

(Convenience translation into English from the original  
previously issued in Portuguese)

CIMENTO TUPI S.A.

(Under Court-Ordered Reorganization)

Independent auditor's review report

Individual and consolidated interim financial  
information

As at June 30, 2022

CIMENTO TUPI S.A.  
(Under Court-Ordered Reorganization)

Review report on the individual and consolidated interim financial information  
As at June 30, 2022

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## REVIEW REPORT ON THE INDIVIDUAL AND CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the  
Management and Shareholders of  
Cimento Tupi S.A. - Under Court-ordered Reorganization  
Rio de Janeiro - RJ

### Introduction

We were engaged to review the individual and consolidated interim financial information of Cimento Tupi S.A. - Under Court-Ordered Reorganization ("Company"), identified as parent company and consolidated, respectively, for the quarter ended June 30, 2022, which comprises the individual and consolidated interim statement of financial position as at June 30, 2022 and the respective individual and consolidated interim statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the corresponding notes.

The Company's Management is responsible for the preparation of this individual and consolidated interim financial information, in accordance with Technical Pronouncement CPC 21 (R1) and with International Accounting Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - (IASB). Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists principally of applying analytical and other review procedures and making enquiries of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.

### Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that would lead us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and IAS 34, applicable to Quarterly Information.

## Emphasis

### Court-ordered Reorganization Plan - Revocation of the stay of execution

We draw attention to Notes 1 and 30 to the individual and consolidated the interim financial information, which mention that on February 11, 2021, the Company filed a request with the New York Court for recognition of its court-ordered reorganization, in progress in Brazil, as the main proceeding in the Company's restructuring process, based on Chapter 15 of the United States Bankruptcy Code. With the New York Court's recognition of the court-ordered reorganization, the lawsuit filed in the same jurisdiction by certain holders of notes against the Company will be suspended and, if the Company's Court-Ordered Reorganization Plan is approved by the Brazilian Court and accepted by the New York Court, as previously mentioned, its conditions will be mandatory and binding for all note holders, ending the lawsuit in progress in that country.

On July 25, 2022, the Judge of the 13th Civil Division of the Court of Justice of the State of Rio de Janeiro, justice of the Appeal filed by certain foreign Funds, holders of notes, against the decision to ratify the Court-Ordered Reorganization Plan, granted the stay of execution formulated in the appeal.

On August 15, 2022, the Judge revoked their decision to grant the stay of execution, thus reestablishing the ratification of the Court-Ordered Reorganization Plan, for all legal purposes, allowing the Company to resume the fulfillment of said Plan as approved by the majority of creditors.

In view of that and considering the decision regarding the continuity of the Court-Ordered Reorganization Plan, our conclusion is not qualified in respect of this matter.

### Court-Ordered Reorganization Plan - Credits held by Megeve Capital LLC

We draw attention to Note 30.3 to the individual and consolidated interim financial information, which describes that, on October 14, 2022, the Company received correspondence sent by Megeve Capital LLC, assignee of the post-petition credits originally held by *Banco de Desenvolvimento de Minas Gerais* (BDMG), in which they stated that the Company's debt to the referred creditor is considered overdue in advance, based exclusively on its request for Court-Ordered Reorganization. The Company promptly responded to the creditor regarding such unfounded allegation, since the court-ordered reorganization was requested in January 2021, long before Megeve acquired said credits, and BDMG has never used such event as an attempt to collect the debt in advance. Additionally, the Company has been regularly and timely complying with the obligations of the contract, including in relation to the monthly installment payments as of November 2021, with no remark or opposition from Megeve. Our conclusion is not qualified in respect of this matter.

### Material uncertainty as to the Company's going concern

We draw attention to Note 1 to the individual and consolidated interim financial information, which mentions that they were prepared assuming the Company and its controlled companies will continue as a going concern and describes that in the six-month period ended June 30, 2022, the Company and its controlled companies have presented accumulated losses amounting to R\$ 1,635,559 thousand, individual and consolidated current liabilities exceeding individual and consolidated current assets by R\$ 169,858 thousand and R\$ 62,260 thousand, respectively, a high degree of long-term bank indebtedness, and deficit in equity amounting to R\$ 1,325,016 thousand.

This situation indicates the existence of material uncertainty that may cast doubt on the Company's and its controlled companies' ability to continue as a going concern and doubt as to the basis of preparation of the individual and consolidated interim financial information, considering that, as at June 30, 2022, the Company's individual and consolidated assets and liabilities were classified and evaluated assuming that the Company will continue as a going concern. The Company's Management considers that the Company will continue as a going concern, given that based on its studies and projections, the financial and equity scenarios described above are already provided for under the Court-Ordered Reorganization, which indicates that the Company will generate enough resources to continue operating in the foreseeable future. Our conclusion is not qualified in respect of this matter.

#### Other matters

##### Statements of value added

The accompanying individual and consolidated interim financial information includes the individual and consolidated statements of value added for the six-month period ended June 30, 2022, prepared under the responsibility of the Management of the Company and its controlled companies and presented as supplementary information for the purposes of IAS 34. These individual and consolidated statements were submitted to the same review procedures followed for the review of the quarterly information, for the purpose of concluding on whether they are reconciled with the individual and consolidated interim financial information and accounting records, as applicable, and if their form and contents meet the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". Based on our review, we are not aware of any fact that would lead us to believe that these individual and consolidated statements of value added were not prepared, in all material respects, in accordance with the criteria established in this Technical Pronouncement and consistently with the individual and consolidated interim financial information taken as a whole.

The accompanying financial information has been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, October 31, 2022.

# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

Statements of financial position  
As at June 30, 2022, and December 31, 2021  
(In thousands of Brazilian Reais)

Assets	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Current				
Cash and cash equivalents (Note 5)	978	3,116	55,848	26,660
Accounts receivable (Note 6)	38,688	22,163	38,739	22,163
Inventories (Note 7)	68,041	70,656	103,651	105,690
Recoverable taxes (Note 8)	36,009	35,168	36,268	35,279
Notes receivable (Note 9)	1,307	-	4,298	3,635
Advances to suppliers	3,217	6,435	5,355	7,348
Other current assets	2,367	2,286	2,549	2,579
Total current assets	150,607	139,824	246,708	203,354
Noncurrent				
Notes receivable (Note 9)	3,861	4,922	3,861	4,922
Receivables from third parties	1,948	1,948	1,948	1,948
Related-party transactions (Note 14)	51,146	20,397	-	-
Recoverable taxes (Note 8)	124,372	129,002	124,372	129,002
Deferred Income and Social Contribution Taxes (Note 20)	95,487	305,798	95,487	305,798
Court deposits (Note 21)	13,472	12,696	14,177	13,401
Investments				
Controlled companies (Note 10)	107,760	106,443	-	-
Other investments	-	-	249	249
Fixed assets (Note 11)	560,873	559,283	588,162	586,913
Intangible assets (Note 12)	128,983	128,978	152,082	151,533
Total noncurrent assets	1,087,902	1,269,467	980,338	1,193,766
Total assets	1,238,509	1,409,291	1,227,046	1,397,120

The accompanying notes are an integral part of this individual and consolidated interim financial information.

# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

## Statements of financial position As at June 30, 2022, and December 31, 2021 (In thousands of Brazilian Reais)

Liabilities and equity	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
<b>Liabilities</b>				
<b>Current</b>				
Loans and financing (Note 13)	165,024	3,438,772	165,024	3,438,772
Trade accounts payable	31,318	55,710	32,043	56,484
Salaries and social charges	13,100	18,780	13,648	19,178
Income and Social Contribution Taxes payable	648	-	925	62
Related-party payables (Note 14)	15,592	15,592	-	-
Taxes in installments (Note 15)	58,659	36,834	60,804	38,886
Taxes payable (Note 16)	22,816	8,326	23,113	8,541
Other accounts payable (Note 17)	13,308	17,436	13,411	17,556
<b>Total current liabilities</b>	<b>320,465</b>	<b>3,591,450</b>	<b>308,968</b>	<b>3,579,479</b>
<b>Noncurrent</b>				
Loans and financing (Note 13)	2,113,154	215,525	2,113,154	215,525
Trade accounts payable	19,176	-	19,176	-
Taxes in installments (Note 15)	104,262	101,520	107,777	105,896
Provision for contingencies (Note 21)	15	15	15	15
Provision for loss on investments (Note 18)	3,530	4,625	-	-
Other accounts payable (Note 17)	2,972	4,196	2,972	4,196
<b>Total noncurrent liabilities</b>	<b>2,243,109</b>	<b>325,881</b>	<b>2,243,094</b>	<b>325,632</b>
<b>Equity (Note 19)</b>				
Capital stock	298,809	298,809	298,809	298,809
Capital reserves	11,685	11,685	11,685	11,685
Accumulated losses	(1,635,559)	(2,818,534)	(1,635,559)	(2,818,534)
<b>Total equity attributable to controlling shareholders</b>	<b>(1,325,065)</b>	<b>(2,508,040)</b>	<b>(1,325,065)</b>	<b>(2,508,040)</b>
<b>Noncontrolling interest</b>	<b>-</b>	<b>-</b>	<b>49</b>	<b>49</b>
<b>Total equity</b>	<b>(1,325,065)</b>	<b>(2,508,040)</b>	<b>(1,325,016)</b>	<b>(2,507,991)</b>
<b>Total liabilities and equity</b>	<b>1,238,509</b>	<b>1,409,291</b>	<b>1,227,046</b>	<b>1,397,120</b>

The accompanying notes are an integral part of this individual and consolidated interim financial information.

# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

## Statements of income

For the periods ended June 30, 2022 and 2021

(In thousands of Brazilian Reais, except losses per share, stated in Brazilian Reais)

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Net operating revenues (Note 22)	280,658	239,187	278,067	237,017
Cost of goods sold	(208,056)	(177,535)	(203,896)	(176,198)
Gross profit	72,602	61,652	74,171	60,819
Operating expenses				
Selling expenses	(5,651)	(4,990)	(5,651)	(4,990)
General and administrative expenses (Note 23)	(44,265)	(19,518)	(44,997)	(20,667)
Other operating revenues (expenses), net (Note 24)	(1,674)	(21,947)	(516)	(21,727)
	(51,590)	(46,455)	(51,164)	(47,384)
Operating income (loss) before equity in earnings (losses) of controlled companies and financial income (loss)	21,012	15,197	23,007	13,435
Equity in earnings (losses) of controlled companies (Note 10)	2,411	(1,754)	-	-
Financial income (loss) (Note 25)				
Financial expenses	(30,138)	(40,788)	(30,483)	(40,930)
Financial revenues	322,238	140,478	323,842	140,666
	292,100	99,690	293,359	99,736
Operating income (loss) before other revenues/expenses	315,523	113,133	316,366	113,171
Other revenues (Note 26)	1,070,272	-	1,070,272	-
Income (loss) before Income and Social Contribution Taxes	1,385,795	113,133	1,386,638	113,171
Income and Social Contribution Taxes (Note 20)	(202,820)	(148)	(203,663)	(186)
Minority interest	-	-	-	-
Net income for the period	1,182,975	112,985	1,182,975	112,985
Net income attributed to:				
Controlling shareholders	1,182,975	112,985	1,182,975	112,985
Noncontrolling shareholders	-	-	-	-
Basic and diluted net earnings (losses) for the period (Note 19)				
Preferred shares	52,5465	5,0187	-	-
Common shares	47,7696	4,5624	-	-

The accompanying notes are an integral part of this individual and consolidated interim financial information.



# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

## Statements of comprehensive income For the periods ended June 30, 2022 and 2021 (In thousands of Brazilian Reais)

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Net income for the period	1,182,975	112,985	1,182,975	112,985
Other comprehensive income	-	-	-	-
Total comprehensive income, net of taxes	<u>1,182,975</u>	<u>112,985</u>	<u>1,182,975</u>	<u>112,985</u>
Attributable to:				
Controlling shareholders	1,182,975	112,985	1,182,975	112,985
Noncontrolling shareholders	-	-	-	-

The accompanying notes are an integral part of this individual and consolidated interim financial information.

# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

## Statements of changes in equity (In thousands of Brazilian Reais)

	Capital stock	Capital reserve Goodwill on subscription of shares	Accumulated losses	Total	Minority interest	Total
Balances as at December 31, 2020	298,809	11,685	(2,690,678)	(2,380,184)	50	(2,380,134)
Net income for the period	-	-	112,985	112,985	-	112,985
Balances as at June 30, 2021	298,809	11,685	(2,577,693)	(2,267,199)	50	(2,267,149)
Balances as at December 31, 2021	298,809	11,685	(2,818,534)	(2,508,040)	49	(2,507,991)
Net income for the period	-	-	1,182,975	1,182,975	-	1,182,975
Balances as at June 30, 2022	298,809	11,685	(1,635,559)	(1,325,065)	49	(1,325,016)

The accompanying notes are an integral part of this individual and consolidated interim financial information.

# CIMENTO TUPI S.A. - EM RECUPERAÇÃO JUDICIAL

## Statements of cash flows For the periods ended June 30, 2022 and 2021 (In thousands of Brazilian Reais)

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Cash flows from operating activities				
Income before Income and Social Contribution Taxes	1,385,795	113,133	1,386,638	113,171
Adjustments from:				
Depreciation/amortization	10,732	10,151	11,326	10,526
Write-off of fixed assets	184	3,422	329	3,305
Equity in earnings (losses) of controlled companies	(2,411)	1,754	-	-
Debt forgiveness	(1,070,272)	-	(1,070,272)	-
Contingencies	116	18,897	116	18,897
Exchange rate losses on investment abroad	(317,269)	(138,758)	(317,269)	(138,758)
Discount to present value	(176)	(159)	(176)	(159)
Fines and interest on assets	(4,626)	(1,239)	(4,667)	(1,239)
Fines and interest on liabilities	20,550	38,967	20,837	39,072
Allowance for doubtful accounts	96	73	96	73
Other asset/liability write-offs	-	-	(1,021)	-
	<u>22,719</u>	<u>46,241</u>	<u>25,937</u>	<u>44,888</u>
(Increase)/decrease in asset accounts				
Accounts receivable	(16,621)	(10,211)	(16,672)	(10,211)
Notes receivable	-	-	1,666	(25)
Recoverable taxes	(63,498)	(58,699)	(65,403)	(59,855)
Inventories	2,615	(4,173)	2,040	(5,526)
Advances to suppliers	3,218	(3,257)	1,992	(3,702)
Other receivables	(1,174)	(736)	29	440
Court deposits	(780)	2,928	(780)	2,973
Increase/(decrease) in liability accounts				
Trade accounts payable	(4,418)	21,487	(4,462)	14,991
Tax liabilities	109,621	47,238	109,815	47,312
Salaries and social charges	2,140	1,704	2,290	1,891
Interest paid on loans	(43)	(6)	(43)	(6)
Other liabilities	(5,464)	(1,195)	(5,481)	(1,180)
Net cash from operating activities	<u>48,315</u>	<u>41,321</u>	<u>50,928</u>	<u>31,990</u>
Cash flows from investing activities				
Acquisition of fixed assets	(13,207)	(17,368)	(13,643)	(18,202)
Disposal of fixed assets	-	-	-	1
Acquisition of intangible assets	(37)	(150)	(544)	(207)
Acquisition of investments	-	(4,000)	-	-
Net cash from investing activities	<u>(13,244)</u>	<u>(21,518)</u>	<u>(14,187)</u>	<u>(18,408)</u>
Cash flows from financing activities				
Advance for Future Increase in Capital (AFAC) - Related-party payments	(29,656)	(10,076)	-	-
Paid loans and financing	(7,553)	(11,264)	(7,553)	(11,264)
Net cash from financing activities	<u>(37,209)</u>	<u>(21,340)</u>	<u>(7,553)</u>	<u>(11,264)</u>
(Decrease)/increase in cash and cash equivalents, net	<u>(2,138)</u>	<u>(1,537)</u>	<u>29,188</u>	<u>2,318</u>
Cash and cash equivalents at beginning of year	3,116	2,234	26,660	19,071
Cash and cash equivalents at end of period	<u>978</u>	<u>697</u>	<u>55,848</u>	<u>21,389</u>
(Decrease)/increase in cash and cash equivalents, net	<u>(2,138)</u>	<u>(1,537)</u>	<u>29,188</u>	<u>2,318</u>

The accompanying notes are an integral part of this individual and consolidated interim financial information.

# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

## Statements of value added For the periods ended June 30, 2022 and 2021 (In thousands of Brazilian Reais)

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Revenues				
Gross operating revenue	374,870	318,936	375,318	318,960
Sales returns	(902)	(378)	(902)	(378)
Allowance for doubtful accounts	(96)	(73)	(96)	(73)
Other operating revenues (expenses), net	1,070,261	(1,395)	1,070,368	(1,183)
	<u>1,444,133</u>	<u>317,090</u>	<u>1,444,688</u>	<u>317,326</u>
Inputs acquired from third parties				
Cost of goods sold	(165,170)	(155,755)	(158,400)	(152,797)
Materials, electricity, third-party services and others	(78,750)	(84,109)	(78,178)	(85,087)
	<u>1,200,213</u>	<u>77,226</u>	<u>1,208,110</u>	<u>79,442</u>
Gross value added				
Withholdings				
Depreciation and amortization	(10,732)	(10,151)	(11,326)	(10,526)
	<u>1,189,481</u>	<u>67,075</u>	<u>1,196,784</u>	<u>68,916</u>
Net value added generated				
Value added received in transfer				
Equity in earnings (losses) of controlled companies	2,411	(1,754)	-	-
Financial revenues	322,238	140,478	323,842	140,666
Deferred Income and Social Contribution Taxes	(202,172)	2,637	(202,172)	2,637
	<u>1,311,958</u>	<u>208,436</u>	<u>1,318,454</u>	<u>212,219</u>
Total value added to be distributed				
Controlling shareholders	1,311,958	208,436	1,318,454	212,219
Noncontrolling shareholders	-	-	-	-
Value added distribution				
Personnel and charges	36,802	25,056	38,672	26,198
Taxes, fees and contributions	60,249	28,089	64,498	30,580
Interest and rents	31,932	42,306	32,309	42,456
Net income for the period	1,182,975	112,985	1,182,975	112,985
	<u>1,311,958</u>	<u>208,436</u>	<u>1,318,454</u>	<u>212,219</u>

The accompanying notes are an integral part of this individual and consolidated interim financial information.

# CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

Notes to the individual and consolidated financial information

As at June 30, 2022

(In thousands of Brazilian Reais, unless otherwise stated)

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## 1. Operations

Cimento Tupi S.A. - Under Court-Ordered Reorganization (“Cimento Tupi” or “Company”), headquartered at Av. das Américas, 500, Rooms 205 and 206, Barra da Tijuca, Rio de Janeiro, is engaged in manufacturing cement and mortars of all types in its manufacturing plants located in Volta Redonda (RJ), Pedra do Sino (MG) and Mogi das Cruzes (SP), digging in reserves to obtain minerals, using cement byproducts, rendering concreting services and holding interest in other companies.

After a strong economic slowdown in the country, which had a significant impact on the cement sector between 2014 and 2019, the average price of cement increased in 2020 and remained the same throughout 2021.

According to the National Cement Industry Union’s (SNIC) June 2022 preliminary results, there was a 2.7% retraction in cement sales for the first six months of the year, compared to the same period in 2021. If we compare by business days, this retraction reaches 3.4%. The accelerated increase in production costs in the cement industry, combined with the increase in interest rates and inflation, contributed to this poor performance. Despite the improvement in the unemployment rate, the high level of household debt and rising interest rate have compromised the performance of the cement industry.

As for its indebtedness, considering that a large part of the Company’s debt is in foreign currency, the Company is exposed to exchange rate volatility.

Management considers the assumption that the Company will continue as a going concern, based on operating and financial projections contained in an economic feasibility report prepared by a specialized company that was attached to the Court-Ordered Reorganization Plan filed in the Company’s court-ordered reorganization process, which indicate that the Company will generate sufficient funds to continue operating and meeting its duties for the foreseeable future. These projections (Statements of Income, Financial Position and Cash Flows) are based on Cimento Tupi’s historical results and price and volume trends for the coming years, an analysis of the sector and the current market situation, as well as the costs involved in operation, investments and payment of financial liabilities under the conditions set forth in the approved court-ordered reorganization plan.

### 1.1. Court-Ordered Reorganization Plan

On January 21, 2021, the Company filed its request for court-ordered reorganization with the 3rd Business Court of the state capital of Rio de Janeiro, which was approved on January 22, 2021.

## CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

Notes to the individual and consolidated financial information

As at June 30, 2022

(In thousands of Brazilian Reais, unless otherwise stated)

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The Company presented in court, on March 26, 2021, the Court-Ordered Reorganization Plan ("PRJ") as well as the detailing of the means to be used for carrying it out (restructuring the indebtedness with payment proposals to the creditors subjected to court-ordered reorganization, disposal of assets, maintenance and increase of its activities and other means detailed on the PRJ), economic feasibility study, financial and economic position and valuation reports of assets and rights of the Company.

The Court-Ordered Reorganization Plan presented by the Company at the General Creditor's Meeting of October 14, 2021 was approved by the majority of the creditors, and ratified by the Judge of the Court-Ordered Reorganization on February 4, 2022. The Company's notification on the ratification of the PRJ took place on February 22, 2022 and the publication of the ratification decision on March 15, 2022. The Company has been making payments to creditors, as established in the mentioned Plan.

The full text of the court-ordered reorganization plan, approved at the General Creditors' Meeting, may be consulted on the Company's website, through the following link: <http://www.cimentotupi.com.br/cimentotupi/Portugues/detRecuperacaoJudicial.php>

The payments made by the Company, after the approval of the PRJ until June 30, 2022, by class of creditors, in accordance with the terms of the Court-Ordered Reorganization Plan are as follows:

Creditors	Class	Relation - Art. 7, Paragraph 2 LRE	Paid values
Labor	I	869	865
Unsecured	III	3,204,608	13,080
Small or Very Small Business (ME-EPP)	IV	5,631	3,848

On 02/11/2021, the Company filed a request to the New York Court for recognition of its court-ordered reorganization, in progress in Brazil, as the main proceeding in the Company's restructuring process, based on Chapter 15 of the United States Bankruptcy Code. With the New York Court's recognition of the court-ordered reorganization, the lawsuit filed in the same jurisdiction by certain holders of notes against the Company will be suspended and, if the Company's Court-Ordered Reorganization Plan is approved by the Brazilian Court and accepted by the New York Court, as previously mentioned, its conditions will be mandatory and binding for all note holders, ending the lawsuit in progress in that country.

## CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

Notes to the individual and consolidated financial information

As at June 30, 2022

(In thousands of Brazilian Reais, unless otherwise stated)

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On July 25, 2022, the Judge of the 13th Civil Division of the Court of Justice of the State of Rio de Janeiro, justice of the Appeal filed by certain foreign Funds, holders of notes against the decision to ratify the Court-Ordered Reorganization Plan, granted the stay of execution formulated in the appeal. On August 15, 2022, the Judge revoked their decision to grant the stay of execution, thus reestablishing the ratification of the Court-Ordered Reorganization Plan, for all legal purposes, allowing the Company to resume the fulfillment of said Plan as approved by the majority of creditors.

### 2. Presentation of the individual and consolidated interim financial information

The Company's individual and consolidated interim financial information was and is presented in accordance with Brazilian accounting practices and with the pronouncements issued by the Committee of Accounting Pronouncements (CPC), in conformity with the international accounting standards issued by the International Accounting Standards Board (IASB). The individual and consolidated interim financial information includes comparative information regarding the previous period.

The individual and consolidated interim financial information was prepared based on the historical cost, except for certain financial instruments measured at fair value through profit or loss.

Items included in the financial information of each of the companies are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The individual and consolidated interim financial information is presented in thousands of Brazilian Reais (R\$ thousand), which is the Company's functional and reporting currency.

#### Summary of the significant accounting practices and estimates

The accounting practices used in the preparation of this individual and consolidated interim financial information are consistent with the ones used for the preparation of the individual and consolidated financial statements as at December 31, 2021, approved on May 02, 2022.

This individual and consolidated interim financial information must be analyzed considering the aforementioned financial statements for a better understanding of the data presented.

## CIMENTO TUPI S.A. - UNDER COURT-ORDERED REORGANIZATION

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### 3. Consolidation

The interim financial information includes the statements of Cimento Tupi S.A. - Under Court-Ordered Reorganization and of the controlled companies listed below, on which the Company holds interest higher than 20%.

	Ownership interest %			
	Capital stock		Voting capital	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Touro Empreendimentos Imobiliários e Participações Ltda.	99.99	99.99	99.99	99.99
Tupi do Nordeste Ltda.	99.99	99.99	99.99	99.99
Cimento Tupi Overseas Inc.	100.00	100.00	100.00	100.00
CP Cimento Overseas Co.	100.00	100.00	100.00	100.00
Tupi Rio Transportes S.A.	100.00	100.00	100.00	100.00
Tupimec - Indústria Mecânica Ltda.	99.99	99.99	99.99	99.99
Mape Incorporação e Empreendimentos Ltda.	99.99	99.99	99.99	99.99
Tupi Mineradora de Calcário Ltda.	99.90	99.90	99.90	99.90
Britas Arujá Ltda.	99.99	99.99	99.99	99.99

The consolidation process of accounts recorded in the statement of financial position and in income (loss) corresponds to the sum of balances in assets, liabilities, income and expenses according to their nature, plus the following eliminations:

- Ownership interest, reserves and retained earnings.
- Balances of intercompany accounts and other asset and/or liability accounts maintained between the companies whose statements of financial position were included in consolidation.
- Balances of intercompany revenues and expenses.
- Effects from material intercompany transactions.

The periods of the financial information of consolidated controlled companies coincide with those of the Company. Accounting practices were consistently applied by all consolidated companies.

### 4. New standards, revisions and interpretations issued not yet in effect as at December 31, 2022

#### a) Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

This standard is applicable to years beginning on or after January 01, 2022, for contracts existing on the date the amendments are first applied.



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They specifically determine which costs should be considered when calculating the cost of fulfilling a contract.

The Company's Management expects no significant impacts upon the adoption of this standard.

b) Other standards

- (1) Amendment to IAS 16 Property, Plant and Equipment: Classification of Proceeds Before Intended Use. This amendment elucidates aspects to be considered for the classification of items produced before fixed assets are in the intended conditions for use. It is effective for years beginning on or after January 01, 2022;
- (2) Annual Improvements to IFRS 2018-2020 Standards, effective for periods beginning on or after January 01, 2022: the Annual Improvements contain amendments to IFRS 1, addressing aspects of first adoption in controlled companies; IFRS 9, addressing the 10% criterion for reversal of financial liabilities; IFRS 16, addressing examples of lease; and IAS 41, addressing aspects for measurement at fair value. They are effective for years beginning on or after January 01, 2022;
- (3) Amendment to IFRS 3: it includes conceptual alignments of this standard with the conceptual framework of IFRS standards. It is effective for periods beginning on or after January 01, 2022;
- (4) Amendment to IFRS 17: it includes elucidation of aspects related to insurance contracts. It is effective for periods beginning on or after January 01, 2023;
- (5) Amendment to IAS 1 - Classification of Liabilities as Current or Noncurrent: this amendment elucidates aspects to be considered for classification of liabilities as current or noncurrent. The amendment to IAS 1 will be in effect for periods beginning on or after January 01, 2023; and
- (6) Amendment to standard IFRS 4 - Extension of the Temporary Exemption from Applying IFRS 9: it elucidates aspects related to insurance contracts and the temporary exemption from applying IFRS 9 to insurance companies. It is effective for periods beginning on or after January 01, 2023.

Management is evaluating the impacts of the aforementioned new standards and amendments and considers that their adoption will not significantly affect the interim financial information of the Company and its controlled companies.

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5. Cash and cash equivalents

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Cash and banks	1	3,116	1	2,589
Bank Certificates of Deposit (CDB)	977	-	55,847	24,071
Cash and cash equivalents	978	3,116	55,848	26,660

CDBs refer to investments whose yields approximate the variation of the Interbank Deposit Rate (CDI).

The highest yield of the financial investments listed above is 96% of CDI.

6. Accounts receivable

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Notes receivable	48,505	32,555	48,556	32,555
Provision for expected losses	(9,817)	(10,392)	(9,817)	(10,392)
	38,688	22,163	38,739	22,163

The changes in the allowance for doubtful accounts during the periods ended June 30, 2022 and December 31, 2021, are as follows:

Balances as at December 31, 2021	Amount
	(10,392)
(+) Complement of the allowance for doubtful accounts	(96)
(-) Write-off for loss	671
Balances as at June 30, 2022	(9,817)
Balances as at December 31, 2020	(10,185)
(+) Complement of the allowance for doubtful accounts	(207)
(-) Write-off for loss	-
Balances as at December 31, 2021	(10,392)

The Company recognizes this allowance based on the history of its expected losses monitored by Management, at an amount deemed sufficient to cover probable losses on the realization of accounts receivable.

The balance of consolidated accounts receivable per maturity is as follows:

CIMENTO TUPI S.A. - UNDER COURT-ORDERED  
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	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Falling due	27,267	10,479	27,318	10,479
Overdue for up to 90 days	871	542	871	542
Between 91 and 180 days overdue	733	750	733	750
More than 180 days overdue	9,817	10,392	9,817	10,392
	<u>38,688</u>	<u>22,163</u>	<u>38,739</u>	<u>22,163</u>

7. Inventories

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Finished goods	2,284	3,072	3,094	3,871
Work in process	3,979	5,247	3,979	5,247
Raw materials - Slag	15,933	13,561	15,933	13,561
Raw materials - Coke	4,980	5,806	4,980	5,806
Other raw materials	10,470	11,596	10,470	11,597
Materials for maintenance and consumption	29,655	31,140	29,666	31,145
Inventory in transit	740	234	740	234
Land for sale (i)	-	-	34,789	34,229
	<u>68,041</u>	<u>70,656</u>	<u>103,651</u>	<u>105,690</u>

(i) It refers to inventories of plots of land belonging to controlled companies Mape Incorporação e Empreendimentos Ltda. and Touro Empreendimentos Imobiliários e Participações Ltda.

8. Taxes to offset

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Current assets				
State VAT (ICMS)	5,584	6,094	5,584	6,108
Income Tax/Social Contribution Tax	115	-	175	57
Taxes on Sales (PIS/COFINS)	29,560	28,283	29,756	28,323
Federal VAT (IPI)	750	458	750	458
Others	-	333	3	333
	<u>36,009</u>	<u>35,168</u>	<u>36,268</u>	<u>35,279</u>
Noncurrent assets				
State VAT (ICMS)	4,164	5,315	4,164	5,315
PIS/COFINS	120,208	123,687	120,208	123,687
	<u>124,372</u>	<u>129,002</u>	<u>124,372</u>	<u>129,002</u>

In October 2020, the Company recognized the individual and consolidated balances of PIS and COFINS credits, amounting to R\$ 32,512 thousand and R\$ 142,856 thousand, respectively, subject to offset. These amounts, totaling R\$ 175,368, result from a final and unappealable court decision issued on 09/30/2019, which removed ICMS from the calculation basis of PIS and COFINS and authorized the administrative offset of amounts paid in the five years prior to the decision, to be requested to and approved by the Brazilian Federal Revenue Service. On 02/19/2021, the Brazilian Federal Revenue Service started an investigation to calculate the total amount of this credit, which ended in March/2022, enabling the Company to offset the aforementioned credits.

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9. Notes receivable

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Seival Sul Mineração S.A. (i)	1,307	1,237	1,307	1,237
Ano Bom Incorp. e empreendimento S.A. (ii)	-	-	2,991	2,882
Agemar Empreendimentos e Participações Ltda. (iii)	4,440	4,440	4,440	4,440
Discount to present value	(579)	(755)	(579)	(755)
Others	-	-	-	753
	<u>5,168</u>	<u>4,922</u>	<u>8,159</u>	<u>8,557</u>
Current assets	1,307	-	4,298	3,635
Noncurrent assets	3,861	4,922	3,861	4,922

- (i) It refers to the balance receivable from the sale of shares of Companhia Nacional de Mineração Candiota;  
(ii) It refers to the balance receivable from the sale of a property in Barra Mansa, state of Rio de Janeiro, by the controlled company Mape;  
(iii) It refers to the balance receivable for the sale of the controlled company Suape Granéis do Nordeste Ltda.

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10. Investments in controlled companies

a) Statements on main controlled companies

	06/30/2022					12/31/2021				
	Mape Incorporação e Empreendimentos Ltda.	Tupimec Indústria Mecânica Ltda.	Tupi Mineradora de Calcário Ltda.	Tupi do Nordeste Ltda.	Tupi Rio Transportes S.A.	Mape Incorporação e Empreendimentos Ltda.	Tupimec Indústria Mecânica Ltda.	Tupi Mineradora de Calcário Ltda.	Tupi do Nordeste Ltda.	Tupi Rio Transporte s S.A.
Ownership interest - %	99.99	99.99	99.90	99.99	100.00	99.99	99.99	99.90	99.99	100.00
Equity	40,297	(35)	47,835	2,087	(3,494)	38,942	24	48,190	2,332	(4,616)
Income (loss) for the period	1,354	(59)	(355)	(245)	1,130	(843)	(52)	(570)	(411)	(1,540)

b) Changes in investments

	06/30/2022						2021		
	Mape Incorporação e Empreendimentos Ltda.	Tupimec Indústria Mecânica Ltda.	Tupi Mineradora de Calcário Ltda.	Tupi do Nordeste Ltda.	Tupi Rio Transportes S.A.	Touro Empreendimentos Imobiliários e Participações Ltda.	Others	Total	Total
Balance at beginning of period	38,939	23	48,141	2,332	-	16,747	261	106,443	96,493
Capital contributions	-	-	-	-	-	-	-	-	11,399
Equity in earnings (losses) of controlled companies	1,354	(59)	(355)	(245)	1,130	586	-	2,411	(2,989)
Reclassification as liabilities	-	36	-	-	(1,130)	-	-	(1,094)	1,540
Balance at end of period	40,293	-	47,786	2,087	-	17,333	261	107,760	106,443

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	12/31/2021							2020	
	Mape Incorporação e Empreendimentos Ltda.	Tupimec Indústria Mecânica Ltda.	Tupi Mineradora de Calcário Ltda.	Tupi do Nordeste Ltda.	Tupi Rio Transportes S.A.	Touro Empreendimentos Imobiliários e Participações Ltda.	Others	Total	Total
Balance at beginning of period	35,658	75	45,856	2,323	-	12,320	261	96,493	84,788
Capital contributions	4,124	-	2,855	420	-	4,000	-	11,399	11,934
Equity in earnings (losses) of controlled companies	(843)	(52)	(570)	(411)	(1,540)	427	-	(2,989)	(2,511)
Reclassification as liabilities	-	-	-	-	1,540	-	-	1,540	2,282
Balance at end of period	<u>38,939</u>	<u>23</u>	<u>48,141</u>	<u>2,332</u>	<u>-</u>	<u>16,747</u>	<u>261</u>	<u>106,443</u>	<u>96,493</u>

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Mape Incorporação e Empreendimentos Ltda.

Mape is mainly engaged in developing, administrating, purchasing and selling properties.

Tupimec Indústria Mecânica Ltda.

Tupimec is mainly engaged in manufacturing and installing industrial machinery and equipment and repairing and maintaining railway equipment.

Tupi Mineradora de Calcário Ltda.

Tupi Mineradora is an entity mainly engaged in exploring and using mineral reserves, as well as in exploring agriculture, livestock, afforestation and reforestation, with the sale of products from these activities.

Tupi do Nordeste Ltda.

Tupi do Nordeste is mainly engaged in exploring agriculture, livestock, afforestation and reforestation, with the sale of products from these activities and holding interest, as shareholder or member, in commercial, industrial or financial businesses, in accordance with the applicable legal requirements, in the region of Mossoró, state of Rio Grande do Norte.

Britas Arujá Ltda.

Britas Arujá is an entity in pre-operating stage, engaged in exploring, using, researching and mining mineral reserves, including granite grit found within Brazilian territory, and in trading the products deriving from such activities.

Touro Empreendimentos Imobiliários e Participações Ltda.

Touro Empreendimentos Imobiliários e Participações is mainly engaged in developing, administrating, purchasing and selling properties.

Tupi Rio Transportes S/A

Tupi Rio's main objective is road transport at the municipal, state and interstate levels, using its own fleet and/or a third party's for the execution of freight in general and for transporting bagged and bulk cargo, liquid, gaseous and special cargo or cargo stored in containers.

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## 11. Fixed assets

Accounts	Parent company				
	06/30/2022		12/31/2021		Annual depreciation rates
	Cost	Accumulated Depreciation/ Depletion	Net	Net	
Plots of land	29,394	-	29,394	29,330	
Buildings	108,854	(31,034)	77,820	78,914	2%
Industrial machinery, equipment and facilities	687,911	(302,951)	384,960	384,970	3.33%
Furniture and fixtures	3,447	(2,962)	485	470	10%
Vehicles	7,464	(5,025)	2,439	2,397	20%
Railway wagons	19,145	(3,845)	15,300	14,209	3.33%
Leasehold improvements	902	(877)	25	-	(*)
Machinery and equipment to be installed	2,714	(679)	2,035	2,081	3.33%
Construction in progress	28,770	-	28,770	27,020	
Limestone mines	23,136	(3,785)	19,351	19,580	(**)
Others	5,567	(5,273)	294	312	4% to 20%
	<u>917,304</u>	<u>(356,431)</u>	<u>560,873</u>	<u>559,283</u>	

  

Accounts	Consolidated				
	06/30/2022		12/31/2021		Annual depreciation rates
	Cost	Accumulated Depreciation/ Depletion	Net	Net	
Plots of land	53,783	-	53,783	53,688	
Buildings	108,854	(31,056)	77,828	78,922	2%
Industrial machinery, equipment and facilities	689,216	(303,789)	385,427	385,523	3.33%
Furniture and fixtures	3,463	(2,970)	493	471	10%
Vehicles	13,668	(9,455)	4,213	4,414	20%
Railway wagons	19,145	(3,845)	15,300	14,209	3.33%
Leasehold improvements	902	(877)	25	-	(*)
Machinery and equipment to be installed	2,714	(679)	2,035	2,081	3.33%
Construction in progress	28,770	-	28,770	27,020	
Advances to suppliers	460	-	460	510	
Limestone mines	23,136	(3,785)	19,351	19,580	(**)
Others	5,762	(5,285)	477	495	4% to 20%
	<u>949,903</u>	<u>(361,741)</u>	<u>588,162</u>	<u>586,913</u>	

(\*) Depreciation according to lease agreement terms;

(\*\*) Limestone mines are amortized according to the period of depletion in proportion to the extracted ore.

As at June 30, 2022, the amount of R\$ 10,383 (R\$ 9,916 as at June 30, 2021), referring to depreciation, was accounted for as cost of goods sold.

As described in Note 12, Management reviewed the net book value of its assets as at December 31, 2021, to evaluate impairment, and the recognition of a provision for impairment was not considered necessary.



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During the assessment of recoverability of its assets, the Company used the value in use per Cash Generating Unit (UCG) based on projections approved by Management and assumptions consistent with the analyses performed in 2021 and 2020, which consider:

- Review of scenarios for each UGC pursuant to business plans;
- The country's macroeconomic scenario;
- Cash flow period compatible with proven mineral reserves, without perpetuity, also including assets with long maturation periods;
- Constant dollar discount rate of 11.83% based on the Weighted Average Cost of Capital (WACC).

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The changes in fixed assets in the periods ended June 30, 2022 and 2021, were as follows:

Cost of fixed assets	Parent company												Total
	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	
Balance as at December 31, 2021	29,330	108,854	679,299	3,397	7,104	17,756	875	2,714	27,020	-	23,136	5,530	905,015
Additions	75	-	1,706	19	360	1,370	-	-	9,640	-	-	37	13,207
Transfers	-	-	7,640	32	-	19	27	-	(7,718)	-	-	-	-
Write-offs	(11)	-	(734)	(1)	-	-	-	-	(172)	-	-	-	(918)
Balance as at December 31, 2022	<u>29,394</u>	<u>108,854</u>	<u>687,911</u>	<u>3,447</u>	<u>7,464</u>	<u>19,145</u>	<u>902</u>	<u>2,714</u>	<u>28,770</u>	<u>-</u>	<u>23,136</u>	<u>5,567</u>	<u>917,304</u>

  

Depreciation of fixed assets	Parent company												Total
	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	
Balance as at December 31, 2021	-	(29,940)	(294,329)	(2,927)	(4,707)	(3,547)	(875)	(633)	-	-	(3,556)	(5,218)	(345,732)
Additions	-	(1,094)	(8,622)	(36)	(318)	(298)	(2)	(46)	-	-	(229)	(55)	(10,700)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	1	-	-	-	-	-	-	-	-	1
Balance as at December 31, 2022	<u>-</u>	<u>(31,034)</u>	<u>(302,951)</u>	<u>(2,962)</u>	<u>(5,025)</u>	<u>(3,845)</u>	<u>(877)</u>	<u>(679)</u>	<u>-</u>	<u>-</u>	<u>(3,785)</u>	<u>(5,273)</u>	<u>(356,431)</u>

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Parent company													
Fixed assets, net	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	Total
Balances as at June 30, 2022	29,394	77,820	384,960	485	2,439	15,300	25	2,035	28,770	-	19,351	294	560,873
Parent company													
Cost of fixed assets	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	Total
Balance as at December 31, 2020	28,698	109,652	655,503	3,220	5,183	15,729	875	2,714	26,022	2,062	23,136	5,720	878,514
Additions	2,024	-	1,470	7	163	676	-	-	12,994	-	-	34	17,368
Transfers	-	90	6,091	249	-	-	-	-	(6,430)	-	-	-	-
Write-offs	(1,392)	-	(657)	(22)	(20)	-	-	-	(733)	(2,027)	-	(205)	(5,056)
Balances as at June 30, 2021	<u>29,330</u>	<u>109,742</u>	<u>662,407</u>	<u>3,454</u>	<u>5,326</u>	<u>16,405</u>	<u>875</u>	<u>2,714</u>	<u>31,853</u>	<u>35</u>	<u>23,136</u>	<u>5,549</u>	<u>890,826</u>
Parent company													
Depreciation of fixed assets	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	Total
Balance as at December 31, 2020	-	(28,389)	(278,611)	(2,965)	(4,376)	(3,015)	(746)	(542)	-	-	(3,098)	(5,362)	(327,104)
Additions	-	(1,105)	(8,174)	(32)	(114)	(258)	(71)	(46)	-	-	(229)	(56)	(10,085)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	739	23	21	-	-	-	-	-	-	204	987
Balances as at June 30, 2021	<u>-</u>	<u>(29,494)</u>	<u>(286,046)</u>	<u>(2,974)</u>	<u>(4,469)</u>	<u>(3,273)</u>	<u>(817)</u>	<u>(588)</u>	<u>-</u>	<u>-</u>	<u>(3,327)</u>	<u>(5,214)</u>	<u>(336,202)</u>

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(In thousands of Brazilian Reals, unless otherwise stated)

Consolidated													Total
Cost of fixed assets	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	Total
Balance as at December 31, 2021	53,688	108,884	680,674	3,406	13,033	17,756	875	2,714	27,020	510	23,136	5,725	937,421
Additions	106	-	1,730	26	694	1,370	-	-	9,640	-	-	37	13,603
Transfers	-	-	7,640	32	-	19	27	-	(7,718)	-	-	-	-
Write-offs	(11)	-	(828)	(1)	(59)	-	-	-	(172)	(50)	-	-	(1,121)
Balances as at June 30, 2022	<u>53,783</u>	<u>108,884</u>	<u>689,216</u>	<u>3,463</u>	<u>13,668</u>	<u>19,145</u>	<u>902</u>	<u>2,714</u>	<u>28,770</u>	<u>460</u>	<u>23,136</u>	<u>5,762</u>	<u>949,903</u>

Consolidated													Total
Depreciation of fixed assets	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	Total
Balance as at December 31, 2021	-	(29,962)	(295,151)	(2,935)	(8,619)	(3,547)	(875)	(633)	-	-	(3,556)	(5,230)	(350,508)
Additions	-	(1,094)	(8,638)	(36)	(895)	(298)	(2)	(46)	-	-	(229)	(55)	(11,293)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	1	59	-	-	-	-	-	-	-	60
Balances as at June 30, 2022	<u>-</u>	<u>(31,056)</u>	<u>(303,789)</u>	<u>(2,970)</u>	<u>(9,455)</u>	<u>(3,845)</u>	<u>(877)</u>	<u>(679)</u>	<u>-</u>	<u>-</u>	<u>(3,785)</u>	<u>(5,285)</u>	<u>(361,741)</u>

Consolidated													Total
Fixed assets, net	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	Total
Balance as at June 30, 2022	53,783	77,828	385,427	493	4,213	15,300	25	2,035	28,770	460	19,351	477	588,162

CIMENTO TUPI S.A. - EM RECUPERAÇÃO JUDICIAL

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As at June 30, 2022

(In thousands of Brazilian Reals, unless otherwise stated)

Cost of fixed assets	Consolidated												Total
	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	
Balance as at December 31, 2020	53,056	109,682	656,660	3,229	9,694	15,729	875	2,714	26,022	2,521	23,136	5,915	909,233
Additions	2,025	-	1,470	7	999	676	-	-	12,994	-	-	34	18,205
Transfers	-	90	6,091	249	-	-	-	-	(6,430)	-	-	-	-
Write-offs	(1,392)	-	(657)	(23)	(68)	-	-	-	(733)	(2,027)	-	(205)	(5,105)
Balances as at June 30, 2021	<u>53,689</u>	<u>109,772</u>	<u>663,564</u>	<u>3,462</u>	<u>10,625</u>	<u>16,405</u>	<u>875</u>	<u>2,714</u>	<u>31,853</u>	<u>494</u>	<u>23,136</u>	<u>5,744</u>	<u>922,333</u>

Depreciation of fixed assets	Consolidated												Total
	Plots of land	Buildings	Ind. machinery, equip. and facilities	Furniture and fixtures	Vehicles	Railway wagons	Leasehold improvements	Machinery and equipment to be installed	Construction in progress	Advances to suppliers	Limestone mines	Others	
Balance as at December 31, 2020	-	(28,404)	(279,429)	(2,973)	(7,600)	(3,015)	(746)	(542)	-	-	(3,098)	(5,374)	(331,181)
Additions	-	(1,105)	(8,177)	(32)	(368)	(258)	(71)	(46)	-	-	(229)	(56)	(10,342)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	739	23	65	-	-	-	-	-	-	204	1,031
Balances as at June 30, 2021	<u>-</u>	<u>(29,509)</u>	<u>(286,867)</u>	<u>(2,982)</u>	<u>(7,903)</u>	<u>(3,273)</u>	<u>(817)</u>	<u>(588)</u>	<u>-</u>	<u>-</u>	<u>(3,327)</u>	<u>(5,226)</u>	<u>(340,492)</u>

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(In thousands of Brazilian Reais, unless otherwise stated)

### 12. Intangible Assets

	Parent company				Consolidated			
	Goodwill	Mining rights	Others	Total	Goodwill	Mining rights	Others	Total
Balances as at December 31, 2021	93,564	35,143	271	128,978	93,564	57,553	416	151,533
Additions	-	-	37	37	-	544	37	581
Amortization	-	-	(32)	(32)	-	-	(32)	(32)
Balances as at June 30, 2022	<u>93,564</u>	<u>35,143</u>	<u>276</u>	<u>128,983</u>	<u>93,564</u>	<u>58,097</u>	<u>421</u>	<u>152,082</u>

	Parent company				Consolidated			
	Goodwill	Mining rights	Others	Total	Goodwill	Mining rights	Others	Total
Balances as at December 31, 2020	93,564	35,143	243	128,950	93,564	57,372	388	151,324
Additions	-	-	150	150	-	58	150	208
Amortization	-	-	(67)	(67)	-	-	(67)	(67)
Balances as at June 30, 2021	<u>93,564</u>	<u>35,143</u>	<u>326</u>	<u>129,033</u>	<u>93,564</u>	<u>57,430</u>	<u>471</u>	<u>151,465</u>

#### Impairment test for cash generating units containing goodwill

Goodwill is directly related to the plant of Pedra do Sino (MG). The recoverable value of the assets was calculated based on the Company's cash generating unit: Pedra do Sino Plant. The methodology used was the discounted cash flow in the useful life of the assets of the cash generating unit.

As a consequence of the review of the recoverable value of the Company's assets made as at December 31, 2021, the recoverable amount is higher than the assets' book value. Accordingly, no provision was made for impairment as at June 30, 2022.

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As at June 30, 2022

(In thousands of Brazilian Reals, unless otherwise stated)

13. Loans and financing (consolidated)

	06/30/2022		12/31/2021		Current status
	Current	Noncurrent	Current	Noncurrent	
Parent company					
Domestic currency					
Megeve Capital LLC					Post-petition credits
Raised in April 2013, originally adjusted at CDI + interest of 1% p.a. and 0.5% p.a., maturing until Oct/2030					On July 30, 2021, the Company was notified of the assignment of credit from BDMG to Megeve Capital LLC.
	<u>1,415</u>	<u>223,398</u>	<u>1,377</u>	<u>214,586</u>	
	1,415	223,398	1,377	214,586	
Working capital					
CCBs issued by Banco Credit Suisse in April 2013, originally adjusted at CDI + interest of 4% p.a.	121,669	-	113,512	-	Post-petition credits
Geribá Participações (CCB originally issued by Banco Credit Suisse)	-	3,609	3,573	-	Petition credits - The approval of the court-ordered reorganization plan was published in the Federal Register on 03/15/2022
	<u>123,084</u>	<u>227,007</u>	<u>118,462</u>	<u>214,586</u>	
In foreign currency					
Notes					Petition credits - The approval of the court-ordered reorganization plan was published in the Federal Register on 03/15/2022
Sinosure - Facility Agreement (Agricultural Bank of China)	37,165	1,715,253	1,931,494	-	Petition credits - The approval of the court-ordered reorganization plan was on 02/04/2022
Tupacta AG	2,336	100,794	112,715	-	Petition credits - The approval of the court-ordered reorganization plan was published in the Federal Register on 03/15/2022
Others -	2,336	69,672	1,276,101	-	Petition credits - The approval of the court-ordered reorganization plan was published in the Federal Register on 03/15/2022
	<u>103</u>	<u>428</u>	<u>-</u>	<u>939</u>	
	<u>41,940</u>	<u>1,886,147</u>	<u>3,320,310</u>	<u>939</u>	
Parent company	165,024	2,113,154	3,438,772	215,525	
Consolidated	165,024	2,113,154	3,438,772	215,525	

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Notes to the individual and consolidated financial information

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(In thousands of Brazilian Reals, unless otherwise stated)

14. Related-party transactions

	06/30/2022							12/31/2021	
	Tupi Rio Transportes S.A.	Tupi Mineradora de Calcário Ltda.	Touro Empreendimentos Imobiliários e Participações Ltda.	Tupi do Nordeste Ltda.	Mape Incorporação e Empreendimentos Ltda.	Tupimec Indústria Mecânica Ltda.	Britas Arujá Ltda.	Total	Total
Noncurrent assets									
Advance for increase in capital	129	3,001	47,725	219	-	72	-	51,146	20,397
Current liabilities									
Anticipated dividends	-	-	-	-	15,584	-	8	15,592	15,592
Transactions									
Cost of goods sold and services rendered	(24,672)	-	-	-	-	-	-	(24,672)	(34,580)

Related-party transactions mainly refer to intercompany accounts and provision of services and input for production and operation of the entities' businesses.



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### 15. Taxes and contributions in installments

These mainly refer to the installment payment of ICMS of the states of São Paulo, Minas Gerais and Rio de Janeiro.

	Parent company					
	06/30/2022			12/31/2021		
	Principal	Interest/Fine	Total	Principal	Interest/Fine	Total
Current liabilities	45,118	13,541	58,659	26,188	10,646	36,834
ICMS	42,596	11,419	54,015	21,835	8,917	30,752
Others	2,522	2,122	4,644	4,353	1,729	6,082
Noncurrent liabilities	75,406	28,856	104,262	76,501	25,019	101,520
ICMS	63,014	24,614	87,628	68,870	21,882	90,752
Others	12,392	4,242	16,634	7,631	3,137	10,768
	<u>120,524</u>	<u>42,397</u>	<u>162,921</u>	<u>102,689</u>	<u>35,665</u>	<u>138,354</u>

  

	Consolidated					
	06/30/2022			12/31/2021		
	Principal	Interest/Fine	Total	Principal	Interest/Fine	Total
Current liabilities	46,650	14,154	60,804	27,688	11,198	38,886
ICMS	43,459	11,608	55,067	22,732	9,025	31,757
Others	3,191	2,546	5,737	4,956	2,173	7,129
Noncurrent liabilities	78,136	29,641	107,777	80,389	25,507	105,896
ICMS	64,703	24,897	89,600	71,653	21,476	93,129
Others	13,433	4,744	18,177	8,736	4,031	12,767
	<u>124,786</u>	<u>43,795</u>	<u>168,581</u>	<u>108,077</u>	<u>36,705</u>	<u>144,782</u>

### 16. Taxes payable

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
ICMS	17,693	6,878	17,835	6,994
PIS/COFINS	2,671	-	2,807	78
Service Tax (ISS)	530	550	537	556
Others	<u>1,922</u>	<u>898</u>	<u>1,934</u>	<u>913</u>
	<u>22,816</u>	<u>8,326</u>	<u>23,113</u>	<u>8,541</u>

### 17. Other accounts payable

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Current liabilities				
Advances from customers	1,059	594	1,059	611
Credit purchase agreement - ICMS	4,800	4,800	4,800	4,800
Provision - electricity	5,565	3,915	5,565	3,915
Profit sharing program - 2021	-	6,004	-	6,004
Others	<u>1,884</u>	<u>2,123</u>	<u>1,987</u>	<u>2,226</u>
	<u>13,308</u>	<u>17,436</u>	<u>13,411</u>	<u>17,556</u>

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	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Noncurrent liabilities				
Credit purchase agreement - ICMS	2,972	4,196	2,972	4,196
	<u>2,972</u>	<u>4,196</u>	<u>2,972</u>	<u>4,196</u>

### 18. Provision for investments

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Noncurrent liabilities				
Investment - Tupi Rio Transportes S/A	3,494	4,625	-	-
Investment - Tupimec Ind. Mecânica Ltda	36	-	-	-
	<u>3,530</u>	<u>4,625</u>	<u>-</u>	<u>-</u>

### 19. Equity

#### a) Capital stock

As at June 30, 2022, fully subscribed and paid-in capital stock is represented by 11,793 common shares and 11,792 preferred shares with no par value. Preferred shares are not entitled to voting and to receiving minimum or fixed dividends.

#### b) Capital reserves

Goodwill reserve represents excess value upon issue or capitalization in relation to the basic share value on the date of issue, in 1996.

#### c) Statutory reserve

This reserve is recognized through the allocation of 5% of net income for the year until it reaches 20% of capital stock, which is the limit provided for in corporate law, and may be used to absorb accumulated losses.

#### d) Appropriated retained earnings

This account is recognized by retaining part of net income for the year, if any. Said retention is based on the capital budget prepared by Management and approved by Shareholders in the Annual General Meeting, and is intended to be used in the Company's future investments.

## CIMENTO TUPI S.A. - EM RECUPERAÇÃO JUDICIAL

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### e) Dividends

Shareholders are entitled to mandatory dividends of 25% of net income for the year, adjusted in conformity with legal provisions.

Preferred shares are entitled to receive dividends per share that are 10% higher than dividends per share paid to common shares.

### f) Earnings (losses) per share

In compliance with CPC 41, the Company presents the following statements on earnings (losses) per share for the periods ended June 30, 2022 and 2021.

Basic earnings (losses) per share are calculated by dividing net income (loss) for the period, attributable to the holders of the parent company's common and preferred shares, by the weighted average of common and preferred shares outstanding during the period.

The following tables present the results and shares used to calculate basic and diluted losses per share:

	06/30/2022			06/30/2021		
	Common shares	Preferred shares	Total	Common shares	Preferred shares	Total
Income for the period	563,346	619,629	1,182,975	53,805	59,180	112,985
Weighted average number of shares (in thousands of shares)	11,793	11,792	23,585	11,793	11,792	23,585
Basic and diluted earnings per share	47.7696	52.5465		4.5624	5.0187	

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20. Income and Social Contribution Taxes

a) Reconciliation of Income and Social Contribution tax expenses

	Parent company							
	Income tax				Social Contribution tax			
	2nd quarter/2022 - Quarterly taxable income	1st quarter/2022 - Quarterly taxable income	2nd quarter/2021 - Quarterly taxable income	1st quarter/2021 - Quarterly taxable income	2nd quarter/2022 - Quarterly taxable income	1st quarter/2022 - Quarterly taxable income	2nd quarter/2021 - Quarterly taxable income	1st quarter/2021 - Quarterly taxable income
Income (loss) before taxes	898,625	487,170	410,745	(297,612)	898,625	487,170	410,745	(297,612)
Add-backs								
Equity in earnings (losses) of controlled companies	-	52	1,000	754	-	52	1,000	754
Realization of positive difference of sub-account - Assets	26	26	27	26	26	26	27	26
Exchange rate gains (losses) on loans	182,940	-	-	274,933	182,940	-	-	274,933
Interest on loans	3,676	3,111	1,955	1,259	3,676	3,111	1,955	1,259
Provision for contingencies	-	40	18,793	-	-	40	18,793	-
Other add-backs	1,148	1,147	1,147	1,252	1,148	1,147	1,147	1,252
Deductions								
Equity in earnings (losses) of controlled companies	2,463				2,463			
Depreciation - Corporate x Tax rate differences	8,391	8,411	8,129	8,097	8,391	8,411	8,129	8,097
Exchange rate gains (losses) on loans	-	500,209	413,690	-	-	500,209	413,690	-
Other deductions	2,542	2,185	80	79	2,542	2,185	80	79
Adjusted income/(loss)	1,073,019	(19,259)	11,768	(27,564)	1,073,019	(19,259)	11,768	(27,564)
Applicable rates	25%	25%	25%	25%	9%	9%	9%	9%
Current Income and Social Contribution Taxes	(476)	-	(2,044)	-	(172)	-	(741)	-
Tax debts accrued from deferred Income and Social Contribution Taxes on temporary differences	(147,584)	(1,072)	3,395	(1,457)	(53,130)	(386)	1,223	(524)
Income and Social Contribution Taxes in income (loss)	(148,060)	(1,072)	1,351	(1,457)	(53,302)	(386)	482	(524)

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	Consolidated							
	Income tax				Social Contribution tax			
	2nd quarter/2022 - Quarterly taxable income	1st quarter/2022 - Quarterly taxable income	2nd quarter/2021 - Quarterly taxable income	1st quarter/2021 - Quarterly taxable income	2nd quarter/2022 - Quarterly taxable income	1st quarter/2022 - Quarterly taxable income	2nd quarter/2022 - Quarterly taxable income	1st quarter/2021 - Quarterly taxable income
Income/(loss) before taxes	899,281	487,357	410,773	(297,602)	899,281	487,357	410,773	(297,602)
Add-backs								
Income (loss) from controlled companies under deemed profit	-	-	476	17	-	-	476	17
Realization of positive difference of sub-account - Assets	26	26	27	26	26	26	27	26
Exchange rate gains (losses) on loans	182,940	-	-	274,933	182,940	-	-	274,933
Interest on loans	3,676	3,111	1,955	1,259	3,676	3,111	1,955	1,259
Provision for contingencies	-	40	18,793	-	-	40	18,793	-
Other add-backs	1,155	1,151	1,147	1,252	1,155	1,151	1,147	1,252
Deductions								
Income (loss) from controlled companies under deemed profit	2,443	415	-	-	2,443	415	-	-
Depreciation - Corporate x Tax rate differences	8,391	8,411	8,129	8,097	8,391	8,411	8,129	8,097
Exchange rate gains (losses) on loans	-	500,209	413,690	-	-	500,209	413,690	-
Other deductions	2,542	2,185	80	79	2,542	2,185	80	79
Adjusted income/(loss)	1,073,702	(19,535)	11,272	(28,291)	1,073,702	(19,535)	11,272	(28,291)
Applicable rates	25%	25%	25%	25%		9%	9%	9%
Current Income and Social Contribution Taxes	(476)	-	(2,044)	-	(172)	-	(741)	-
Current Income (IRPJ) and Social Contribution (CSLL) taxes of controlled companies - taxable income	(232)	(19)	-	-	(81)	(9)	-	-
IRPJ and CSLL - Deemed income	(249)	(114)	(18)	(6)	(94)	(45)	(10)	(4)
Tax debts accrued from deferred Income and Social Contribution Taxes on temporary differences	(147,584)	(1,072)	3,395	(1,457)	(53,130)	(386)	1,223	(524)
Income and Social Contribution Taxes in income (loss)	(148,541)	(1,205)	1,333	(1,463)	(53,477)	(440)	472	(528)

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(In thousands of Brazilian Reais, unless otherwise stated)

### b) Breakdown of deferred Income and Social Contribution Taxes

	Parent company and Consolidated	
	06/30/2022	12/31/2021
Income and Social Contribution tax losses	-	130,261
Provisions for contingencies	5	5
Taxed transactions on a cash basis - (exchange rate gains (losses) and interest on loans)	210,655	285,720
Deferred IRPJ and CSLL tax assets	210,660	415,986
Deferred IRPJ and CSLL on temporary differences	(83,361)	(78,376)
Tax amortization of goodwill	(31,812)	(31,812)
Deferred IRPJ and CSLL tax liabilities	(115,173)	(110,188)
	<u>95,487</u>	<u>305,798</u>

Deferred Income and Social Contribution tax losses were not recognized, calculated as of the second half of 2015.

Income and Social Contribution tax losses have no statute of limitations; however, the Company may use only the amount equivalent to up to 30% of taxable income per year.

The Company realized part of the balance of deferred Income and Social Contribution taxes recognized on tax losses in 2014, 2017 and in the first and second quarters of 2022.

### 21. Provisions for contingencies

The Company and its controlled companies are parties to lawsuits and administrative proceedings incidental to its business, regarding tax, labor, civil and other issues. Based on the opinion of its legal counselors, the Company conducts an analysis of pending lawsuits and recognizes a provision in an amount deemed sufficient to cover the estimated losses from ongoing lawsuits for those with expectation of probable loss.

As at June 30, 2022, the Company maintains a provision for contingencies arising from labor and tax discussions whose likelihood of loss is probable, in the amount of R\$ 15 (R\$ 15 as at December 31, 2021).

	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Initial balance	3,868	3,868	3,868	3,868
New ones	-	-	-	-
Adjustment	12	12	12	12
Concluded ones	(3,865)	(3,865)	(3,865)	(3,865)
Final balance	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>

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As at June 30, 2022, the Company has court deposits in the amount of R\$ 14,177 (R\$ 13,401 as at December 31, 2021).

Additionally, the Company and its controlled companies are parties to civil, labor and tax proceedings whose likelihood of an unfavorable outcome has been rated as possible by Management and its legal counselors. Therefore, no provision for contingencies was recognized.

As at June 30, 2022, the amount of such contingencies was R\$ 113,674 (R\$ 113,674 as at December 31, 2021), as follows:

Type	Parent company		Consolidated	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Tax contingencies	39,151	39,151	100,410	100,410
Labor contingencies	11,533	11,533	12,241	12,241
Civil contingencies	1,010	1,010	1,023	1,023
	<u>51,694</u>	<u>51,694</u>	<u>113,674</u>	<u>113,674</u>

### 22. Net operating revenues

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Gross sales				
Sales of goods	374,870	318,937	375,318	318,960
Deductions from sales	(94,212)	(79,750)	(97,251)	(81,943)
Sales returns	(902)	(378)	(902)	(378)
ICMS on sales	(64,623)	(54,837)	(65,356)	(55,441)
PIS and COFINS on sales	(28,687)	(24,514)	(30,934)	(26,053)
Others	-	(21)	(59)	(71)
Net operating revenues	<u>280,658</u>	<u>239,187</u>	<u>278,067</u>	<u>237,017</u>

### 23. General and administrative expenses

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Expenses on remuneration, charges and benefits	(23,717)	(10,216)	(23,813)	(10,320)
Lawyers' fees (*)	(15,085)	(5,459)	(15,094)	(5,974)
Lease of properties/vehicles/equipment	(168)	(154)	(186)	(187)
Travel expenses	(398)	(17)	(420)	(28)
Third-party/consulting services	(3,075)	(2,294)	(3,350)	(2,557)
Others	(1,822)	(1,378)	(2,134)	(1,601)
	<u>(44,265)</u>	<u>(19,518)</u>	<u>(44,997)</u>	<u>(20,667)</u>

(\*) The increase in lawyers' fees is mostly due to the Company's Court-ordered reorganization process.

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### 24. Other operating revenues/(expenses), net

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Provision for contingencies	-	(18,745)	-	(18,745)
Write-off of fixed assets/investments	(11)	(1,395)	(35)	(1,210)
ICMS on shipments	(509)	(1,407)	(509)	(1,407)
Taxes in installments	(1,629)	-	(1,629)	-
Others	475	(400)	1,657	(365)
	<u>(1,674)</u>	<u>(21,947)</u>	<u>(516)</u>	<u>(21,727)</u>

### 25. Net financial income

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Financial expenses				
Interest on loans	(9,241)	(16,030)	(9,241)	(16,030)
Interest/finances on tax installment payments	(11,079)	(2,855)	(11,377)	(2,948)
Discounts granted	(150)	(160)	(151)	(160)
Contractual interest	(9,551)	(21,622)	(9,551)	(21,622)
Exchange rate gains (losses) on loans	-	-	-	-
Other financial expenses	(117)	(121)	(163)	(170)
	<u>(30,138)</u>	<u>(40,788)</u>	<u>(30,483)</u>	<u>(40,930)</u>

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Financial revenues				
Discounts obtained	22	64	24	66
Interest on financial investments	4	4	1,459	164
Interest received from customers	357	246	357	246
Exchange rate gains (losses) on loans	317,268	138,748	317,268	138,748
Other interest gains (mainly SELIC interest on PIS/COFINS recoverable)	4,411	-	4,558	-
Other financial revenues	176	1,416	176	1,442
	<u>322,238</u>	<u>140,478</u>	<u>323,842</u>	<u>140,666</u>
	<u>292,100</u>	<u>99,690</u>	<u>293,359</u>	<u>99,736</u>

### 26. Other revenues

	Parent company		Consolidated	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Income (loss) from restructuring of third-party loans	1,070,272	-	1,070,272	-
	<u>1,070,272</u>	<u>-</u>	<u>1,070,272</u>	<u>-</u>

Due to the choice of certain creditors of the Company as to payment options provided for in the Court-Ordered Reorganization Plan that provided for haircut, until June 2022, the amount of R\$ 1,070,272 was recognized as debt forgiveness, decreasing its liabilities by this amount.

The haircut informed in the statements refers to the discount applied to the credits of restructured Class III Creditors (as defined in the Court-Ordered Reorganization Plan), including Class III Credits represented by Senior Unsecured Notes. Until May 2022, said Creditors opted for restructuring in accordance with those provided for in Clauses 4.3.1.3 (Option II - 70% haircut), 4.3.1.4 (Option III - 75% haircut) and 4.3.1.5 (Option IV - 95% haircut) of the Court-Ordered Reorganization Plan.



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### 27. Segment reporting

Management groups entities into two distinct segments:

#### a) Cement

This segment is mainly engaged in manufacturing cements and mortars of all types in the Company's manufacturing units.

#### b) Real estate management and development

This segment is mainly engaged in developing and administrating properties. This activity is conducted by two of the Company's controlled companies.

Management monitors the operating income (loss) of its business units separately for the purpose of making decisions on the allocation of funds and assessment of performance.

The segment's performance is appraised based on operating results, measured in relation to the operating results of the consolidated financial information.

The Company's segment information is as follows:

	06/30/2022				
	Cement	Real estate management and development	Others	Eliminatio ns	Total consolidated
Net revenue	280,658	4	22,078	(24,673)	278,067
Gross profit	72,602	4	1,565	-	74,171
Depreciation and amortization	(10,732)	-	(594)	-	(11,326)
Operating income	21,012	944	1,051	-	23,007
Financial income (loss)	292,100	1,500	(241)	-	293,359
Equity in earnings (losses) of controlled companies	2,411	-	-	(2,411)	-
Other revenues	1,070,272	-	-	-	1,070,272
Income before taxes	1,385,795	2,444	810	(2,411)	1,386,638
Income and Social Contribution Taxes	(202,820)	(503)	(340)	-	(203,663)
Minority interest	-	-	-	-	-
Net Income	1,182,975	1,941	470	(2,411)	1,182,975
Current assets	150,607	90,350	7,121	(1,370)	246,708
Noncurrent assets	1,087,902	15,584	51,102	(174,250)	980,338
Current liabilities	320,465	48,158	8,454	(68,109)	308,968
Noncurrent liabilities	2,243,109	146	3,369	(3,530)	2,243,094

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	06/30/2021				Total consolidated
	Cement	Real estate management and development	Others	Eliminations	
Net revenue	239,187	23	14,445	(16,638)	237,017
Gross income (loss)	61,652	23	(856)	-	60,819
Depreciation and amortization	(10,151)	-	(375)	-	(10,526)
Operating income (loss)	15,197	(564)	(1,198)	-	13,435
Financial income (loss)	99,690	110	(64)	-	99,736
Equity in earnings (losses) of controlled companies	(1,754)	-	-	1,754	-
Income (loss) before taxes	113,133	(454)	(1,262)	1,754	113,171
Income and Social Contribution Taxes	(148)	(38)	-	-	(186)
Minority interest	-	-	-	-	-
Net income (loss)	112,985	(492)	(1,262)	1,754	112,985
Current assets	126,678	57,530	3,686	(809)	187,085
Noncurrent assets	1,219,725	15,584	49,763	(136,787)	1,148,285
Current liabilities	3,260,168	21,348	4,481	(38,282)	3,247,715
Noncurrent liabilities	353,434	278	5,002	(3,910)	354,804

## 28. Financial instruments and risk management

### 28.1. Analysis of financial instruments

The fair value of financial assets and liabilities is included in the value by which an instrument may be exchanged in a current transaction between the parties on an arm's length basis, and not in a forced sale or settlement. The following methods and assumptions were used to estimate fair value.

- Cash and cash equivalents, trade accounts receivable, trade accounts payable and other short-term obligations approximate their respective book value mostly due to these investments' short-term maturity;
- The fair value of receivables does not significantly differ from the book balances, since it is monetarily restated consistently with market rates and/or is adjusted by the provision for impairment.

Loans and financing bear fixed rates, which are consistent with those observable in the market; therefore, the book balances informed approximate their respective fair values.

The classification of financial assets of the Company and its controlled companies per category is as follows:

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Financial assets	Parent company					
	06/30/2022			12/31/2021		
	Amortized cost	Fair value through profit or loss	Total	Amortized cost	Fair value through profit or loss	Total
Cash and cash equivalents	978	-	978	3,116	-	3,116
Accounts receivable	38,688	-	38,688	22,163	-	22,163
Note receivable and receivables from third parties	7,116	-	7,116	6,870	-	6,870
Related-party transactions	51,146	-	51,146	20,397	-	20,397
	<u>97,928</u>	<u>-</u>	<u>97,928</u>	<u>52,546</u>	<u>-</u>	<u>52,546</u>

  

Financial assets	Consolidated					
	06/30/2022			12/31/2021		
	Amortized cost	Fair Value through income (loss)	Total	Amortized cost	Fair Value through profit or loss	Total
Cash and cash equivalents	55,848	-	55,848	26,660	-	26,660
Accounts receivable	38,739	-	38,739	22,163	-	22,163
Note receivable and receivables from third parties	10,107	-	10,107	10,505	-	10,505
	<u>104,694</u>	<u>-</u>	<u>104,694</u>	<u>59,328</u>	<u>-</u>	<u>59,328</u>

### 28.2. Classification of financial instruments by category

The main financial liabilities of the Company and its controlled companies may be classified and accounted for at fair value through profit or loss, as follows:

Financial liabilities	Parent company	
	06/30/2022	12/31/2021
Trade accounts payable	50,494	56,484
Loans and financing	2,278,178	3,654,297
Related-party transactions	15,592	15,592
	<u>2,344,264</u>	<u>3,726,373</u>

  

Financial liabilities	Consolidated	
	06/30/2022	12/31/2021
Trade accounts payable	51,219	56,484
Loans and financing	2,278,178	3,654,297
	<u>2,329,397</u>	<u>3,710,781</u>

### 28.3. Risk management

Financial transactions of the Company and its controlled companies are previously approved by Management and performed through the financial department according to conservative strategies, aiming at safety, profitability and liquidity. Hedging mechanisms are adopted against financial risks stemming from liabilities contracted, either in foreign or domestic currency, in order to manage exposure to exchange and interest rate risks.

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The criteria for selection of financial institutions obey parameters that take into consideration ratings made available by renowned agencies specialized in the analysis of risk, equity, and concentration levels of transactions and resources. The main market risk factors that could affect the Company's business and that of its controlled companies are as follows:

### a) Exchange rate risk

Exchange rate risks are related to the possibility of the Company incurring losses derived from fluctuations in exchange rates.

The Company's liabilities are indexed at US dollar, therefore, the unpredictability of floating liabilities substantially derives from foreign exchange variation, as shown in simulation of future values considering devaluation of Brazilian Real before US dollar by 25% and 50%.

Foreign-currency loans	Amount in R\$	Sensitivity analysis	
		(Scenario I) future value I	(Scenario II) future value II
Notes	1,752,418	2,190,522	2,628,627
Sinosure	103,130	128,912	154,695
Tupacta	72,008	90,010	108,012
Cemrock	531	664	796

### b) Credit risk

Financial instruments are subject to credit risks such as cash and cash equivalents and trade accounts receivable. All operations are conducted with banks having acknowledged liquidity, thus minimizing risks.

The risk of incurring losses resulting from difficulty in receiving values billed to its clients is minimized, since sales are dispersed among a high number of clients, and contingent to a credit limit individually established per client.

### c) Interest rate risk

This risk derives from the possibility of the Company incurring losses due to fluctuations in interest rates that increase financial expenses mainly stemming from loans.

d) Liquidity risk

Liquidity risk represents the risk of scarcity and difficulty on the part of the Company in paying its debts. The Company and its controlled companies seek to align the maturity of their debts with the period of cash generation to avoid a mismatch and generate the need for greater leverage.

The following table shows in detail the remaining contractual maturity of the Company's main financial liabilities and the contractual amortization terms. This table was prepared in accordance with the undiscounted cash flows of financial assets and liabilities based on the nearest date on which the Company and its controlled companies shall settle the respective obligations.

	Parent company			
	Up to one year	From 1 to 3 years	Over 3 years	Total
Loans and financing	165,024	74,343	2,038,811	2,278,178
Trade accounts payable	31,318	19,176	-	50,494
Advances from customers	1,059	-	-	1,059
Other financial liabilities	123,064	70,849	39,930	233,843
Balances as at June 30, 2022	<u>320,465</u>	<u>164,368</u>	<u>2,078,741</u>	<u>2,563,574</u>

  

	Consolidated			
	Up to one year	From 1 to 3 years	Over 3 years	Total
Loans and financing	165,024	74,343	2,038,811	2,278,178
Trade accounts payable	32,043	19,176	-	51,219
Advances from customers	1,059	-	-	1,059
Other financial liabilities	110,842	72,756	38,008	221,606
Balances as at June 30, 2022	<u>308,968</u>	<u>166,275</u>	<u>2,076,819</u>	<u>2,552,062</u>

29. Insurance coverage

The Company and its controlled companies contract insurance coverage for its inventories and fixed-asset items as Named-perils and Civil Liability Insurances. Aspects considered when evaluating risks are as follows: (a) decentralized location of industrial plants (Minas Gerais, Rio de Janeiro and São Paulo); (b) nature of activities; and (c) accident prevention measures. Maximum Indemnity Limit (LMI) is R\$ 198,685 for the industrial plants.

The amounts of contracted coverage take into consideration estimates to cover possible losses in sites with concentrated risks and maximum possible claim losses in a single event.

The risk assumptions adopted, due to their nature, were established by Management.

30. Subsequent events

30.1. Court-Ordered Reorganization Plan - Payments made by class of creditor

The payments made by the Company until August 2022, by class of creditors, in accordance with the terms of the Court-Ordered Reorganization Plan, are as follows:

Creditors	Class	Paid values
Labor	I	67
Unsecured	III	3,066
ME-EPP	IV	434

30.2. Court-ordered Reorganization Plan - Revocation of the stay of execution

On August 15, 2022, the Judge of the 13th Civil Division of the Court of Justice of the State of Rio de Janeiro, justice of the Appeal filed by certain foreign Funds, (holders of notes) against the decision to ratify the Court-Ordered Reorganization Plan, revoked their decision to grant the stay of execution, thus reestablishing the ratification of the Court-Ordered Reorganization Plan, for all legal purposes, allowing the Company to resume the fulfillment of said Plan as approved by the majority of creditors.

30.3. Court-Ordered Reorganization Plan - Credits held with Megeve Capital LLC

On October 14, 2022, the Company received correspondence sent by Megeve Capital LLC, assignee of post-petition credits originally held by *Banco de Desenvolvimento de Minas Gerais (BDMG)*, in which they stated that the Company's debt to the referred creditor is considered overdue in advance, based exclusively on its request for Court-Ordered Reorganization. The Company promptly responded to the creditor regarding such unfounded allegation, since the court-ordered reorganization was requested in January 2021, long before Megeve acquired said credits, and BDMG has never used such event as an attempt to collect the debt in advance. Additionally, the Company has been regularly and timely complying with the obligations of the contract, including in relation to the monthly installment payments as of November 2021, with no remark or opposition from Megeve.