment of borrowings, financing and debentures - principal   |         | (185,040)        | (576,574)        | (661,015)        | (839,129)        |
| Payment of borrowings, financing and debentures - interest  |         | (129,432)        | (86,643)         | (167,421)        | (90,982)         |
| Intragroup loans  |         | 13,153           | 5,027            | 9,055            | (987)            |
| <b>Net cash (used in) provided by financing activities</b>  |         | <b>(224,078)</b> | <b>(131,275)</b> | <b>(67,507)</b>  | <b>42,550</b>    |
| <b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>   |         | <b>(21,613)</b>  | <b>19,970</b>    | <b>(3,382)</b>   | <b>17,339</b>    |
| <b>CASH AND CASH EQUIVALENTS</b>  |         |                  |                  |                  |                  |
| At the beginning of the period  |         | 53,693           | 33,723           | 87,074           | 69,735           |
| At the end of the period  |         | 32,080           | 53,693           | 83,692           | 87,074           |
| <b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>   |         | <b>(21,613)</b>  | <b>19,970</b>    | <b>(3,382)</b>   | <b>17,339</b>    |

The accompanying notes are an integral part of these financial statements,

|  | Notes   | Parent           |                  | Consolidated     |                  |
|--|---------|------------------|------------------|------------------|------------------|
|  |         | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| <b>REVENUES</b>  |         |                  |                  |                  |                  |
| Real estate development and sale   |         | 149,972          | 133,855          | 2,522,341        | 2,618,309        |
| Estimated allowance for (reversal of) doubtful debts and contract terminations |         | (12,105)         | (3,411)          | (68,443)         | (41,600)         |
|  |         | 137,867          | 130,444          | 2,453,898        | 2,576,709        |
| <b>INPUTS PURCHASED FROM THIRD PARTIES</b>                                     |         |                  |                  |                  |                  |
| Operating costs - real estate development and sale                             |         | (148,091)        | (168,459)        | (2,056,432)      | (2,040,690)      |
| Supplies, power, outside services and other inputs                             |         | (182,287)        | (148,341)        | (390,540)        | (222,624)        |
|  |         | (330,378)        | (316,800)        | (2,446,972)      | (2,263,314)      |
| <b>GROSS VALUE ADDED</b>   |         | <b>(192,511)</b> | <b>(186,356)</b> | <b>6,926</b>     | <b>313,395</b>   |
| <b>RETENTIONS</b>  |         |                  |                  |                  |                  |
| Depreciation and amortization  | 7 and 8 | (49,374)         | (41,193)         | (56,058)         | (44,552)         |
| <b>WEALTH CREATED BY THE COMPANY</b>   |         | <b>(241,885)</b> | <b>(227,549)</b> | <b>(49,132)</b>  | <b>268,843</b>   |
| <b>WEALTH RECEIVED IN TRANSFER</b>   |         |                  |                  |                  |                  |
| Share of profit (loss) of investees  | 9       | (91,303)         | 125,809          | (7,381)          | (6,801)          |
| Finance income   |         | 30,351           | 22,485           | 57,015           | 39,347           |
|  |         | (60,952)         | 148,294          | 49,634           | 32,546           |
| <b>WEALTH FOR DISTRIBUTION</b>   |         | <b>(302,836)</b> | <b>(79,255)</b>  | <b>502</b>       | <b>301,389</b>   |
| <b>WEALTH DISTRIBUTED</b>  |         |                  |                  |                  |                  |
| Employees and payroll taxes  |         | 26,826           | 29,316           | 141,018          | 227,046          |
| Direct compensation  |         | 24,986           | 24,387           | 119,801          | 178,087          |
| Benefits   |         | 1,008            | 2,048            | 14,381           | 30,397           |
| Payroll taxes  |         | 832              | 2,881            | 6,836            | 18,562           |
| <b>TAXES, FEES AND CONTRIBUTIONS</b>   |         | <b>(1,672)</b>   | <b>(918)</b>     | <b>103,124</b>   | <b>136,768</b>   |
| Federal  |         | (1,672)          | (918)            | 103,085          | 136,642          |
| Municipal  |         | -                | -                | 39               | 126              |
| <b>LENDERS AND LESSORS</b>   |         |                  |                  |                  |                  |
| Interest and leases  |         | 219,313          | 83,824           | 312,075          | 134,164          |
| <b>SHAREHOLDERS</b>  |         | <b>(547,304)</b> | <b>(191,477)</b> | <b>(555,715)</b> | <b>(196,589)</b> |
| Dividends  |         | -                | -                | -                | -                |
| Profit (loss) for the year   |         | (547,304)        | (191,477)        | (547,304)        | (191,477)        |
| Profit (loss) attributable to noncontrolling interests                         |         | -                | -                | (8,411)          | (5,112)          |

The accompanying notes are an integral part of these financial statements,

## 1. GENERAL INFORMATION

Construtora Tenda S.A, (“Company” or “Tenda”) and its investees (“Group”) engage in the performance of general construction works, real estate development, real estate purchase and sale, the provision of general construction management services, the intermediation of the sale of consortium shares, and holding of interests in other companies, The subsidiaries significantly share the Company’s management, operating, and corporate costs, The SPEs are exclusively engaged in real estate operations and are linked to specific projects,

The Company is a publicly-traded company with registered head office at Rua Boa Vista, 280, in the city of São Paulo, State of São Paulo, and registered with the São Paulo Stock Exchange - B3 (former BMF&BOVESPA) under the ticker symbol “TEND3”,

## 2. PRESENTATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance

The individual financial statements have been prepared and are presented in accordance with accounting practices adopted in Brazil, applicable to real estate development entities, registered with the Brazilian Securities and Exchange Commission (CVM),

The consolidated financial statements have been prepared and are presented in accordance with accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee (CPC), as approved by the Brazilian Securities and Exchange Commission (CVM) and in accordance with the International Financial Reporting Standards (IFRSs), issued by the International Accounting Standards Board (“IASB”), which takes into consideration the guidance contained in CVM/SNC/SEP Circular Letter 02/2018 regarding the application of CPC 47 (IFRS 15) to real estate development entities in Brazil with regard to the aspects on the transfer of control on the sale of real estate units,

### 2.2 Basis of preparation

The financial statements have been prepared in the normal course of business, using the historical cost as the value base, and liabilities and assets at present or realizable value,

All relevant information related to the financial statements and only this information is being disclosed and corresponds to the information used by the Company’s Management in its management,

In preparing the annual financial statements, Management assesses the Company’s ability to continue as a going concern,

All the figures disclosed in these annual financial statements are expressed in thousands of Brazilian reais, unless otherwise stated,

### 2.3 Approval of the financial statements

The Company’s individual and consolidated financial statements were approved by the Board of Directors and authorized for issuance on March 9, 2023,

## 2.4 Summary of significant accounting policies

### 2.4.1 Basis of consolidation

The Company's consolidated financial statements include the individual financial statements of the Parent and its direct and indirect subsidiaries, The Company has the control over an entity when it is exposed or has rights to variable returns from its involvement with the entity and has ability to affect those returns through power over an entity, The existence and the effects of potential voting rights, currently exercisable or convertible, are taken into consideration when determining whether the Company controls or not another entity, Subsidiaries are fully consolidated from the date on which control is transferred until the date control ceases, The accounting policies have been consistently applied by all subsidiaries included in the Company's consolidated financial statements (note 9),

### 2.4.2 Functional and presentation currency

The Company's functional and presentation currency is the Brazilian real (R\$),

### 2.4.3 Critical accounting judgments and key sources of estimation uncertainty

In preparing these financial statements, Management used judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses, All accounting estimates and assumptions used by the Company are in accordance with the CPCs and correspond to the best estimates available,

The estimates and assumptions are revised on an ongoing basis, Revisions to estimates are recognized prospectively, Actual results may differ from these estimates,

The information on uncertainties related to the assumptions and estimates that have a significant risk in the year ended December 31, 2022 is disclosed below:

#### a) Estimated allowance for doubtful debts and contract termination

The Company periodically reviews its assumptions to recognize an allowance for doubtful debts and contract termination, in view of the review of the history of its current operations and improvement of its estimates, Judgment made based on the historical, expected loss may differ from the amount expected to be realized, based on the specific characteristics of each customer, Note 2,4,6,3 describes the calculation method,

#### b) Provision for contingencies

The Company recognizes a provision for tax, labor and civil risks (note 15), The likelihood of loss is assessed based on available evidence, the hierarchy of laws, available case laws, most recent court decisions, their relevance within the legal system, and the assessment made by our outside legal counsel, Provisions are reviewed and adjusted so as to consider changes in circumstances, such as applicable statute of limitations, conclusions of tax audits, or additional exposures identified based on new matters or court rulings,

There are uncertainties related to the interpretation of complex tax regulations and the amount and timing of future taxable income,

#### c) Budgeted costs of real estate projects

Total budgeted costs, mainly comprised of incurred and unincurred costs for the completion of real estate projects, are regularly reviewed, based on the percentage-of-completion, and potential adjustments identified based on such review are reflected in the Company's profit or loss, The effect of such reviews in estimates affects revenue recognition, as mentioned in note 2,4,4(b,ii),

Due to the effects on the economic environment observed during the last cycles, mainly arising from the destabilization of the global supply chain and subsequent recurring increase of the prices of materials and services that directly and indirectly affect the Company's business (steel, aluminum, cement, labor, electric power, etc.), Management constantly revises the budgets of unincurred costs during the year, These changes in accounting estimates derived from new information and greater experience obtained during the year or innovations and involved judgments based on the last information available,

**2.4.4 Recognition of revenues, costs and expenses,**

**a) Revenue recognition**

In recognizing revenue from contracts with customers, the principles introduced by CPC 47 were adopted, comprising the guidance in CVM/SNC/SEP Circular Letter 02/2018, where the transfer of control of the asset or service can be evidenced "at a point in time" or "over time",

To define the revenue recognition method, it is necessary to verify the fulfillment of performance obligations, Such verification is performed in five steps: 1) identification of the contract; 2) identification of performance obligations; 3) determination of the transaction price; 4) allocation of the transaction price to performance obligations; 5) recognition of revenue,

In such assessment, the Company's business model refers to sales fully transferred to the financial institution, with respect to real estate projects under construction and also those not completed, Upon execution of the bank financing contract, ownership is transferred to the financial institution, and the real estate developer is no longer responsible for any risk of receipt and/or control of the asset, Therefore, the performance obligation with respect to the real estate project is fulfilled at this time,

The contractual financial flow is as follows:

- i) 10 to 20% directly paid to the real estate developer; and
- ii) 80 to 90% to the financial institution,

The table below summarizes the contract entered into as "financing at the construction stage and completed", the relevant parties, collaterals and underlying risks:

| Contract       | Parties  | Property collateral   | Credit risk   | Market risk                     | Termination risk  |
|----------------|--|-----------------------|---|---------------------------------|-------------------|
| Bank financing | Developer (Seller); Buyer and financial institution (Creditor) | Financial institution | 10 to 20% of the Developer and 80 to 90% of the financial institution | Buyer and financial institution | Not applicable, * |

\*In case of default by the customer, the financial institution can transfer the ownership to its name for subsequent sale of the property to third parties, according to procedures set forth in art. 27 of Law 9,514/97, The proceeds will be mainly used to settle the customer's debt balance

**(b) Recognition of revenue from and costs on real estate development and sale**

- i) For sales of completed real estate units, profit or loss is recognized when sales are made upon transfer of control over these units, irrespective of the period for receipt of the contractual amount,
- ii) For sales of uncompleted units, the procedures below are followed:
  - Sales revenue is recognized in profit or loss when there is continuous transfer of control to the financial institution or customer ("over time"), under the percentage-of-completion method for each project, This percentage is based on the ratio of the cost incurred in relation to the total budgeted cost of the respective projects, In those cases that, during the period of approval of the customer by the financial institution, there are indications that the customer will fail to perform its contractual obligations, an allowance for termination is recognized at its full amount,

- Recognized sales revenues that are higher than the amounts effectively received from customers are recorded in current or noncurrent assets, in line item "Receivables from developments and services provided", The amounts received from the sale of units that are higher than the recognized amounts of revenue are recorded in line item "Payables for purchase of properties and advances from customers";
- Inflation adjustment to trade receivables until delivery of keys, as well as present value adjustment to the balance of trade receivables, are recognized in profit or loss from real estate development and sale when earned or incurred, on the accrual basis on a pro rata basis;
- The incurred cost of units sold, including cost of land and other expenditures directly related to the cost of inventory formation, is fully recognized in profit or loss, For unsold units, the cost incurred is allocated to inventories (note 2,4,7);
- Finance charges on payables for acquisition of land and those directly related to construction financing are capitalized and recorded in inventories of properties for sale, and recognized at the cost incurred of units under construction until completion, based on the same recognition criteria adopted for costs on real estate development proportionally to units sold under construction;
- Taxes levied and deferred taxes on the difference between the revenue from real estate development and the accumulated revenue subject to taxation are calculated and recorded when such revenue difference is recognized;
- A provision to cover expenditures on repair in projects is recognized, based on an estimate that considers the history of expenditures incurred adjusted by future expectation, except for subsidiaries that use outsourced companies, which are the own guarantors of the construction services provided, The warranty period offered is five years as from the delivery of the real estate project,
- Expenses on brokerage fees are recorded in profit or loss in line item "Selling expenses" based on the same criterion adopted for the recognition of revenue from units sold, Charges related to sales commission payable by the buyer of the property are not recognized as the Company's revenue or expense,

#### 2.4.5 Cash and cash equivalents and securities

Cash and cash equivalents mainly include demand deposits and repurchase bank certificates of deposit, denominated in Brazilian reais, which are highly liquid and mature within up to 90 days, for which there are no fines or any other restrictions on the part of their issuers that would prevent them from being immediately redeemed,

Cash equivalents are classified as financial assets at fair value through profit or loss, where its positive and negative fluctuation affects the income statement, Cash equivalents are held to meet short-term cash requirements,

Securities include bank certificates of deposit, government bonds, exclusive investment funds and pledges, which are measured at fair value through profit or loss or at amortized cost (note 10),

#### 2.4.6 Receivables from development and services provided

##### 2.4.6.1 Receivables from properties and land sales and services provided

Carried at present and realizable values, Classification between current and noncurrent assets is carried out based on the maturity schedule of the contract installments,

Outstanding installments are adjusted based on the National Civil Construction Index (INCC) for the project construction stage, and the General Market Price Index (IGP-M) or the Expanded Consumer Price Index (IPCA), after the delivery of the completed real estate units,

#### 2.4.6.2 Present value adjustment

The adjustment to present value is calculated from the contract execution date to the expected unit delivery date to the committed buyer, using a discount rate represented by the average rate of the financing obtained by the Company, net of the higher of the inflationary effect or NTN-B, government bond offered by the Direct Treasury, representing the risk-free rate, whichever the higher,

The derecognition of the adjustment to present value, taking into consideration that a major share of the Company's operations is to finance its customers, was made as a contra entry to line item 'Revenue from real estate development', consistently with the interest incurred on the portion of receivables,

#### 2.4.6.3 Estimated allowance for doubtful debts and contract terminations

The Company recognizes estimated allowance for doubtful debts and contract terminations for customers with installments past due and falling due, according to assumptions defined by the Company for incurred and expected losses, Such allowance is calculated based on the percentage-of-completion of construction, the methodology applied in the recognition of revenue (note 2,4,4),

In recognizing estimated losses, a matrix based on historical and expected loss is used, or adjusted based on current observable data to reflect current and future conditions, provided that such data is available with no cost or excessive effort, Such loss is calculated based on the percentage-of-completion of construction, The Company assesses the risk of its entire customer portfolio to determine which are the risk levels,

The Company recognizes an allowance for termination for customers that intend to formalize contractual terminations, or pose significant risk of default,

#### 2.4.7 Properties for sale

##### (i) Land for future developments

The Company and its subsidiaries acquire land for future real estate development, payable in local currency or through barter, Land acquired through barter transactions are stated at the realizable amount or fair value of the units to be delivered and revenues and costs are recognized according to the criteria described in note 2,4,4,

Land is classified in current and noncurrent assets by Management based on the expected launch date of real estate projects, which is periodically reviewed,

##### (ii) Properties under construction

Properties are carried at construction cost, and reduced by an allowance when such amount exceeds its net realizable value, In the case of properties under construction, the inventory portion represents the cost incurred with unsold units, The cost incurred comprises construction costs (materials, own or third-party labor and other related costs), land and project legalization costs, land costs and finance charges incurred with the real estate project during the construction stage,

Finance charges on funds used in the construction of real estate projects are capitalized, Therefore, it includes the inflation adjustment to these items, if applicable,

Charges on borrowings raised by the Parent related to its subsidiaries' projects are capitalized in line item "Investments" (note 9) and their realization (charged to profit or loss) is included in the cost of sales in the consolidated,



#### 2.4.8 Financial instruments

The table below shows the significant accounting policies adopted for:

| <b>Non-derivative financial assets and financial liabilities:</b>  |  |
|--|--|
| Recognition  | Loans, receivables and debt instruments are initially recognized on the date they were originated,<br>All other financial assets and liabilities are recognized on the trade date when the Company becomes a party to the underlying contract,   |
| Derecognition  | <b>Financial asset:</b> A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or when the Company transfers the rights to receive the contractual cash flows on the financial asset in a transaction where substantially all the risks and rewards of ownership of the financial asset are transferred, Any interest in these transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability, |
|  | <b>Financial liability:</b> A financial liability is derecognized when its contractual obligations are discharged (through payment or contract) or canceled, or when they expire,  |
| Offset   | Financial assets or liabilities are offset and the net amount presented in the balance sheet when the Company has a current legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously,  |
| <b>Non-derivative financial assets</b>   |  |
| Classification and measurement   | <b>Amortized cost:</b> Maintained for the receipt of contractual cash flows until the end of construction and solely for the receipt of principal and interest on specific dates, for measurement, the effective interest method is used,  |
|  | <b>Fair value:</b> When the objective is to allow the immediate management of its cash so as to sell the asset or not, These assets are held to receive contractual cash flows and for sale purposes,  |
| Impairment   | Assessment made for all financial assets classified at amortized cost,<br>Measured as the difference between the present value of estimated future cash flows, discounted at the original interest rate of the financial assets and their carrying amount, which difference is recognized in profit or loss for the year,  |
| <b>Non-derivative financial liabilities</b>  |  |
| Classification and measurement   | <b>Fair value:</b> Measured through profit or loss upon initial recognition and on irrevocable basis, when they eliminate or reduce differences between gains and losses from mismatches that would arise from the measurement of assets and liabilities,  |
|  | <b>Amortized cost:</b> Initially classified and measured at fair value, less any directly attributable transaction costs, Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method,   |
| <b>Derivative instruments, including hedge accounting</b>  |  |
| Derivative financial instruments designated for hedge transactions are initially recognized at fair value on the date in which the derivative instrument is contracted and are also subsequently remeasured at fair value, Derivatives are presented as financial assets when the fair value of the instrument is positive, and as financial liabilities when the value is negative, |  |
| Any gains or losses resulting from changes in the fair value during the year are recognized in equity in other comprehensive income and are subsequently reclassified to profit or loss when the hedged item affects profit or loss,   |  |

#### 2.4.9 Investments in equity interests

Investments in equity interests are accounted for in the parent under the equity method,

When the Company's share in the investees' losses is equal to or exceeds the investment amount, the Company recognizes the residual portion in line item "Allowance for investment losses", since it assumes obligations and makes payments in the name of such investees, Consequently, the Company recognizes an allowance in an amount considered appropriate to fulfill the investee's obligations (note 9),

#### 2.4.10 Property and equipment and intangible assets

Property and equipment and intangible assets are stated at acquisition cost, less accumulated depreciation/amortization and/or accumulated impairment losses, if applicable,

An item of property and equipment or intangible asset is written off when sold or when no future economic benefit is expected from its use or sale, Any gain or loss resulting from the write-off of the asset (calculated as the difference between the net sales amount and the carrying amount of the asset) is included in the income statement in the year in which the asset is written off,

Depreciation and amortization are calculated on a straight-line basis, based on the estimate useful lives of the assets (notes 7 and 8),

The Company assesses at the end of each period the recoverable amount of its property and equipment items and intangible assets and in case of any indication of losses, these are recognized in profit or loss for the year,

#### 2.4.11 Payables for properties and advances from customers through barter

Payables on the acquisition of properties are recognized at the amounts corresponding to the contractual obligations assumed, Subsequently, they are stated at amortized cost, i.e., plus charges and interest, when applicable, on a pro rata basis to the incurred period, less the present value adjustment,

Payables related to barter of land for real estate units are stated at the fair value of the units to be delivered,

#### 2.4.12 Current taxes

The Company and its subsidiaries calculate their main taxes, as described below:

| Tax                                | Taxable income   | Deemed income   | Special tax regime     |
|------------------------------------|--|---|------------------------|
| Income tax                         | 15% plus a 10% surtax based on the amount exceeding R\$240 thousand, | 8% on gross revenue, applying a rate of 15% and 10% surtax, | 1,26% on sales revenue |
| Social contribution                | 9% rate,   | 12% on gross revenue, applying a rate of 9%,                | 0,66% on sales revenue |
| PIS on gross operating revenue,    | Gross revenue base less credits (*) 1,65%                            | 0,65%   | 0,37% on sales revenue |
| COFINS on gross operating revenue, | Gross revenue base less credits (*) 7,6%                             | 3%  | 1,71% on sales revenue |

\* Credits calculated based on some costs and expenses incurred,

#### 2.4.13 Deferred taxes

Deferred tax is recognized in relation to:

- a) Temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the corresponding amounts used for tax purposes; and
- b) Tax losses, which are recognized to the extent that it is probable that future taxable income will be available against which the deferred tax assets can be utilized, based on projections of results prepared on the basis of internal assumptions and future economic scenarios that allow their full or partial utilization, upon recognition of an asset, The recorded amounts are periodically reviewed and the related realization or settlement impacts are recorded as provided for in the tax law, Deferred income tax on tax losses can be carried forward indefinitely, however, its offset in future years is limited to 30% of the taxable income for each year,

Deferred tax assets and liabilities are stated at their net amounts in the balance sheet when there is a legally enforceable right and the intent to set off them upon the calculation of current taxes, related to the same legal entity and same tax authority,

#### 2.4.14 Stock option plan

The Company offers to employees and Management, as duly approved by the Board of Directors, two stock option and stock grant plans, according to which it receives the services as considerations for the stock options granted,

The fair value of stock options is set on the grant date and recognized as expense in the income statement for the year (as a contra entry to equity) as services are provided by employees and Management,

When the terms of an equity-settled plan are modified, a minimum expense is recognized and corresponds to the expenses as if the terms had not been modified, An additional expense is recognized for any modification that increases the total fair value of the options granted, or is otherwise beneficial to the employee, as measured at the date of modification,

When a stock option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not recognized under the plan is recognized immediately, However, if a new plan replaces the cancelled plan, it is designated as a replacement plan on the date that it is granted, and the cancelled and new plans are treated as if they were a modification of the original plan, as mentioned above,

The Company annually reviews its estimated number of options which rights will be vested, considering the vesting conditions not related to the market and the conditions for length of service, The Company recognizes the impact of the review of the initial estimates, if any, in the income statement, as a contra entry to equity,

#### 2.4.15 Provisions and losses

Provisions are recorded when considered probable and based on the best estimates of the underlying risk, Provisions recognized refer mainly to:

##### (i) Provision for contingencies

The Company is a party to several lawsuits and administrative proceedings, Provisions are recognized for all lawsuits assessed as probable losses,

Contingent liabilities assessed as possible losses are only disclosed in an explanatory note while contingent liabilities assessed as remote losses are neither accrued nor disclosed,

(ii) Allowance for impairment of non-financial assets

Annually and whenever evidence of impairment of assets is identified, and the carrying amount exceeds the recoverable value, an allowance for impairment is recognized to adjust the carrying amount to the recoverable value, Intangible assets with indefinite useful life are tested for impairment annually, irrespective of indicators of impairment, based on the comparison between the realizable value measured using cash flows discounted at present value, using a pretax discount rate, that reflects the weighted average cost of the Company's capital,

**2.4.16 Dividends**

The proposed distribution of dividends made by Management within the mandatory minimum dividend is recognized as current liabilities in line item "Dividends payable" as it is considered a legal obligation under the Company's bylaws,

**2.4.17 Basic and diluted earnings per share**

Basic earnings per share are calculated by dividing profit for the year attributable to common shares by the weighted average number of common shares outstanding during the year, Diluted earnings per share are calculated similarly to basic earnings but increased by the weighted average number of common shares that would be issued in the conversion of all potential common shares diluted into common shares,

**2.4.18 Treasury shares**

Treasury shares are recognized at acquisition amount plus deemed costs and recorded as a reduction of equity, No gain or loss is recognized in the statement of profit and loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments, and the income (loss) from the transaction is recognized as earnings reserve,

**2.5 Statements of value added**

The purpose of this statement is to disclose the wealth created by the Company and its distribution during a certain reporting period, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its individual financial statements, and as supplemental information to the consolidated financial statements, since this statement is neither required nor mandatory under IFRSs, The statements of value added have been prepared using information obtained in the same accounting records used to prepare the financial statements and pursuant to the provisions of CPC 09 - Statement of Value Added,

**3. ISSUED NEW AND REVISED STANDARDS AND INTERPRETATIONS**

**a. New and revised standards and interpretations already adopted in the current year:**

The Company and its subsidiaries assessed and adopted the standards below for the current year, however, there was no significant impact on the individual and consolidated financial statements:

|  |  |
|--|--|
| Amendment to IAS 16/CPC 27<br>Property, Plant and Equipment                              | Prohibition of deducting from the cost of property, plant and equipment the proceeds from the sale of items produced while the asset is being prepared for its intended use, These related income and costs must be recognized in profit or loss for the year, |
| Amendment to IAS 37/CPC25<br>Provisions, Contingent Liabilities<br>and Contingent Assets | Clarification in order to assess whether a contract is onerous or not, the cost of fulfilling the contract includes the incremental costs of fulfilling this contract and an allocation of other costs directly related to fulfilling it,                      |
| Amendment to IFRS 3/CPC 15<br>Business Combinations                                      | Replaces the references in the former version of the conceptual framework for the most recent one issued in 2018,  |
| IFRS 9/CPC 48<br>Financial Instruments   | Clarification as to which rates must be included in the '10 per cent' test for the derecognition of financial liabilities,   |

|   |  |
|---|--|
| IFRS 16/CPC 06 - Leases   | Change of example 13 to exclude the example of the lessor's payments related to improvements in the leased property,   |
| IFRS 1/CPC 37<br>First-time Adoption of International Financial Reporting Standards | Streamlining of the application of this standard by a subsidiary adopting the IFRS for the first time after its Parent, in relation to the measurement of the accumulated amount of exchange rate changes,   |
| IAS 41/CP 29 – Biological Assets  | Eliminates the requirement of excluding from the cash flow estimates the taxes (income tax/social contribution) when measuring the fair value of biological assets and agricultural produce, thus aligning the fair value measurement requirements in IAS 41 with those in other IFRS standards, |

Also, the IASB assesses new pronouncements and the revision of some existing pronouncements, which will come into effect beginning January 1, 2023, The Company will assess the potential impacts to the extent that the standards are regulated by the Brazilian Securities and exchange Commission (CVM),

|         |   |                           |
|---------|---|---------------------------|
| IAS 1   | Disclosure of material accounting policies rather than significant accounting policies,   | Beginning January 1, 2023 |
| IAS 1   | Classification of non-current liabilities, where the entity needs to have the right to avoid settlement for at least twelve months from the balance sheet date, | Beginning January 1, 2024 |
| IAS 8   | Clarification about changes in accounting estimates, changes in accounting policies and correction of errors,   | Beginning January 1, 2023 |
| IFRS 17 | Standard not applicable to the Company,   | Beginning January 1, 2023 |
| IAS 12  | Need for recognition of the deferred tax on lease transactions, decommissioning and restoration,  | Beginning January 1, 2023 |

#### 4. RECEIVABLES FROM DEVELOPMENT AND SERVICES PROVIDED

|  | Parent     |            | Consolidated |            |
|--|------------|------------|--------------|------------|
|  | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| Receivables from real estate development and sales | 139,609    | 140,060    | 1,347,621    | 1,313,902  |
| (-) Estimated allowance for doubtful debts         | (68,480)   | (56,252)   | (272,365)    | (198,854)  |
| (-) Allowance for contract terminations            | (3,108)    | (3,231)    | (41,260)     | (46,328)   |
| (-) Present value adjustment                       | (4,722)    | (2,848)    | (55,659)     | (30,534)   |
| Receivables from land sales and other receivables  | 22,761     | 38,327     | 46,375       | 55,785     |
|  | 86,060     | 116,056    | 1,024,712    | 1,093,971  |
| Current  | 27,163     | 64,423     | 549,895      | 601,886    |
| Noncurrent   | 58,897     | 51,633     | 474,817      | 492,085    |

The aging list of trade receivables is as follows:

| Maturity                                   | Parent     |            | Consolidated |            |
|--|------------|------------|--------------|------------|
|  | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| Past due                                   |            |            |              |            |
| Up to 90 days                              | 1,555      | 2,894      | 22,120       | 19,399     |
| 91-180 days                                | 1,361      | 1,219      | 8,821        | 26,589     |
| More than 180 days (a)                     | 44,442     | 43,880     | 112,221      | 109,175    |
| Subtotal – past due                        | 47,358     | 47,993     | 143,162      | 155,163    |
| Current                                    |            |            |              |            |
| 1 year                                     | 50,080     | 75,800     | 729,391      | 699,186    |
| 2 years                                    | 49,909     | 33,862     | 287,388      | 328,594    |
| 3 years                                    | 5,382      | 12,390     | 99,049       | 92,276     |
| 4 years                                    | 2,793      | 3,190      | 41,811       | 34,778     |
| 5 years and thereafter                     | 6,858      | 5,152      | 93,195       | 59,690     |
| Subtotal – current                         | 115,012    | 130,394    | 1,250,834    | 1,214,524  |
| (-) Present value adjustment (b)           | (4,722)    | (2,848)    | (55,659)     | (30,534)   |
| (-) Estimated allowance for doubtful debts | (68,480)   | (56,252)   | (272,365)    | (198,854)  |
| (-) Allowance for contract terminations    | (3,108)    | (3,231)    | (41,260)     | (46,328)   |
|  | 86,060     | 116,056    | 1,024,712    | 1,093,971  |

- (a) Of the amount past due for more than 180 days, amounts being transferred to financial institutions total R\$38,918 in Parent and R\$98,274 in consolidated (R\$15,223 in Parent and R\$30,898 in consolidated as at December 31, 2021),
- (b) The discount rate applied by the Company and its subsidiaries was 6,54% p,a, (average borrowing rate less INCC) for the year ended December 31, 2022 (2,44% p,a, in 2021),

The variations in the allowances for doubtful debts and contract terminations in the years ended December 31, 2022 and 2021 are summarized below:

|  | Parent   |   |                              | Net balance     |
|--|--|---|------------------------------|-----------------|
|  | Trade receivables - Allowance for doubtful debts | Trade receivables - Allowance for contract terminations | Properties for sale (note 5) |                 |
| Balance as at December 31, 2020        | (51,465)   | (4,607)   | 2,959                        | (53,113)        |
| Additions (a)                          | (9,414)  | (15,643)  | 2,354                        | (22,703)        |
| Reversals                              | 1,595  | 17,019  | (3,173)                      | 15,441          |
| Write-off                              | 3,032  | -   | -                            | 3,032           |
| <b>Balance as at December 31, 2021</b> | <b>(56,252)</b>                                  | <b>(3,231)</b>  | <b>2,140</b>                 | <b>(57,343)</b> |
| Additions                              | (16,703)   | (2,138)   | 1,432                        | (17,409)        |
| Reversal                               | 3,521  | 2,261   | (1,397)                      | 4,385           |
| Write-off                              | 954  | -   | -                            | 954             |
| <b>Balance as at December 31, 2022</b> | <b>(68,480)</b>                                  | <b>(3,108)</b>  | <b>2,175</b>                 | <b>(69,413)</b> |

|  | Consolidated                                     |   |                              | Net balance      |
|--|--|---|------------------------------|------------------|
|  | Trade receivables - Allowance for doubtful debts | Trade receivables - Allowance for contract terminations | Properties for sale (note 5) |                  |
| Balance as at December 31, 2020        | (174,388)  | (29,194)  | 19,006                       | (184,576)        |
| Additions (a)                          | (89,833)   | (80,619)  | 35,953                       | (134,499)        |
| Reversals                              | 11,633   | 63,485  | (20,888)                     | 54,230           |
| Write-off                              | 53,734   | -   | -                            | 53,734           |
| <b>Balance as at December 31, 2021</b> | <b>(198,854)</b>                                 | <b>(46,328)</b>   | <b>34,071</b>                | <b>(211,111)</b> |
| Additions                              | (130,123)  | (60,391)  | 21,678                       | (168,836)        |
| Reversal                               | 23,601   | 65,459  | (24,806)                     | 64,254           |
| Write-off                              | 33,011   | -   | -                            | 33,011           |
| <b>Balance as at December 31, 2022</b> | <b>(272,365)</b>                                 | <b>(41,260)</b>   | <b>30,943</b>                | <b>(282,682)</b> |

## 5. PROPERTIES FOR SALE

|   | Parent         |                | Consolidated     |                  |
|---|----------------|----------------|------------------|------------------|
|   | 12/31/2022     | 12/31/2021     | 12/31/2022       | 12/31/2021       |
| Raw material  | 2,195          | -              | 20,101           | 13,243           |
| Land  | 328,366        | 260,808        | 1,707,233        | 1,556,583        |
| Land held for sale  | 14,098         | 13,906         | 17,042           | 16,643           |
| Properties under construction   | 67,730         | 16,820         | 371,860          | 280,444          |
| Cost of properties in the recognition of the allowance for contract terminations (note 4) | 2,175          | 2,140          | 30,943           | 34,071           |
| Completed units   | 6,601          | 8,885          | 48,488           | 27,037           |
| (-) Present value adjustment in land purchases  | (44,308)       | (34,579)       | (210,828)        | (142,418)        |
| (-) Impairment of properties for sale   | (3,104)        | (259)          | (10,804)         | (680)            |
| (-) Impairment of land  | (13,997)       | (2,791)        | (23,103)         | (7,806)          |
|   | <b>359,756</b> | <b>264,930</b> | <b>1,950,932</b> | <b>1,777,117</b> |
| Current   | 92,429         | 129,474        | 631,273          | 978,450          |
| Noncurrent  | 267,327        | 135,456        | 1,319,659        | 798,667          |

The balance of capitalized finance charges as at December 31, 2022 was R\$18,078 (R\$11,188 as at December 31, 2021) in Parent and R\$110,665 (R\$66,546 as at December 31, 2021) in consolidated, The balance allocated to profit or loss as at December 31, 2022 was R\$3,271 (R\$1,079 as at December 31, 2021) in Parent and R\$62,293 (R\$36,410 as at December 31, 2021) in consolidated,

## 6. RELATED PARTIES

### 6.1 Related-party balances

The asset and liability balances with related parties are as follows:

|  | Parent         |                | Consolidated  |               |
|--|----------------|----------------|---------------|---------------|
|  | 12/31/2022     | 12/31/2021     | 12/31/2022    | 12/31/2021    |
| <b>Assets</b>                          |                |                |               |               |
| Subsidiaries                           |                |                |               |               |
| Related parties' current account       | 24,675         | 50,061         | 5,565         | 3,225         |
| Intragroup loans receivable (note 6,2) | -              | 1,634          | -             | -             |
| <b>Total subsidiaries</b>              | <b>24,675</b>  | <b>51,695</b>  | <b>5,565</b>  | <b>3,225</b>  |
| Joint ventures                         |                |                |               |               |
| Related parties' current account       | 230            | 51             | 230           | 51            |
| Intragroup loans receivable (note 6,2) | 27,512         | 39,031         | 29,976        | 39,031        |
| <b>Total</b>                           | <b>27,742</b>  | <b>39,082</b>  | <b>30,206</b> | <b>39,082</b> |
| <b>Total assets</b>                    | <b>52,417</b>  | <b>90,777</b>  | <b>35,771</b> | <b>42,307</b> |
| <b>Current</b>                         |                |                |               |               |
| Current                                | 24,905         | 50,112         | 5,795         | 3,276         |
| <b>Noncurrent</b>                      | <b>27,512</b>  | <b>40,665</b>  | <b>29,976</b> | <b>39,031</b> |
| <b>Liabilities</b>                     |                |                |               |               |
| Subsidiaries                           |                |                |               |               |
| Related parties' current account       | 257,457        | 113,351        | 554           | -             |
| Intragroup loans payable               | 5,856          | -              | 5,856         | -             |
| <b>Total subsidiaries</b>              | <b>263,313</b> | <b>113,351</b> | <b>6,410</b>  | <b>-</b>      |
| Joint ventures                         |                |                |               |               |
| Related parties' current account       | 20,672         | 25,654         | 20,672        | 25,654        |
| <b>Total</b>                           | <b>20,672</b>  | <b>25,654</b>  | <b>20,672</b> | <b>25,654</b> |
| <b>Total liabilities</b>               | <b>283,985</b> | <b>139,005</b> | <b>27,082</b> | <b>25,654</b> |
| <b>Current</b>                         |                |                |               |               |
| Current                                | 283,985        | 139,005        | 27,082        | 25,654        |
| <b>Noncurrent</b>                      | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>-</b>      |

### 6.2 Intragroup loans receivable

The table below shows the breakdown, type, and terms and conditions of the balances of intragroup loans and borrowings. The maturities of intragroup loans are contingent on the duration of the related projects,

|   | Parent        |               | Consolidated  |               | Nature       | Interest rate                  |
|---|---------------|---------------|---------------|---------------|--------------|--------------------------------|
|   | 12/31/2022    | 12/31/2021    | 12/31/2022    | 12/31/2021    |              |                                |
| <b>Subsidiaries</b>   |               |               |               |               |              |                                |
| FIT BILD 09 SPE Empr, Imob, Ltda                              | -             | 1,634         | -             | -             | Construction | 120% to 126,5% p.a, of the CDI |
| Citta Ville SPE Empr, Imob, Ltda,                             | -             | -             | 2,464         | -             | Construction | 100% of CDI                    |
| <b>Intragroup loans receivable –subsidiaries (note 6,1)</b>   | <b>-</b>      | <b>1,634</b>  | <b>2,464</b>  | <b>-</b>      |              |                                |
| Atua Construtora e Incorporadora S,A, (a)                     | -             | 12,167        | -             | 12,167        | Construction | 112% to 113,5% of CDI          |
| FIT 19 SPE Empr, Imobiliários Ltda, (b)                       | 18,930        | 18,676        | 18,930        | 18,676        | Construction | 100% of CDI                    |
| Acedio SPE Empr, Imobiliários Ltda, (b)                       | 8,582         | 8,188         | 8,582         | 8,188         | Construction | 100% of CDI                    |
| <b>Intragroup loans receivable – Joint venture (note 6,1)</b> | <b>27,512</b> | <b>39,031</b> | <b>27,512</b> | <b>39,031</b> |              |                                |
|   | <b>27,512</b> | <b>40,665</b> | <b>29,976</b> | <b>39,031</b> |              |                                |

(a) Amount related to a Company loan to Atua Construtora e Incorporadora S,A,, which is being disputed in arbitration, at the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM/CCBC). The amount was no longer adjusted in 2014 based on the agreed finance charges in light of the arbitration.  
 The amount relating to Atua Construtora e Incorporadora S,A which was under arbitration was received in August 2022,

- (b) Amounts receivable between SPEs that are adjusted through August 2014 (date of last request in arbitration) using the contractually agreed finance charges, These amounts are being disputed in arbitration, at the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM/CCBC), The loan to Fit 09 SPE Empr, Imob, Ltda, was eliminated for purposes of the consolidated financial statements, and the balance changes shown arise from the new amounts to guarantee the companies' operations,

### 6.3 Guarantees, collaterals and sureties

The financial transactions of the Group are collateralized by guarantees or sureties in proportion to the Company's interests in the capital of such companies, totaling R\$619,279 as at December 31, 2022 (R\$995,973 as at December 31, 2021),

## 7. PROPERTY AND EQUIPMENT

| Parent                                |                           |            |           |            |            |           |                       |            |
|---------------------------------------|---------------------------|------------|-----------|------------|------------|-----------|-----------------------|------------|
| Description                           | Depreciation rate - % p,a | 12/31/2020 | Additions | Write-offs | 12/31/2021 | Additions | Write-offs/ transfers | 12/31/2022 |
|                                       |                           | Cost       |           |            |            |           |                       |            |
| Hardware                              |                           | 27,837     | 7,193     | -          | 35,030     | 543       | (564)                 | 35,009     |
| Leasehold improvements and facilities |                           | 19,529     | 6,413     | -          | 25,942     | 1,867     | (5,638)               | 22,171     |
| Furniture and fixtures                |                           | 5,284      | 1,060     | -          | 6,344      | 104       | (1,249)               | 5,199      |
| Machinery and equipment               |                           | 5,640      | 3,434     | -          | 9,074      | 984       | (469)                 | 9,589      |
| Molds                                 |                           | 73,900     | 36,496    | -          | 110,396    | 11,109    | -                     | 121,505    |
| Lease – right of use                  |                           | 44,983     | 14,208    | (10,336)   | 48,855     | -         | -                     | 48,855     |
|                                       |                           | 177,173    | 68,804    | (10,336)   | 235,641    | 14,607    | (7,920)               | 242,328    |
| Accumulated depreciation              |                           |            |           |            |            |           |                       |            |
| Hardware                              | 20%                       | (20,641)   | (5,366)   | -          | (26,007)   | (3,808)   | 374                   | (29,441)   |
| Leasehold improvements and facilities | 14%                       | (9,983)    | (3,611)   | -          | (13,594)   | (3,430)   | 3,499                 | (13,525)   |
| Furniture and fixtures                | 10%                       | (3,229)    | (436)     | -          | (3,665)    | (557)     | 510                   | (3,712)    |
| Machinery and equipment               | 10%                       | (1,955)    | (677)     | -          | (2,632)    | (1,112)   | 183                   | (3,561)    |
| Molds                                 | 11%                       | (34,916)   | (9,121)   | -          | (44,037)   | (13,806)  | -                     | (57,843)   |
| Lease – right of use                  | 14%                       | (2,529)    | (5,554)   | 2,310      | (5,773)    | (6,392)   | -                     | (12,165)   |
|                                       |                           | (73,253)   | (24,765)  | 2,310      | (95,708)   | (29,105)  | 4,566                 | (120,247)  |
|                                       |                           | 103,920    | 44,039    | (8,026)    | 139,933    | (14,498)  | (3,354)               | 122,081    |

| Consolidated                          |                           |            |           |            |            |           |                       |            |
|---------------------------------------|---------------------------|------------|-----------|------------|------------|-----------|-----------------------|------------|
| Description                           | Depreciation rate - % p,a | 12/31/2020 | Additions | Write-offs | 12/31/2021 | Additions | Write-offs/ transfers | 12/31/2022 |
|                                       |                           | Cost       |           |            |            |           |                       |            |
| Hardware                              |                           | 27,846     | 7,440     | -          | 35,286     | 656       | (564)                 | 35,378     |
| Leasehold improvements and facilities |                           | 19,890     | 12,632    | -          | 32,522     | 2,412     | (5,638)               | 29,296     |
| Furniture and fixtures                |                           | 6,091      | 2,093     | -          | 8,184      | 107       | (1,249)               | 7,042      |
| Machinery and equipment               |                           | 6,419      | 5,137     | -          | 11,556     | 3,644     | 30,349                | 45,549     |
| Molds                                 |                           | 93,260     | 44,011    | -          | 137,271    | 21,220    | -                     | 158,491    |
| Construction in progress              | -                         | -          | 30,818    | -          | 30,818     | -         | (30,818)              | -          |
| Lease – right of use                  |                           | 44,983     | 14,208    | (10,336)   | 48,855     | -         | -                     | 48,855     |
|                                       |                           | 198,489    | 116,339   | (10,336)   | 304,492    | 28,039    | (7,920)               | 324,611    |



| Consolidated                          |                            |            |           |            |            |           |            |                      |           |
|---------------------------------------|----------------------------|------------|-----------|------------|------------|-----------|------------|----------------------|-----------|
| Description                           | Depreciation rate - % p,a, | 12/31/2020 |           |            | 12/31/2021 |           |            | 12/31/2022           |           |
|                                       |                            | Balance    | Additions | Write-offs | Balance    | Additions | Write-offs | Write-offs/transfers | Balance   |
| Accumulated depreciation              |                            |            |           |            |            |           |            |                      |           |
| Hardware                              | 20%                        | (20,643)   | (5,397)   | -          | (26,040)   | (3,894)   | 374        |                      | (29,560)  |
| Leasehold improvements and facilities | 14%                        | (10,102)   | (4,157)   | -          | (14,259)   | (4,161)   | 3,499      |                      | (14,921)  |
| Furniture and fixtures                | 10%                        | (3,330)    | (556)     |            | (3,886)    | (740)     | 510        |                      | (4,116)   |
| Machinery and equipment               | 10%                        | (2,005)    | (833)     |            | (2,838)    | (4,710)   | 183        |                      | (7,365)   |
| Molds                                 | 11%                        | (37,870)   | (11,564)  |            | (49,434)   | (19,172)  | -          |                      | (68,606)  |
| Lease – right of use                  | 14%                        | (2,529)    | (5,554)   | 2,310      | (5,773)    | (6,392)   | -          |                      | (12,165)  |
|                                       |                            | (76,479)   | (28,061)  | 2,310      | (102,230)  | (39,069)  | 4,566      |                      | (136,733) |
|                                       |                            | 122,010    | 88,278    | (8,026)    | 202,262    | (11,030)  | (3,354)    |                      | 187,878   |

The residual value, useful lives, and depreciation methods were reviewed at the end of year 2022, and no change was made, Assets are subject to periodical impairment testing,

## 8. INTANGIBLE ASSETS

| Parent                  |                            |            |           |            |              |          |           |            |              |          |
|-------------------------|----------------------------|------------|-----------|------------|--------------|----------|-----------|------------|--------------|----------|
|                         | Amortization rate - % p,a, | 12/31/2020 |           |            | 12/31/2021   |          |           |            | 12/31/2022   |          |
|                         |                            | Balance    | Additions | Write-offs | Amortization | Balance  | Additions | Write-offs | Amortization | Balance  |
| Software - Cost         |                            | 63,828     | 26,738    | (28,447)   | -            | 62,119   | 30,450    | (3)        | -            | 92,566   |
| Software – amortization | 33%                        | (42,765)   | -         | 28,841     | (16,429)     | (30,354) | -         | -          | (20,268)     | (50,622) |
|                         |                            | 21,062     | 26,738    | 394        | (16,429)     | 31,765   | 30,450    | (3)        | (20,268)     | 41,944   |

| Consolidated            |                            |            |           |            |              |          |           |            |              |          |
|-------------------------|----------------------------|------------|-----------|------------|--------------|----------|-----------|------------|--------------|----------|
|                         | Amortization rate - % p,a, | 12/31/2020 |           |            | 12/31/2021   |          |           |            | 12/31/2022   |          |
|                         |                            | Balance    | Additions | Write-offs | Amortization | Balance  | Additions | Write-offs | Amortization | Balance  |
| Software - Cost         |                            | 64,011     | 26,900    | (28,447)   | -            | 62,464   | 30,992    | (3)        | -            | 93,453   |
| Software – amortization | 33%                        | (42,787)   | -         | 28,841     | (16,491)     | (30,437) | -         | -          | (20,440)     | (50,877) |
|                         |                            | 21,224     | 26,900    | 394        | (16,491)     | 32,027   | 30,992    | (3)        | (20,440)     | 42,576   |

**9. INVESTMENTS IN EQUITY INTERESTS**

Breakdown of and variations in investments and negative equity as at December 31, 2022

| Subsidiaries                | Current assets   | Noncurrent assets | Current liabilities | Noncurrent liabilities | Equity and advance for future capital increase | Net revenue      | Profit (loss) for the year | Equity interest % | Opening balance 01/01/2022 | Capital increase / decrease | Investment settlement | Dividends    | Gain on decrease in interest / Adjustment | Share of profit (loss) of investees | Investment balance | Equity deficiency |
|-----------------------------|------------------|-------------------|---------------------|------------------------|--|------------------|----------------------------|-------------------|----------------------------|-----------------------------|-----------------------|--------------|---|-------------------------------------|--------------------|-------------------|
| Alea S/A.                   | 27,884           | 89,486            | 33,736              | 47,245                 | 36,389   | 34,440           | (79,595)                   | 90%               | 64,107                     | 38,184                      | -                     | -            | 2,095                                     | (71,636)                            | 32,750             | -                 |
| FIT SPE 02 EMP. IMOB.       | 16,271           | 4,136             | 396                 | -                      | 20,011   | (819)            | (2,387)                    | 100%              | 22,398                     | -                           | -                     | -            | -   | (2,387)                             | 20,011             | -                 |
| VIVA BARRA FUNDA SPE EMP    | 17,072           | 12,939            | 17,872              | 2,841                  | 9,288  | 27,072           | 3,760                      | 100%              | 5,538                      | -                           | -                     | -            | -   | 3,760                               | 9,298              | -                 |
| TENDA 46 SPE EMP IMOB LTD   | 50,128           | 5,680             | 18,332              | 5,881                  | 31,575   | 6,696            | (2,015)                    | 100%              | 33,590                     | -                           | -                     | -            | -   | (2,015)                             | 31,575             | -                 |
| TENDA NEG. IMOB. S/A.       | 1,736,864        | 1,418,733         | 920,062             | 879,963                | 1,355,572                                      | 2,107,293        | (10,780)                   | 100%              | 1,361,788                  | -                           | -                     | 1,962        | 2,592                                     | (10,780)                            | 1,355,562          | -                 |
| Other                       | 33,832           | 7,877             | 16,080              | 359                    | 25,270   | 20,595           | (1,009)                    | -                 | 23,409                     | (1)                         | 37                    | -            | 192                                       | (558)                               | 25,527             | (2,448)           |
| Capitalized interest        | -                | -                 | -                   | -                      | -  | -                | -                          | -                 | 2,905                      | -                           | -                     | -            | -   | (306)                               | 2,599              | -                 |
| <b>Total subsidiaries</b>   | <b>1,882,051</b> | <b>1,538,831</b>  | <b>1,006,478</b>    | <b>936,289</b>         | <b>1,478,115</b>                               | <b>2,195,277</b> | <b>(92,026)</b>            |                   | <b>1,513,734</b>           | <b>38,183</b>               | <b>37</b>             | <b>1,962</b> | <b>4,879</b>                              | <b>(83,922)</b>                     | <b>1,477,321</b>   | <b>(2,448)</b>    |
| <b>Joint ventures</b>       |                  |                   |                     |                        |  |                  |                            |                   |                            |                             |                       |              |   |                                     |                    |                   |
| FIT CAMPOLIM SPE EMPREENDIM | -                | 9,062             | 2,034               | 18,930                 | (11,902)                                       | -                | (1,715)                    | 55%               | (5,603)                    | -                           | -                     | -            | -   | (943)                               | -                  | (6,546)           |
| FIT 13 SPE EMPREENDIMENTOS  | 9,798            | 11,210            | 10                  | -                      | 20,998   | -                | 349                        | 50%               | 10,324                     | -                           | -                     | -            | -   | 175                                 | 10,499             | -                 |
| CIPESA PROJETO 02 EMPREEND  | 9,720            | 8,100             | 20                  | -                      | 17,800   | (3)              | (768)                      | 50%               | 9,046                      | -                           | -                     | -            | -   | (384)                               | 8,662              | -                 |
| Other                       | 37,959           | 3,932             | 11,199              | 11,955                 | 18,737   | 3,692            | (10,405)                   | -                 | 12,513                     | 6,100                       | -                     | -            | (2)                                       | (6,229)                             | 14,168             | (1,787)           |
| <b>Consolidated</b>         | <b>57,477</b>    | <b>32,304</b>     | <b>13,263</b>       | <b>30,885</b>          | <b>45,633</b>                                  | <b>3,689</b>     | <b>(12,539)</b>            |                   | <b>26,280</b>              | <b>6,100</b>                | <b>-</b>              | <b>-</b>     | <b>(2)</b>                                | <b>(7,381)</b>                      | <b>33,330</b>      | <b>(6,333)</b>    |
| <b>Total Parent</b>         | <b>1,939,528</b> | <b>1,571,135</b>  | <b>1,019,741</b>    | <b>967,174</b>         | <b>1,523,748</b>                               | <b>2,198,966</b> | <b>(104,565)</b>           |                   | <b>1,540,014</b>           | <b>44,283</b>               | <b>37</b>             | <b>1,962</b> | <b>4,877</b>                              | <b>(91,303)</b>                     | <b>1,510,651</b>   | <b>(10,781)</b>   |

a) The noncontrolling shareholder has liquidity option regarding its interest contingent on future performance metrics that would not impact the financial statements, according to Management's estimates,

Breakdown of and variations in investments and negative equity as at December 31, 2021

| Subsidiaries              | Current assets   | Noncurrent assets | Current liabilities | Noncurrent liabilities | Equity and advance for future capital increase | Net revenue      | Profit (loss) for the year | Equity interest % | Opening balance 01/01/2021 | Capital increase / decrease | Investment settlement | Dividends        | Gain on decrease in interest / Adjustment | Share of profit (loss) of investees | Investment balance | Equity deficiency |
|---------------------------|------------------|-------------------|---------------------|------------------------|--|------------------|----------------------------|-------------------|----------------------------|-----------------------------|-----------------------|------------------|---|-------------------------------------|--------------------|-------------------|
| TENDA NEG. IMOB. S/A      | 1,980,216        | 1,074,138         | 813,721             | 832,848                | 1,407,785                                      | 2,216,076        | 158,843                    | 100%              | 1,326,739                  | -                           | -                     | (116,653)        | 1,135                                     | 150,588                             | 1,361,789          | -                 |
| Alea S.A (a)              | 33,514           | 52,792            | 12,236              | 2,905                  | 71,166   | 19,579           | (47,336)                   | 90%               | (3,316)                    | 108,865                     | -                     | -                | 1,159                                     | (42,601)                            | 64,107             | -                 |
| TENDA 46 SPE EMP IMOB LTD | 86,925           | 1,332             | 19,576              | 11,646                 | 37,036   | 56,757           | 13,799                     | 100%              | 30,088                     | -                           | -                     | (10,299)         | -   | 13,801                              | 33,590             | -                 |
| FIT SPE 02 EMP. IMOB.     | 21,439           | 5,653             | 4,384               | -                      | 22,709   | 9,657            | 1,310                      | 100%              | 23,450                     | -                           | -                     | (2,363)          | -   | 1,311                               | 22,398             | -                 |
| VIVA BARRA FUNDA SPE EMP  | 14,122           | 15,872            | 23,105              | 120                    | 6,769  | 27,501           | 5,187                      | 100%              | 1,583                      | -                           | -                     | (1,232)          | -   | 5,186                               | 5,537              | -                 |
| Other                     | 20,595           | 25,946            | 16,338              | 2,045                  | 28,159   | 31,428           | 4,371                      | De 50% a 100%     | 13,901                     | (2)                         | 8,149                 | (2,232)          | (1,167)                                   | 4,741                               | 25,752             | (2,334)           |
| Capitalized interest      | -                | -                 | -                   | -                      | -  | -                | -                          | -                 | 3,301                      | -                           | -                     | -                | -   | (396)                               | 2,905              | -                 |
| <b>Total subsidiaries</b> | <b>2,136,811</b> | <b>1,175,733</b>  | <b>889,360</b>      | <b>849,564</b>         | <b>1,573,624</b>                               | <b>2,330,998</b> | <b>136,174</b>             |                   | <b>1,395,746</b>           | <b>108,863</b>              | <b>8,149</b>          | <b>(132,779)</b> | <b>1,127</b>                              | <b>132,610</b>                      | <b>1,516,078</b>   | <b>(2,362)</b>    |
| <b>Joint ventures</b>     |                  |                   |                     |                        |  |                  |                            |                   |                            |                             |                       |                  |   |                                     |                    |                   |
| FIT 13 SPE EMP. IMOB.     | 9,742            | 10,912            | 5                   | -                      | 20,649   | -                | 749                        | 55%               | 9,950                      | -                           | -                     | -                | -   | 464                                 | 10,414             | -                 |
| CIPESA PROJETO 02         | 10,095           | 8,485             | 12                  | -                      | 18,588   | (37)             | (32)                       | 55%               | 9,195                      | -                           | -                     | -                | (124)                                     | (25)                                | 9,046              | -                 |
| FIT CAMPOLIM SPE          | 8,539            | -                 | -                   | 18,676                 | (10,187)                                       | -                | (263)                      | 55%               | (5,458)                    | -                           | -                     | -                | -   | (145)                               | -                  | (5,603)           |
| Outros                    | 51,792           | 4,742             | 12,901              | 11,617                 | 32,016   | (5,301)          | (1,802)                    | 50%               | 22,844                     | (4,351)                     | -                     | -                | 1,025                                     | (7,095)                             | 12,776             | (353)             |
| <b>Consolidated</b>       | <b>80,168</b>    | <b>24,139</b>     | <b>12,969</b>       | <b>30,293</b>          | <b>61,046</b>                                  | <b>(5,338)</b>   | <b>(1,348)</b>             |                   | <b>36,531</b>              | <b>(4,351)</b>              | <b>-</b>              | <b>-</b>         | <b>901</b>                                | <b>(6,801)</b>                      | <b>32,236</b>      | <b>(5,956)</b>    |
| <b>Total Parent</b>       | <b>2,216,978</b> | <b>1,199,872</b>  | <b>902,329</b>      | <b>879,856</b>         | <b>1,634,670</b>                               | <b>2,355,660</b> | <b>134,826</b>             |                   | <b>1,432,277</b>           | <b>104,512</b>              | <b>8,149</b>          | <b>(132,779)</b> | <b>2,028</b>                              | <b>125,809</b>                      | <b>1,548,314</b>   | <b>(8,318)</b>    |

## 10. BORROWINGS, DEBENTURES AND FINANCING, CASH AND CASH EQUIVALENTS AND SECURITIES

### a) Net debt and capital management

|                                  | Parent           |                  | Consolidated     |                  |
|----------------------------------|------------------|------------------|------------------|------------------|
|                                  | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| Borrowings and financing (c)     | 167,022          | 188,569          | 496,993          | 402,802          |
| Debentures (c)                   | 901,461          | 974,747          | 977,179          | 974,747          |
| <b>Total debt</b>                | <b>1,068,483</b> | <b>1,163,316</b> | <b>1,474,172</b> | <b>1,377,549</b> |
| (-) Cash and cash equivalent (b) | 32,080           | 53,693           | 83,692           | 87,074           |
| (-) Securities (b)               | 169,561          | 473,103          | 590,549          | 977,870          |
| <b>Net debt</b>                  | <b>866,841</b>   | <b>636,520</b>   | <b>799,931</b>   | <b>312,605</b>   |
| Equity                           | 712,274          | 1,203,413        | 717,612          | 1,212,628        |
| <b>Equity and net debt</b>       | <b>1,579,115</b> | <b>1,839,933</b> | <b>1,517,543</b> | <b>1,525,233</b> |

### b) Cash, cash equivalents and securities

Cash and cash equivalents comprise cash, deposits, short-term investments with insignificant risk and readily convertible into cash, indexed to the CDI rate with yield from 70% to 106%,

|  | Parent        |               | Consolidated  |               |
|--|---------------|---------------|---------------|---------------|
|  | 12/31/2022    | 12/31/2021    | 12/31/2022    | 12/31/2021    |
| Cash and banks                                 | 2,224         | 3,677         | 28,395        | 28,968        |
| Bank certificate of deposit                    | 29,856        | 50,016        | 55,297        | 58,106        |
| <b>Cash and cash equivalents (note 19,b,l)</b> | <b>32,080</b> | <b>53,693</b> | <b>83,692</b> | <b>87,074</b> |

Securities are mainly comprised of Bank certificates of deposit, yielding interest from 70% to 106% of the CDI rate, national treasury bills, private securities and restricted short-term investments (onlending of real estate pool funding receivables about to be approved by Caixa Econômica Federal (Federal savings bank),

|                                       | Parent         |                | Consolidated   |                |
|---------------------------------------|----------------|----------------|----------------|----------------|
|                                       | 12/31/2022     | 12/31/2021     | 12/31/2022     | 12/31/2021     |
| Fixed-income funds                    | 32             | 10,025         | 32             | 12,055         |
| Exclusive funds (note 19 b(l))        | 27,646         | 343,556        | 217,941        | 570,462        |
| Repurchase transactions               | -              | -              | -              | -              |
| Bank certificate of deposit           | 125,314        | 101,489        | 161,619        | 103,872        |
| Restricted short-term investments     | 16,569         | 18,033         | 210,858        | 291,481        |
| Other                                 | -              | -              | 99             | -              |
| <b>Total securities (note 19,b,l)</b> | <b>169,561</b> | <b>473,103</b> | <b>590,549</b> | <b>977,870</b> |

### c) Borrowings, debentures and financing

| Type of transaction           | Maturity           | Annual interest rate                              | Parent           |                  | Consolidated     |                  |
|-------------------------------|--------------------|---|------------------|------------------|------------------|------------------|
|                               |                    |   | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| National Housing System (SFH) | 04/2021 to 09/2024 | TR +7,80% p,a, up to 11,76% p,a,                  | 20,352           | 6,350            | 263,063          | 194,376          |
|                               | 01/2022 to 07/2024 | 127% up to 129% CDI                               | -                | -                | 76,390           | -                |
|                               | Up to 03/2024      | CDI + 2,20% p,a,                                  | 20,900           | 37,594           | 20,900           | 37,594           |
|                               | Up to 06/2023      | CDI + 2,34% p,a,                                  | 10,128           | 30,281           | 10,128           | 30,281           |
| Bank Credit Note (CCB)        | Up to 12/2024      | CDI +2,02% p,a,                                   | 80,434           | 80,337           | 80,434           | 80,337           |
|                               | Up to 11/2024      | CDI + 5,17% p,a,                                  | 15,306           | 34,007           | 15,306           | 34,007           |
|                               | Up to 07/2023      | CDI + 2,50% p,a,                                  | -                | -                | 10,747           | 26,207           |
|                               | Up to 12/2025      | CDI + 4,50% p,a,                                  | 19,902           | -                | 20,025           | -                |
|                               |                    | CDI + 3,05% up to 4,00% p,a, and IPCA+ 6,86 up to |                  |                  |                  |                  |
| Debentures (i) and other      | Up to 04/2028      | 8,50% p,a,  | 908,962          | 984,182          | 989,647          | 984,182          |
| Transaction cost              |                    |   | (7,501)          | (9,435)          | (12,468)         | (9,435)          |
| <b>Total</b>                  |                    |   | <b>1,068,483</b> | <b>1,163,316</b> | <b>1,474,172</b> | <b>1,377,549</b> |
| <b>Current</b>                |                    |   | <b>328,984</b>   | <b>193,475</b>   | <b>589,735</b>   | <b>325,646</b>   |
| <b>Noncurrent</b>             |                    |   | <b>739,499</b>   | <b>969,841</b>   | <b>884,437</b>   | <b>1,051,903</b> |

The current and noncurrent portions mature as follows:

| Maturity            | Parent           |                  | Consolidated     |                  |
|---------------------|------------------|------------------|------------------|------------------|
|                     | 12/31/2022       | 12/31/2021       | 12/31/2022       | 12/31/2021       |
| 2022                | -                | 193,475          | -                | 325,646          |
| 2023                | 328,984          | 242,827          | 589,735          | 324,889          |
| 2024                | 259,906          | 233,717          | 340,388          | 233,717          |
| 2025                | 140,250          | 140,250          | 169,346          | 140,250          |
| 2026                | 207,203          | 353,047          | 220,436          | 353,047          |
| 2027 and thereafter | 132,140          | -                | 154,267          | -                |
|                     | <b>1,068,483</b> | <b>1,163,316</b> | <b>1,474,172</b> | <b>1,377,549</b> |

(i) Summary of debentures issued:

| Issue                       | Date       | Amount           | Principal payable | Interest payable | Payment of principal                               | Payment of interest | Covenants (net leverage ratio) (total financial debt less SFH)) |
|-----------------------------|------------|------------------|-------------------|------------------|--|---------------------|---|
| 4 <sup>th</sup> issue       | 09/10/2018 | 150,000          | 50,100            | 2,548            | 33,30% 09/2021<br>33,30% 09/2022<br>33,40% 09/2023 | Semiannual          | Calculation: 65,73%<br>(a)                                      |
| 5 <sup>th</sup> issue       | 04/02/2019 | 150,000          | 150,000           | 6,377            | 50% 03/2023<br>50% 03/2024<br>25% 12/2021          | Semiannual          | Calculation: 65,73%<br>(a)                                      |
| 6 <sup>th</sup> issue       | 12/05/2019 | 200,000          | 100,000           | 1,068            | 25% 12/2022<br>25% 12/2023<br>25% 12/2024          | Semiannual          | Calculation: 65,73%<br>(a)                                      |
| 7 <sup>th</sup> issue       | 03/05/2021 | 200,000          | 200,000           | 11,883           | 33,30% 02/2024<br>33,30% 02/2025<br>33,40% 02/2026 | Semiannual          | Calculation: 65,73%<br>(a)                                      |
| 8 <sup>th</sup> issue (CRI) | 04/20/2021 | 200,000          | 200,000           | 29,719           | 33,30% 04/2026<br>33,30% 04/2027<br>33,40% 04/2028 | Semiannual          | Calculation: 65,73%<br>(a)                                      |
| 9 <sup>th</sup> issue       | 09/08/2021 | 150,000          | 150,000           | 7,267            | 50% 09/15/2025<br>50% 09/15/2026                   | Semiannual          | Calculation: 65,73%<br>(a)                                      |
|                             |            | <b>1,050,000</b> | <b>850,100</b>    | <b>58,862</b>    |  |                     |   |

(a) The Company obtained approval from the holders of Market Debts (as defined in the respective general meetings of holders of the issues above) new terms and conditions consisting of the flexibilization of certain obligations and grant of additional collaterals, The Company received waiver for noncompliance with the financial ratio for the periods ended September 30, 2022 to December 31, 2024, provided that new maximum percentage rates established for each period are complied with, For the period ended December 31, 2022 the percentage rate of the financial ratio to be met must be lower than or equal to 85% (previously it was 15%),

According to the approvals provided by the holders of Market Debts, the Company assumed the obligation of:

- Do not distribute dividends, pay interest on capital or make any other payments to its shareholders, except for the payment of the minimum mandatory dividend;
- Do not create any lien or encumbrance, or enter into any agreement or adopt any other measure that encumber the shares issued by Alea S,A;
- The launches of projects cannot exceed 15,000 "Tenda" units during the periods from April 1, 2022 to March 31, 2023, and from July 1, 2022 to June 30, 2023;
- Offer collaterals that can be comprised of SPEs units (based on their book value) and receivables (based on their face value), corresponding to percentage rates of the sum of the debt principal and interest;
- Establish guarantee for escrow account, in addition to the collaterals mentioned in item (iv) above, to be completed, beginning October 2022, by certain proportions of falling-due installments of the issues in the six months prior to each payment of the issues, Except for the obligation relating to item (iii) above, the obligations are applicable and the collaterals will be effective until the financial ratio is lower than or equal to 15% for two consecutive quarters,

It was also decided:

- the single payment, by the Company, to the holders of the 4th, 5th, 6th and 7th issues, of a premium of 1,75% per year, calculated on the Nominal Par Value or the balance of the Nominal Par Value, on a pro rata basis, as from July 1, 2022 up to the payment date of the compensation of each issue immediately subsequent to the meeting dates;
- The increase of the compensation spread of the 4th, 5th, 6th and 7th issues by 1,75% per year as from the payment date of the compensation of each issue immediately subsequent to the meeting dates;
- the payment of a premium, by the Company, to the holders of the 9th issue, equivalent to 1,75% per year, calculated on the Nominal Par Value or the balance of the Nominal Par Value, on a pro rata basis, as from July 1, 2022 up to December 31, 2024, due on the payment dates of the compensation of the 9th issue occurring during this period;

- (iv) the payment of a premium, by the Company, to the holders of the 8th issue, equivalent to 1,50% per year, calculated on the Nominal Par Value or the balance of the Nominal Par Value, on a pro rata basis, as from July 1, 2022, due on the payment date of the compensation of the 8th issue,

## 11. OTHER FINANCIAL INSTRUMENTS

The Company determines the fair value of derivative contracts, which may differ from the realized amounts in case of early settlement due to the bank spreads and market factors on quotation date, The amounts presented by the Company are based on an estimate using market factors and use data provided by third parties, measured internally and compared to calculations made by an external consulting firm and counterparties,

The fair value does not represent the obligation of immediate disbursement or cash receipt, as such effect will only occur on the dates of contractual verification or maturity of each transaction, when the result will be determined according to each case and market conditions on these dates,

For each of the instruments, the procedure used to obtain the fair values are summarized below:

a) Swap CRI – IPCA X CDI: the future value of the short position is estimated based on the cash flow projected by the swap interest rate and the long position is estimate based on the cash flow projected by the contracted interest rate, The fair value of the contract is the difference between these two positions,

b) Swap TRS – Repurchase: the future liability value is estimated based on the fluctuation of the fair value of Tend3 share on the contract date up to the disclosure date,

|                           | Consolidated |               |
|---------------------------|--------------|---------------|
|                           | 12/31/2022   | 12/31/2021    |
| Swap CRI – IPCAXCDI (a)   | -            | 14,860        |
| Swap TRS – Repurchase (b) | 7,618        | 3,035         |
| Swap TRS - Charges        | -            | 1,313         |
| <b>Total</b>              | <b>7,618</b> | <b>19,208</b> |

## 12. LEASE – RIGHT OF USE

|   | Parent/Consolidated |               |              |               |
|---|---------------------|---------------|--------------|---------------|
|   | Up to 5 years       | 5 to 10       | Over 10      | Total         |
| Agreements                                      |                     |               |              |               |
| Opening balance - 12/31/2021                    | 6,619               | 33,946        | 8,790        | 49,355        |
| Present value adjustment 12/31/2021             | (555)               | (4,544)       | (1,662)      | (6,761)       |
| New agreements                                  | -                   | -             | -            | -             |
| Payments  | (1,797)             | (4,534)       | (901)        | (7,233)       |
| Interest realization (present value adjustment) | 257                 | 1,035         | 280          | 1,572         |
| Closing balance - 12/31/2022                    | 4,524               | 25,903        | 6,507        | 36,933        |
| <b>Current</b>                                  | <b>727</b>          | <b>4,162</b>  | <b>1,045</b> | <b>5,934</b>  |
| <b>Noncurrent</b>                               | <b>3,797</b>        | <b>21,741</b> | <b>5,462</b> | <b>30,999</b> |
| Deadlines to be incurred                        | 38                  | 104           | 138          | 90            |
| Monthly average amount                          | 126                 | 283           | 57           | 467           |

### 13. PAYABLES FOR PURCHASE OF PROPERTIES AND ADVANCES FROM CUSTOMERS

|                                   | Parent     |            | Consolidated |            |
|-----------------------------------|------------|------------|--------------|------------|
|                                   | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| Payables for properties purchased | 229,458    | 145,106    | 1,225,619    | 1,222,090  |
| Advances from customers           | 1,401      | 913        | 18,940       | 15,474     |
| Physical barter - land            | 25,382     | 12,783     | 146,489      | 117,959    |
|                                   | 256,241    | 158,802    | 1,391,048    | 1,355,523  |
| Current                           | 84,915     | 92,191     | 459,526      | 554,292    |
| Noncurrent                        | 171,326    | 66,611     | 931,522      | 801,231    |

The current and noncurrent portions mature as follows:

| Maturity            | Parent     |            | Consolidated |            |
|---------------------|------------|------------|--------------|------------|
|                     | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| 2022                | -          | 92,191     | -            | 554,292    |
| 2023                | 84,915     | 35,803     | 459,526      | 339,028    |
| 2024                | 100,794    | 26,168     | 437,120      | 279,248    |
| 2025                | 37,923     | 3,510      | 236,603      | 128,782    |
| 2026 and thereafter | 32,609     | 1,130      | 257,799      | 54,173     |
|                     | 256,241    | 158,802    | 1,391,048    | 1,355,523  |

### 14. INCOME TAX AND SOCIAL CONTRIBUTION

#### a) Current income tax and social contribution

|  | Parent     |            | Consolidated |            |
|--|------------|------------|--------------|------------|
|  | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| Profit (loss) before income tax and social contribution      | (546,860)  | (190,554)  | (511,081)    | (150,541)  |
|  | 34%        | 34%        | 34%          | 34%        |
| <b>Estimated income tax and social contribution expenses</b> | (185,932)  | (64,788)   | (173,768)    | (51,183)   |
| <b>Companies taxed based on taxable income</b>               |            |            |              |            |
| Deductions   | 66,191     | 20,382     | 53,788       | (53,481)   |
| Addition (deduction) RET/deemed effect                       | 28,456     | 16,397     | (24,426)     | (129,010)  |
| Addition (deduction) – Share of profit (loss) of investees   | 90,997     | (139,980)  | 7,381        | 6,801      |
| Tax basis  | (361,216)  | (293,755)  | (474,338)    | (326,231)  |
| <b>Companies taxed based on deemed income</b>                |            |            |              |            |
| Tax basis  | -          | -          | 8,236        | 19,584     |
| Average rates applied  | -          | -          | 3,08%        | 6,73%      |
| Current tax expense  | -          | -          | (1,491)      | (592)      |
| Deferred tax expense   | -          | -          | 1,237        | (726)      |
| <b>Companies taxed under RET</b>                             |            |            |              |            |
| Tax basis  | 23,125     | 48,091     | 2,311,364    | 2,329,661  |
| Applicable tax rates   | 1,92%      | 1,92%      | 1,92%        | 1,92%      |
| Current tax expense  | (488)      | (999)      | (43,147)     | (43,637)   |
| Deferred tax expense   | 44         | 76         | (1,231)      | (1,093)    |
| IRPJ and CSLL expense for the year                           | (444)      | (923)      | (44,632)     | (46,047)   |
| <b>Effective tax rate</b>                                    | -0,13%     | -0,38%     | 2,42%        | 2,28%      |

**b) Breakdown of deferred income tax and social contribution**

The origin of deferred income tax and social contribution as at December 31, 2022 and 2021 is as follows:

| Description                                 | Parent     |            | Consolidated  |               |
|---|------------|------------|---------------|---------------|
|   | 12/31/2022 | 12/31/2021 | 12/31/2022    | 12/31/2021    |
| <b>Liabilities</b>                          |            |            |               |               |
| Deferred income tax and social contribution | 250        | 294        | 17,289        | 17,251        |
| <b>Total</b>                                | <b>250</b> | <b>294</b> | <b>17,289</b> | <b>17,251</b> |

The Company holds unrecognized income tax loss and social contribution loss carryforwards that can be offset against 30% of annual taxable income and carried forward indefinitely in the following amounts:

| Description  | Parent         |                     |                |                |                     |                |
|--|----------------|---------------------|----------------|----------------|---------------------|----------------|
|  | 12/31/2022     |                     |                | 12/31/2021     |                     |                |
|  | Income tax     | Social contribution | Total          | Income tax     | Social contribution | Total          |
| Tax loss carryforwards                                   | 1,580,216      | 1,580,216           |                | 1,250,638      | 1,250,638           |                |
| Tax assets (25%, 9%)                                     | 395,054        | 142,219             | 537,274        | 315,103        | 113,437             | 428,539        |
| <b>Unrecognized tax assets on tax loss carryforwards</b> | <b>395,054</b> | <b>142,219</b>      | <b>537,274</b> | <b>315,103</b> | <b>113,437</b>      | <b>428,539</b> |

| Description  | Consolidated   |                     |                |                |                     |                |
|--|----------------|---------------------|----------------|----------------|---------------------|----------------|
|  | 12/31/2022     |                     |                | 12/31/2021     |                     |                |
|  | Income tax     | Social contribution | Total          | Income tax     | Social contribution | Total          |
| Tax loss carryforwards                                   | 1,841,736      | 1,841,736           |                | 1,347,098      | 1,347,098           |                |
| Tax assets (25%, 9%)                                     | 460,434        | 165,756             | 626,190        | 339,219        | 122,119             | 461,338        |
| <b>Unrecognized tax assets on tax loss carryforwards</b> | <b>460,434</b> | <b>165,756</b>      | <b>626,190</b> | <b>339,219</b> | <b>122,119</b>      | <b>461,338</b> |

The balance of tax loss carryforwards was not recorded as we do not expect any taxable income in the Company and its subsidiaries; the higher concentration of projects is subject to the special RET regime,

**15. PROVISION FOR CONTINGENCIES**

**15.1 Provision for contingencies**

The variations in the provision for contingencies in the years ended December 31, 2022 and 2021 are summarized below:

|  | Consolidated       |                |               |                |
|--|--------------------|----------------|---------------|----------------|
|  | Civil lawsuits (a) | Labor lawsuits | Other (b)     | Total          |
| Balance as at December 31, 2020        | 57,636             | 5,698          | 6,753         | 70,087         |
| Additions (note 21)                    | 28,212             | 1,884          | 6,899         | 36,995         |
| Write-offs (note 21)                   | (28,940)           | (1,271)        | (16)          | (30,227)       |
| <b>Balance as at December 31, 2021</b> | <b>56,908</b>      | <b>6,311</b>   | <b>13,636</b> | <b>76,855</b>  |
| <b>Current</b>                         | <b>32,052</b>      | <b>3,380</b>   | <b>7,667</b>  | <b>43,099</b>  |
| <b>Noncurrent</b>                      | <b>24,856</b>      | <b>2,931</b>   | <b>5,969</b>  | <b>33,756</b>  |
| Additions (note 21)                    | 47,154             | 11,079         | 6,557         | 64,790         |
| Write-offs (note 21)                   | (17,910)           | (697)          | (1,209)       | (19,781)       |
| <b>Balance as at December 31, 2022</b> | <b>86,152</b>      | <b>16,693</b>  | <b>18,984</b> | <b>121,864</b> |
| <b>Current</b>                         | <b>46,427</b>      | <b>8,996</b>   | <b>10,213</b> | <b>65,671</b>  |
| <b>Noncurrent</b>                      | <b>39,724</b>      | <b>7,697</b>   | <b>8,771</b>  | <b>56,192</b>  |
| <b>Parent</b>                          | <b>76,605</b>      | <b>13,858</b>  | <b>18,953</b> | <b>109,416</b> |

(a) Lawsuits mainly attributable to construction defects, construction delay and financial matters; and

(b) In 2018 a provision related to a tax lawsuit for 2011 taxes (IRPJ, CSLL, PIS and COFINS) of one of its subsidiaries was recognized,

**15.2 Escrow deposits**

As at December 31, 2022, the Company and its subsidiaries have the following amounts deposited in courts:

|                        | Consolidated  |               |
|------------------------|---------------|---------------|
|                        | 12/31/2022    | 12/31/2021    |
| Civil lawsuits         | 17,938        | 19,574        |
| Environmental lawsuits | 89            | 89            |
| Tax lawsuits           | 30,707        | 29,130        |
| Labor lawsuits         | 1,899         | 2,022         |
|                        | 50,633        | 50,815        |
| Current                | 19,504        | 21,562        |
| Noncurrent             | 31,129        | 29,253        |
| <b>Parent</b>          | <b>49,959</b> | <b>48,575</b> |

### 15,3, Lawsuits with a possible likelihood of an unfavorable outcome

As at December 31, 2022, the Company and its subsidiaries are aware of other civil, labor, tax and environmental lawsuits, Based on the history of probable lawsuits and the specific analysis of the main claims, the lawsuits with a likelihood of an unfavorable outcome classified as possible total R\$534,107 (R\$253,557 as at December 31, 2021), based on the historical average of the lawsuits adjusted for current estimates, for which the Company's Management believes it is not necessary to recognize a provision for potential losses, The variation in the year is due to the revision of the involved amounts, as shown below,

|                        | Consolidated |            |
|------------------------|--------------|------------|
|                        | 12/31/2022   | 12/31/2021 |
| Civil lawsuits (a)     | 471,179      | 154,556    |
| Tax lawsuits (b)       | 35,667       | 84,430     |
| Labor lawsuits         | 26,550       | 13,905     |
| Environmental lawsuits | 711          | 666        |
|                        | 534,107      | 253,557    |

(a) Lawsuits mainly attributable to construction defects, construction delay and financial matters,

(b) The Company had received a tax assessment notice issued by the Brazilian Federal Revenue Service, in which it challenges the tax bases of income tax, social contribution, PIS and COFINS for FY 2010. The Company filed an objection to the tax assessment within the statutory deadline, which was partially upheld on March 31, 2017 by the lower administrative court, which reduced the tax assessment fine and rebate of the amounts paid as COFINS and PIS. The Company filed an administrative appeal with the competent body (CARF) against such decision. On January 24, 2019, the appeal decision was handed down, whereby the following issues worth attention: decrease of the voluntary fine; deduction of the amounts paid; statute of limitation of the periods from January to September 2010. After the decision, the likelihood of loss was assessed as "possible" by the legal counsel, substantially reducing the possible contingencies for this lawsuit,

## 16. EQUITY

### 16,1 Capital

As at December 31, 2022, the Company's subscribed and paid-in capital was R\$1,095,829, represented by 104,344,246 registered common shares, with no par value (R\$1,095,829 represented by 104,344,246 common shares, with no par value as at December 31, 2021),

|  |                  |
|--|------------------|
| <b>Subscribed capital</b>              | <b>1,095,829</b> |
| (-) Share issuance costs               | (318)            |
| <b>Capital as at December 31, 2022</b> | <b>1,095,511</b> |



## 16,2, Employee benefits

### a) Stock option plan

The Company has a total of five stock option plans for common shares, launched since 2014 that follow the rules set out in the Company's Stock Option Plan,

The granted options entitle their holders (management personnel and employees designated by the executive committee and approved by the Board of Directors) to purchase Company common shares, after vesting periods that range from three to ten years while employed by the Company (essential condition to exercise a stock option), and expire ten years after the grant date,

The fair value of the stock options is set on the grant date and recognized as expenses in profit or loss (as contra entry to equity), during the plan's vesting period, as the services are provided by the employees and management personnel, The variations in the outstanding stock options in the years ended December 31, 2022 and 2021, which include their related weighted average strike prices, are as follows:

|  | 12/31/2022              |                                       | 12/31/2021              |                                       |
|--|-------------------------|---------------------------------------|-------------------------|---------------------------------------|
|  | Number of stock options | Weighted average strike price (reais) | Number of stock options | Weighted average strike price (reais) |
| Outstanding options at the beginning of the year | 6,142,161               | 3,28                                  | 6,284,110               | 3,28                                  |
| Exercised stock options                          | (402,963)               | 5,48                                  | (141,949)               | 5,46                                  |
| Outstanding stock options at the end of the year | 5,739,198               | 3,27                                  | 6,142,161               | 3,28                                  |

The fair value of the stock options granted from 2014 to 2017 was estimated based on the Black & Scholes pricing model, taking into consideration the following assumptions:

| Grant date | Strike price | Weighted average | Expected volatility (%) (*) | Expected stock option life (years) | Risk-free interest rate (%) (**) |
|------------|--------------|------------------|-----------------------------|------------------------------------|----------------------------------|
| 08/11/2014 | 6,63         | 6,52             | 31,02%                      | -                                  | 11,66% to 11,81%                 |
| 05/09/2016 | 6,86         | 6,83             | 26,70%                      | 0,06 years                         | 12,67% to 12,77%                 |
| 04/10/2017 | 8,13         | 8,13             | 24,65%                      | 0,60 years                         | 9,69% to 10,07%                  |

(\*) The volatility was determined based on the history of the BM&FBOVESPA Real Estate Index (IMOBX),

(\*\*) Risk-free market interest rate for the stock option period at the grant date,

| Number of stock options | Outstanding stock options                           |                                     | Vested stock options    |                                     |
|-------------------------|---|-------------------------------------|-------------------------|-------------------------------------|
|                         | Remaining contractual weighted average life (years) | Weighted average strike price (R\$) | Number of stock options | Weighted average strike price (R\$) |
| 5,739,198               | 0,02  | 3,2717                              | 5,683,398               | 2,58                                |

Total expenses recognized in the year ended December 31, 2022 was R\$32 (R\$97 as at December 31, 2021) and are disclosed in note 21,

### b) Restricted stock option plan

On August 8, 2018, the Extraordinary General Meeting approved the restricted stock option plan, The plan's objectives are to: i) promote the growth, success and attainment of the corporate guidelines of the Company and the companies under its control; ii) align the interests of beneficiaries to those of the shareholders; and iii) encourage the maintenance of officers and employees at the Company or at the companies under its control,

The Plan's restricted shares granted confer upon their holders (officers, directors and employees appointed by the executive board and approved by the Board of Directors) the right to common shares in the Company's capital, after a period from two to three years, For officers and employees the quantities granted will rely on the goals attained established by the Board of Directors and may range from 0% to 150%,

The Plan is valid for ten years and will be divided into Programs, subject to a ceiling that results in a maximum dilution of 5% of the Company's capital,

## Programs

|              | Grant date | Granted quantities |
|--------------|------------|--------------------|
| 2020 Program | 06/01/2020 | 442,306            |
| 2021 Program | 05/12/2021 | 715,515            |
| 2022 Program | 05/16/2022 | 1,382,380          |

The fair value of the stock options is set on the grant date and recognized as expenses in profit or loss (as contra entry to equity), during the plan's vesting period, as the services are provided by the employees, directors and management personnel,

|  | 12/31/2022              | 12/31/2021              |
|--|-------------------------|-------------------------|
|  | Number of stock options | Number of stock options |
| Outstanding options at the beginning of the year | 1,835,921               | 2,271,406               |
| Stock options granted                            | 1,382,380               | 715,515                 |
| Additional grants - goals                        | -                       | 73,223                  |
| Exercised stock options                          | -                       | (1,224,223)             |
| Outstanding stock options at the end of the year | 3,218,301               | 1,835,921               |

The fair value of the restricted stock options was estimated based on the Monte Carlo pricing model, which may vary according to the attainment of goals, taking into consideration the following assumptions:

| Program | Grant date | Expected volatility (%) (*) | Risk-free interest rate (%) (**) | Number of stock options | Outstanding stock options                            |
|---------|------------|-----------------------------|----------------------------------|-------------------------|--|
|         |            |                             |                                  |                         | Remaining contractual weighted average life (months) |
| 2020    | 06/01/2020 | 42,24%                      | 4,90%                            | 442,306                 | 1 month  |
| 2021    | 05/12/2021 | 43,27%                      | 6,82%                            | 147,504                 | 13 months  |
| 2021    | 05/12/2021 | 43,27%                      | 7,51%                            | 568,011                 | 13 months  |
| 2022    | 05/16/2022 | 43,04%                      | 12,46%                           | 1,035,707               | 25 months  |
| 2022    | 05/16/2022 | 43,04%                      | 12,46%                           | 346,673                 | 25 months  |

(\*) Volatility was determined based on the historical quotation of the Company's shares

(\*\*) Risk-free market interest rate for the stock option period at the grant date,

Total expenses recognized in the year ended December 31, 2022 was R\$6,643 in compensation expense (R\$7,177 as at December 31, 2021) and R\$261 in labor expenses (R\$5,136 as at December 31, 2021) in Parent and R\$9,230 in compensation expense (R\$8,,508 as at December 31, 2021) and R\$467 in labor expenses (R\$6,983 as at December 31, 2021) in consolidated, which are disclosed in note 21,

## Restricted stock option plan – Alea S,A

The restricted stock option plan of Alea S,A was approved in October 2021, The plan's objectives are to: i) promote the growth, success and attainment of the corporate guidelines of the Company and the companies under its control; ii) align the interests of beneficiaries to those of the shareholders; and iii) encourage the maintenance of officers and employees at the Company or at the companies under its control,

The Plan's restricted shares granted confer upon their holders (officers, directors and employees appointed by the executive board and approved by the Board of Directors) the right to common shares in the Company's capital, after a period from four to five years,

After the conduction of Alea's IPO, the company will be required to settle the obligation to deliver the Target Quantity, upon delivery of Alea Shares only,

The final quantity of shares, either Tenda Shares or Alea Shares, to which the Beneficiary will be entitled will be defined only upon settlement and will be calculated based on the assumptions established in the program and Alea's valuation on the base date, which may reach up to 4%,

Total expenses recognized in the year ended December 31, 2022 was R\$2,394 in compensation expense (R\$551 as at December 31, 2022) and R\$749 in labor expenses (R\$169 as at December 31, 2021),

### 16,3 Treasury shares

|  | Number (thousands) | Average cost – R\$ | Total cost    |
|--|--------------------|--------------------|---------------|
| Balance as at December 31, 2021        | 8,086              | 19,66              | 158,995       |
| Sale of shares (b)                     | (4,500)            | 19,68              | (88,560)      |
| Stock option exercise                  | (403)              | 18,89              | (7,606)       |
| <b>Balance as at December 31, 2022</b> | <b>3,184</b>       | <b>19,66</b>       | <b>62,829</b> |

As at December 31, 2022, the fair value of the Company's treasury shares was R\$13,435,

#### Variations in treasury shares (in quantity)

| Description                      | Variations   |
|----------------------------------|--------------|
| Share buyback program - 2018     | 7,555        |
| Share buyback program - 2020 (a) | 3,638        |
| Cancellation 12/06/2018          | (2,000)      |
| Split (03/26/2019)               | 4,513        |
| Sale (12/31/2022) (b)            | (4,500)      |
| Stock option exercise            | (6,022)      |
| <b>Total - quantity</b>          | <b>3,184</b> |

- (a) In December 2020, the Company's Board of Directors approved a Buyback Program for the Company's Common Shares for holding in treasury and/or cancellation and/or to support the "Company's Stock Option Plan", limited to 10,434,424 (ten million, four hundred and thirty-four thousand, four hundred and twenty-four) Company's common shares, It is valid up to December 18, 2021,
- (b) In December 2022, the Company's Board of Directors approved the sale of 4,500,000 (four million and five hundred thousand) Company's common shares that were held in treasury and received the amount of R\$20,7 million,

### 17. INSURANCE

Tenda has insurance against engineering risk, barter guarantee, construction completion guarantee, and civil liability, associated to involuntary bodily harm caused to third parties, and property damages caused to tangible assets, as well as fire, lightning, electrical damage, natural phenomenon, and gas explosion hazards, The insurance coverage purchased is considered sufficient by Management to cover probable losses on its assets and/or liabilities, The table below shows the liabilities covered by insurance and the related amounts as at December 31, 2022:

| Insurance line (in effect)   | Coverage - R\$'000 |
|--|--------------------|
| Engineering risks and construction completion guarantee (effective from April 2016 to July 2029) | 7,278,685          |
| Civil liability - Directors and Officers (D&O) (*)   | 50,000             |
| <b>Insurance line (future periods)</b>   |                    |
| Engineering risks and construction completion guarantee (effective from 01/2023 to 11/2030)      | 1,152,089          |

(\*) The effective period of the D&O civil liability policy is from February 25, 2022, renewed until February 25, 2023 by the Company,

### 18. EARNINGS PER SHARE

The table below shows the calculation of basic and diluted earnings per share,

|  | 12/31/2022      | 12/31/2021      |
|--|-----------------|-----------------|
| <b>Basic numerator</b>   |                 |                 |
| Undistributed earnings (loss)  | (547,304)       | (191,477)       |
| Undistributed earnings (loss), available to the holders of common shares | (547,304)       | (191,477)       |
| <b>Basic denominator (in thousands of shares)</b>                        |                 |                 |
| Weighted average number of shares (excluding treasury shares)            | 96,987          | 96,260          |
| <b>Basic earnings per share in Brazilian reais</b>                       | <b>(5,6431)</b> | <b>(1,9892)</b> |
| <b>Diluted numerator</b>   |                 |                 |
| Undistributed earnings (loss)  | (547,304)       | (191,477)       |
| Undistributed earnings (loss), available to the holders of common shares | (547,304)       | (191,477)       |

|   | 12/31/2022 | 12/31/2021 |
|---|------------|------------|
| Diluted denominator (in thousands of shares)                  |            |            |
| Weighted average number of shares (excluding treasury shares) | 96,987     | 96,260     |
| Stock options   | 5,385      | 7,018      |
| Diluted earnings (loss) per share in Brazilian reais          | (5,3462)   | (1,8540)   |

## 19. FINANCIAL INSTRUMENTS

The Company and its subsidiaries enter into transactions with financial instruments, These financial instruments are managed through operating strategies and internal control that aim at liquidity, profitability and security, Financial instruments for hedging purposes are contracted based on a periodic analysis of the risk exposure Management intends to mitigate (foreign exchange, interest rates, etc.), which is submitted to the appropriate Management bodies for approval and subsequent operationalization of the strategy presented, The control policy consists of a permanent monitoring of contracted terms and conditions compared to market terms and conditions,

The Company and its subsidiaries do not make investments involving derivatives or any other risk assets for speculative purposes, except for derivative to hedge against interest rate, Gains and losses on these transactions are consistent with the policies and strategies designed by the Company's Management, The Company's and its subsidiaries' operations are subject to the following risk factors described below:

### (a) Risk considerations

#### (i) Credit risk

The Company and its subsidiaries restrict their exposure to credit risks related to cash and cash equivalents by making their investments in prime financial institutions and in interest-bearing short-term investments,

With respect to trade receivables, the Company restricts its exposure to credit risks by selling to a broad customer base and continuously analyzing credit, Additionally, there is no material history of losses since there is a collateral on the units sold, represented by real estate unit, which can be repossessed in the case of default during the construction period, As at December 31, 2022 and 2021, there was no material credit risk concentration related to customers,

#### (ii) Interest rate risk

Arises from the possibility of the Company and its subsidiaries incurring gains or losses due to fluctuations in the interest rates on their financial assets and financial liabilities, To mitigate this risk, the Company and its subsidiaries try to diversify their borrowings into fixed and floating rates, The interest rates on borrowings and financing are described in note 10 (c), The interest rates on short-term investments are described in note 10 (b), Receivables from real estate development are subject to the National Civil Construction Index (INCC), the General Market Price Index (IGP-M) and the Extended Consumer Price Index (IPCA),

#### (iii) Liquidity risk

The liquidity risk arises from the possibility that the Company and its subsidiaries may not have sufficient funds to meet their obligations due to a mismatch in the settlement terms of their rights and obligations,

To mitigate the liquidity risks and optimize the weighted average cost of capital, the Company and its subsidiaries permanently monitor the debt levels according to the market standards and the compliance with the ratios (covenants) provided for in loan, financing and debenture agreements, to ensure that the cash generation and early funding, when necessary, are sufficient to honor their commitments, and avoid any liquidity risk for the Company and its subsidiaries (note 10),

The maturities of borrowings, financing, trade payables, and debenture financial instruments are as follows:

| Parent            | 12/31/2022                              |                |  | 12/31/2021                              |                |  |
|-------------------|---|----------------|--|---|----------------|--|
|                   | Borrowings /<br>Debentures (note<br>10) | Trade payables | Payables for purchase<br>of properties and<br>advances from<br>customers | Borrowings /<br>Debentures (note<br>10) | Trade payables | Payables for purchase<br>of properties and<br>advances from<br>customers |
| Up to<br>one year | 328,981                                 | 54,167         | 84,915   | 212,408                                 | 39,276         | 79,408   |
| 1 to 3 years      | 607,361                                 | -              | 100,795  | 476,819                                 | -              | 61,971   |
| 4 to 5 years      | 65,474                                  | -              | 37,923   | 352,018                                 | -              | 4,490  |
| Over 5 years      | 66,666                                  | -              | 32,609   | 141,279                                 | -              | 150  |
| <b>Total</b>      | <b>1,068,482</b>                        | <b>54,167</b>  | <b>256,242</b>   | <b>1,182,524</b>                        | <b>39,276</b>  | <b>146,019</b>   |

| Consolidated      | 12/31/2022                              |                |  | 12/31/2021                              |                |  |
|-------------------|---|----------------|--|---|----------------|--|
|                   | Borrowings /<br>Debentures (note<br>10) | Trade payables | Payables for purchase<br>of properties and<br>advances from<br>customers | Borrowings /<br>Debentures (note<br>10) | Trade payables | Payables for purchase<br>of properties and<br>advances from<br>customers |
| Up to<br>one year | 589,735                                 | 136,164        | 459,526  | 335,685                                 | 109,223        | 498,773  |
| 1 to 3 years      | 730,171                                 | -              | 437,120  | 567,775                                 | -              | 567,635  |
| 4 to 5 years      | 79,242                                  | -              | 236,603  | 352,018                                 | -              | 160,160  |
| Over 5 years      | 75,024                                  | -              | 257,799  | 141,279                                 | -              | 10,996   |
| <b>Total</b>      | <b>1,474,172</b>                        | <b>136,164</b> | <b>1,391,048</b>   | <b>1,396,757</b>                        | <b>109,223</b> | <b>1,237,564</b>   |

**(iv) Fair value hierarchy**

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments by valuation technique:

Level 1: prices traded (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices in active markets included within Level 1, that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3: *inputs* for assets or liabilities that are not based on observable market variables (unobservable inputs),

The fair value hierarchy level for the financial instrument assets measured at fair value through profit or loss of the Company, disclosed as at December 31, 2022 and 2021, is as follows:

|                         | Parent               |         | Consolidated |         |
|-------------------------|----------------------|---------|--------------|---------|
|                         | Level 1              | Level 2 | Level 1      | Level 2 |
| As at December 31, 2022 |                      |         |              |         |
|                         | Fair value hierarchy |         |              |         |
| Financial assets        |                      | 152,422 | 198,031      | 392,518 |
| Securities              | 17,139               | 169,561 |              | 590,549 |

|                         | Parent               |         | Consolidated |         |
|-------------------------|----------------------|---------|--------------|---------|
|                         | Level 1              | Level 2 | Level 1      | Level 2 |
| As at December 31, 2021 |                      |         |              |         |
|                         | Fair value hierarchy |         |              |         |
| Financial assets        |                      | 171,965 | 500,028      | 477,842 |
| Securities              | 301,138              |         |              |         |

In the years ended December 31, 2022 and 2021, there were no transfers between level 1 and level 2 fair value measurements or between level 3 and level 2 fair value measurements,

(b) Fair value of financial instruments

(i) Fair value measurement

The estimated fair values were determined using observable market inputs and appropriate valuation techniques, However, considerable judgment is required to interpret market inputs and estimate fair value, Thus, the estimates presented herein are not an indication of the amounts that the Company could realize in the current market, The use of different market assumptions and/or estimate methodologies could have a significant impact on the estimated fair values,

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which estimating values is practicable:

- (a) The amounts of cash and cash equivalents, securities, trade receivables, and other receivables, trade payables, and other current liabilities approximate their fair values, recognized in the financial statements,
- (b) The fair value of bank loans and other financial debts is estimated through discounted future cash flows using available benchmark interest rates for similar and remaining debts or terms,

The main carrying amounts and fair values of financial assets and financial liabilities as at December 31, 2022 and 2021, classified in Level 1 and Level 2 of the fair value hierarchy, are as follows:

|   |   | Parent          |            |                 |            |
|---|---|-----------------|------------|-----------------|------------|
|   |   | 12/31/2022      |            | 12/31/2021      |            |
| Categories  |   | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets  |   |                 |            |                 |            |
| Cash and cash equivalents (note 10)                                 |   | 32,080          | 32,080     | 53,693          | 53,693     |
| Cash and banks (a)  | Amortized cost                                | 2,224           | 2,224      | 3,677           | 3,677      |
| Bank certificate of deposit (a)                                     | Fair value through profit or loss*            | 29,856          | 29,856     | 50,016          | 50,016     |
| Securities and restricted short-term investments (note 10)          |   | 169,561         | 169,561    | 473,103         | 473,103    |
| Bank certificate of deposit (a)                                     | Amortized cost                                | 125,314         | 125,314    | 101,489         | 101,489    |
| Exclusive fund (note 10 b)  |   | 27,646          | 27,646     | 343,556         | 343,556    |
| LFT and LTN (a)   | Fair value through profit or loss*            | 17,139          | 17,139     | 301,138         | 301,138    |
| Private securities (a)  | Fair value through profit or loss*            | 9,606           | 9,606      | 9,373           | 9,373      |
| Repurchase transactions (exclusive funds) (a)                       | Fair value through profit or loss*            | 901             | 901        | 33,045          | 33,045     |
| CRI (a)   | Fair value through profit or loss*            | -               | -          | -               | -          |
| Repurchase transactions (a)   | Amortized cost                                |                 |            |                 |            |
| Restricted short-term investments (a)                               | Fair value through profit or loss*            | 16,569          | 16,569     | 18,033          | 18,033     |
| Investment funds  | Fair value through profit or loss*            | 32              | 32         | 10,025          | 10,025     |
| Trade receivables (note 4) (a)                                      | Amortized cost                                | 86,060          | 86,060     | -               | -          |
| Intragroup loans receivable (note 6,1) (a)                          | Amortized cost                                | 27,122          | 27,121     | 40,665          | 40,665     |
| Financial liabilities   |   |                 |            |                 |            |
| Borrowings and financing (note 10) (a)                              | Amortized cost                                | 167,145         | 142,226    | 188,569         | 191,441    |
| Debentures (note 10)  | Amortized cost                                | 901,461         | 634,644    | 974,747         | 941,753    |
| Hedge accounting (SWAP)   | Fair value through other comprehensive income | -               | -          | 19,208          | 19,208     |
| Trade payables (a)  | Amortized cost                                | 54,167          | 54,167     | 39,276          | 39,276     |
| Payables for purchase of properties and advances from customers (a) | Amortized cost                                | 256,242         | 256,242    | 146,019         | 146,019    |

|  |                                    | Consolidated    |            |                 |            |
|--|------------------------------------|-----------------|------------|-----------------|------------|
|  |                                    | 12/31/2022      |            | 12/31/2021      |            |
| Categories   |                                    | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets   |                                    |                 |            |                 |            |
| Cash and cash equivalents (note 10)                        |                                    | 83,692          | 83,692     | 87,074          | 87,074     |
| Cash and banks (a)   | Amortized cost                     | 28,395          | 28,395     | 28,968          | 28,968     |
| Bank certificate of deposit (a)                            | Fair value through profit or loss* | 55,297          | 55,297     | 58,106          | 58,106     |
| Securities and restricted short-term investments (note 10) |                                    | 590,549         | 590,549    | 977,870         | 977,870    |
| Bank certificate of deposit (a)                            | Amortized cost                     | 161,619         | 161,619    | 103,872         | 103,872    |
| Exclusive fund (note 10 b)                                 |                                    | 10,403          | 10,403     | 570,462         | 570,462    |
| LFT and LTN (a)  | Fair value through profit or loss* | 198,031         | 198,031    |                 |            |

|   | Categories                                    | Parent          |            |                 |            |
|---|---|-----------------|------------|-----------------|------------|
|   |   | 12/31/2022      |            | 12/31/2021      |            |
|   |   | Carrying amount | Fair value | Carrying amount | Fair value |
|   |   |                 |            | 500,028         | 500,028    |
| Private securities (a)  | Fair value through profit or loss*            | 9,606           | 9,606      | 15,564          | 15,564     |
| Repurchase transactions (exclusive funds) (a)                       | Fair value through profit or loss*            | -               | -          | 54,870          | 54,870     |
| Restricted short-term investments (a)                               | Fair value through profit or loss*            | 210,858         | 210,858    | 291,481         | 291,481    |
| Investment funds (a)  | Fair value through profit or loss*            | 32              | 32         | 12,055          | 12,055     |
| Trade receivables (note 4) (a)                                      | Amortized cost                                | 1,024,712       | 1,024,712  | 1,093,971       | 1,093,971  |
| Intragroup loans receivable (note 6,1) (a)                          | Amortized cost                                | 27,122          | 27,122     | 39,031          | 39,031     |
| Financial liabilities   | Amortized cost                                |                 |            |                 |            |
| Borrowings and financing (note 10) (a)                              | Amortized cost                                | 497,092         | 497,092    | 402,802         | 388,129    |
| Debentures (note 10)  | Amortized cost                                | 977,179         | 977,179    | 974,747         | 941,753    |
| Hedge accounting (SWAP)   | Fair value through other comprehensive income | -               | -          | 19,208          | 19,208     |
| Trade payables (a)  | Amortized cost                                | 136,164         | 136,164    | 110,842         | 110,842    |
| Payables for purchase of properties and advances from customers (a) | Amortized cost                                | 1,391,047       | 1,391,047  | 1,237,564       | 1,237,564  |

\* Classification at fair value through profit or loss after initial recognition,  
(a) Fair value approximates cost,

#### (ii) Debt acceleration risk

As at December 31, 2022, the Company was a party to loan and financing agreements that contained restrictive covenants related to indebtedness ratios, These restrictive covenants have been complied with by the Company and do not limit its ability to continue as going concern (note 10),

#### (c) Capital management

The Company's capital management aims at maintaining the good credit rating from credit rating institutions and an optimum capital ratio sufficient to support the Company's business and maximize shareholder value,

The Company controls its capital structure and adjusts it to current economic conditions, To keep this structure adjusted, the Company can pay dividends, return on capital to shareholders, raise new borrowings and financing, issue debentures, etc,

The Company includes in its net debt structure: borrowings and financing less cash and banks (cash and cash equivalents, securities, and restricted short-term investments), note 10 (a)

#### (d) Sensitivity analysis

The sensitivity analysis of financial instruments for the year ended December 31, 2022, describes the risks that may cause material changes in the Company's profit or loss, in order to show a 10%, 25% and 50% increase / decrease in the risk variable considered,

As at December 31, 2022, the Company has the following financial instruments:

- Short-term investments, borrowings and financing indexed to the CDI;
- Borrowings and financing indexed to the Benchmark Rate (TR);
- Trade and other receivables, borrowings and financing indexed to the National Civil Construction Index (INCC) and the General Market Price Index (IGP-M),

For the sensitivity analysis in the period ended December 31, 2022, the Company considered the interest rates of investments, borrowings and trade receivables, the Certificate of Interbank Deposit (CDI) rate at 13,65%, the Benchmark Rate at 1,63%, the National Civil Construction Index (INCC) at 9,41%, and the General Market Price Index (IGP-M) at 4,55%,

The scenarios considered were as follows:

Scenario I: Probable: 10% appreciation/depreciation of the risk variables used for pricing

Scenario II: Possible: 25% appreciation/depreciation of the risk variables used for pricing

Scenario III: Remote: 50% appreciation/depreciation of the risk variables used for pricing

As at December 31, 2022:

| Transaction                     | Risk                    | Consolidated scenario |              |              |              |              |              |
|---------------------------------|-------------------------|-----------------------|--------------|--------------|--------------|--------------|--------------|
|                                 |                         | III                   | II           | I            | I            | II           | III          |
|                                 |                         | 50% increase          | 25% increase | 10% increase | 10% decrease | 25% decrease | 50% decrease |
| Securities                      | CDI increase/decrease   | 34,875                | 17,438       | 6,975        | (6,975)      | (17,438)     | (34,875)     |
| Debentures                      | CDI increase/decrease   | (59,250)              | (29,562)     | (11,850)     | 11,850       | 29,562       | 59,250       |
| CCB                             | CDI increase/decrease   | (5,871)               | (2,935)      | (1,174)      | 1,174        | 2,935        | 5,871        |
| Net effect of CDI variance      |                         | (30,246)              | (15,123)     | (6,049)      | 6,049        | 15,123       | 30,246       |
| <b>Borrowings and financing</b> |                         |                       |              |              |              |              |              |
| National Housing System         | TR increase/decrease    | (2,721)               | (1,361)      | (544)        | 544          | 1,361        | 2,721        |
| Receivables from development    | INCC increase/decrease  | 44,066                | 22,033       | 8,813        | (8,813)      | (22,033)     | (44,066)     |
| Receivables from development    | IGP-M increase/decrease | 6,854                 | 3,427        | 1,371        | (1,371)      | (3,427)      | (6,854)      |

## 20. NET REVENUE

|  | Parent     |            | Consolidated |            |
|--|------------|------------|--------------|------------|
|  | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| <b>Gross revenue</b>   |            |            |              |            |
| Property development and sale, barter, and provision for construction services | 149,972    | 133,856    | 2,522,341    | 2,618,309  |
| Reversal (recognition) of allowance for doubtful debts (note 4)                | (12,228)   | (4,787)    | (73,511)     | (24,466)   |
| Reversal (recognition) of allowance for contract terminations (note 4)         | 123        | 1,376      | 5,068        | (17,134)   |
| Taxes on property sales and services   | 4,537      | 10,151     | (41,312)     | (36,755)   |
| Net revenue  | 142,404    | 140,596    | 2,412,586    | 2,539,954  |

## 21. COSTS AND EXPENSES BY NATURE

Broken down as follows:

|  | Parent     |            | Consolidated |             |
|--|------------|------------|--------------|-------------|
|  | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021  |
| <b>Real estate development and sale costs:</b>                     |            |            |              |             |
| Construction costs   | (121,643)  | (99,025)   | (1,672,613)  | (1,510,127) |
| Land costs   | (30,706)   | (18,374)   | (264,571)    | (375,119)   |
| Development costs  | (5,868)    | (7,455)    | (117,647)    | (129,719)   |
| Capitalized finance charges  | (3,271)    | (1,079)    | (62,293)     | (36,410)    |
| Maintenance/warranties   | (3,716)    | (51,907)   | (17,645)     | (52,354)    |
| Cost of properties on allowance for contract terminations (note 4) | 35         | (819)      | (3,128)      | 15,065      |
|  | (165,169)  | (178,659)  | (2,137,896)  | (2,088,664) |
| <b>Selling expenses:</b>   |            |            |              |             |
| Product marketing expenses   | (26,004)   | (30,755)   | (98,902)     | (124,843)   |
| Realtor and sales commissions                                      | (36,175)   | (28,943)   | (137,588)    | (117,488)   |
| Cost of sales  | (12,671)   | (13,128)   | (48,194)     | (53,289)    |
| Onlending costs  | (2,087)    | (1,611)    | (7,939)      | (6,539)     |
| Realtor fees   | (21,417)   | (14,204)   | (81,455)     | (57,660)    |
| Expenses on customer management (CRM)                              | (485)      | (292)      | (1,843)      | (1,186)     |
| Other selling expenses   | (776)      | (565)      | (2,954)      | (2,291)     |
|  | (63,440)   | (60,555)   | (241,287)    | (245,808)   |



|  | Parent     |            | Consolidated |            |
|--|------------|------------|--------------|------------|
|  | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| <b>General and administrative expenses:</b>        |            |            |              |            |
| Expenses on payroll and related taxes              | (30,402)   | (26,883)   | (98,454)     | (95,309)   |
| Employee benefits                                  | (3,566)    | (2,190)    | (11,547)     | (7,764)    |
| Travel and utilities                               | (1,302)    | (730)      | (4,217)      | (2,589)    |
| Expenses on services provided                      | (6,753)    | (9,530)    | (21,869)     | (33,788)   |
| Rental and common area maintenance fee expenses    | (1,113)    | (1,124)    | (3,606)      | (3,986)    |
| IT expenses  | (4,809)    | (2,400)    | (15,575)     | (8,509)    |
| Stock option plan costs (note 16,2)                | (6,936)    | (12,410)   | (12,872)     | (16,308)   |
| Expenses on accrued profit sharing (note 23,2)     | (7,538)    | (4,218)    | (37,502)     | (13,895)   |
| Other general and administrative expenses          | (867)      | (1,646)    | (2,808)      | (5,964)    |
|  | (63,286)   | (61,131)   | (208,450)    | (188,112)  |
| <b>Other income (expenses), net:</b>               |            |            |              |            |
| Depreciation and amortization                      | (35,567)   | (32,072)   | (36,886)     | (32,988)   |
| Expenses on payments of contingencies              | (30,993)   | (49,282)   | (31,071)     | (50,659)   |
| Provisions / reversals for contingencies (note 15) | (39,188)   | (5,658)    | (45,009)     | (6,768)    |
| Other income/(expenses)                            | (13,515)   | (8,309)    | (20,415)     | (10,584)   |
|  | (119,263)  | (95,321)   | (133,381)    | (100,999)  |

## 22. FINANCE INCOME (COSTS)

|   | Parent     |            | Consolidated |            |
|---|------------|------------|--------------|------------|
|   | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| <b>Finance income (net of PIS/COFINS)</b>     |            |            |              |            |
| Income from short-term investments            | 29,920     | 22,162     | 53,656       | 37,224     |
| Other finance income                          | (682)      | (710)      | 853          | 418        |
| Total finance income (net of PIS/COFINS)      | 29,238     | 21,452     | 54,509       | 37,642     |
| <b>Finance costs</b>                          |            |            |              |            |
| Interest on borrowings, net of capitalization | (213,564)  | (80,974)   | (235,934)    | (94,308)   |
| Other finance costs                           | (2,476)    | (1,770)    | (13,847)     | (3,445)    |
|   | (216,040)  | (82,744)   | (249,781)    | (97,753)   |
| Finance income (costs)                        | (186,802)  | (61,292)   | (195,272)    | (60,111)   |

## 23. TRANSACTIONS WITH MANAGEMENT AND EMPLOYEES

### 23.1. Management compensation

The amounts recognized in line item 'General and administrative expenses' for the years ended December 31, 2022 and 2021 related to Management compensation are as follows:

| Year ended December 31, 2022              | Management compensation |                     |               |
|---|-------------------------|---------------------|---------------|
|   | Board of Directors      | Executive Committee | Total         |
| Number of members                         | 7                       | 14                  | 21            |
| <b>Fixed compensation for the year</b>    | <b>3,312</b>            | <b>14,235</b>       | <b>17,547</b> |
| Salary/management fees                    | 2,760                   | 10,601              | 13,361        |
| Direct and indirect benefits              |                         | 1,514               | 1,514         |
| Other (social security)                   | 552                     | 2,120               | 2,672         |
| Monthly compensation                      | 276                     | 1,186               | 1,462         |
| <b>Variable compensation for the year</b> | <b>2,429</b>            | <b>5,127</b>        | <b>7,556</b>  |
| Profit sharing (note 23,2)                | -                       | -                   | -             |
| Share-based compensation                  | 2,429                   | 5,127               | 7,556         |
| Total compensation for the year           | 5,741                   | 19,362              | 25,103        |

| <b>Management compensation</b>            |                    |                     |               |
|---|--------------------|---------------------|---------------|
| Year ended December 31, 2021              | Board of Directors | Executive Committee | Total         |
| Number of members                         | 7                  | 17                  | 24            |
| <b>Fixed compensation for the year</b>    | <b>3,176</b>       | <b>14,024</b>       | <b>17,200</b> |
| Salary/management fees                    | 2,647              | 10,469              | 13,116        |
| Direct and indirect benefits              |                    | 1,461               | 1,461         |
| Other (social security)                   | 529                | 2,094               | 2,623         |
| Monthly compensation                      | 265                | 1,169               | 1,433         |
| <b>Variable compensation for the year</b> | <b>1,726</b>       | <b>4,884</b>        | <b>6,610</b>  |
| Profit sharing (note 23,2)                | -                  | 180                 | 180           |
| Share-based compensation                  | 1,726              | 4,704               | 6,430         |
| <b>Total compensation for the year</b>    | <b>4,902</b>       | <b>18,908</b>       | <b>23,810</b> |

The overall Management compensation for 2022 was set at R\$41,130,428, as fixed and variable compensation, as approved at the Annual Shareholders' Meeting held on April 28, 2022,

### 23.2. Profit sharing

|                     | Parent     |            | Consolidated |            |
|---------------------|------------|------------|--------------|------------|
|                     | 12/31/2022 | 12/31/2021 | 12/31/2022   | 12/31/2021 |
| Executive Committee | -          | -          | 5,105        | 180        |
| Other employees     | 7,537      | 4,218      | 32,397       | 13,715     |
| Note 21             | 7,537      | 4,218      | 37,502       | 13,895     |

## 24. SEGMENT REPORTING

The Company's Management analyses its internal managerial reports to make decisions relating to the consolidated financial statements, on the same basis that these statements are disclosed, i.e., a single segment and geography,

Therefore, since Management does not use any information system other than the financial statements as at December 31, 2022 and 2021, no specific disclosure will be presented, as defined in CPC 22,

The Company's substantial revenue derives from the on-site construction, The Company is still at the off-site model test phase for the construction regime, the complexity of controls and representativeness of segments do not differ in terms of management and control,

As for the information on its main customers, since its residential real estate activity is targeted at a single economic segment, the Company does not have any individual customer that represents 10% or more of its total consolidated revenue,

## 25. REAL ESTATE PROJECTS UNDER CONSTRUCTION – INFORMATION AND COMMITMENTS

The projects under construction as at December 31, 2022 are as follows:

|   | Consolidated<br>Under<br>construction<br>12/31/2022 |
|---|---|
| (i) Unrecognized revenue from properties sold |   |
| (a) – Revenue from sales contracted           | 6,021,906   |
| (b) - Recognized sales revenue, net           | 4,630,014   |
| 1i) Unrecognized sales revenue a) (a-b)       | 1,391,893   |

|   | Consolidated       |
|---|--------------------|
|   | Under construction |
|   | 12/31/2022         |
| (ii) Revenue from contract termination indemnity  | 158                |
| (iii) Unrecognized revenue from agreements not qualifying for revenue recognition (b)   | 26,894             |
| (iv) Allowance for contract terminations (Liability)                                    |                    |
| Adjustment to recognized revenues   | 34,218             |
| (-) Adjustment to trade receivables   | (33,426)           |
| (-) Revenue from contract termination indemnity   | (158)              |
|   | 634                |
| (v) Budgeted costs on units sold to be recognized                                       |                    |
| (a) – Budgeted cost of units (without finance charges)                                  | 4,016,689          |
| Incurred cost, net  |                    |
| (b) - (-) Incurred construction costs   | (3,008,006)        |
| Finance charges   | (59,288)           |
| (c) - Terminations - construction costs   | 25,612             |
| Terminations - finance charges  | 662                |
|   | (3,041,020)        |
| 2i) Budgeted costs to be recognized in profit or loss (without finance charges) (a+b+c) | 1,034,295          |
| Profit to be recognized (1i-2i)   | 357,598            |
| (vi) Budgeted costs to be recognized in inventories                                     |                    |
| (a) – Budgeted cost of units (without finance charges)                                  | 955,906            |
| (-) Incurred cost, net  |                    |
| (b) - Incurred construction costs   | (347,406)          |
| Finance charges   | (11,648)           |
|   | (359,053)          |
| <b>Budgeted costs to be recognized in inventories (without finance charges) (a+b)</b>   | <b>608,500</b>     |

a) The unrecognized sales revenue is measured at the notional amount of the underlying contracts, plus the contractual adjustments and less contract terminations, not taking into consideration the effects of the taxes levied thereon and the present value adjustment,

b) The unrecognized sales revenue from agreements not eligible to revenue recognition refer to customers which do not have collateral or prospect of fulfilling the amounts of the properties acquired,

The recognized revenue amounts and incurred costs are stated in the statement of profit and loss, and the advances received in the line item 'Payables for purchase of properties and advances from customer',

As at December 31, 2022, the percentage of assets consolidated in the financial statements referring to projects included in the asset segregation structure was 59,22%,

## 26. NONCASH TRANSACTIONS AND RECONCILIATION OF FINANCING ACTIVITIES

### a) Noncash transactions:

The main investing and financing transactions that did not involve cash and cash equivalents (Parent and Consolidated), as contra entry to related parties,

### b) Reconciliation of financing activities:

The variations in financing activities are broken down in the cash flow,

## 27. EVENT AFTER THE REPORTING PERIOD

An event after the reporting period with no impact on the financial statements for the year ended December 31, 2022, but which requires disclosure, occurred after the end of the year, as follows,

### Sale of receivables (“assignment”)

In March 2023 the Company settled two transactions for securitization of real estate receivables certificate (“CRI”) issued by True Securitizadora S.A., which were distributed through public offerings, under best placement effort regime, pursuant to CVM Resolution 160, of July 13, 2022 (“Offerings”), backed by fraction and full Real Estate Credit Notes (“CCIs”) issued by the securitization company to represent the real estate credits held by the Company,

The offerings total R\$160 million, with maturities up to June 2031 and compensation of 50% IPCA+11,6% per year and 50% CDI+5% per year, and the net total amount received by the Company was R\$132 million,

---

(Convenience Translation into English from the Original Previously Issued in Portuguese)

## INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, Directors and Executive Board of  
Construtora Tenda S.A.

### **Opinion**

We have audited the accompanying individual and consolidated financial statements of Construtora Tenda S.A. and subsidiaries ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2022, and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

#### *Opinion on the individual financial statements*

In our opinion, the individual financial statements referred to above present fairly, in all material respects, the individual financial position of Construtora Tenda S.A. as at December 31, 2022, and its individual financial performance and its individual cash flows for the year then ended in accordance with accounting practices adopted in Brazil, applicable to real estate development entities in Brazil, registered with the Brazilian Securities and Exchange Commission (CVM).

#### *Opinion on the consolidated financial statements*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Construtora Tenda S.A. as at December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRSs, issued by the International Accounting Standards Board - IASB, applicable to real estate development entities in Brazil, registered with the CVM.

### **Basis for opinion**

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("CFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the "Deloitte organization") serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 345,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

## Emphasis of matter

### *Accounting practices applicable to real estate development entities in Brazil*

As described in note 2.1 to the individual and consolidated financial statements, the financial statements have been prepared in accordance with accounting practices adopted in Brazil and IFRSs, issued by the IASB, applicable to real estate development entities in Brazil, registered with the CVM. Accordingly, the accounting policy adopted by the Company for the recognition of revenue from uncompleted real estate unit purchase and sale agreements, on the aspects related to transfer of control, follows the understanding expressed by the CVM in CVM/SNC/SEP Circular Letter 02/2018 on the application of Brazilian standard NBC TG 47 (IFRS 15). Our opinion is not qualified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and, therefore, we do not provide a separate opinion on these matters.

### *Revenue recognition*

The Company recognizes revenue from the sale of properties during the performance of works as set forth in CVM/SNC/SEP Circular Letter 02/2018, as described in note 2.4.4 to the individual and consolidated financial statements. The procedures adopted by the Company require the use of estimates to calculate real estate development amounts, such as, for example, estimate the costs to be incurred until the end of construction works and measure their progress based on incurred costs, to determine the budgeted costs and the percentage-of-completion ("POC"). Consequently, the matter was considered a key audit matter due to the risk of those estimates related to the budgeted cost using subjective assumptions that may be materialized or not, as well as due to the relevance of the related amounts.

Accordingly, we have identified the control process and activities designed and implemented by the Company, and we have performed audit procedures, including, without limitation: (i) obtaining the estimated budgeted cost approved by the Engineering Department and Committee established by the Company for such purpose; (ii) preparing analytical budgeted cost projections for the real estate projects under construction during the year, based on historical information on effectively incurred costs arising from real estate projects already completed; (iii) performing tests, on a sampling basis, in relation to the existing documentation, to assess the reasonableness and reliability of the budgeted cost estimates approved for the real estate projects; (iv) performing tests, on a sampling basis, in relation to the contracts and other existing documentation and the general sales value ("VGV"), in the recognition map, which is used as a basis for the revenue recorded in the year; (v) conducting analytical reviews of the estimated costs incurred and to be incurred; (vi) performing tests, on a sampling basis, of the supporting documentation on the cost incurred; (vii) recalculating revenue based on the POC; and (viii) assessing the disclosures in the financial statements.

In the course of our audit, we identified internal control deficiencies related to the Information Technology - IT environment that led us to expand the extent of our substantive procedures planned to obtain sufficient and appropriate audit evidence.

Based on the audit procedures described above and the audit evidence obtained, we conclude that the revenue recognition criteria adopted by the Company, as well as the related disclosures in the notes to the financial statements, are acceptable in the context of the financial statements taken as a whole.

## **Other matters**

### *Statements of value added*

The individual and consolidated statements of value added (“DVA”) for the year ended December 31, 2022, prepared under the responsibility of the Company’s Executive Board and disclosed as supplemental information for purposes of the IFRSs, were subject to audit procedures performed together with the audit of the Company’s financial statements. In forming our opinion, we assess whether these statements are reconciled with the other financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in Brazilian standard NBC TG 09 - Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such standard and are consistent in relation to the individual and consolidated financial statements taken as a whole.

### **Other information accompanying the individual and consolidated financial statements and the independent auditor’s report**

The Executive Board is responsible for the other information. Such other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Executive Board and those charged with governance for the individual and consolidated financial statements**

The Executive Board is responsible for the preparation and fair presentation of the individual financial statements in accordance with accounting practices adopted in Brazil applicable to real estate development entities in Brazil registered with the CVM and the consolidated financial statements in accordance with accounting practices adopted in Brazil and IFRSs, issued by the IASB, applicable to real estate development entities in Brazil registered with the CVM, and for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the Executive Board is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Board either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s and its subsidiaries’ financial reporting process.

## **Auditor's responsibilities for the audit of the individual and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, when applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, March 9, 2023



DELOITTE TOUCHE TOHMATSU  
Auditores Independentes Ltda.



Roberto Torres dos Santos  
Engagement Partner