



Earnings Release

4Q23

Conference call:

Wednesday, February 28, 2024
3 p.m. (BRT) | 2 p.m. (EDT)

Webcast:

[Clique para participar](#)



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São Paulo, February 27, 2024 – Eternit S.A. – Under Court-Supervised Reorganization (B3: ETER3, “Eternit” or “Company”) announces today its results for the 4th quarter of 2023 (4Q23). 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 December 31, 2023. Note that the 2023 results include the operations of Confibra. As such, all comparisons in this earnings release are with the fourth quarter of 2022, except where stated otherwise.

Eternit reports Net Income of R\$ 127 million in the year and concludes the Caucaia project

Highlights

MARKET CAP (12/31/2023)

R\$ 526 million

CLOSING SHARE PRICE (12/31/2023)

R\$ 8.51

NUMBER OF SHARES (12/31/2023)

61,776,575

FREE FLOAT

98.80%

4Q23 vs. 4Q22 performance



Sales of fiber-cement roofing panels total **157,000 tons** (-10%)



Net Revenue of **R\$ 282 million** (-10%) and Gross Profit of **R\$ 62 million** (-21%)



Recurring EBITDA of **R\$ 23 million** (-0.6%)



Net Income of **R\$ 83 million**, deferred IRPJ/CSLL from tax losses of **R\$ 80 million**



Completion of Caucaia-CE **greenfield** project



Declaration of Interest on Equity and Dividends in the amount of **R\$ 21.3 million** in 4Q23, totaling **R\$ 29 million** in 2023

Message from Management

Eternit ended 4Q23 with net income of R\$83 million, including deferred Corporate Income Tax (IRPJ) /Social Contribution on Net Income (CSLL) from tax losses incurred by the parent company of R\$80 million, provisioned in the Company's balance sheet after the reversal of the asset in 2019 due to impairment. In the year, net income reached R\$ 127 million, down 8% from 2022.

In 2023, the Company's operational results were attained in a scenario of sales decline across the construction materials industry, which registered a 2.0% drop in revenue during the year, according to ABRAMAT. In this context, sales of fiber-cement roofing panels in 4Q23 totaled 157,000 tons, up 1% from 3Q23, but down 10% from 4Q22. In 2023, sales of roofing panels totaled 618,000 tons, down 5% from 2022. As regards exports of chrysotile mineral, sales volume in 2023 totaled nearly 190,000 tons, decreasing 3% from 2022.

In this scenario, the Eternit Group recorded net revenue of R\$282 million, down 10% from 4Q22 and 3% from 3Q23. In 2023, Net Revenue was R\$1.1 billion, down 5% from 2022. Recurring EBITDA totaled R\$23 million in 4Q23, remaining at the same level as in 4Q22, and R\$118 million in the year, decreasing 37% from 2022.

During the quarter, Eternit made significant progress on issues involving the Court-supervised Reorganization - on October 18, 2023, the Company filed a petition at the 2nd Court of Bankruptcies and Court-Supervised Reorganizations of São Paulo, requesting its ratification of the First Amendment to the Court-Supervised Reorganization Plan, which seeks to alter the Court-Supervised Reorganization Plan approved on May 30, 2019 exclusively with regard to Class I bankruptcy creditors. The Company also requested that, with the ratification of the First Amendment to the Court-Supervised Reorganization Plan, the conclusion of the Court-Supervised Reorganization be adjudicated in the same decision. Notwithstanding, on November 21, 2023, for the benefit of labor creditors, the companies under Court-Supervised Recovery Plan requested the calling of a General Meeting of Class I (labor) Creditors for explaining and approving the First Amendment. Thus, Eternit remains optimistic about a favorable outcome on its requests, including with regard to the end of the Court-Supervised Reorganization.

4Q23 was marked by a significant and historical event for the Company: after almost 50 years, a new Eternit fiber-cement plant went operational in Caucaia, Ceará, the Group's most modern and sustainable plant. The new industrial unit started assisted operations in December; offering almost 2,000 tons of finished products for sale. With initial capacity of 78,000 t/y and investments of R\$187 million (fully disbursed), the new unit will strengthen the Eternit Group's position in North and Northeast Brazil.

Finally, at a meeting held on February 27, 2024, the Board of Directors of the Company approved the payment of earnings in the amount of R\$21.3 million. As such, Eternit declared earnings in the gross amount of R\$29 million, related to fiscal year 2023, representing gross remuneration of R\$0.50 per share.

Main Indicators

Consolidated - R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Gross Sales Revenue	343,257	379,701	(9,6)	353,183	(2,8)	1,373,599	1,443,665	(4,9)
Net revenue	282,262	312,556	(9,7)	290,99	(3,0)	1,129,213	1,187,383	(4,9)
Gross profit	62,134	78,555	(20,9)	78,229	(20,6)	290,801	371,941	(21,8)
Gross margin	22%	25%	- 3 p.p.	27%	- 5 p.p.	26%	31%	- 5 p.p.
Net income (loss) for the period	82,994	14,032	491,5	21,072	293,9	127,221	137,713	(7,6)
Net margin	29%	4%	25 p.p.	7%	22 p.p.	11%	12%	- 1 p.p.
Net Recurring/Loss	4,317	13,006	(66,8)	19,973	(78,4)	51,291	129,573	(60,4)
Recurring Net Margin	2%	4%	- 2 p.p.	7%	- 5 p.p.	5%	11%	- 6 p.p.
EBITDA CVM 156/22	21,363	24,332	(12,2)	38,930	(45,1)	112,548	198,826	(43,4)
EBITDA Margin CVM 156/22	8%	8%	-	13%	- 5 p.p.	10%	17%	- 7 p.p.
Recurring EBITDA	22,648	22,778	(0,6)	37,265	(39,2)	117,995	186,492	(36,7)
Recurring EBITDA Margin	8%	7%	1 p.p.	13%	- 5 p.p.	10%	16%	- 6 p.p.



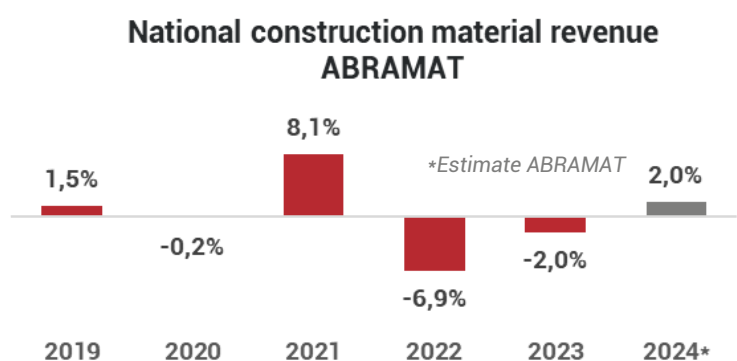
Economy and Market

The economic indicators ended the year on a positive trend, as shown by the Focus Report¹ of the Central Bank of Brazil (BCB). In 2023, GDP grew 2.92%, while inflation measured by the IPCA was 4.46% and the SELIC basic interest rate went on a downward trend to end the year at 11.75% p.a. The gradual decrease in inflation resulted in food and beverage² deflation (-2.68%) for four straight months, from June to September 2023. However, in 4Q23, this trend changed with inflation² of 2.05% recorded in this group, which negatively impacted the household budget.

With regard to Eternit's business segment, data from ABRAMAT³ indicated that the deflated revenue of the construction material industry decreased for the second straight year, down 2.0% in 2023.

For 2024, the Association expects 2.0% growth as a result of the advances on tax reforms, resumption of the public and infrastructure works, the PAC (economic stimulus package), the MCMV (My Home, My Life housing program), and stimulus to the sector with the progressive reduction of the interest basic rate and maintenance of inflation under control.

There are other initiatives by the Federal Government to increase economic activity in Brazil, such as the minimum wage appreciation policy and the extension of the "Desenrola Brasil" Program, all of which point to a positive outlook for the construction material industry in 2024.



¹ FOCUS Report – 12/29/2023

² BCB – IPCA Food and Beverages

³ – Revenue of the Construction Materials Industries – ABRAMAT – Jan/24 index

Operating Performance

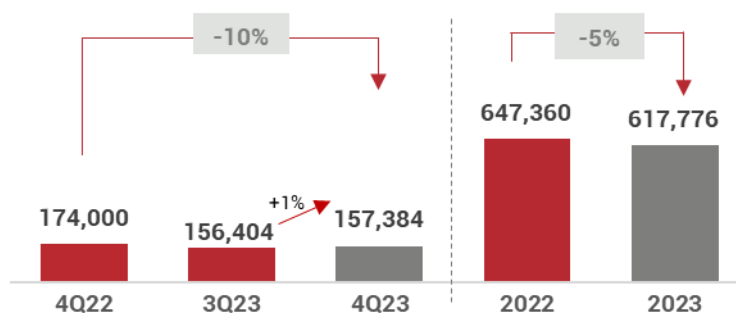
Fiber-cement Segment

In 4Q23, sales of fiber-cement roofing panels totaled **157,000 tons**, a slight increase of 1% from 3Q23. In addition, our fiber-cement inventory decreased 20% in the period, equivalent to approximately 20,000 tons.

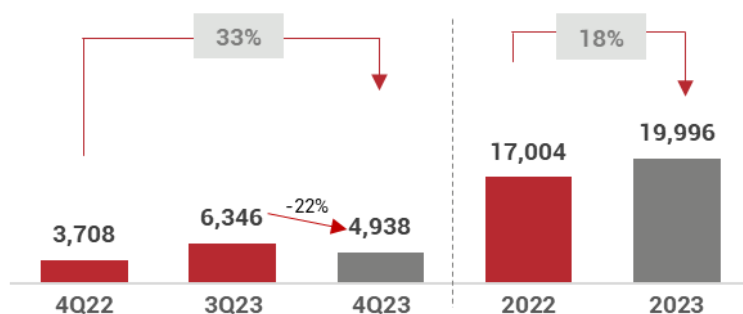
Compared to 4Q22, sales decreased 10%.

In 2023, sales of fiber-cement roofing panels totaled approximately **618,000 tons**, decreasing 5% from 2022, reflecting the deceleration across the sector during the year.

Fiber-Cement Roofing Panel Sales (t)



Construction System Sales (t)



Sales volume of cladding panels and wall cladding panels totaled **5,000 tons** in 4Q23, up 33% from 4Q22.

At the end of 2023, sales totaled approximately 20,000 tons, increasing 18% from 2022, reaffirming this market's potential combined with the process of industrializing the construction sector in the country.

The fiber-cement roofing panel segment ended 4Q23 with **gross margin** of **14%**, down 6 p.p. from 4Q22.

Similarly, in 2023, **gross margin** stood at **19%**, declining 6 p.p. from 2022. The increase in the Company's installed capacity, including the acquisition of a new plant, and the decrease in demand resulted in capacity occupancy of approximately 60%, leading to an increase of 26% in the unit fixed cost in 2023 compared to 2022.

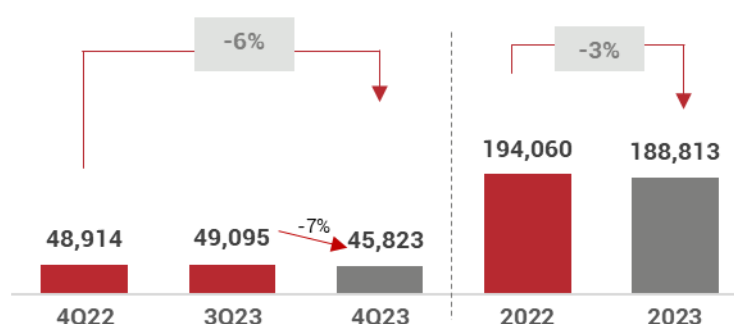
Fiber-cement - RS thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net revenue	184,355	203,257	(9,3)	188,994	(2,5)	743,462	781,140	(4,8)
Gross profit	25,601	40,517	(36,8)	32,581	(21,4)	139,123	198,824	(30,0)
Gross margin	14%	20%	- 6 p.p.	17%	- 3 p.p.	19%	25%	- 6 p.p.

Chrysotile Mineral Segment

Chrysotile fiber exports totaled **46,000 tons** in 4Q23, down 6% from 4Q22, resulting from the limited availability of the product due to rainfall in December, which negatively affected production, especially the mining activity.

In 2023, exports totaled **189,000 tons**, down 3% from 2022. In addition to the limited availability of the product in 4Q23, a scheduled maintenance downtime occurred in April 2023, also affecting the availability of the product in comparison with 2022, when there was no maintenance downtime.

Chrysotile Mineral Sales (t)

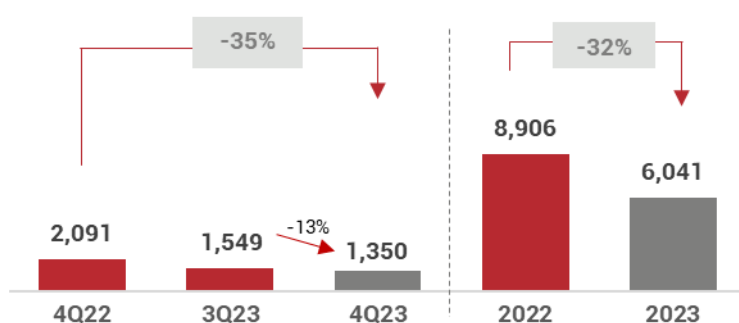


The entire chrysotile fiber output is exported, based on Goiás State Law 20,514 of July 16, 2019.

In 4Q23, gross margin was 39%, down 5 p.p. from 4Q22, and in 2023, gross margin stood at 43%, down 5 p.p. from 2022. This result was driven by the increase in the volume of sterile material handling ("recurrence"), which is necessary for maintaining the production capacity of the mine, and which resulted in an additional cost of R\$9.5 million in 2023 compared to 2022.

Chrysotile mineral- R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net revenue	93,855	98,731	(4,9)	96,985	(3,2)	364,246	373,160	(2,4)
Gross profit	36,869	43,345	(14,9)	47,717	(22,7)	155,218	178,391	(13,0)
Gross margin	39%	44%	- 5 p.p.	49%	- 10 p.p.	43%	48%	- 5 p.p.

Concrete Roofing Tile Sales (tiles)



Concrete Roofing Tiles Segment

In 4Q23, concrete roofing tiles sales totaled **1.3 million** pieces, down 35% from 4Q22.

Gross margin in 2023 increased 8 p.p. from 2022, due to the increase in average sales price (+25%) and decrease in fixed costs payable (-11%).

Concrete Roofing Tiles - R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net revenue	3,917	5,521	(29,1)	4,960	(21,0)	18,768	21,725	(13,6)
Gross profit	460	819	(43,8)	457	0,7	3,522	2,425	45,2
Gross margin	12%	15%	- 3 p.p.	9%	3 p.p.	19%	11%	8 p.p.

Consolidated Financial Performance

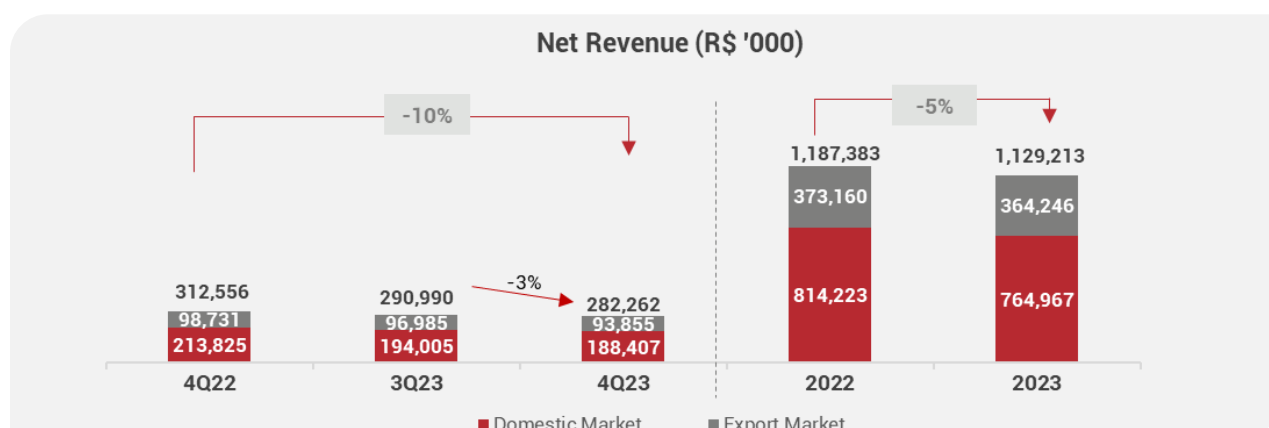
Net revenue

In 4Q23, Net Revenue came to approximately R\$282 million, down 10% from 4Q22, with the fiber-cement segment - the Company's core business - accounting for 68% of the revenue.

In the domestic market, Net Revenue in **2023** totaled **R\$765 million**, down 6% from 2022, mainly reflecting the decline in demand across the construction materials sector and the consequent reduction in the occupancy levels of production capacity.

In the export market, chrysotile fiber exports in **2023** totaled approximately **R\$364 million**, down 2% from 2022, resulting from less availability of this product due to operational issues and the contribution to FUNDEINFRA, established by the state of Goiás in 2023, with R\$7.3 million paid in the year.

In **2023**, consolidated Net Revenue was **R\$1.1 billion**, down 5% from 2022.



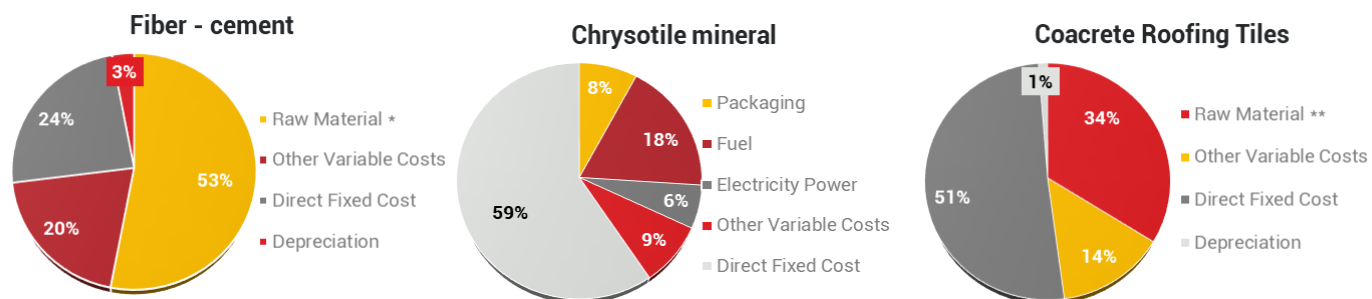
Costs of Goods and Products Sold

During **4Q23**, costs of goods and products sold (CPV) totaled **R\$220 million**, equivalent to 78% of net revenue, up 3% p.p. from 4Q22.

In **2023**, cost of goods sold totaled **R\$838 million**, resulting in **gross margin** of **26%**, down 5 p.p. from 2022, mainly due to: (i) low occupancy of installed capacity in the fiber-cement segment; and (ii) increase in expenses with sterile material handling ("recurrence") in the chrysotile segment.

Consolidated - R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net revenue	282,262	312,556	(9,7)	290,990	(3,0)	1,129,213	1,187,383	(4,9)
Costs of Goods and Products Sold	(220,128)	(234,001)	(5,9)	(212,761)	3,5	(838,412)	(815,442)	2,8
Gross profit	62,134	78,555	(20,9)	78,229	(20,6)	290,801	371,941	(21,8)
Gross margin	22%	25%	- 3 p.p.	27%	- 5 p.p.	26%	31%	- 5 p.p.

Breakdown of Cost of Goods Sold



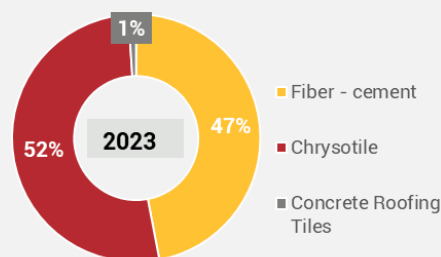
*Raw Material – Fiber-cement: 47% cement; 31% PP resin; 15% pulp and 7% limestone;

** Raw material – Concrete Roofing Tiles: 46% cement; 26% sand and 28% others;

Gross Profit

Gross profit in 4Q23 was **R\$62 million**, down 21% from 4Q22.

In 2023, gross profit totaled **R\$291 million**, down 22% from 2022, reflecting the lower occupancy of installed capacity in the fiber-cement segment and the increase in expenses with sterile material handling ("recurrence") at the subsidiary Sama.



Selling Expenses

Selling expenses totaled **R\$30 million** in 4Q23, decreasing 4% from 2022, reflecting the decrease in commissions for commercial representatives in the domestic market on account of the drop in sales volume in the fiber-cement segment.

In 2023, selling expenses totaled **R\$115 million**, up R\$6.8 million (+6%) from 2022, influenced by the atypical provision for allowance for doubtful accounts on the export receivables portfolio, booked in 2Q23, with an accumulated amount of R\$7.8 million in the year.

Consolidated – R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net Revenue	282,262	312,556	(9,7)	290,990	(3,0)	1,129,213	1,187,383	(4,9)
Selling expenses	29,874	31,226	(4,3)	26,117	14,4	115,423	108,640	6,2
% of Net Revenue	11%	10%	1 p.p.	9%	2 p.p.	10%	9%	1 p.p.

General and Administrative Expenses

General and administrative expenses totaled **R\$17 million** in **4Q23**, 40% lower than in 4Q22. The decrease is mainly due to the reversal of provision for the post-employment benefit granted to former employees and reduction in expenses with third-party services, as well as the reclassification of idle costs to fixed cost at SAMA.

General and administrative expenses totaled **R\$97 million**, down R\$6 million(-5.7%) from 2022, despite the inflation of 4.46% in 2023, measured by the IPCA.

Other Operating (Income)/ Expenses

In **4Q23**, other operating (income)/expenses were an expense of **R\$4.3 million**.

Other operating (income)/expenses in **2023** were an expense of **R\$3.7 million**, as against an income of R\$16 million in 2022. The result in 2022 was benefited by the sale of non-operating property, plant and equipment for a non-recurring revenue of R\$14.5 million and the accounting of out-of-period credits of R\$5 million.

Consolidated – R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Selling expenses	29,874	31,226	(4,3)	26,117	14,4	115,423	108,640	6,2
General and administrative expenses ⁽¹⁾	17,126	28,511	(39,9)	25,392	(32,6)	96,763	102,647	(5,7)
Other operating (income) expenses	4,294	2,390	79,7	(3,200)	-	3.719	(15,950)	-
Total operating expenses	51,294	62,127	(17,4)	48,309	6,2	215,905	195,337	10,5

(1) Includes management compensation

EBITDA

Recurring EBITDA² totaled **R\$23 million** in **4Q23**, remaining at the same level as in 4Q22.

In 2023, Recurring EBITDA² totaled **R\$118 million**, down 37% from 2022, chiefly due to the following factors: (i) decrease in fiber-cement segment margins resulting from lower occupancy of units; (ii) reduction in margins from chrysotile fiber exports due to the increase in expenses with sterile materials handling ("recurrence"); (iii) contribution to FUNDEINFRA on chrysotile export revenues; and (iv) atypical provision for allowance for doubtful accounts on the export receivables portfolio booked in 2Q23.

In **4Q23**, EBITDA¹ stood at **R\$21 million**, down 12% from 4Q22. In **2023**, EBITDA totaled **R\$113 million**, down 43% from 2022.

Consolidated - R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net income (loss) for the period	82,994	14,032	491,5	21,072	293,9	127,221	137,713	(7,6)
Income and social contribution taxes	(77,650)	(4,818)	-	7,444	-	(64,259)	27,291	-
Net financial income (loss)	5,496	7,214	(23,8)	1,404	291,5	11,934	11,600	2,9
Depreciation and amortization	10,523	7,904	33,1	9,010	16,8	37,652	22,222	69,4
EBITDA CVM 156/22 ¹	21,363	24,332	(12,2)	38,930	(45,1)	112,548	198,826	(43,4)
Non recurring Events	1,285	(1,554)	-	(1,665)	-	5,447	(12,334)	-
Restructuring	-	-	-	210	-	381	-	-
Expenses related to court-supervised reorganization	387	237	-	441	-	1,657	2,417	-
Expenses related to discontinued units	246	222	-	97	-	470	599	-
Revenue from extemporaneous credits	-	(2,193)	-	-	-	(1,427)	(4,919)	-
Sale of fixed assets	392	(71)	-	261	-	1,303	(12,664)	-
Receivables from sale of court-order debt	-	-	-	(8,562)	-	(8,562)	-	-
Other Non recurring Events	260	251	-	5,888	-	11,625	2,233	-
Recurring EBITDA ²	22,648	22,778	(0,6)	37,265	(39,2)	117,995	186,492	(36,7)
Net margin recurring	8%	7%	1 p.p.	13%	- 5 p.p.	10%	16%	- 6 p.p.

(1) EBITDA: measure of operational performance according to CVM Instruction 156/22

(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

Financial income totaled **R\$322 million** in **4Q23**, down 86% from 4Q22 due to the reduction in financial investments. In 4Q23, financial expenses totaled R\$3.3 million, up 75% from 4Q22, resulting from interest related to the prepayment of export receivables (ACE) and long-term bank financing, both of which were contracted to finance the new fiber-cement project in Caucaia – CE. Net financial result after exchange variation and other expenses totaled an expense of **R\$5.5 million**, down 24% from 4Q22.

In **2023**, net financial result was an expense of **R\$12 million**, the same level as in 2022, despite the increase in the Company's debt as described above. Note that the exchange variation on receivables in foreign currency of the subsidiary Sama decreased R\$12.8 million, as a result of a hedge policy that used forward contracts.

Consolidated - R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Financial income	322	2,290	(85,9)	997	(67,7)	4,457	14,894	(70,1)
Financial Investments	322	2,290	(85,9)	997	(67,7)	4,457	14,894	(70,1)
Financial Expenses	(3,252)	(1,858)	75,0	(3,591)	(9,4)	(10,456)	(3,935)	165,7
Interest on Bankruptcy- related Debt	(519)	(580)	(10,5)	(534)	(2,8)	(2,152)	(2,380)	(9,6)
Financing Interest	(2,733)	(1,278)	113,8	(3,057)	(10,6)	(8,304)	(1,555)	-
Other ⁽¹⁾	(2,031)	(5,831)	(65,2)	(135)	-	(5,722)	(9,498)	(39,8)
Net of exchange variations	(535)	(1,815)	(70,5)	1,325	-	(213)	(13,061)	(98,4)
Net Financial Income (loss)	(5,496)	(7,214)	(23,8)	(1,404)	291,5	(11,934)	(11,600)	2,9

(1) Includes bank charges and interest on tax installment payments.

Net Income

In **4Q23**, Net Income totaled **R\$83 million**, including deferred Corporate Income Tax (IRPJ) /Social Contribution on Net Income (CSLL) from tax losses of the parent company of R\$80 million, provisioned in the Company's balance sheet after the asset reversal in 2019 due to an expected asset impairment. **In the year**, net income totaled **R\$ 127 million**.

Excluding non-recurring effects, Recurring Net Income¹ in **4Q23** was **R\$4 million**, totaling in the year **R\$51 million**, decreasing 60% from 2022.

Consolidated - R\$ thousand	4Q23	4Q22	Chg %	3Q23	Chg %	2023	2022	Chg %
Net income (loss) for the period	82,994	14,032	491,5	21,072	293,9	127,221	137,713	(7,6)
Net margin	29%	4%	25 p.p.	7%	22 p.p.	11%	12%	- 1 p.p.
Non recurring Events	1,285	(1,554)	-	(1,665)	-	5,447	(12,334)	-
Restructuring	-	-	-	210	-	381	-	-
Expenses related to court-supervised reorganization	387	237	-	441	-	1,657	2,417	-
Expenses related to discontinuity of units	246	222	-	97	-	470	599	-
Revenue from extemporaneous credits	-	(2,193)	-	-	-	(1,427)	(4,919)	-
Sale/write-off of fixed assets	392	(71)	-	261	-	1,303	(12,664)	-
Receivables from sale of court-order debt	-	-	-	(8,562)	-	(8,562)	-	-
Other Nonrecurring Events	260	251	-	5,888	-	11,625	2,233	-
Effect of Income Tax/Social Contribution*	(437)	528	-	566	-	(1,852)	4,194	-
Deferred Income Tax and Social Contribution on Net Income	(79.525)	-	-	-	-	(79,525)	-	-
Recurring Net Income/Loss ¹	4,317	13,006	(66,8)	19,973	(78,4)	51,291	129,573	(60,4)
Net margin recurring	2%	4%	- 2 p.p.	7%	- 5 p.p.	5%	11%	- 6 p.p.

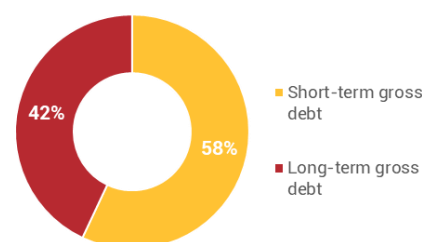
(1) Recurring Net income is an indicator used by the Company excluding non-recurring events

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

Net Cash and Debt

The Company ended 4Q23 with net debt of R\$126 million, against net cash of R\$28 million in 2022. The increase is due to the funding operations carried out by the Company for the new fiber-cement unit project in Caucaia. At the end 2023, gross debt totaled R\$142 million, and consisted of:

- (i) Long-term lines
 - a. Loan from Banco da Amazônia (BASA) to fund the Eternit unit in the Amazon region (R\$29.5 million);
 - b. FINAME loan obtained from Banco Daycoval (R\$33.3 million);
 - c. CCE signed with Banco Sofisa (R\$11.3 million).
- (ii) Advance on Foreign Exchange Delivered (ACE) (R\$68.2 million).

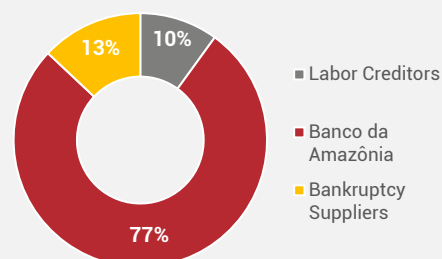


Net (Cash) Debt - R\$ thousand	12/31/2023	12/31/2022	Chg %	09/30/2023	Chg %
Short-term gross debt	82,746	26,296	214,7	83,717	(1,2)
Long-term gross debt	59,551	58,295	2,2	62,293	(4,4)
Total gross debt	142,297	84,591	68,2	146,010	(2,5)
(-) Cash and cash equivalents	16,539	112,469	(85,3)	39,890	(58,5)
Net (Cash) Debt	125,758	(27,878)	-	106,120	18,5

Bankruptcy-Related Debt

In 4Q23, the Company paid R\$1.7 million to Classes II and III bankruptcy creditors.

Therefore, bankruptcy-related debt on **December 31, 2023** totaled around **R\$38.5 million**, including the installment of US\$125,000 converted at the rate of R\$4.84 to US\$1, of which:



- Class I Creditors: R\$3.9 million related to new authorized labor claims;
- Class II: R\$29.5 million borrowed from Banco da Amazônia to finance the unit in Manaus, (monthly payments and fixed interest of 7% p.a.);
- Class III and IV creditors: R\$5.1 million, of which nearly R\$4.2 million relates to creditors 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	-	-	7,808	-	(10,365)	3,909
Class II - Creditors with Secured Claims - R\$ thousand	36,225	-	-	-	11,493	(18,195)	29,523
Class III - Unsecured Creditors	-	-	-	-	-	-	-
Option A - R\$ thousand	107,672	(17,314)	(40,400)	(1,157)	3,524	(48,844)	3,481
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	(3,677)	1,006
Total - R\$ thousand	239,072	(55,153)	(40,400)	6,651	18,330	(130,581)	37,919
Total - US\$ thousand	2,649	(763)	-	(520)	6	(1,247)	125

Court-Supervised Reorganization

On October 18, 2023, the Company filed a petition with the 2nd Court of Bankruptcies and Court-Supervised Reorganizations of São Paulo, requesting its ratification of the First Amendment to the Court-Supervised Reorganization Plan, which intends to alter the Court-Supervised Reorganization Plan approved on May 30, 2019 exclusively with regard to Class I bankruptcy creditors.

Notwithstanding, on November 21, 2023, for the benefit of labor creditors, the companies under Court-Supervised Recovery Plan requested the calling of a General Meeting of Class I (labor) Creditors pursuant to article 36 of the Fiscal Responsibility Law for explaining and approving the First Amendment.

Hence, to conclude the Court-Supervised Reorganization, the Company is awaiting the judge's opinion on the petition filed on November 21, 2023

Strategic Projects

In 4Q23, the Company's investments totaled **R\$38 million**, of which 53% went to the Ceará greenfield projects and expansion of the Manaus unit.

In 2023, the Company's investments totaled **R\$208 million**, of which R\$147 million went to the strategic projects of the Ceará greenfield unit (R\$138 million) and the expansion of the Manaus unit (R\$9 million). The balance of R\$61 million was allocated to investments in modernization and operational continuity.



Ceará greenfield project

The Company concluded in 4Q23 its largest project over the last 50 years: the new fiber cement plant in Caucaia, Ceará.

In December, the first lots of assisted production were successfully produced, marking a milestone in the conclusion of the project.

With investments of R\$187 million totally spent, the new plant has initial capacity of 6,500 ton/month, with infrastructure available to double it.

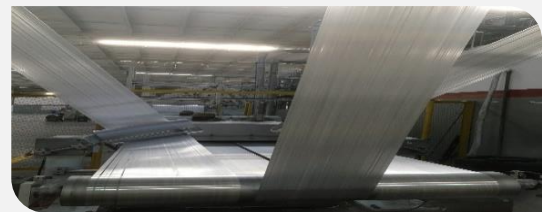
The new unit is the Group's most modern and sustainable, and includes an Eternit solar power generator, with generation capacity equivalent to 25% of the plant's total electricity consumption.

Eternit signed a successful agreement with the Federal Institute of Ceará (IFCE), Caucaia unit, to prepare labor for operations and maintenance at the new unit. As such the Company prioritized the contracting of local labor, reaffirming its commitment to sustainability and the social and economic development of the communities where it operates.



Solar roofing panels

At the end of 2023, Inmetro approved the new concrete solar roofing panels produced by Tégula Solar. These new models boast significant improvements in performance, making the connection system even more accessible and efficient.



Expansion of Manaus Unit

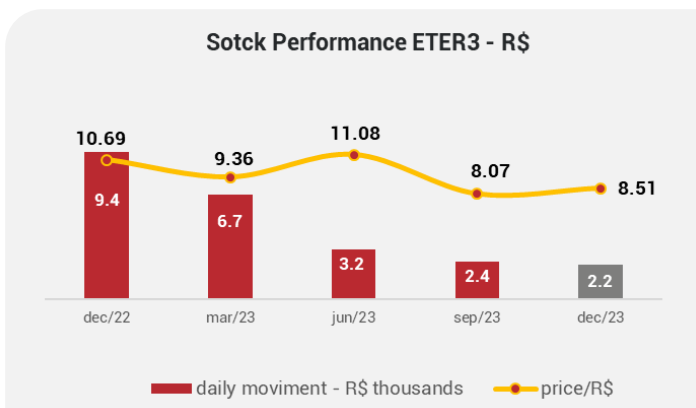
All activities for the expansion of the Manaus unit capacity were concluded. The Company is merely awaiting the arrival of the final pieces of equipment to conclude the project, which is expected for 1Q24.

With an investment R\$24 million, after expansion, the unit will have installed capacity of 18,000 t/year of PP fiber, representing an increase of 50% in production capacity.

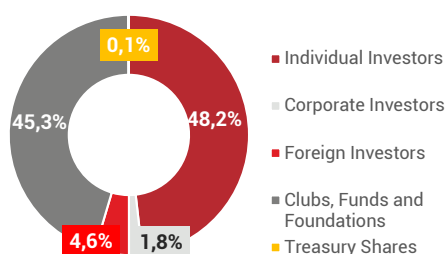
Capital Markets

At the end of 4Q23, the Company's shares (ETER3) were quoted at R\$8.51, thus totaling **R\$526 million** in market cap, with an average daily trading volume (ADTV) of R\$2.2 million.

With a highly fragmented ownership and no shareholders' agreement or controlling group, the Company had **23,776** shareholders, with individuals holding **48%** of the ownership.



Ownership Structure



In 4Q23, only three shareholders held more than 5% interest in the capital stock, with an aggregate interest of 41% of the total capital stock.

Visit the IR website (ri.eternit.com.br) for more information.

Events Subsequent to the Reporting Period

Ordinary Law 14,789/2023

On December 15, 2023, Provisional Presidential Decree (MP) 1185/23 was approved at the plenary session and converted into Ordinary Law 14,789/23, which governs the tax credits resulting from subsidies for the implementation or expansion of projects.

Until December 31, 2023, subsidies received by companies, regardless of their nature (funding or investment), were not taxed, i.e., they were not part of the calculation base of federal taxes.

Starting from January 1, 2024, the benefit was excluded for taxpayers that receive subsidy for payment of routine expenses (funding). For those who use the benefit to build or expand a plant (investment), a tax credit will be granted equivalent to the corporate tax rate on the subsidies received. In other words, the tax will be paid and then offset against other taxes payable by the company. Another possibility is, once the investment is concluded, to request reimbursement of the amounts invested.

Therefore, the Company is still analyzing the potential impacts on its operations as from January 1, 2024.

Loan from Banco Fibra

On February 9, 2024, the Company took a loan of R\$16,860 from Banco Fibra, due on February 9, 2028. Interest on the loan was fixed at 0.43% p.m., equivalent to 5.28% p.a., plus 100% of the variation in the CDI rate, with a grace period of 6 months for the payment of principal. The funds will be used to acquire trucks for Sama.

Merger of Confibra Indústria e Comércio Ltda.

On February 20, 2024, the Board of Directors meeting approved the merger of the wholly-owned subsidiary Confibra Indústria e Comércio Ltda. with the parent Company Eternit S.A.

Payment of Dividends

On February 27, 2024, the Board of Directors of the Company approved the payment of dividends for fiscal year 2023 in the amount of R\$10.1 million, corresponding to R\$0.163 per common share. The payment of dividends to shareholders will be made on December 27/12/2024, without inflation adjustment.

Annexes

Eternit S.A.- Under Court-Supervised Reorganization

Balance Sheet

ASSETS -R\$ THOUSAND	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Total current assets	447,555	479,921	568,035	715,330
Cash and cash equivalents	3,948	3,485	16,539	112,469
Accounts receivable	58,705	68,499	179,857	227,705
Inventories	83,301	114,237	168,259	209,822
Taxes recoverable	24,985	26,003	140,904	107,735
Deferred income tax and social contribution	1,850	-	1,850	-
Related parties	256,195	261,101	-	-
Prepaid expenses	2,433	1,901	27,187	39,427
Other current assets	16,138	4,695	33,439	17,149
Assets held for sale	-	-	-	1,023
Total non-current assets	645,777	566,798	732,331	506,937
Judicial deposits	8,294	8,480	12,778	12,879
Taxes recoverable	2,227	2,695	22,597	37,268
Deferred income tax and social contribution	77,675	-	64,712	-
Related parties	4,044	2,626	-	-
Other non-current assets	139	140	1,844	1,595
Investments	385,609	387,951	-	-
Right-of-use assets	-	-	16,069	15,920
Fixed assets	167,666	164,625	535,283	355,959
Intangible assets	123	281	79,048	83,316
Total assets	1,093,332	1,046,719	1,300,366	1,222,267

LIABILITIES AND EQUITY - R\$ THOUSAND	Parent Company		Consolidated	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Total current liabilities	151,033	197,031	296,283	284,164
Suppliers	28,450	27,769	75,981	65,116
Loans and financing	9,528	2,247	82,746	26,296
Related parties	32,221	48,016	-	-
Personnel expenses	19,878	20,631	31,852	29,480
Dividends of interest on equity	24,845	17,737	24,881	17,763
Taxes, charges and contributions payable	11,126	16,455	20,730	30,722
Provision for post-employment benefits	3,227	3,191	6,927	6,947
Lease obligations	-	-	3,607	3,607
Other current liabilities	21,758	60,985	49,559	104,233
Total non-current liabilities	172,602	173,500	234,277	261,805
Loans and financing	23,747	28,746	59,551	58,295
Related parties	22,981	26,722	-	-
Taxes, charges and contributions payable	2,406	6,666	14,477	22,377
Personnel expenses	5,681	6,385	5,930	6,779
Provisions for tax, civil and labor risks	49,716	50,656	68,817	69,914
Provision for post-employment benefits	29,970	29,399	61,119	61,241
Provision for decommissioning of mine	-	-	11,756	9,982
Provision for investment losses	38,101	24,926	-	-
Lease obligations	-	-	12,627	12,340
Deferred income tax and social contribution	-	-	-	20,877
Equity attributable to controlling shareholders	769,697	676,188	769,697	676,188
Share capital	438,082	438,082	438,082	438,082
Capital reserves	85,481	81,093	85,481	81,093
Treasury shares	(590)	(174)	(590)	(174)
Revenue reserves	256,661	164,674	256,661	164,674
Other comprehensive income (loss)	(9,937)	(7,487)	(9,937)	(7,487)
Total equity	769,697	676,188	769,806	676,298
Non-controlling interests	-	-	109	110
Total liabilities and equity	1,093,332	1,046,719	1,300,366	1,222,267

Income Statement (Parent Company)

R\$ thousand	4Q23	4Q22	Chg. %	3Q23	Chg. %	2023	2022	Chg. %
Net revenue	152,183	167,491	-9,1%	164,797	-7,7%	637,678	717,174	-11,1%
Costs of goods and services sold	(130,197)	(138,777)	-6,2%	(134,989)	-3,5%	(520,514)	(556,799)	-6,5%
Gross profit	21,986	28,714	-23,4%	29,808	-26,2%	117,164	160,375	-26,9%
Gross margin	14%	17%	- 3 p.p.	18%	- 4 p.p.	18%	22%	- 4 p.p.
Operating revenues (expenses)	(25,616)	(28,820)	-11,1%	(23,823)	7,5%	(102,275)	(122,568)	-16,6%
Selling expenses	(12,074)	(14,650)	-17,6%	(13,418)	-10,0%	(51,078)	(54,963)	-7,1%
General and administrative	(10,638)	(15,608)	-31,8%	(12,862)	-17,3%	(48,817)	(59,062)	-17,3%
Other operating revenues (expenses), net	(2,904)	1,438	-	2,457	-	(2,380)	(8,543)	-72,1%
Income (Loss) before equity pick-up (EBIT)	(3,630)	(106)	-	5,985	-	14,889	37,807	-60,6%
EBIT margin	-	-	-	4%	-	2%	5%	- 3 p.p.
Equity pick-up	7,801	11,228	-30,5%	16,219	-51,9%	39,389	99,288	-60,3%
Operating income (loss) before financial result	4,171	11,122	-62,5%	22,204	-81,2%	54,278	137,095	-60,4%
Net financial income (loss)	(1.614)	(2,951)	-45,3%	(227)	-	(8,427)	(8,384)	0,5%
Income (Loss) before income tax and social contribution	2,557	8,171	-68,7%	21.977	-88,4%	45,851	128,711	-64,4%
Current income tax and social contribution	910	5,844	-	(910)	-	-	(2,293)	-
Deferred income tax and social contribution	79.524	-	-	-	-	81,330	11,184	-
Net income (loss) for the period	82,991	14,015	-	21,067	293,9%	127,181	137,602	-7,6%
Net margin	55%	8%	47 p.p.	13%	42 p.p.	20%	19%	1 p.p.

Income Statements (Consolidated)

R\$ thousand	4Q23	4Q22	Chg. %	3Q23	Chg. %	2023	2022	Chg. %
Net revenue	282,262	312,556	-9,7%	290,990	-3,0%	1,129,213	1,187,383	-4,9%
Costs of goods and services sold	(220,128)	(234,001)	-5,9%	(212,761)	3,5%	(838,412)	(815,442)	2,8%
Gross profit	62,134	78,555	-20,9%	78,229	-20,6%	290,801	371,941	-21,8%
Gross margin	22%	25%	- 3 p.p.	27%	- 5 p.p.	26%	31%	- 5 p.p.
Operating revenues (expenses)	(51,294)	(62,127)	-17,4%	(48,309)	6,2%	(215,905)	(195,337)	10,5%
Selling expenses	(29,874)	(31,226)	-4,3%	(26,117)	14,4%	(115,423)	(108,640)	6,2%
General and administrative	(17,126)	(28,511)	-39,9%	(25,392)	-32,6%	(96,763)	(102,647)	-5,7%
Other operating revenues (expenses), net	(4,294)	(2,390)	79,7%	3,200	-	(3,719)	15,950	-
Income (Loss) before equity pick-up (EBIT)	10,840	16,428	-34,0%	29,920	-63,8%	74,896	176,604	-57,6%
EBIT margin	4%	5%	- 1 p.p.	10%	- 6 p.p.	7%	15%	8 p.p.
Net financial income (loss)	(5,496)	(7,214)	-23,8%	(1,404)	291,5%	(11,934)	(11,600)	2,9%
Income (Loss) before income and social contribution taxes	5,344	9,214	-42,0%	28,516	-81,3%	62,962	165,004	-61,8%
Current income tax and social contribution	(2,691)	2,550	-205,5%	(12,413)	-78,3%	(28,440)	(40,790)	-30,3%
Deferred income tax and social contribution	80,341	2,268	-	4,969	-	92,699	13,499	-
Net income (loss) for the period	82,994	14,032	-	21,072	-	127,221	137,713	-7,6%
Net margin	29%	4%	25 p.p.	22 p.p.	-	11%	12%	- 1 p.p.

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

R\$ thousand - Accrued	Parent Company		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Cash flows from operating activities				
Income (Loss) before income and social contribution taxes	45,851	128,711	62,962	165,003
Reconciliation of earnings before income tax and social contribution to net cash provided by operations:				
Equity pick-up	(39,389)	(99,288)	-	-
Depreciation and amortization	16,783	14,283	37,652	22,222
Gain (Loss) on write-off of fixed and intangible assets	314	2,178	1,911	1,981
Allowance for doubtful accounts	1,820	2,036	9,878	2,406
Allowance for inventory write down to net realizable value	369	(560)	1,967	95
Estimated impairment losses	-	-	(4,657)	-
Provisions for tax, civil and labor risks	(940)	(2,780)	(48)	(1,592)
Provision for post-employment benefits	(1,964)	(466)	(2,591)	(474)
Provision for decommissioning of mine	-	-	1,774	709
Financial charges and monetary and exchange variations	5,688	4,588	11,723	11,642
	28,532	48,702	120,571	201,992
Increase (decrease) in operating liabilities:				
Accounts receivable	7,974	(1,872)	35,584	(52,410)
Related parties	3,488	32,556	-	-
Inventories	30,567	2,435	39,596	8,549
Taxes recoverable	2,402	45,002	(14,802)	10,820
Judicial deposits	186	(1,482)	101	(1,869)
Other assets	(11,975)	784	(4,299)	(4,927)
Assets held for sale	-	-	1,023	3,822
Increase (decrease) in operating liabilities:				
Suppliers	587	(5,381)	8,436	7,012
Payments of dividends and interest on equity	(1,697)	-	(1,687)	-
Related parties	(19,536)	(13,257)	-	-
Taxes, charges and contributions payable	(7,781)	(9,710)	(12,614)	(16,749)
Personnel expenses	(1,457)	(1,892)	1,523	(859)
Payment of contingencies	-	-	(1,049)	-
Other liabilities	(39,227)	34,695	(54,674)	30,257
	(7,937)	130,580	117,709	185,638
Income tax and social contribution paid	(918)	(16,902)	(32,193)	(57,187)
	(8,855)	113,678	85,516	128,451
Net cash provided by (used in) operating activities				
Cash flows from investing activities				
Declared dividends receivable	55,028	81,893	-	-
Additions to fixed and intangible assets	(19,981)	(36,577)	(208,495)	(90,428)
Acquisition of subsidiary net of cash in the business combination	-	-	-	(137,852)
Additions to investments	-	(144,363)	-	-
	35,047	(99,047)	(208,495)	(228,280)
Net cash used in investing activities				
Cash flow from financing activities				
Loans and financing raised	1,687	29,997	406,114	109,119
Amortization of loans and financings	(4,999)	(282)	(353,192)	(68,204)
Payments of dividends and interest on equity	(22,001)	(44,231)	(22,001)	(44,214)
Lease obligations	-	-	(3,456)	(3,267)
Treasury shares	(416)	-	(416)	-
	(25,729)	(14,516)	27,049	(6,566)
Net cash generated by financing activities				
Increase (Reduction) in cash and cash equivalents	463	115	(95,930)	(106,395)
At the beginning of the period	3,485	3,370	112,469	218,864
At the end of the period	3,948	3,485	16,539	112,469
Increase (Reduction) in cash and cash equivalents	463	115	(95,930)	(106,395)