

# Eternit

a marca da coruja



Earnings Release  
**2Q22**

## Contents

|   |    |
|---|----|
| Highlights.....                                 | 3  |
| Message from Management.....                    | 4  |
| Main Indicators.....                            | 5  |
| Economy and Market .....                        | 5  |
| Operating Performance .....                     | 6  |
| Consolidated Financial Performance .....        | 10 |
| Capital Markets.....                            | 16 |
| Events Subsequent to the Reporting Period ..... | 17 |
| Appendices.....                                 | 18 |

São Paulo, August 9, 2022 – Eternit S.A. – under Court-Supervised Reorganization (B3: ETER3, “Eternit” or “Company”) announces today the results for the 2<sup>nd</sup> quarter of 2022. Except where stated otherwise, the operational and financial information of the Company is presented on a consolidated basis in thousands of Brazilian reais, in accordance with the Brazilian accounting standards, especially Federal Law 6,404/76 and guidelines issued by the Accounting Pronouncements Committee (“CPC”) and approved by the Securities and Exchange Commission of Brazil (“CVM”), which should be read together with the financial statements and notes for the quarter ended June 30, 2022. All comparisons in this earnings release are with the 2<sup>nd</sup> quarter of 2021, except where stated otherwise.

## Highlights

2Q22

### Operating performance in 2Q22 surpasses 1Q22 and Eternit announces Interest on Equity of R\$18 million

#### MARKET CAP (06/30/2022)

R\$575 million

#### CLOSING SHARE PRICE (06/30/2022)

R\$9.31

#### NUMBER OF SHARES (06/30/2022)

61,776,575

#### FREE FLOAT

99.98%

#### INVESTOR RELATIONS

[ri@eternit.com.br](mailto:ri@eternit.com.br)

#### Videoconference:

Wednesday, August 10, 2022.

3 p.m. (BRT) | 2 p.m. (EDT)

#### Webcast:

<https://choruscall.com.br/eternit/2Q22.htm>

#### 2Q22/1Q22 PERFORMANCE



**Net Revenue** of R\$292 million (+13%).



**Gross Profit** of R\$107 million (+25%), with **Gross Margin** of 37%.



**Recurring EBITDA** of R\$58 million (+21%), with **Recurring EBITDA Margin** of 20%.



**Recurring Net Income** of R\$41 million (+30%).

## Message from Management

The Eternit Group's results in 2Q22 were marked by superior operating performance compared to the previous quarter, with Net Revenue of R\$292 million (+13%), Recurring EBITDA of R\$58 million (+21%) and Recurring Net Income of R\$41 million (+30%). Net Income came to R\$40 million in 2Q22 and R\$83 million in the year.

The highlights of the quarter include improved results from the Chrysotile segment, thanks to the realignment of export prices and sales growth, which led to gross margin from the business of 53%, up 16 *p.p.* from 1Q22.

In the fiber-cement segment, the Company's performance was affected by lower sales of roofing panels, which declined 18% in 1H22 compared to 1H21, and higher costs of raw materials (+33%). However, Recurring EBITDA margin stood at 20%, which is comparable with the better performance registered between 2012 and 2020.

On July 29, 2022, Eternit concluded the acquisition of 100% of the capital stock of Confibra. The acquisition will increase Eternit's capacity to produce fiber-cement roofing panels by around 20% and is in line with its strategy of growth and industry consolidation, strengthening the Company's position in the state of São Paulo, where Confibra has a strong presence.

In continuation of its solar roofing tile technology development program, the Company obtained the patent for the invention of "Photovoltaic Cell and Manufacturing Process of Encapsulated Photovoltaic Cell".

Regarding the program to modernize fiber-cement units, the Company continued expansion work at its units in Goiânia and Rio de Janeiro, which will jointly represent additional production capacity of 7,000 tons per month, about 10% of current capacity, both with startup expected in 3Q22.

The greenfield project at the fiber-cement roofing panels unit in Caucaia, Ceará, obtained from the State Government of Ceará the tax benefits from the Ceará Industrial Development Fund (CDI) as part of the FDI/PROVIN Program. Construction work on the unit is in the earthwork stage and the contract to build the infrastructure (civil, electric and hydraulic works) was signed in July.

As part of the Court-Supervised Reorganization Plan, Eternit's bankruptcy-related debt was approximately R\$42 million on June 30, 2022, of which around R\$35 million refer to the loan borrowed from Banco da Amazônia (BASA) to build the polypropylene fiber unit of Eternit Amazônia.

As for the end of the Court-Supervised Reorganization, the Company still awaits the judgment of the Special Appeal filed by it at the Superior Court of Justice (STJ) against the unfavorable decision by the Court of Appeals of the State of São Paulo (TJSP), seeking to reestablish the original payment plan for Class I creditors.

Finally, the Company approved a policy for dividends and interest on equity, which establishes quarterly announcements and semiannual payments. Accordingly, the Eternit Board of Directors Meeting held on August 9, 2022 approved the payment of interest on equity of around R\$18.4 million related to the 1H22 results.

## Main Indicators

| Consolidated - R\$ thousand             | 2Q22           | 2Q21           | Chg. %           | 1Q22           | Chg. %          | 1H22           | 1H21           | Chg. %           |
|---|----------------|----------------|------------------|----------------|-----------------|----------------|----------------|------------------|
| <b>Gross Sales Revenue</b>              | <b>351,034</b> | <b>350,645</b> | <b>0,1</b>       | <b>324,291</b> | <b>8,2</b>      | <b>675,325</b> | <b>689,260</b> | <b>(2,0)</b>     |
| <b>Net revenue</b>                      | <b>292,086</b> | <b>287,317</b> | <b>1,7</b>       | <b>259,693</b> | <b>12,5</b>     | <b>551,779</b> | <b>557,602</b> | <b>(1,0)</b>     |
| Gross profit                            | 107,458        | 132,831        | (19,1)           | 85,938         | 25,0            | 193,396        | 253,125        | (23,6)           |
| <i>Gross margin</i>                     | <i>37%</i>     | <i>46%</i>     | <i>- 9 p.p.</i>  | <i>33%</i>     | <i>4 p.p.</i>   | <i>35%</i>     | <i>45%</i>     | <i>- 10 p.p.</i> |
| <b>Net income (loss) for the period</b> | <b>40,346</b>  | <b>59,655</b>  | <b>(32,4)</b>    | <b>42,297</b>  | <b>(4,6)</b>    | <b>82,643</b>  | <b>118,089</b> | <b>(30,0)</b>    |
| <i>Net margin</i>                       | <i>14%</i>     | <i>21%</i>     | <i>- 7 p.p.</i>  | <i>16%</i>     | <i>- 2 p.p.</i> | <i>15%</i>     | <i>21%</i>     | <i>- 6 p.p.</i>  |
| <b>Adjusted Net Income/Loss</b>         | <b>41,470</b>  | <b>61,237</b>  | <b>(32,3)</b>    | <b>31,838</b>  | <b>30,3</b>     | <b>73,308</b>  | <b>121,332</b> | <b>(39,6)</b>    |
| <i>Adjusted Net Margin</i>              | <i>14%</i>     | <i>21%</i>     | <i>(33,4)</i>    | <i>12%</i>     | <i>2 p.p.</i>   | <i>13%</i>     | <i>22%</i>     | <i>- 9 p.p.</i>  |
| <b>EBITDA CVM 527/12</b>                | <b>56,781</b>  | <b>88,798</b>  | <b>(36,1)</b>    | <b>64,271</b>  | <b>(11,7)</b>   | <b>121,052</b> | <b>171,225</b> | <b>(29,3)</b>    |
| <i>EBITDA Margin CVM 527/12</i>         | <i>19%</i>     | <i>31%</i>     | <i>- 12 p.p.</i> | <i>25%</i>     | <i>- 6 p.p.</i> | <i>22%</i>     | <i>31%</i>     | <i>- 9 p.p.</i>  |
| <b>Adjusted EBITDA</b>                  | <b>58,484</b>  | <b>91,194</b>  | <b>(35,9)</b>    | <b>48,424</b>  | <b>20,8</b>     | <b>106,908</b> | <b>176,139</b> | <b>(39,3)</b>    |
| <i>Adjusted EBITDA Margin</i>           | <i>20%</i>     | <i>32%</i>     | <i>- 12 p.p.</i> | <i>19%</i>     | <i>1 p.p.</i>   | <i>19%</i>     | <i>32%</i>     | <i>- 13 p.p.</i> |

## Economy and Market

Inflationary pressures have strongly affected the world's major economies and the situation worsened in the first half of 2022 due to the Russia - Ukraine war, which strongly affected grain and fuel prices. In the United States, inflation (CPI-U) in the last 12 months reached 9.1% in June. In Brazil, inflation measured by the IPCA index in the last 12 months reached 11.89%, remaining above two digits since September 2021, forcing the Brazilian Central Bank (BCB) to announce consecutive increases in the basic interest rate (SELIC), which ended 1H22 at 13.25%.

Market expectations disclosed in the Focus Report<sup>[1]</sup> of BCB predict GDP growth of 1.93% in 2022, with inflation measured by the IPCA rate of 7.30% and SELIC rate of 13.75% p.a. at the end of the year.

According to the Brazilian Construction Materials Industry Association (ABRAMAT)<sup>[2]</sup>, revenue from the construction materials sector not adjusted for inflation decreased in June, down 1.2% from May and 6.6% from June 2021. In 1H22, the reduction was 8.5% in relation to the previous year.

According to ABRAMAT, this scenario of contraction should be reversed in the final months of the year, leading it to maintain its projected revenue growth of 1% for the construction materials sector in 2022.



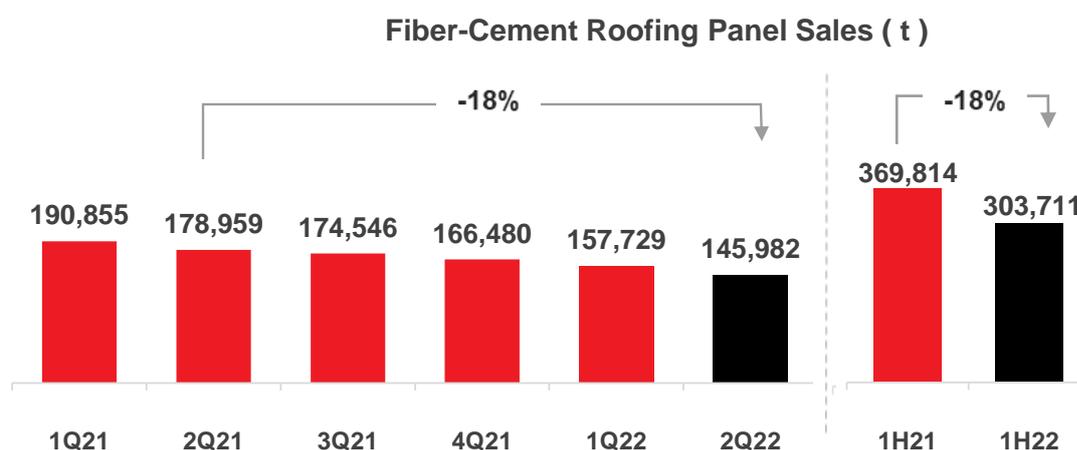
<sup>[1]</sup> FOCUS Report – July 22, 2022

<sup>[2]</sup> ABRAMAT: [www.abramat.org.br](http://www.abramat.org.br) – ABRAMAT index July 12, 2022

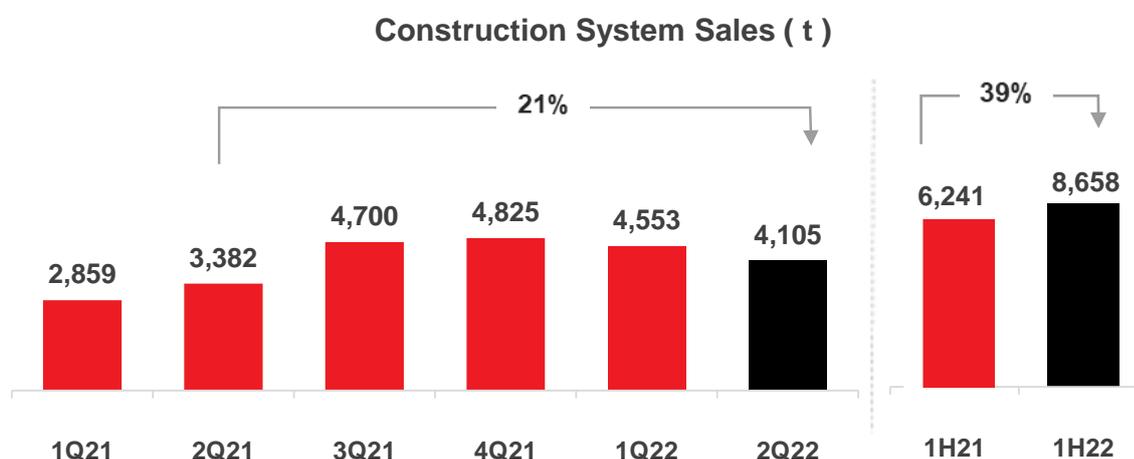
## Operating Performance

### | Eternit – Fiber-cement Segment

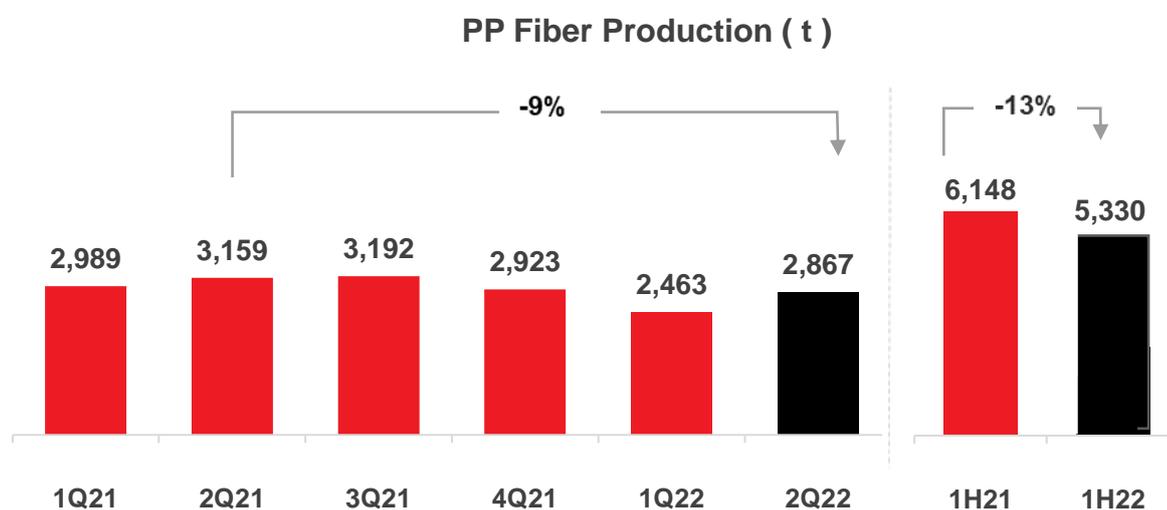
Sales of roofing panels during 2Q22 totaled 146,000 tons, down 7% from 1Q22. In the year, sales totaled around 304,000 tons, down 18% from 1H21.



The construction systems segment, which includes cement cladding panels and wall cladding panels, registered growth of 21% in 2Q22 compared to 2Q21, though declining 10% from 1Q22. Sales in the year totaled 8,700 tons, increasing 39% from the same period in 2021.



In 2Q22, the Manaus unit produced 3,000 tons of polypropylene fiber (PP), 16% more than in 1Q22. In 1H22, production totaled around 5,000 tons, 13% less than in the same period in 2021, due to lower captive demand for the product from fiber-cement plants.



In a scenario of lower sales in the construction materials sector during the period, the fiber-cement segment, which includes the integrated production of polypropylene fiber, ended 2Q22 with gross margin of 29%, down 4 *p.p.* from 1Q22.

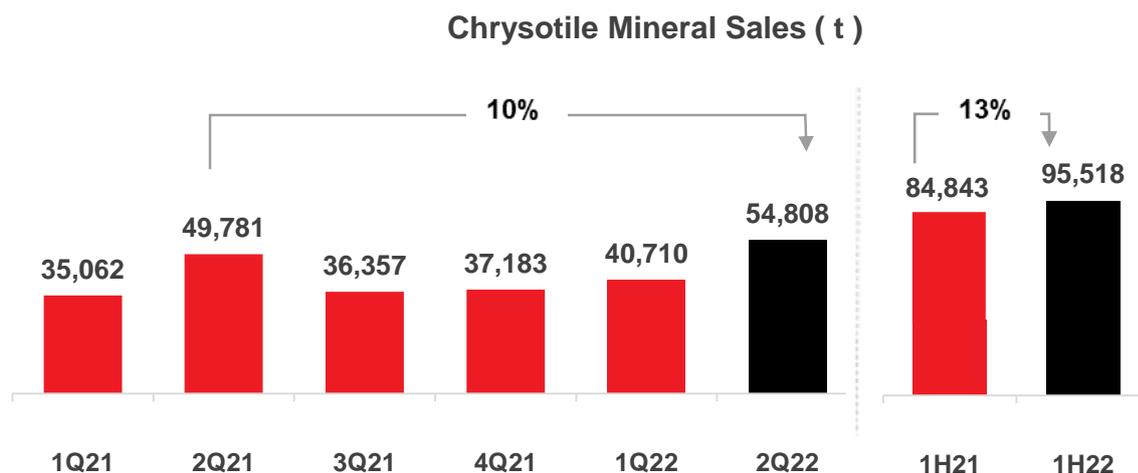
In 1H22, gross margin was 31%, down 9 *p.p.* from the same period in 2021.

| Fiber-cement - R\$ thousand | 2Q22    | 2Q21    | Var. %           | 1Q22    | Chg. %          | 1H22    | 1H21    | Chg. %          |
|-----------------------------|---------|---------|------------------|---------|-----------------|---------|---------|-----------------|
| Net revenue                 | 181,823 | 206,447 | (11,9)           | 188,298 | (3,4)           | 370,121 | 409,705 | (9,7)           |
| Gross profit                | 52,127  | 84,046  | (38,0)           | 61,209  | (14,8)          | 113,336 | 163,783 | (30,8)          |
| Gross margin                | 29%     | 41%     | - 12 <i>p.p.</i> | 33%     | - 4 <i>p.p.</i> | 31%     | 40%     | - 9 <i>p.p.</i> |

### | Sama – Chrysotile Mineral Segment

In 2Q22, chrysotile fiber exports totaled around 55,000 tons, growing 10% from 2Q21 and 35% from 1Q22. In 1H22, exports totaled approximately 96,000 tons, up 13% from the same period in 2021.

The entire chrysotile fiber output is allocated to exports, based on Goiás State Law 20,514 of July 16, 2019.



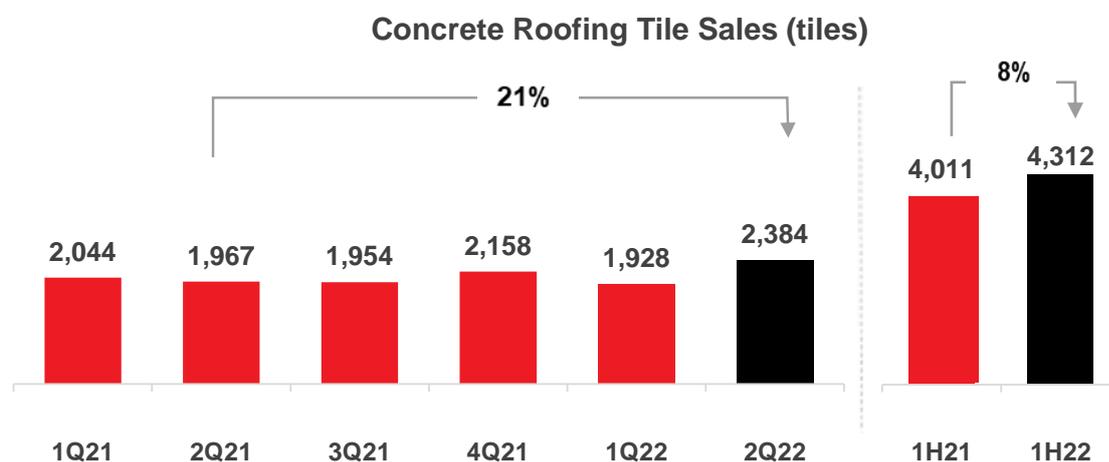
In 2Q22, gross margin from exports reached 53%, up 16 *p.p.* from 1Q22, due to the adjustments in export prices in light of the appreciation of the Brazilian real and higher logistics costs, especially in the first quarter of the year.

In 1H22, gross margin was 47%, down 16 *p.p.*, due to the performance in 1Q22 caused by the factors mentioned earlier.

| Chrysotile mineral - R\$ thousand | 2Q22    | 2Q21   | Var. %          | 1Q22   | Chg. %         | 1H22    | 1H21    | Chg. %           |
|-----------------------------------|---------|--------|-----------------|--------|----------------|---------|---------|------------------|
| Net revenue                       | 102,574 | 76,780 | 33,6            | 66,973 | 53,2           | 169,547 | 139,766 | 21,3             |
| Gross profit                      | 54,251  | 47,940 | 13,2            | 24,944 | 117,5          | 79,195  | 88,413  | (10,4)           |
| Gross margin                      | 53%     | 62%    | - 9 <i>p.p.</i> | 37%    | 16 <i>p.p.</i> | 47%     | 63%     | - 16 <i>p.p.</i> |

## | Tégula – Concrete Roofing Tiles Segment

Sales of concrete roofing tiles in 2Q22 came to approximately 2.4 million pieces, a significant increase of 24% in relation to 1Q22 and 21% compared to 2Q21. In 1H22, sales grew 8% to approximately 4.3 million roofing tiles.



In 2Q22, gross margin was 11%, decreasing slightly by 1 *p.p.* from 1Q22, down 10 *p.p.* from 2Q21.

In 1H22, the segment reported gross margin of 10%, down 7 *p.p.* from the same period in 2021, due to the increase in raw material prices (cement: +35%; sand: +22%).

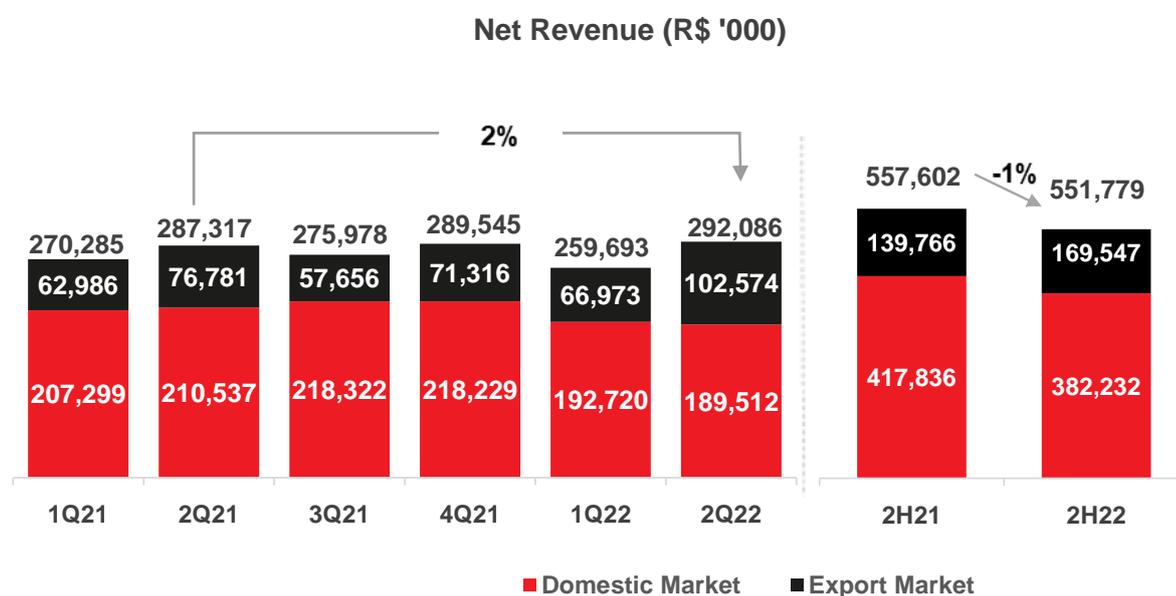
| Concrete Roofing Tiles - R\$ thousand | 2Q22  | 2Q21  | Var. %           | 1Q22  | Chg. %        | 1H22  | 1H21  | Chg. %          |
|---------------------------------------|-------|-------|------------------|-------|---------------|-------|-------|-----------------|
| Net revenue                           | 5,632 | 4,088 | 37,8             | 4,286 | 31,4          | 9,918 | 7,984 | 24,2            |
| Gross profit                          | 598   | 853   | (29,9)           | 414   | 44,4          | 1.012 | 1,325 | (23,6)          |
| Gross margin                          | 11%   | 21%   | - 10 <i>p.p.</i> | 10%   | 1 <i>p.p.</i> | 10%   | 17%   | - 7 <i>p.p.</i> |

## Consolidated Financial Performance

### | Net Revenue

In 2Q22, total net revenue stood at R\$292 million, growing 13% from 1Q22. In 1H22, net revenue totaled R\$552 million, declining slightly by 1% in relation to the same period in 2021.

In 2Q22, net revenue from the domestic market totaled R\$190 million, decreasing 2% from 1Q22 and 10% from 2Q21, reflecting the decline in fiber-cement sales. On the other hand, net revenue from chrysotile exports totaled R\$103 million in 2Q22, an increase of 53% from 1Q22 and 34% from 2Q21.



### | Costs of Goods and Products Sold

Costs of goods and products sold (COGS) totaled R\$185 million in 2Q22, up 6% and 20% from 1Q22 and 2Q21, respectively.

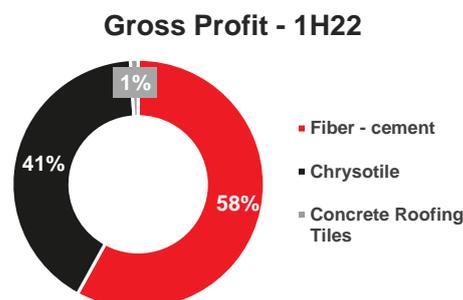
In 1H22, COGS totaled R\$358 million, up 18% from 1H21, mainly due to the hike in raw material prices between the periods (PP resin: +33%; cement: +31%; pulp: +26%; lime: +32%).

| Consolidated - R\$ thousand      | 2Q22      | 2Q21      | Chg. %   | 1Q22      | Chg. % | 1H22      | 1H21      | Chg. %    |
|----------------------------------|-----------|-----------|----------|-----------|--------|-----------|-----------|-----------|
| Net revenue                      | 292,086   | 287,317   | 1,7      | 259,693   | 12,5   | 551,779   | 557,602   | (1,0)     |
| Costs of Goods and Products Sold | (184,628) | (154,486) | 19,5     | (173,755) | 6,3    | (358,383) | (304,477) | 17,7      |
| Gross profit                     | 107,458   | 132,831   | (19,1)   | 85,938    | 25,0   | 193,396   | 253,125   | (23,6)    |
| Gross margin                     | 37%       | 46%       | - 9 p.p. | 33%       | 4 p.p. | 35%       | 45%       | - 10 p.p. |

### | Gross Profit

In 2Q22, gross profit reached R\$107 million, for growth of 25% from 1Q22, reflecting the solid performance in the quarter.

In 1H22, gross profit totaled R\$193 million, down 24% from the same period in 2021, with fiber-cement segment, the Company's core business, accounting for 58% of the result.



Gross margin in 2Q22 was 37%, up 4 *p.p.* from 1Q22. In 1H22, gross margin stood at 35%, down 10 *p.p.* from 1H21, explained by the challenging scenario during the period, marked by a drop in fiber-cement sales and an increase in raw material prices.

### | Selling expenses

Due to the growth in chrysotile exports and the consequent increase in variable expenses, selling expenses totaled around R\$27 million in 2Q22, up 23% from 1Q22 and 9% from 2Q21. In 1H22, selling expenses totaled R\$50 million, increasing 14% from the same period in 2021, especially due to the 13% growth in exports.

However, when selling expenses are analyzed as a ratio of net revenue, selling expenses in 2Q22 and 1H22 remained at 9%, the same level as in the previous year.

| Consolidated - R\$ thousand | 2Q22    | 2Q21    | Chg. % | 1Q22     | Chg. % | 1H22    | 1H21    | Chg. %        |
|-----------------------------|---------|---------|--------|----------|--------|---------|---------|---------------|
| Net Revenue                 | 292,086 | 287,317 | 1,7    | 259,693  | 12,5   | 551,779 | 557,602 | (1,0)         |
| Selling expenses            | 27,469  | 25,189  | 9,1    | (22,430) | 22,5   | 49,899  | 43,806  | 13,9          |
| % of Net Revenue            | 9%      | 9%      | -      | -9%      | -      | 9%      | 8%      | 1 <i>p.p.</i> |

### | General and administrative expenses

General and administrative expenses totaled R\$27.3 million in 2Q22, increasing 29% from 2Q21. In 1H22, general and administrative expenses totaled R\$49.9 million, up R\$7.1 million from 1H21, mainly due to the increase in expenses with labor (+R\$3 million) and services (+R\$2.7 million), as well as the scenario of high inflation, which stood above 10% p.a.

### | Other operating income (expenses)

In 2Q22, other operating income/(expenses) was an expense of R\$466,000, down 74% from 2Q21, due to reversal of provisions for contingencies and recognition of extemporaneous credits.

In 1H22, other operating income/(expenses) was an income of R\$17.9 million, notably due to the sale of non-operational plant, property and equipment (R\$14.5 million) in 1Q22.

| Consolidated - R\$ thousand                              | 2Q22     | 2Q21     | Chg. % | 1Q22     | Chg. % | 1H22     | 1H21     | Chg. % |
|--|----------|----------|--------|----------|--------|----------|----------|--------|
| <b>Selling expenses</b>                                  | (27,469) | (25,189) | 9,1    | (22,430) | 22,5   | (49,899) | (43,806) | 13,9   |
| <b>General and administrative expenses<sup>(1)</sup></b> | (27,307) | (21,202) | 28,8   | (22,092) | 23,6   | (49,399) | (42,287) | 16,8   |
| <b>Other operating income (expenses)</b>                 | (466)    | (1,759)  | (73,5) | 18,347   | -      | 17,881   | (4,103)  | -      |
| <b>Total operating expenses</b>                          | (55,242) | (48,150) | 14,7   | (26,175) | 111,0  | (81,417) | (90,196) | (9,7)  |

(1) Includes management compensation

## | EBITDA

In 2Q22, the Company reported improvement in its operating results, as measured by Recurring EBITDA<sup>2</sup>, which totaled R\$58 million, up 21% from 1Q22, with Recurring EBITDA margin<sup>2</sup> of 20%. In 1H22, Recurring EBITDA<sup>2</sup> totaled R\$107 million, with Recurring EBITDA margin<sup>2</sup> of 19%.

EBITDA<sup>1</sup> totaled R\$57 million in 2Q22, decreasing 12% and 36% respectively, from 1Q22 and 2Q21. In 1H22, EBITDA<sup>1</sup> was R\$121 million, down 29% from the same period in 2021.

| Consolidated - R\$ thousand                                    | 2Q22          | 2Q21          | Chg. %           | 1Q22            | Chg. %        | 1H22            | 1H21           | Chg. %           |
|--|---------------|---------------|------------------|-----------------|---------------|-----------------|----------------|------------------|
| <b>Net income (loss) for the period</b>                        | <b>40,346</b> | <b>59,655</b> | <b>(32,4)</b>    | <b>42,297</b>   | <b>(4,6)</b>  | <b>82,643</b>   | <b>118,089</b> | <b>(30,0)</b>    |
| Income and social contribution taxes                           | 15,993        | 15,935        | 0,4              | 8,835           | 81,0          | 24,828          | 38,283         | (35,1)           |
| Net financial income (loss)                                    | (4,123)       | 9,091         | -                | 8,631           | -             | 4,508           | 6,557          | (31,2)           |
| Depreciation and amortization                                  | 4,565         | 4,117         | 10,9             | 4,508           | 1,3           | 9,073           | 8,296          | 9,4              |
| <b>EBITDA CVM 527/12<sup>1</sup></b>                           | <b>56,781</b> | <b>88,798</b> | <b>(36,1)</b>    | <b>64,271</b>   | <b>(11,7)</b> | <b>121,052</b>  | <b>171,225</b> | <b>(29,3)</b>    |
| <b>Nonrecurring Events</b>                                     | <b>1,703</b>  | <b>2,397</b>  | <b>-</b>         | <b>(15,847)</b> | <b>-</b>      | <b>(14,144)</b> | <b>4,914</b>   | <b>-</b>         |
| Expenses related to court-supervised reorganization            | 1,283         | 609           | -                | 477             | -             | 1,761           | 1.383          | -                |
| Estimated loss from asset impairment                           | -             | -             | -                | -               | -             | -               | (5.645)        | -                |
| Expenses related to discontinued units                         | (11)          | (19)          | -                | 284             | -             | 273             | 4.088          | -                |
| Revenue from extemporaneous credits                            | (2,726)       | -             | -                | -               | -             | (2,726)         | -              | -                |
| Sale of fixed assets   | 18            | (501)         | -                | (14,863)        | -             | (14,845)        | (1,112)        | -                |
| Brokerage commission on the divestment of CSC                  | -             | 410           | -                | -               | -             | -               | 410            | -                |
| Exceptional provision for terminations of representatives      | -             | 737           | -                | -               | -             | -               | 2,662          | -                |
| Receivables from sale of court-order debt                      | -             | -             | -                | -               | -             | -               | (1,142)        | -                |
| Loss due to unexpected realization of recoverable taxes at CSC | -             | -             | -                | -               | -             | -               | 3,109          | -                |
| Other Nonrecurring Events                                      | 3,139         | 1,160         | -                | (1,745)         | -             | 1,394           | 1,160          | -                |
| <b>Recurring EBITDA<sup>2</sup></b>                            | <b>58,484</b> | <b>91,194</b> | <b>(35,9)</b>    | <b>48,424</b>   | <b>20,8</b>   | <b>106,908</b>  | <b>176,139</b> | <b>(39,3)</b>    |
| <i>Net margin</i>  | <i>20%</i>    | <i>32%</i>    | <i>- 12 p.p.</i> | <i>19%</i>      | <i>1 p.p.</i> | <i>19%</i>      | <i>32%</i>     | <i>- 13 p.p.</i> |

(1) EBITDA: operational performance indicator according to CVM Instruction 527/12

(2) Recurring EBITDA is an indicator used by the Company's Management to analyze the operational and financial performance of the Company's wholly-owned businesses, excluding non-recurring events.

## | Financial Result

Investment of the Company's cash balance generated financial income of R\$5.2 million in 2Q22, benefiting from the increase in the basic interest (SELIC) rate.

To mitigate the impacts of exchange variation on its receivables portfolio in foreign currency resulting from exports made by the subsidiary Sama, the Company started contracting hedge in 2Q22, using forward contracts as a non-derivative financial instrument. As such, exchange variation in the quarter resulted in a gain of R\$548,000.

Accordingly, net financial result in 2Q22 was an income of R\$4.1 million, reversing the net expense of R\$8.6 million in 1Q22.

In 1H22, net financial result was an expense of R\$4.5 million, decreasing 31% from 1H21, with financial investments benefitting from the increase in interest rates.

| Consolidated - R\$ thousand         | 2Q22           | 2Q21           | Chg. %        | 1Q22            | Chg. %        | 1H22            | 1H21           | Chg. %        |
|-------------------------------------|----------------|----------------|---------------|-----------------|---------------|-----------------|----------------|---------------|
| <b>Financial income</b>             | <b>5,246</b>   | <b>1,451</b>   | <b>261,5</b>  | <b>5,200</b>    | <b>0,9</b>    | <b>10,446</b>   | <b>1,889</b>   | <b>-</b>      |
| Financial Investments               | 5,246          | 1,451          | 261,5         | 5,200           | 0,9           | 10,446          | 1,889          | -             |
| <b>Financial Expenses</b>           | <b>(601)</b>   | <b>(444)</b>   | <b>35,4</b>   | <b>(602)</b>    | <b>(0,2)</b>  | <b>(1,203)</b>  | <b>(2,799)</b> | <b>(57,0)</b> |
| Interest on Bankruptcy-related Debt | (601)          | (444)          | 35,4          | (602)           | (0,2)         | (1,203)         | (2,799)        | (57,0)        |
| <b>Other</b>                        | <b>(1,070)</b> | <b>(1,278)</b> | <b>(16,3)</b> | <b>(1,788)</b>  | <b>(40,2)</b> | <b>(2,858)</b>  | <b>(755)</b>   | <b>278,5</b>  |
| <b>Net of exchange variations</b>   | <b>548</b>     | <b>(8,820)</b> | <b>-</b>      | <b>(11,441)</b> | <b>-</b>      | <b>(10,893)</b> | <b>(4,892)</b> | <b>122,7</b>  |
| <b>Net financial income (loss)</b>  | <b>4,123</b>   | <b>(9,091)</b> | <b>-</b>      | <b>(8,631)</b>  | <b>-</b>      | <b>(4,508)</b>  | <b>(6,557)</b> | <b>(31,2)</b> |

## | Net Income

In 2Q22, Recurring Net Income reached R\$41 million, up 30% from 1Q22. In 1H22, Recurring Net Income totaled R\$73 million, down 40% from 1H21, mainly due to the drop in fiber-cement sales and increase in raw material prices.

Net Income in 2Q22 stood at R\$40 million, remaining in line with the 1Q22 result of R\$42 million. In 1H22, Net Income was R\$83 million, down 30% from 1H21.

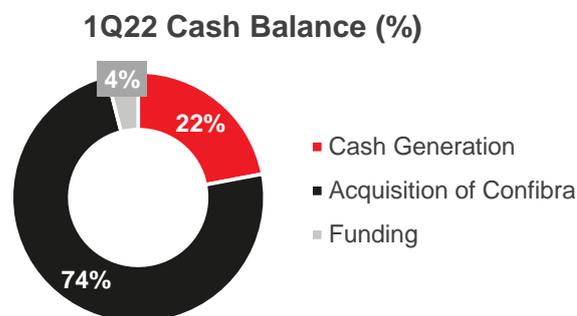
| Consolidated - R\$ thousand                                    | 2Q22          | 2Q21          | Chg. %          | 1Q22            | Chg. %          | 1H22            | 1H21           | Chg. %          |
|--|---------------|---------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|
| <b>Net income (loss) for the period</b>                        | <b>40,346</b> | <b>59,655</b> | <b>(32,4)</b>   | <b>42,297</b>   | <b>(4,6)</b>    | <b>82,643</b>   | <b>118,089</b> | <b>(30,0)</b>   |
| <i>Net margin</i>  | <i>14%</i>    | <i>21%</i>    | <i>- 7 p.p.</i> | <i>16%</i>      | <i>- 2 p.p.</i> | <i>15%</i>      | <i>21%</i>     | <i>- 6 p.p.</i> |
| <b>Nonrecurring Events</b>                                     | <b>1,703</b>  | <b>2,397</b>  | <b>-</b>        | <b>(15,847)</b> | <b>-</b>        | <b>(14,144)</b> | <b>4,914</b>   | <b>-</b>        |
| Expenses related to court-supervised reorganization            | 1,283         | 609           | (100,0)         | 477             | 169,0           | 1,761           | 1,383          | -               |
| Estimated loss from asset impairment                           | -             | -             | -               | -               | -               | -               | (5,645)        | -               |
| Expenses related to discontinuity of units                     | (11)          | (19)          | (100,0)         | 284             | -               | 273             | 4,088          | -               |
| Revenue from extemporaneous credits                            | (2,726)       | -             | -               | -               | -               | (2,726)         | -              | -               |
| Sale of fixed assets   | 18            | (501)         | -               | (14,863)        | -               | (14,845)        | (1,112)        | -               |
| Brokerage comission on the divestment of CSC                   | -             | 410           | (100,0)         | -               | -               | -               | 410            | -               |
| Exceptional provision for terminations of representatives      | -             | 737           | (100,0)         | -               | -               | -               | 2,662          | -               |
| Receivables from sale of court-order debt                      | -             | -             | -               | -               | -               | -               | (1,142)        | -               |
| Loss due to unexpected realization of recoverable taxes at CSC | -             | -             | -               | -               | -               | -               | 3,109          | -               |
| Other Nonrecurring Events                                      | 3,139         | 1,160         | (100,0)         | (1,745)         | -               | 1,394           | 1,160          | -               |
| <i>Effect of Income Tax/Social Contribution*</i>               | <i>(579)</i>  | <i>(815)</i>  | <i>(100,0)</i>  | <i>5,388</i>    | <i>-</i>        | <i>4,809</i>    | <i>(1,671)</i> | <i>-</i>        |
| <b>Adjusted Net Income/Loss</b>                                | <b>41,470</b> | <b>61,237</b> | <b>(32,3)</b>   | <b>31,838</b>   | <b>30,3</b>     | <b>73,308</b>   | <b>121,332</b> | <b>(39,6)</b>   |
| <i>Net margin</i>  | <i>14%</i>    | <i>21%</i>    | <i>- 7 p.p.</i> | <i>12%</i>      | <i>2 p.p.</i>   | <i>13%</i>      | <i>22%</i>     | <i>- 9 p.p.</i> |

(\* ) Income tax and social contribution (IR/CSLL) impact (34%) on nonrecurring events

### | Net Cash and Debt

The Company ended 2Q22 with net cash of R\$114 million.

Cash balance on June 30, 2022 was R\$149 million, broken down as follows: (i) funds from the capital call allocated to the acquisition of Confibra (R\$110 million); (ii) cash generation (R\$ 34 million); and (iii) the balance remaining from the capital increase in June 2020 to fund strategic investments (R\$5 million).



In the period ended June 30, 2022, the Company's gross debt decreased 21% from the same period in 2021 to R\$35 million and consisted solely of the loan taken from Banco da Amazônia to fund the investments in Eternit's polypropylene unit in Amazônia.

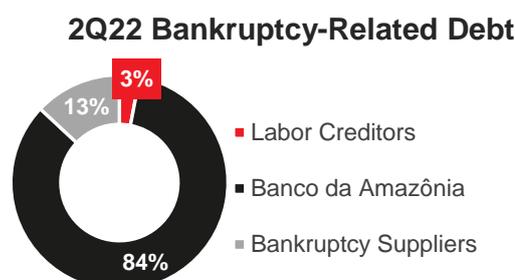
| Net (Cash) Debt - R\$ thousand | 06/30/2022       | 06/30/2021       | Chg. %        | 12/31/2022       | Chg. %        |
|--------------------------------|------------------|------------------|---------------|------------------|---------------|
| Short-term gross debt          | 3,911            | 7,598            | (48,5)        | 3,911            | -             |
| Long-term gross debt           | 31,509           | 36,946           | (14,7)        | 33,485           | (5,9)         |
| <b>Total gross debt</b>        | <b>35,420</b>    | <b>44,544</b>    | <b>(20,5)</b> | <b>37,396</b>    | <b>(5,3)</b>  |
| (-) Cash and cash equivalents  | 149,220          | 196,650          | (24,1)        | 218,864          | (31,8)        |
| <b>Net (Cash) Debt</b>         | <b>(113,800)</b> | <b>(152,106)</b> | <b>(25,2)</b> | <b>(181,468)</b> | <b>(37,3)</b> |

### | Bankruptcy-Related Debt

In 2Q22, the Company paid R\$2.1 million to bankruptcy creditors: R\$472,000 to Class I creditors and R\$1,628,000 to Class II creditors (BASA).

Bankruptcy-related debt on June 30, 2022 totaled around R\$42.2 million, including the installment of US\$125,000 converted at the rate of R\$5.23 to US\$1, of which:

- Banco da Amazônia: R\$35.4 million to finance the unit in Manaus, with monthly payments and fixed interest of 7% p.a.;
- Class I Creditors: R\$1.3 million related to new authorized labor claims;
- Class III and IV creditors: R\$5.5 million, related to suppliers that did not file any claim for payment, with interest no longer being levied on the outstanding balance.



| Class   | Balance Approved in CSR Plan | Haircut         | Payment Guarantee | New Authorized (Unauthorized) Credits | Interest / Charges | Payments made    | Balance at end of period |
|---|------------------------------|-----------------|-------------------|---------------------------------------|--------------------|------------------|--------------------------|
| Class I - Labor Creditors - R\$ thousand                    | 6,466                        | -               | -                 | 3,728                                 | -                  | (8,880)          | 1,314                    |
| Class II - Creditors with Secured Claims - R\$ thousand     | 36,225                       | -               | -                 | -                                     | 8,295              | (9,101)          | 35,419                   |
| Class III - Unsecured Creditors                             |                              |                 |                   |                                       |                    |                  |                          |
| Option A - R\$ thousand                                     | 107,672                      | (17,314)        | (40,400)          | (1,410)                               | 3,393              | (48,133)         | 3,808                    |
| Option A - US\$ thousand                                    | 953                          | -               | -                 | (520)                                 | 1                  | (309)            | 125                      |
| Option B - R\$ thousand                                     | 84,097                       | (37,839)        | -                 | -                                     | 3,242              | (49,500)         | -                        |
| Option B - US\$ thousand                                    | 1,696                        | (763)           | -                 | -                                     | 5                  | (938)            | -                        |
| Class IV - Micro and Small Company Creditors - R\$ thousand | 4,612                        | -               | -                 | -                                     | 71                 | (3,660)          | 1,023                    |
| <b>Total - R\$ thousand</b>                                 | <b>239,072</b>               | <b>(55,153)</b> | <b>(40,400)</b>   | <b>2,318</b>                          | <b>15,001</b>      | <b>(119,274)</b> | <b>41,564</b>            |
| <b>Total - US\$ thousand</b>                                | <b>2,649</b>                 | <b>(763)</b>    | <b>0</b>          | <b>(520)</b>                          | <b>6</b>           | <b>(1,247)</b>   | <b>125</b>               |

## | Court-Supervised Reorganization

The termination of Court-Supervised Reorganization is awaiting the judgment of the Special Appeal filed by the Company at the Superior Court of Justice (STJ) against the unfavorable decision by the Court of Appeals of the State of São Paulo (TJSP), seeking to reestablish the original payment plan for Class I creditors, duly approved by the 2<sup>nd</sup> Bankruptcy and Judicial Reorganization Court of São Paulo on May 30, 2019.

## | Investments - Capex

In 1H22, capex totaled R\$31 million, of which 22% went to strategic projects (photovoltaic roofing tiles and the program to modernize the fiber-cement industrial facilities), 42% to working capital requirements and 36% to the greenfield project in Caucaia, Ceará).

Regarding the strategic projects, which were funded by the capital increase in June 2020, amounting to R\$46.6 million, R\$3 million were disbursed in 2Q22, bringing total investments in projects to R\$41.5 million and leaving a balance of around R\$5 million to be invested.

### Photovoltaic Roofing Panels:

- In 2Q22, the Company continued to sell BIG-F10 concrete solar roofing tiles, still restricted to select projects, totaling around 31 kWp in the period.
- Continuing the program to develop the technology for fiber-cement solar roofing tiles, the Company started selecting pilot projects for F-140 fiber-cement roofing panels, which are expected to be installed in 3Q22.
- The Company implemented an assembly line for solar roofing tiles at the Tégula unit in Içara, Santa Catarina.
- The Company obtained the patent for the Invention "Photovoltaic Cell and Manufacturing Process of Encapsulated Photovoltaic Cell".

### Modernization of fiber-cement production

In 2Q22, the Company continued expansion work at the Goiânia and Rio de Janeiro units, which will jointly add 7,000 tons per month to its production capacity, or around 10% of current capacity. The expansion projects are expected to be concluded in 3Q22.

| R\$ thousand                       | Total investments | Disbursed     | %Real     |
|------------------------------------|-------------------|---------------|-----------|
| Photovoltaic Roofing Tiles Project | 5,800             | 5,920         | 102       |
| Fiber-Cement Modernization Program | 40,770            | 35,534        | 87        |
| <b>Total</b>                       | <b>46,570</b>     | <b>41,454</b> | <b>89</b> |

### Capital Markets

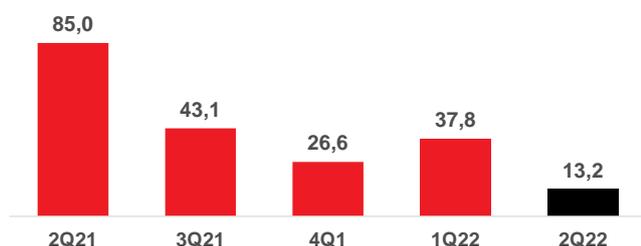
The market cap of the Company on June 30, 2022 was R\$575 million considering the closing share price of R\$9.31.

With fragmented stock ownership and no shareholders' agreement or controlling group, the shareholder base of the Company on June 30, 2022, had 27,036 shareholders. At the end of the period, only three shareholders held more than 5% interest in the capital stock, with an aggregate interest of 37% of the total capital stock.

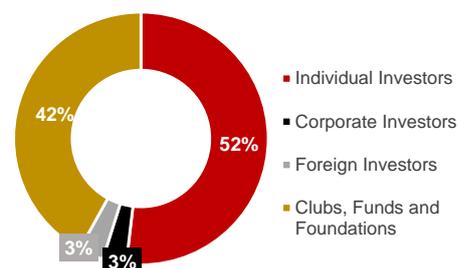
Average daily trading volume of the Company's shares in 2Q22 was R\$13.2 million.



Average Daily Trading ETER3 - R\$ '000



Ownership Structure 06/30/2021



On June 30, 2022, the Board of Directors approved the Policy on Dividends and Interest on Equity (IoE), which establishes quarterly announcements with semiannual payments, as per the Material Fact notice disclosed on that date.

Visit the IR website ([ri.eternit.com.br](http://ri.eternit.com.br)) for more information.

## Events Subsequent to the Reporting Period

### Acquisition of Confibra

As per the Material Fact notice published on July 29, 2022, Eternit concluded the acquisition of one hundred percent (100%) of the capital stock of Confibra. The acquisition is in line with the Company's strategy of growth and industry consolidation, which will represent an increase of around 20% in Eternit's capacity to produce fiber-cement roofing panels.

The acquisition price for all the shares in Confibra and the land where the unit is located is one hundred ten million reais (R\$ 110 million). In addition, the sellers will be entitled to an earnout of ten million reais (R\$10 million), adjusted for inflation by the IPCA index published by IBGE, depending the achievement of certain financial and operating targets related to fiscal year 2022.

### Declaration of Interest on Equity (IoE)

The Board of Directors Meeting held on August 9, 2022, approved the payment of Interest on Equity related to the 1H22 results in the amount of R\$18.4 million, corresponding to a gross amount of R\$0.2979 per common share, to be paid on September 20, 2022.

## Appendices

### ETERNIT SA. - Under Court-Supervised Reorganization Balance Sheet

R\$ thousand

| ASSETS                          | Parent Company |                | Consolidated     |                  |
|---------------------------------|----------------|----------------|------------------|------------------|
|                                 | 06/30/2022     | 12/31/2021     | 06/30/2022       | 12/31/2021       |
| <b>Total current assets</b>     | <b>509,248</b> | <b>573,031</b> | <b>761,548</b>   | <b>740,202</b>   |
| Cash and cash equivalents       | 552            | 3,370          | 149,220          | 218,864          |
| Accounts receivable             | 72,381         | 68,592         | 223,970          | 153,229          |
| Inventories                     | 146,943        | 116,112        | 218,601          | 185,268          |
| Taxes recoverable               | 24,483         | 61,139         | 111,936          | 126,392          |
| Related parties                 | 256,543        | 316,442        | -                | -                |
| Prepaid expenses                | 3,102          | 3,932          | 26,571           | 30,014           |
| Other current assets            | 5,244          | 3,444          | 30,227           | 21,590           |
| Assets held for sale            | -              | -              | 1,023            | 4,845            |
| <b>Total non-current assets</b> | <b>440,175</b> | <b>361,295</b> | <b>302,233</b>   | <b>271,729</b>   |
| Judicial deposits               | 7,239          | 7,105          | 10,635           | 10,500           |
| Taxes recoverable               | 2,595          | 1,781          | 9,875            | 10,629           |
| Related parties                 | 2,013          | 2,005          | -                | -                |
| Other non-current assets        | 140            | 140            | 1,595            | 1,595            |
| Investments                     | 267,346        | 205,399        | -                | -                |
| Right-of-use assets             | -              | -              | 16,556           | 7,758            |
| Fixed assets                    | 160,427        | 144,313        | 263,099          | 240,643          |
| Intangible assets               | 415            | 552            | 473              | 604              |
| <b>Total assets</b>             | <b>949,423</b> | <b>934,326</b> | <b>1.063,781</b> | <b>1.011,931</b> |

| LIABILITIES AND EQUITY                                 | Parent Company |                | Consolidated     |                  |
|--|----------------|----------------|------------------|------------------|
|  | 06/30/2022     | 12/31/2021     | 06/30/2022       | 12/31/2021       |
| <b>Total current liabilities</b>                       | <b>173,428</b> | <b>204,197</b> | <b>200,904</b>   | <b>208,855</b>   |
| Suppliers  | 27,664         | 33,096         | 52,019           | 50,201           |
| Loans and financing                                    | -              | -              | 3,911            | 3,911            |
| Related parties  | 62,176         | 69,703         | -                | -                |
| Personnel expenses                                     | 20,033         | 22,692         | 28,397           | 29,530           |
| Dividends of interest on equity                        | 15,717         | 24,346         | 15,726           | 24,355           |
| Taxes, charges and contributions payable               | 19,578         | 24,411         | 36,127           | 34,919           |
| Provision for post-employment benefits                 | 3,659          | 3,659          | 7,851            | 7,851            |
| Lease obligations                                      | -              | -              | 3,607            | 6,572            |
| Other current liabilities                              | 24,601         | 26,290         | 53,266           | 51,516           |
| <b>Total non-current liabilities</b>                   | <b>148,587</b> | <b>166,884</b> | <b>235,279</b>   | <b>239,721</b>   |
| Loans and financing                                    | -              | -              | 31,509           | 33,485           |
| Related parties  | 25,304         | 37,201         | -                | -                |
| Taxes, charges and contributions payable               | 10,825         | 12,249         | 28,958           | 32,893           |
| Personnel expenses                                     | 6,102          | 6,216          | 6,635            | 7,007            |
| Provisions for tax, civil and labor risks              | 53,557         | 53,543         | 71,003           | 71,205           |
| Provision for post-employment benefits                 | 36,339         | 36,209         | 73,859           | 73,773           |
| Provision for decommissioning of mine                  | -              | -              | 9,273            | 9,273            |
| Provision for investment losses                        | 14,862         | 10,282         | -                | -                |
| Lease obligations                                      | -              | -              | 12,976           | 1,214            |
| Deferred income tax and social contribution            | 1,598          | 11,184         | 1,066            | 10,871           |
| <b>Total equity</b>                                    | <b>627,408</b> | <b>563,245</b> | <b>627,408</b>   | <b>563,245</b>   |
| Share capital  | 438,082        | 438,082        | 438,082          | 438,082          |
| Capital reserves                                       | 74,760         | 69,927         | 74,760           | 69,927           |
| Treasury shares  | (174)          | (174)          | (174)            | (174)            |
| Revenue reserves                                       | 135,189        | 75,859         | 135,189          | 75,859           |
| Other comprehensive income (loss)                      | (20,449)       | (20,449)       | (20,449)         | (20,449)         |
| <b>Equity attributable to controlling shareholders</b> | <b>627,408</b> | <b>563,245</b> | <b>627,598</b>   | <b>563,355</b>   |
| Non-controlling interests                              | -              | -              | 190              | 110              |
| <b>Total liabilities and equity</b>                    | <b>949,423</b> | <b>934,326</b> | <b>1.063,781</b> | <b>1.011,931</b> |

**ETERNIT S.A. - Under Court-Supervised Reorganization (PARENT COMPANY)**  
**Income Statement**

| R\$ thousand   | 2Q22            | 2Q21            | Chg. %           | 1Q22            | Chg. %          | 1H22            | 1H21             | Chg. %           |
|--|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------|------------------|
| <b>Net revenue</b>   | <b>176,775</b>  | <b>198,732</b>  | <b>-11,0%</b>    | <b>186,040</b>  | <b>-5,0%</b>    | <b>362,815</b>  | <b>392,956</b>   | <b>-7,7%</b>     |
| Costs of goods and services sold                               | (132,058)       | (124,959)       | 5,7%             | (135,327)       | -2,4%           | (267,385)       | <b>(247,475)</b> | 8,0%             |
| <b>Gross profit</b>  | <b>44,717</b>   | <b>73,773</b>   | <b>-39,4%</b>    | <b>50,713</b>   | <b>-11,8%</b>   | <b>95,430</b>   | <b>145,481</b>   | <b>-34,4%</b>    |
| <b>Gross margin</b>  | <b>25%</b>      | <b>37%</b>      | <b>- 12 p.p.</b> | <b>27%</b>      | <b>- 2 p.p.</b> | <b>26%</b>      | <b>37%</b>       | <b>- 11 p.p.</b> |
| <b>Operating revenues (expenses)</b>                           | <b>(35,732)</b> | <b>(28,036)</b> | <b>27,5%</b>     | <b>(28,087)</b> | <b>27,2%</b>    | <b>(63,819)</b> | <b>(53,016)</b>  | <b>20,4%</b>     |
| Selling expenses   | (13,817)        | (11,947)        | 15,7%            | (12,880)        | 7,3%            | (26,697)        | <b>(23,723)</b>  | 12,5%            |
| General and administrative                                     | (15,903)        | (12,625)        | 26,0%            | (13,494)        | 17,9%           | (29,397)        | <b>(26,526)</b>  | 10,8%            |
| Other operating revenues (expenses), net                       | 3006            | (3,464)         | 73,6%            | (1,713)         | 251,0%          | (7,725)         | <b>(2,767)</b>   | 179,2%           |
| <b>Income (Loss) before equity pick-up (EBIT)</b>              | <b>8,985</b>    | <b>45,737</b>   | <b>-80,4%</b>    | <b>22,626</b>   | <b>-60,3%</b>   | <b>31,611</b>   | <b>92,465</b>    | <b>-65,8%</b>    |
| <b>EBIT margin</b>   | <b>5%</b>       | <b>23%</b>      | <b>- 18 p.p.</b> | <b>12%</b>      | <b>- 7 p.p.</b> | <b>9%</b>       | <b>24%</b>       | <b>- 15 p.p.</b> |
| Equity pick-up   | <b>33,031</b>   | 20,346          | 62,3%            | 24,336          | 35,7%           | 57,367          | <b>41,009</b>    | 39,9%            |
| <b>Operating income (loss) before financial result</b>         | <b>42,016</b>   | <b>66,083</b>   | <b>-36,4%</b>    | <b>46,962</b>   | <b>-10,5%</b>   | <b>88,978</b>   | <b>133,474</b>   | <b>-33,3%</b>    |
| Net financial income (loss)                                    | (2,288)         | (264)           | 766,7%           | (1,871)         | 22,3%           | (4,159)         | <b>0,189</b>     | -2300,5%         |
| <b>Income (Loss) before income tax and social contribution</b> | <b>39,728</b>   | <b>65,819</b>   | <b>-39,6%</b>    | <b>45,091</b>   | <b>-11,9%</b>   | <b>84,819</b>   | <b>133,663</b>   | <b>-36,5%</b>    |
| Current income tax and social contribution                     | (3,306)         | (6,174)         | -46,5%           | (8,535)         | -61,3%          | (11,841)        | <b>(15,587)</b>  | -24,0%           |
| Deferred income tax and social contribution                    | 3,884           | -               | -                | 5,701           | -               | 9,585           | -                | -                |
| <b>Net income (loss) for the period</b>                        | <b>40,306</b>   | <b>59,645</b>   | <b>-32,4%</b>    | <b>42,257</b>   | <b>-4,6%</b>    | <b>82,563</b>   | <b>118,076</b>   | <b>-30,1%</b>    |
| <b>Net margin</b>  | <b>23%</b>      | <b>30%</b>      | <b>- 7 p.p.</b>  | <b>23%</b>      | <b>-</b>        | <b>23%</b>      | <b>30%</b>       | <b>- 7 p.p.</b>  |

## ETERNIT S.A. - Under Court-Supervised Reorganization (CONSOLIDATED)

## Income Statements

| R\$ thousand   | 2Q22            | 2Q21            | Chg. %           | 1Q22            | Chg. %          | 1H22            | 1H21            | Chg. %          |
|--|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Net revenue</b>   | <b>292,086</b>  | <b>287,317</b>  | <b>1,7%</b>      | <b>259,693</b>  | <b>12,5%</b>    | <b>551,779</b>  | <b>557,602</b>  | <b>-1,0%</b>    |
| Costs of goods and services sold                                 | (184,628)       | (154,486)       | 19,5%            | (173,755)       | 6,3%            | (358,383)       | (304,477)       | 17,7%           |
| <b>Gross profit</b>  | <b>107,458</b>  | <b>132,831</b>  | <b>-19,1%</b>    | <b>85,938</b>   | <b>25,0%</b>    | <b>193,396</b>  | <b>253,125</b>  | <b>-23,6%</b>   |
| <b>Gross margin</b>  | <b>37%</b>      | <b>46%</b>      | <b>- 9 p.p.</b>  | <b>33%</b>      | <b>4 p.p.</b>   | <b>35%</b>      | <b>45%</b>      | <b>-1000,0%</b> |
| <b>Operating revenues (expenses)</b>                             | <b>(55,242)</b> | <b>(48,150)</b> | <b>14,7%</b>     | <b>(26,175)</b> | <b>111,0%</b>   | <b>(81,417)</b> | <b>(90,196)</b> | <b>-9,7%</b>    |
| Selling expenses   | (27,469)        | (25,189)        | 9,1%             | (22,430)        | 22,5%           | (49,899)        | (43,806)        | 13,9%           |
| General and administrative                                       | (27,307)        | (21,202)        | 28,8%            | (22,092)        | 23,6%           | (49,399)        | (42,287)        | 16,8%           |
| Other operating revenues (expenses), net                         | -0,466          | -1,759          | -73,5%           | 18,347          | -102,5%         | 17,881          | -4,103          | -535,8%         |
| <b>Income (Loss) before equity pick-up (EBIT)</b>                | <b>52,216</b>   | <b>84,681</b>   | <b>-38,3%</b>    | <b>59,763</b>   | <b>-12,6%</b>   | <b>111,979</b>  | <b>162,929</b>  | <b>-31,3%</b>   |
| <b>EBIT margin</b>   | <b>18%</b>      | <b>29%</b>      | <b>- 11 p.p.</b> | <b>23%</b>      | <b>- 5 p.p.</b> | <b>20%</b>      | <b>29%</b>      | <b>-900,0%</b>  |
| Net financial income (loss)                                      | 4,123           | (9,091)         | -145,4%          | (8,631)         | -147,8%         | (4,508)         | (6,557)         | -31,2%          |
| <b>Income (Loss) before income and social contribution taxes</b> | <b>56,339</b>   | <b>75,59</b>    | <b>-25,5%</b>    | <b>51,132</b>   | <b>10,2%</b>    | <b>107,471</b>  | <b>156,372</b>  | <b>-31,3%</b>   |
| Current income tax and social contribution                       | (20,645)        | (16,366)        | 26,1%            | (13,988)        | 47,6%           | (34,633)        | (38,710)        | -10,5%          |
| Deferred income tax and social contribution                      | 4,652           | 431             | 979,4%           | 5,153           | -9,7%           | 9,805           | 427             | 2196,3%         |
| <b>Net income (loss) for the period</b>                          | <b>40,346</b>   | <b>59,655</b>   | <b>-32,4%</b>    | <b>42,297</b>   | <b>-4,6%</b>    | <b>82,643</b>   | <b>118,089</b>  | <b>-30,0%</b>   |
| <b>Net margin</b>  | <b>14%</b>      | <b>21%</b>      | <b>-700,0%</b>   | <b>16%</b>      | <b>-200,0%</b>  | <b>15%</b>      | <b>21%</b>      | <b>-600,0%</b>  |

**ETERNIT S.A. - Under Court-Supervised Reorganization**  
**STATEMENT OF CASH FLOWS**

| R\$ thousand - Accrued  | Parent Company  |                 | Consolidated    |                 |
|---|-----------------|-----------------|-----------------|-----------------|
|   | 06/30/2022      | 06/30/2021      | 06/30/2022      | 06/30/2021      |
| Cash flows from operating activities  |                 |                 |                 |                 |
| <b>Income (Loss) before income and social contribution taxes</b>  | <b>84,819</b>   | <b>133,663</b>  | <b>107,471</b>  | <b>156,372</b>  |
| <b>Reconciliation of earnings before income tax and social contribution to net cash provided by operations:</b> |                 |                 |                 |                 |
| Equity pick-up  | (57,367)        | (41,009)        | -               | -               |
| Depreciation and amortization   | 6,342           | 5,475           | 9,073           | 8,296           |
| Gain (Loss) on write-off of fixed and intangible assets   | -               | -               | -               | 2,561           |
| Allowance for doubtful accounts   | 928             | (47)            | 1,410           | (239)           |
| Allowance for inventory write down to net realizable value  | (478)           | 139             | (1,002)         | (1,212)         |
| Estimated impairment losses   | -               | -               | -               | (2,194)         |
| Provisions for tax, civil and labor risks   | 14              | 811             | (202)           | 2,681           |
| Provision for post-employment benefits  | 130             | (41)            | 86              | (366)           |
| Financial charges and monetary and exchange variations  | 1,606           | 972             | 8,243           | 5,497           |
|   | <b>35,994</b>   | <b>99,963</b>   | <b>125,079</b>  | <b>171,396</b>  |
| <b>Decrease (increase) in operating assets:</b>   |                 |                 |                 |                 |
| Accounts receivable   | (4,717)         | (25,550)        | (76,730)        | (68,605)        |
| Related parties   | 37,727          | (113,896)       | -               | -               |
| Inventories   | (30,353)        | (16,364)        | (32,331)        | (29,645)        |
| Taxes recoverable   | 36,080          | (5,478)         | 13,258          | (16,067)        |
| Judicial deposits   | (134)           | (147)           | (135)           | (216)           |
| Other assets  | (969)           | 994             | (5,195)         | (9,975)         |
| Assets held for sale  | -               | 796             | 3,822           | 104,125         |
| <b>Increase (decrease) in operating liabilities:</b>  |                 |                 |                 |                 |
| Suppliers   | (5,451)         | (6,937)         | 338             | (16,720)        |
| Related parties   | 1,152           | (4,623)         | -               | -               |
| Taxes, charges and contributions payable  | (3,807)         | 1,942           | (4,773)         | 50              |
| Personnel expenses  | (2,773)         | 1,384           | (1,505)         | 3,420           |
| Other liabilities   | (1,689)         | (8,893)         | 1,751           | (49,406)        |
| <b>Cash provided by (used in) operating activities</b>  | <b>61,060</b>   | <b>(76,809)</b> | <b>23,579</b>   | <b>88,357</b>   |
| Interest paid   | -               | (64)            | -               | (1,517)         |
| Income tax and social contribution paid   | (14,529)        | (13,268)        | (30,637)        | (35,391)        |
| <b>Net cash provided by (used in) operating activities</b>  | <b>46,531</b>   | <b>(90,141)</b> | <b>(7,058)</b>  | <b>51,449</b>   |
| <b>Cash flows from investing activities</b>   |                 |                 |                 |                 |
| Related-party loan receivables  | -               | 1,336           | -               | -               |
| Additions to PP&E and intangible assets   | (22,319)        | (17,509)        | (30,761)        | (21,911)        |
| <b>Net cash used in investing activities</b>  | <b>(22,319)</b> | <b>(16,173)</b> | <b>(30,761)</b> | <b>(21,911)</b> |
| <b>Cash flow from financing activities</b>  |                 |                 |                 |                 |
| Loans and financing raised  | -               | 569             | -               | 1,594           |
| Amortization of loans and financings  | -               | (8,085)         | (3,161)         | (24,361)        |
| Payments of dividends and interest on equity  | (27,030)        | -               | (27,030)        | -               |
| Lease obligations   | -               | -               | (1,634)         | (1,296)         |
| Increase in share capital   | -               | 110,000         | -               | 110,000         |
| <b>Net cash generated by financing activities</b>   | <b>(27,030)</b> | <b>102,484</b>  | <b>(31,825)</b> | <b>85,937</b>   |
| <b>Increase (Reduction) in cash and cash equivalents</b>  | <b>(2,818)</b>  | <b>(3,830)</b>  | <b>(69,644)</b> | <b>115,475</b>  |
| At the beginning of the period  | 3,370           | 4,145           | 218,864         | 81,175          |
| At the end of the period  | 552             | 315             | 149,220         | 196,650         |
| <b>Increase (Reduction) in cash and cash equivalents</b>  | <b>(2,818)</b>  | <b>(3,830)</b>  | <b>(69,644)</b> | <b>115,475</b>  |