

Cimento Tupi S.A.

Interim financial information

For the periods ended June 30, 2020 and 2019

(In thousands of Brazilian Reais)

The Company presents next the result of its operational performance.

CEMENT MARKET

In the first half of 2020, the Company recorded an increase in sales of cement and clinker, in comparison with the same period of 2019.

OPERATING REVENUE

The Company's net revenue reached R\$ 144,167, against R\$ 111,913 in the same period of 2019, which represents an increase of 28.82%.

GROSS PROFIT AND EBITDA

The Company reported gross loss in the amount of R\$ 9,678. In the same period of 2019, it had loss of R\$ 6,239. The Company's EBITDA in the first half of 2020 was positive by R\$ 5,588, after the deduction of non-recurring revenues and expenses, as stated in the table below:

	1st half of 2020	1st half of 2019
Gross profit	9,678	(6,239)
Selling expenses	(4,901)	(6,783)
General and administrative expenses	(12,943)	(16,441)
Other operating revenues (expenses)	(185)	36,530
Operating income (loss)*	(8,531)	7,067
Depreciation, amortization and depletion	10,196	10,858
Nonrecurring expenses (revenues)	3,743	(26,456)
EBITDA	5,588	(8,531)

*Before financial revenues and expenses

GENERAL AND ADMINISTRATIVE EXPENSES

For this period, the Company reported expenses of R\$ 12,943 against R\$ 16,441 in the same period of 2019.

FINANCIAL LIABILITIES

The Company reported net debt of R\$ 3,041,022 in this period of 2020 and R\$ 1,971,585 in the same period of 2019. The increase in foreign exchange rate and no payment of interest were responsible for the increase in foreign currency debt.

	1st half of 2020	1st half of 2019
Short term		
Bank indebtedness		
Domestic currency	315,188	275,035
Foreign currency *	1,925,799	1,154,376
Total	2,240,987	1,429,411
Long term		
Bank indebtedness		
Domestic currency	23,119	22,654
Foreign currency *	930,497	524,500
Total	953,616	547,154
Total debt (net of fund raising cost)		
Domestic currency	338,307	297,483
Foreign currency	2,856,296	1,678,876
Total	3,194,603	1,976,359
Cash and cash equivalents	7,006	4,774
Net debt	3,187,597	1,971,585
* Exchange rate losses included in foreign currency loans (principal).	(720,117)	(390,509)

DEBT RENEGOTIATION

The Company renegotiated the payment flow and extension of part of its debt with Brazilian banks.

The Company's Management and its financial advisors have been discussing with the remaining creditors of Cimento Tupi new terms and conditions that would allow adjusting the Company's cash flow to its new debt profile.

The Company also has some non-operating assets, such as mines in Adrianópolis, Formosa, and Mossoró, whose disposal in the reorganization process is being evaluated by Management.