



PRESS
RELEASE
1Q21

Eternit
eternit.com.br/ri

São Paulo, May 11, 2021 - Eternit S.A. - under Court-Supervised Reorganization (B3: ETER3, "Eternit" or "Company") announces today the results for the 1st quarter of 2021 (1Q21). Except where stated otherwise, the operational and financial information of the Company is presented on a consolidated basis in Brazilian real, in accordance with the Brazilian Corporations Law and International Financial Reporting Standards (IFRS). All comparisons in this press release are with the 1st quarter of 2020 (1Q20), except where stated otherwise.

Net Revenue up 138%, EBITDA of R\$82 million and Net Income of R\$58 million in 1Q21

★ 1Q21 vs. 1Q20 HIGHLIGHTS

1Q21
Listing Segment
Novo Mercado - B3
Share Price ETER3 (03/31/2021)
R\$/share 18.74
Shareholder base (03/31/2021)
Shares issued 51,675,555
Free Float 98.9 %
Market Cap (03/31/2021)
R\$968.4 million
Investor Relations ri@eternit.com.br
Vitor Mallmann Investor Relations Officer Anderson Rebeque Investor Relations
Conference Call / Webcast
May 12, 2021, Time: 3 p.m. (Brasília) +55 (11) 3181-8565 or +55 (11) 4210-1803 HD Web Phone Eternit Participant Password: Eternit Webcast: www.eternit.com.br/ri or https://choruscall.com.br/eternit/1t21.htm

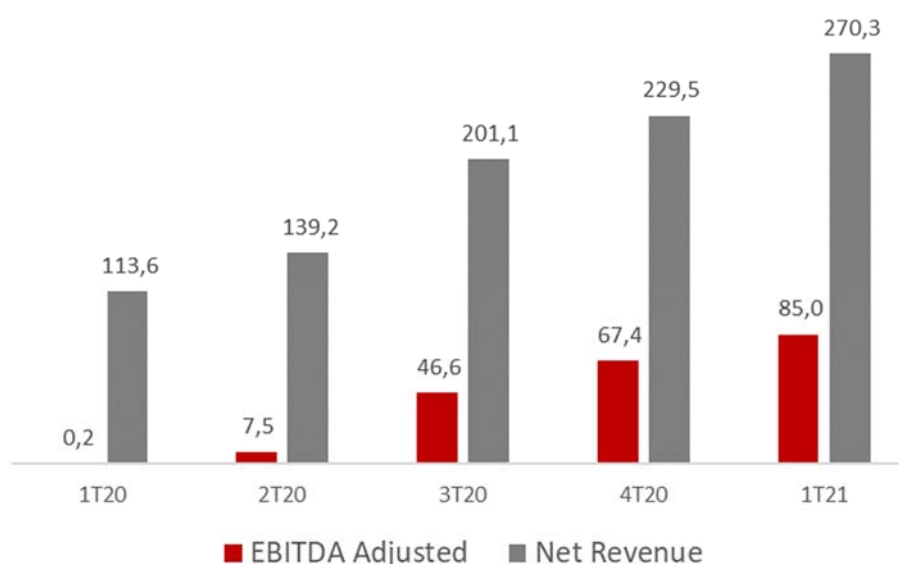
- Net Revenue of R\$270 million, up 138%.
- Sales of fiber-cement roofing panels totaled 191,000 tons, representing growth of 53%, the best performance since 2016.
- Gross Margin of 45%, up 28 percentage points.
- EBITDA of R\$82 million, reversing the loss of R\$4.7 million.
- Net Income of R\$58 million, compared to loss of R\$15 million.
- Net cash of R\$148 million on March 31, 2021.
- Capital increase in progress, in the amount of R\$110 million, with proceeds allocated to the acquisition of CONFIBRA Indústria e Comércio Ltda.

Main Indicators					
Consolidated - R\$ `000	1Q21	1Q20	% Chg.	4Q20	% Chg.
Gross revenues	338.614	146.786	130,7	285.995	18,4
Net revenues	270.285	113.636	137,9	229.453	17,8
Gross profit	120.294	19.770	508,5	102.707	17,1
<i>Adjusted Gross margin</i>	45%	17%	28 p.p.	45%	-
Net income (loss) for the period	58.434	(14.856)	-	121.077	(51,7)
<i>EBITDA Margin</i>	22%	-13%	35 p.p.	53%	- 31 p.p.
Adjusted Net income (loss) for the period	58.258	(11.577)	-	63.548	(8,3)
<i>Adjusted Net margin</i>	22%	-10%	32 p.p.	28%	- 6 p.p.
Earnings (loss) per share - R\$	1,1310	(0,4677)	-	2,3435	(51,7)
EBITDA ²	82.427	(4.728)	-	135.446	(39,1)
<i>EBITDA Margin</i>	30%	-4%	34 p.p.	59%	- 29 p.p.
Adjusted EBITDA	84.945	240	-	67.350	26,1
<i>Adjusted EBITDA Margin</i>	31%	0%	31 p.p.	29%	2 p.p.

MANAGEMENT COMMENTS

The Company began 2021 continuing the excellent operating performance it delivered in the second half of the previous year, registering for the fourth straight quarter, growth of both Net Revenue and Adjusted EBITDA, an indicator that excludes non-recurring events.

The Company's performance was boosted by strong demand from the construction materials sector, which has kept sales at significantly higher levels compared to 2020, and the performance of fiber-cement units, resulting in sales volume of around 191,000 tons in the first quarter of 2021, the best result for the quarter since 2016.



In 1Q21, Net Revenue reached R\$270.3 million, up 18% from 4Q20, resulting in Gross Profit of R\$120.3 million. Gross margin was 45%, similar to in 4Q20 but 28 p.p. higher than in 1Q20. As a result, adjusted EBITDA totaled R\$85 million, up 26% from 4Q20.

As part of the Court-Supervised Reorganization, the Company received the proceeds from the sale of UPI Louças Sanitárias (CSC) in the amount of R\$102 million. With the completion of the liquidity event in April 2021, the Company made payments amounting to R\$92.2 million to Class III creditors, settling the entire amount of Option B dues and paying in advance around 82% of the balance of Option A creditors entitled to receive on the date.

In the first quarter of 2021, Eternit continued the Tégula Solar project, installing four pilot projects with BIG-F10 concrete photovoltaic roofing, and by the end of March, it had implemented six pilot projects to evaluate the performance of the product.

Regarding the fiber-cement unit modernization program, during the quarter the Company launched projects to expand installed capacity of the Goiânia plant by 25% and the Rio de Janeiro plant by 15%, representing an additional capacity of 7,000 tons per month. The expansion of the Rio de Janeiro project should be concluded by 4Q21, while startup in Goiânia is expected in 1Q22.

On March 29, the Company held a binding offer for the acquisition of CONFIBRA Indústria e Comércio Ltda. for R\$110 million. The acquisition will increase the Company's production capacity of fiber-cement roofing panels by about 20% and is aligned with its strategy of growth and consolidation in the sector, resulting in an immediate increase in Eternit's installed capacity and market share, without causing excess production in the industry. Synergies will be captured through economies of scale, especially with capacity utilization of the Manaus Unit, which will start supplying polypropylene fibers to CONFIBRA. Currently, due diligence activities related to the acquisition process are in progress.

As per the Material Fact and Notice to Shareholders disclosed on March 19, 2021, the Board of Directors of the Company approved the capital increase, through private subscription, in the amount of R\$110 million, and the proceeds will be allocated to the acquisition of CONFIBRA.

Eternit remains optimistic about the performance of its operations 2021, despite the uncertainties arising from the pandemic and their impacts on economic recovery.

ECONOMY AND MARKET

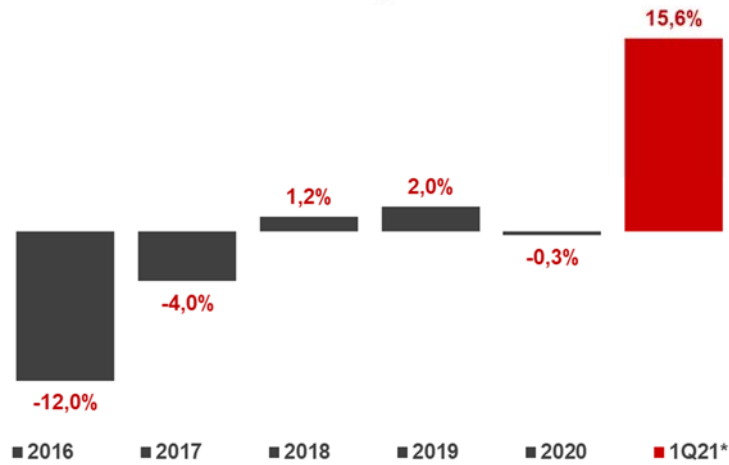
In a scenario of gradual recovery of economic activity in Brazil, the beginning of 2021 witnessed the brisk pace of recovery in the construction materials sector witnessed in the final months of 2020 continuing. The construction industry remained buoyant during the quarter, despite the increase in the basic interest rate, still at historically low levels, with SELIC at 2.75% p.a., and the physical distancing measures due to the spike in COVID-19 cases.

Recent market projections¹ indicate GDP growth of 3.1% in 2021, with inflation measured by IPCA of 5% and R\$/US\$ of 5.40 at the end of the year. Uncertainty remains about the pace of economic growth pace, given the scale-down in government measures to combat the economic impacts of the pandemic, the slow vaccine rollout and the worsening fiscal situation due to the Government's difficulty in containing the increase in public spending. In this scenario, the Brazilian Construction Materials Industry Association (ABRAMAT) announced a preliminary estimate of 15.6%² growth in consolidated revenue in 1Q21 compared to the same period last year. According to ABRAMAT, growth expected in 2021 remains at 4%², based on the continuity of residential and commercial construction works, new real estate launches and the expected resumption of infrastructure works by the Federal Government.

¹ BACEN: FOCUS Report - April 23, 2021

² Abrammat - ISTOE DINHEIRO Online Newsletter - April 14, 2021

National construction material revenue not adjusted for inflation
Material Construction Industry - ABRAMAT



(*) Datos preliminares

OPERATING AND FINANCIAL PERFORMANCE

| Sales volume

ETERNIT - Fiber-cement

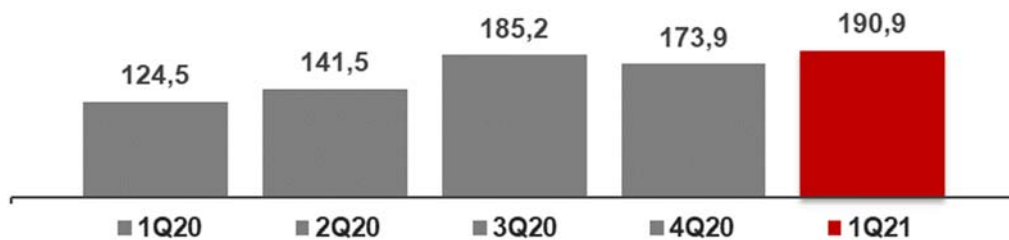


Roofing panels

The healthy sales performance of the fiber-cement segment has been driven by the strategy focused on the expansion of geographic footprint and sales dispersion. Compared to 1Q20, the number of cities directly served by the Company increased 65%, while the client base expanded 105%.

As such, sales of fiber-cement roofing panels totaled around 191,000 tons in 1Q21, the best result for a first quarter since 2016, representing growth of 53% and 9.8% compared to 1Q20 and 4Q20, respectively.

Sales of fiber-cement roofing panels ('000 t)

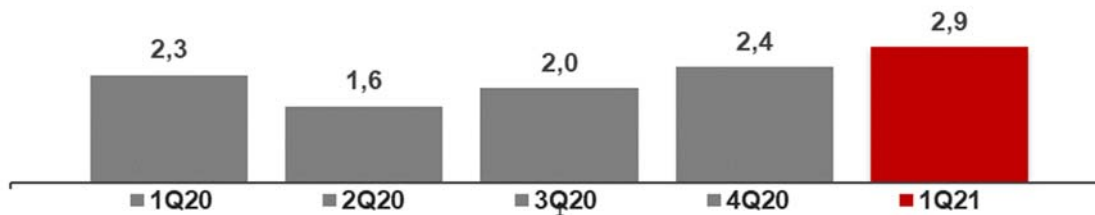




Construction systems

In 1Q21, sales of cement cladding panels and wall cladding panels increased 27% in relation to 1Q20 and 21% in relation to 4Q20, registering sales growth for the third straight quarter.

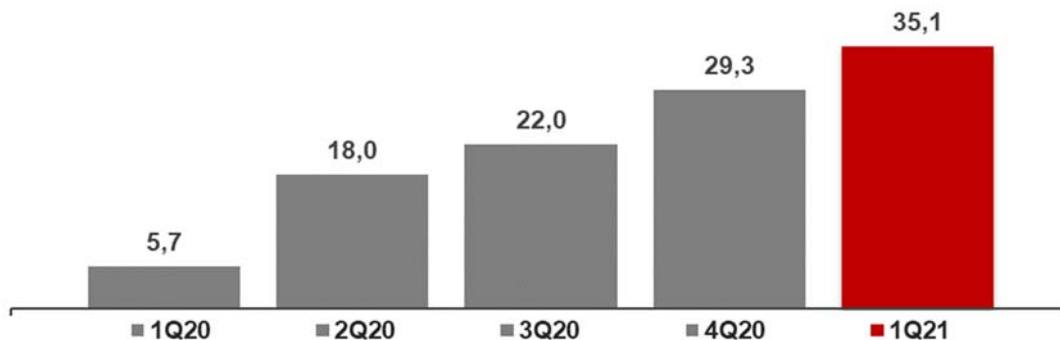
Sales of construction systems ('000 t)



SAMA - Chrysotile

In 1Q21, 35,100 tons of chrysotile fiber were exported, 20% more than in 4Q20. The entire production was exported, as permitted by State Law of Goiás 20,514, of July 16, 2019.

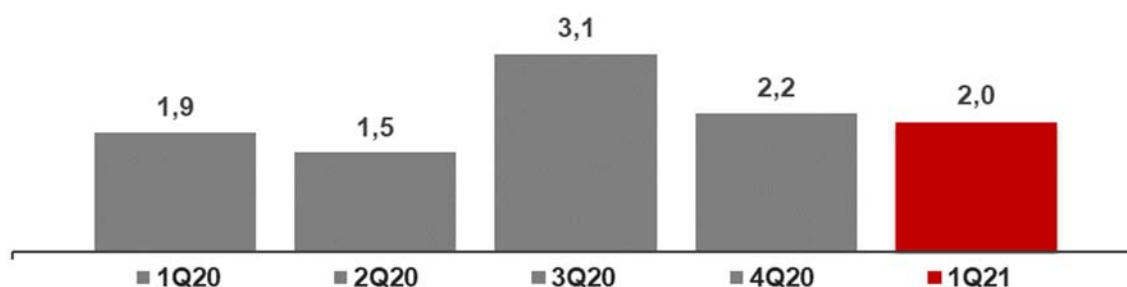
Sales of chrysotile mineral ('000 t)



TÉGULA - Concrete roofing tiles

In 1Q21, sales of concrete roofing tiles increased 5.3% compared to the same period in 2020, but decreased 9.1% in relation to 4Q20.

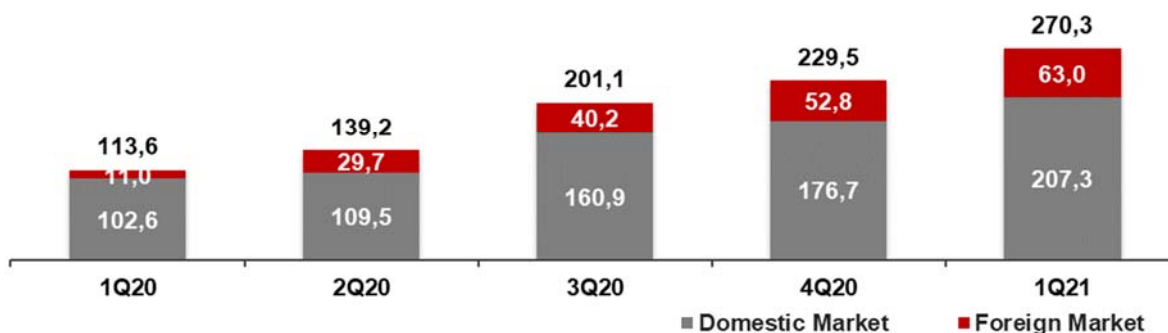
Concrete roofing tile sales (million tiles)



| Net Revenue

The continuing strong demand in the fiber-cement segment in 1Q21 led to an increase in sales and price, offsetting the increase in raw material costs. This fact, combined with higher exports, resulted in Net Revenue of R\$270 million, up 138% from 1Q20 and 18% from 4Q20.

Consolidated Net Revenue (R\$ million)



| Costs of Goods and Products Sold

Costs of goods and products sold (COGS) totaled R\$150 million in 1Q20, up 60% from the same period in 2020. In addition to the increase in sales, this growth is explained by the strong increase in prices of key raw materials during the period compared to in 1Q20 (cement: +18%; PP resin: +33%; pulp: +38%).

Gross margin remained at 45% as in 4Q20, but increased 28 p.p. in relation to 1Q20. This result was mainly due to the policy of sales dispersion and preservation of margins in the fiber-cement segment.

R\$ '000	1Q21	1Q20	% Chg.	4Q20	% Chg.
Net Revenue	270.285	113.636	137,9	229.453	17,8
Cost of goods sold	(149.991)	(93.866)	59,8	(126.746)	18,3
Gross Profit	120.294	19.770	508,5	102.707	17,1
Gross Margin	45%	17%	28 p.p.	45%	-

| Operating Expenses

The sales growth in 1Q21 also resulted in higher Selling expenses, which totaled R\$18.6 million, up 75% from the same period in 2020. The increase of R\$8 million in the period is mainly due to the payment of commissions on fiber-cement sales (+R\$3.5 million) and the increase in variable expenses on chrysotile fiber exports (+R\$4.5 million).

General and administrative expenses totaled R\$21.1 million in 1Q21, up R\$2.6 million in relation to 1Q20, due to the recording of provision for variable compensation payable to management and employees for achievement of targets.

Other operating income (expenses) included the non-recurring effect of the loss due to the expectation of non-recovery of taxes at the subsidiary CSC (R\$3.1 million).

In R\$ '000	1Q21	1Q20	Chg. %	4Q20	Chg. %
Selling expenses	(18.617)	(10.624)	75,2	(22.009)	(15,4)
General and administrative expenses*	(21.085)	(18.448)	14,3	(24.850)	(15,2)
Other operating revenues (expenses), net**	(2.344)	684	-	74.525	(103,1)
Total operating expenses	(42.046)	(28.388)	48,1	27.666	(252,0)

| Financial Result

In 1Q21, Financial expenses decreased R\$ 8.1 million from 1Q20, thanks to the positive contribution of around R\$5.4 million from the exchange rate variation on Accounts Receivable in foreign currency at the subsidiary Sama. Moreover, the Company ceased to record interest expenses on short-term financing as of 4Q20 and started booking income from financial investments, totaling R\$438,000 in 1Q21.

During the period, revenue from inflation adjustment on the sale of judicial payment orders and the sale of UPI Louças Sanitárias at the subsidiary CSC, totaling around R\$2.8 million, was recorded in the Others account. Accordingly, the Company's net financial result in 1Q21 was an income of R\$2.5 million, compared to an expense of R\$ 5.6 million in the same period in 2020.

In R\$ '000	1Q21	1Q20	% Chg.	4Q20	% Chg.
Financial Income	438	2	-	314	39,5
Short-term investment	438	2	-	314	39,5
Financial Expenses	(2.355)	(1.975)	19,2	(1.241)	89,8
Bankruptcy-related debt interest	(2.355)	(1.626)	44,8	(1.241)	89,8
Financing interest	-	(349)	(100,0)	-	-
Others	523	(1.961)	-	16.261	(96,8)
Net exchange variation	3.928	(1.662)	-	(2.622)	-
Net financial result	2.534	(5.596)	-	12.712	(80,1)

| EBITDA

Adjusted EBITDA, excluding non-recurring items, totaled R\$85 million in 1Q21, reversing the loss of R\$6.6 million recorded in the same period in 2020 and increasing by 26% in relation to 4Q20. This quarter's result is the outcome of the excellent operating performance by the fiber-cement segment and the resumption of chrysotile fiber exports.

Reconciliation of consolidated EBITDA (R\$'000)	1Q21	1Q20	% Chg.	4Q20	% Chg.
Net Income (loss)	58.434	(14.856)	-	121.077	(51,7)
Income tax and social contributions	22.348	642	3.381,0	22.008	1,5
Net financial Income	(2.534)	5.596	-	(12.712)	(80,1)
Depreciation and amortization	4.179	3.890	7,4	5.073	(17,6)
EBITDA¹	82.427	(4.728)	-	135.446	(39,1)
<i>EBITDA Margin</i>	<i>30%</i>	<i>-4%</i>	<i>34 p.p.</i>	<i>59%</i>	<i>- 29 p.p.</i>
Non-recurring events					
Restructuring	-	701	(100,0)	-	-
Expenses related to the judicial recovery	775	420	84,6	584	32,6
Impairment of assets	(5.645)	-	-	(44.688)	(87,4)
Interruption of production units	4.107	3.848	6,7	3.849	6,7
Recovery of tax credits	-	-	-	(31.844)	(100,0)
Capital gain - Sale of fixed assets	(611)	-	-	(2.192)	(72,1)
Representatives, exceptional provision and terminations	1.925	-	-	1.874	2,8
Provision intermediation commission on the sale of the	-	-	-	4.320	(100,0)
Precatory sale	(1.142)	-	-	-	-
Tax recoverable loss (CSC)	3.109	-	-	-	-
Recurring and Adjusted EBITDA²	84.945	240	35.306,0	67.350	26,1
<i>Adjusted EBITDA Margin</i>	<i>31%</i>	<i>0%</i>	<i>31 p.p.</i>	<i>29%</i>	<i>2 p.p.</i>

¹EBITDA does not include non-recurring adjustments.

² Adjusted 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 equity pickup, as well as non-recurring events.

| Net Income (Loss)

In 1Q21, the Company posted Adjusted Net Income of R\$58.3 million, excluding non-recurring events net of income tax and social contribution (IR/CSLL), reversing the loss of R\$11.6 million in 1Q20 and declining 8% from 4Q20, due to the recording in that quarter of inflation adjustment on tax credits related to the exclusion of ICMS from the PIS/COFINS calculation base, which was booked as financial income ("Others").

Consolidated Net Income (loss) (R\$'000)	1Q21	1Q20	% Chg.	4Q20	% Chg.
Net Income (loss)	58.434	(14.856)	-	121.077	(51,7)
<i>Net Margin</i>	22%	-13%	35 p.p.	53%	- 31 p.p.
Non-recurring events					
Restructuring	-	701	(100,0)	-	-
Expenses related to the judicial recovery	775	420	84,6	584	32,6
Impairment of assets	(5.645)	-	-	(44.688)	(87,4)
Interruption of production units	4.107	3.848	6,7	3.849	6,7
Recovery of tax credits	-	-	-	(50.913)	(100,0)
Monetary correction (sale of precatory and sale of CSC assets)	(2.784)	-	-	-	-
Capital gain - Sale of fixed assets	(611)	-	-	(2.192)	(72,1)
Representatives, exceptional provision and terminations	1.925	-	-	1.874	2,8
Provision intermediation commission on the sale of the Precatory sale	(1.142)	-	-	-	-
Tax recoverable loss (CSC)	3.109	-	-	-	-
Effect of Income and social contributions taxes*	90	(1.689)	-	29.636	(99,7)
Adjusted Net income (loss) for the period	58.258	(11.577)	-	63.548	(8,3)
<i>Adjusted Net margin</i>	22%	-10%	32 p.p.	28%	- 6 p.p.

* Impact on Income Tax/Social Contribution (34%) on non-recurring events

| Net cash and Bank debt

Consolidated gross debt at the end of March 2021 totaled R\$68.2 million, including the installments of the bankruptcy-related debt Classes II and III owed to banks.

Cash balance at the end of 1Q21 stood at R\$216.3 million, reflecting the receipt of proceeds amounting to R\$97.5 million (net of success fee) from the sale of UPI Louças Sanitárias, the operating cash generation and the capital increase carried out in June 2020 to invest in strategic projects (photovoltaic roofing tiles and modernization of fiber-cement plant), whose balance at the end of the period stood at R\$35.6 million.

As a result, the Company recorded net cash of R\$148.1 million in the period ended March 31, 2021, compared to R\$14.8 million at the end of 2020.

Net (Cash) Debt - R\$ '000	3/31/2021	12/31/2020	% Chg.
Short-term gross debt	7.598	-	
Long-term gross debt	60.641	66.388	
Total gross debt	68.239	66.388	2,8%
(-) Cash and cash equivalents	216.333	81.175	166,5%
(-) Cash and short-term investments	216.333	81.175	166,5%
Net (Cash) debt	(148.094)	(14.787)	-

| Bankruptcy-related debt

In compliance with the Court-Supervised Reorganization Plan (PRJ), in January, the Company started repaying Class II debt, which involves 126 monthly installments, and paid R\$1.4 million in 1Q21.

On March 31, 2021, bankruptcy-related debt totaled R\$142.3 million and US\$1.4 million, equivalent to around R\$150.1 million (R\$5.70: 1 USD).

Class	Balance approved in CSR Plan	Haircut	Payment guarantee	Adding and exclusion credits	Debt charges	Payments made	Final balance
Class I – Labor Creditors – R\$ '000	6.466	-	-	1.991	-	(6.647)	1.810
Class II – Creditors with Security Interest – R\$ '000	36.225	-	-	-	5.797	(1.426)	40.596
Class III – Unsecured Creditors		0	0	0	0	0	0
Option A – R\$ '000	107.672	(17.314)	(40.400)	(1.873)	3.032	(1.830)	49.287
Option A – US\$ '000	953	-	-	(520)	1	-	434
Option B – R\$ '000	84.097	(37.839)	-	-	3.242	(12)	49.488
Option B – US\$ '000	1.696	(763)	-	-	5	-	938
Class IV – Micro and Small Company Creditors – R\$ '000	4.612	0	0	0	39	-3.503	1.148
Total - R\$ '000	239.072	(55.153)	(40.400)	118	12.110	(13.418)	142.329
Total - US\$ '000	2.649	(763)	-	(520)	6	-	1.372

| Capex

Capex of Eternit and its subsidiaries totaled R\$10.2 million in 1Q21, which went to the program for modernizing the fiber-cement industrial facilities, the project for manufacturing photovoltaic roofing tiles and working capital requirements.

Status of investments in Strategic Projects

In 2020, the Company carried out a capital increase of R\$46.6 million through the issue of shares for private subscription, the proceeds from which were invested in the photovoltaic roofing tiles and fiber-cement modernization projects, including the Manaus plant. A total of R\$5.1 million was allocated to these projects, leaving a balance of R\$35.6 million to be used.

Status of investments in Strategic Projects

R\$ '000	Total Investment	Paid
Photovoltaic Roofing Tiles	5.800	5.300
Program for modernizing the fiber-cement industrial	40.770	5.629
Total	46.570	10.929

- (i) Photovoltaic Roofing Tiles - Eternit has been complying with the phases set out in the proof of technology project and, in 1Q21, implemented four more pilot projects for the manufacture of BIG-F10 concrete photovoltaic roofing tiles to verify the performance and durability of the product in real-time applications. The product is expected to be marketed in the second half of 2021.
- (ii) Fiber-cement - The Company continued the program to modernize the fiber-cement units through projects for expanding installed capacity of industrial units in Rio de Janeiro (+15%) and Goiânia (+25%), which should be concluded in 4Q21 and 1Q22, respectively.

| Court-Supervised Reorganization

In 1Q21, the sale of UPI Louças Sanitárias was concluded and the Company received the proceeds, net of success fee paid to the M&A advisor, amounting to R\$97.5 million. In April, the Company paid R\$92.2 million to Class III bankruptcy creditors, settling the entire amount of Option B dues and paying in advance around 82% of the balance of Option A creditors entitled to receive on the date.

On May 5, 2021, Eternit informed the market of the judicial auction of the property in Aparecida de Goiânia, established as a liquidity event, and the winning bid was for R\$24.5 million. The proceeds raised will be used to pay Option A of Class III bankruptcy creditors.

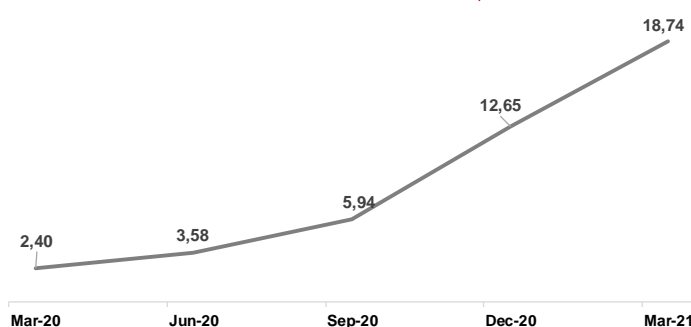
CAPITAL MARKETS AND OWNERSHIP STRUCTURE

Eternit has been a listed company since 1948 and, since 2006, its stock has been traded on the Novo Mercado, the highest level of corporate governance on the São Paulo Stock Exchange (B3) under the stock ticker ETER3.

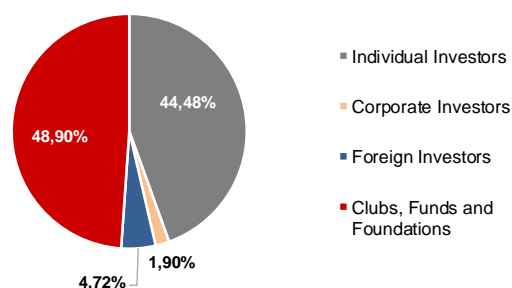
On March 31, 2021, Eternit stock was quoted at R\$18.74, appreciating 681% from March 31, 2020.

With a highly fragmented stock ownership and no shareholders' agreement or controlling group, the Company's shareholder base ended the quarter with 18,695 shareholders. At the end of the period, only three shareholders held more than 5% interest in the capital stock, with an aggregate interest of 40% of the total capital stock. Visit the Company's [IR website](#) for more information.

ETER3 Stock Performance- R\$



Shareholder Structuring 03/31/2021



EVENTS AFTER THE REPORTING PERIOD

| Capital Increase

Through the Material Fact and Notice to Shareholders disclosed on March 19, 2021, the Company informed that the Board of Directors approved a capital increase for private subscription in the amount

of R\$110 million, through the issue of 10,101,020 registered common shares with no par value, at the issue price of R\$10.89 per share. The proceeds will be used to acquire CONFIBRA Indústria e Comércio Ltda. (Material Fact notice dated March 29, 2021).

As per the Notice to Shareholders dated April 29, 2021, the Period for Exercising Preemptive Rights for subscribing to the new shares ended, with the subscription of 9,052,712 common shares (around 89% of total issued), and the subscribed and paid-in amount totaling R\$98,584,033.68. The Period of First Apportionment of unsubscribed shares began on April 30, 2021.

| Payment of Class III bankruptcy creditors - Option A and B

On April 5, 2021 and April 9, 2021, the Company announced to the market that it had paid R\$92.2 million to Class III bankruptcy creditors, thus settling the entire amount of Option B dues and paying in advance around 82% of the balance of Option A creditors entitled to receive on that date.

| Divestment of property at Aparecida de Goiânia

On May 5, 2021, Eternit announced to the market the judicial auction of the property in Aparecida de Goiânia, established as a liquidity event, and the winning bid was for R\$24.5 million. The proceeds will be used to pay the entire balance of Option A of Class III bankruptcy creditors.

ETERNIT S.A. – under Court-Supervised Reorganization
Balance Sheet

R\$ '000

ASSETS	Parent Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Current	298.458	238.859	569.804	486.081
Cash and cash equivalents	505	4.145	216.333	81.175
Accounts receivable	78.736	51.872	124.391	89.938
Inventories	55.331	52.136	86.715	73.470
Taxes recoverable	53.673	53.212	92.840	88.986
Related parties	98.277	68.920	-	-
Prepaid expenses	3.172	2.494	25.354	30.266
Other current assets	8.764	5.284	19.326	12.907
Noncurrent assets held for sale	-	796	4.845	109.339
Non-current	369.943	342.678	264.150	259.187
Judicial deposits	8.472	8.848	11.870	12.202
Taxes recoverable	25.098	25.086	33.942	34.694
Related parties	3.379	3.447	-	-
Other noncurrent assets	820	814	2.276	2.270
Investments	214.333	192.425	-	-
Right-of-use assets	-	-	8.825	9.149
Property, Plant and Equipment (PP&E)	116.921	110.951	206.290	199.730
Intangible assets	920	1.107	947	1.142
Total assets	668.401	581.537	833.954	745.268

LIABILITIES AND EQUITY	Parent Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Current liabilities	205.439	179.659	258.657	221.245
Trade accounts payable	35.511	31.434	64.968	60.536
Loans and financing	215	-	7.598	-
Related parties	78.174	71.753	-	-
Personnel expenses	19.620	15.746	24.845	19.981
Provision for post-employment benefits	2.582	2.582	7.211	7.211
Taxes, charges and contributions payable	32.620	21.235	46.974	31.029
Lease obligations	-	-	4.681	4.106
Other current liabilities	36.717	36.909	102.380	98.382
Non-Current	189.631	186.978	301.852	309.012
Loans and financing	9.745	9.327	60.641	66.388
Related parties	43.852	44.178	-	-
Taxes, charges and contributions payable	17.227	15.938	42.115	42.356
Labor obligations	7.162	7.230	8.796	9.006
Provision for tax, civil and labor risks	62.611	62.495	81.729	81.613
Provision for post-employment benefits	32.357	32.378	84.503	84.686
Provision for decommissioning of mine	-	-	7.125	7.125
Investment loss provision	4.494	3.249	-	-
Deferred income tax and social contributions	12.117	12.117	12.706	12.702
Other non-current liabilities	66	66	66	66
Lease obligations	-	-	4.171	5.070
Equity	273.331	214.900	273.445	215.011
Capital	385.537	385.537	385.537	385.537
Capital reserve	22.299	20.601	22.299	20.601
Treasury shares	(174)	(174)	(174)	(174)
Accumulated loss	(105.676)	(162.409)	(105.676)	(162.409)
Other comprehensive income	(28.655)	(28.655)	(28.655)	(28.655)
Equity attributable to controlling interests	273.331	214.900	273.331	214.900
Noncontrolling interests	-	-	114	111
Total liabilities and equity	668.401	581.537	833.954	745.268

ETERNIT S.A. – under Court-Supervised Reorganization (PARENT COMPANY)

Income Statements					
R\$ '000	1Q21	1Q20	% Chg.	4Q20	% Chg.
Gross revenues	257.880	122.441	110,6	221.596	16,4
Gross revenues deductions	(63.656)	(29.956)	112,5	(53.069)	19,9
Net revenue	194.224	92.485	110,0	168.527	15,2
Cost of goods sold	(122.516)	(80.537)	52,1	(108.434)	13,0
Gross profit (loss)	71.708	11.948	500,2	60.093	19,3
<i>Gross margin</i>	<i>37%</i>	<i>13%</i>	<i>24 p.p.</i>	<i>36%</i>	<i>1 p.p.</i>
Operating income (expenses)¹	(24.980)	(18.407)	35,7	2.281	-
Selling expenses	(11.776)	(8.089)	45,6	(11.284)	4,4
General and administrative expenses ²	(13.901)	(10.358)	34,2	(10.734)	29,5
Other operating income (expenses), net	697	40	1.642,5	24.299	(97,1)
Operating income (expenses) before equity pickup (EBIT)	46.728	(6.459)	-	62.374	(25,1)
<i>EBIT margin</i>	<i>24%</i>	<i>-7%</i>	<i>31 p.p.</i>	<i>37%</i>	<i>- 13 p.p.</i>
Equity pickup	20.663	(5.402)	-	59.466	(65,3)
Operating income (expenses) before financial expenses (EBIT*)	67.391	(11.861)	-	121.840	(44,7)
Financial income (expenses), net	453	(2.987)	-	16.732	(97,3)
Income (loss) before income and social contribution taxes	67.844	(14.848)	-	138.572	(51,0)
Current (loss) income and social contributions taxes	(9.413)	-	-	(5.419)	73,7
Deferred (loss) income and social contributions taxes	-	-	-	(12.117)	(100,0)
Net income (loss) for the year	58.431	(14.848)	-	121.036	(51,7)

ETERNIT S.A. – under Court-Supervised Reorganization (CONSOLIDATED)

Income Statements					
R\$ '000	1Q21	1Q20	% Chg.	4Q20	% Chg.
Gross revenues	338.614	146.786	130,7	285.995	18,4
Gross revenues deductions	(68.329)	(33.150)	106,1	(56.542)	20,8
Net revenue	270.285	113.636	137,9	229.453	17,8
Cost of goods sold	(149.991)	(93.866)	59,8	(126.746)	18,3
Gross profit (loss)	120.294	19.770	508,5	102.707	17,1
<i>Gross margin</i>	<i>45%</i>	<i>17%</i>	<i>28 p.p.</i>	<i>45%</i>	<i>-</i>
Operating income (expenses)¹	(42.046)	(28.388)	48,1	27.666	-
Selling expenses	(18.617)	(10.624)	75,2	(22.009)	(15,4)
General and administrative expenses ²	(21.085)	(18.448)	14,3	(24.850)	(15,2)
Other operating income (expenses), net	(2.344)	684	-	74.525	-
Operating income (expenses) before financial expenses (EBIT*)	78.248	(8.618)	-	130.373	(40,0)
Financial income (expenses), net	2.534	(5.596)	-	12.712	(80,1)
Income (loss) before income and social contribution taxes	80.782	(14.214)	-	143.085	(43,5)
Current (loss) income and social contributions taxes	(22.344)	(361)	6.089,5	(9.961)	124,3
Deferred (loss) income and social contributions taxes	(4)	(281)	(98,6)	(12.047)	(100,0)
Net income (loss) for the period	58.434	(14.856)	-	121.077	(51,7)
<i>Net margin</i>	<i>22%</i>	<i>-13%</i>	<i>35 p.p.</i>	<i>53%</i>	<i>- 31 p.p.</i>
Adjusted Net income (loss) for the period	58.258	(11.577)	-	63.548	(8,3)
<i>Adjusted Net margin</i>	<i>22%</i>	<i>-10%</i>	<i>32 p.p.</i>	<i>28%</i>	<i>- 6 p.p.</i>
Earnings (loss) per share, basic and diluted - R\$	1,1310	(0,4677)	-	2,3435	-
EBITDA	82.427	(4.728)	-	135.446	(39,1)
<i>EBITDA margin</i>	<i>30%</i>	<i>-4%</i>	<i>34 p.p.</i>	<i>59%</i>	<i>- 29 p.p.</i>
Adjusted EBITDA	84.945	240	35.306,0	67.350	26,1
<i>Adjusted EBITDA Margin</i>	<i>31%</i>	<i>0%</i>	<i>31 p.p.</i>	<i>29%</i>	<i>2 p.p.</i>

(*) Adjusted EBIT due to the result of the joint venture Companhia Sulamerica de Cerâmica

¹ It does not include equity pickup, presented separately from total operating income (expenses)

² Includes Management Compensation.

ETERNIT S.A. – under Court-Supervised Reorganization
STATEMENTS OF CASH FLOW

R\$ '000 - Accumulated	Parent Company		Consolidated	
	3/31/2021	03/31/20	3/31/2021	03/31/20
Cash flows from operating activities				
Loss (income) before income and social contribution taxes	67.844	(14.848)	80.782	(14.214)
Adjustments to concile pre-tax income to net cash generated by operating activities:				
Equity pickup	(20.663)	5.402	-	-
Depreciation and amortization	2.751	1.292	3.855	3.890
Gain (loss) on disposal of property, plant and equipment and intangible assets	-	-	2.194	-
Allow ance for doubtful accounts	(52)	263	(228)	428
Provision for impairment of net realizable value	(15)	(36)	(935)	1.423
Estimated impairment losses	-	-	(2.194)	-
Provision for tax, civil and labor risks	116	18	116	18
Provision for post-employment benefits	(21)	-	(182)	-
Financial charges, and monetary and exchange variations	549	1.715	(402)	(1.479)
Amortization of right of use	-	-	324	351
	50.509	(6.194)	83.330	(9.583)
Decrease (increase) in operating assets:				
Accounts receivable	(26.812)	5.649	(32.141)	(5.495)
Related parties	(29.276)	(11.885)	-	-
Inventories	(3.180)	4.753	(12.310)	2.449
Taxes recoverable	(100)	(621)	(3.306)	(509)
Judicial deposits	376	(360)	332	(384)
Other assets	(4.163)	1.676	(1.515)	(656)
Noncurrent assets held for sale	796	-	104.494	-
Increase (decrease) in operating liabilities				
Trade accounts payable	4.077	(1.005)	4.721	1.959
Related parties	5.595	12.936	-	-
Taxes, charges and contributions payable	8.742	6.306	8.101	6.390
Personnel expenses	3.806	(229)	4.654	(84)
Post-employment benefits	-	(152)	-	224
Other liabilities	(192)	(1.544)	3.998	(383)
Cash provided by operating activities	10.178	9.330	160.358	(6.072)
Interest paid	-	(323)	-	(498)
Income and social contribution taxes paid	(5.853)	-	(14.536)	(47)
Net cash provided by operating activities	4.325	9.007	145.822	(6.617)
Cash flow from investing activities				
Additions to PP&E and intangible assets	(8.534)	(489)	(10.220)	(1.846)
Net cash used in investing activities	(8.534)	(489)	(10.220)	(1.846)
Cash flows from financing activities				
Loans and financing raised	569	8.424	1.594	34.825
Repayment of loans and financing	-	(11.917)	(1.426)	(24.854)
Lease operations	-	-	(612)	-
Net cash used in financing activities	569	(3.493)	(444)	9.971
Increase (Decrease) in cash and cash equivalents	(3.640)	5.025	135.158	1.508
At beginning of period	4.145	3.871	81.175	9.358
At end of period	505	8.896	216.333	10.866
Decrease (Increase) in cash and cash equivalents	(3.640)	5.025	135.158	1.508