

## **Cimento Tupi S.A. - Under Court-Ordered Reorganization**

### **Interim financial information**

**For the periods ended March 31, 2022 and 2021 (in thousands of Brazilian Reais)**

**The Company presents next the result of its operational performance.**

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#### **DEAR SHAREHOLDERS:**

Cimento Tupi S.A.– Under Court-Ordered Reorganization (“Company”), in compliance with statutory and legal requirements, submits to you the Management Report and the Financial Information for the period ended March 31, 2022.

### **1 - DESCRIPTION OF THE BUSINESS**

The Company 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.

### **2 - CEMENT MARKET**

Due to the slowdown in civil construction as a result of the Brazilian economic crisis, in the period from 2014 to 2017, there has been a reduction in the demand for cement and a consequent reduction in the average price of the product. In 2018, an increase in the average price of sales was observed, which was maintained in 2019. In 2020, during the Covid-19 pandemic, do-it-yourself construction and residential and business renovations enabled the recovery of the cement market. In 2021, the cement industry reported growth of 6.6% in comparison with the previous year. In the first three months of 2022, there was a reduction in relation to the same period of 2021, due to the rise of production costs in the cement industry, in addition to an increase in inflation and interest rates.

### **3 - CONSOLIDATED ECONOMIC AND FINANCIAL PERFORMANCE OF THE COMPANY**

#### **Operating revenue**

The Company's net revenue in the period from January to March 2022 was R\$ 116,854 thousand, compared to R\$ 113,628 thousand in the same period of 2021, representing an increase of 2.84%.

#### **Gross profit and Ebitda**

Consolidated gross profit of the Company in the period from January to March 2022 was R\$ 19,343 thousand, compared to R\$ 29,921 thousand in the same period of 2021. Ebitda of the first quarter of 2022 was R\$ 8,411 thousand and R\$ 24,148 in the same period of 2021.

R\$ (Million)	Jan to Mar 2022	Jan to Mar 2021
Gross profit	19	30
Selling expenses	(3)	(2)
General and administrative expenses	(19)	(10)
Other operating revenues (expenses)	(2)	(3)
<b>Operating income</b>	<b>(5)</b>	<b>15</b>
Depreciation, Amortization and Depletion	6	5
Nonrecurring Expenses (Revenues)	7	4
<b>EBITDA</b>	<b>8</b>	<b>24</b>

\* Before financial revenues and expenses

### General and administrative expenses

For the period from January to March 2022, the Company reported expenses of R\$ 19,409, against R\$ 10,103 in the same period of 2021, an increase driven by the expenses arising from the Company's court-ordered reorganization process.

### Financial liabilities

The Company reported net debt in the period from January to March 2022 of R\$ 3,153,225 and of R\$ 3,713,880 in the same period of 2021. The appreciation of the Brazilian Real against the US Dollar in the period directly affected the reduction in foreign currency debt.

	Jan to Mar 2022	Jan to Mar 2021
<b>Short term</b>		
Bank Indebtedness		
In domestic currency	146,433	134,652
In foreign currency	2,813,764	3,390,051
<b>Total</b>	<b>2,960,197</b>	<b>3,524,703</b>
<b>Long term</b>		
Bank Indebtedness		
In domestic currency	218,588	207,636
In foreign currency	680	712
<b>Total</b>	<b>219,268</b>	<b>208,348</b>
<b>Total debt</b>		
In domestic currency	365,021	342,288
In foreign currency	2,814,444	3,390,763
<b>Total</b>	<b>3,179,465</b>	<b>3,733,051</b>
<b>Cash and cash equivalents</b>	<b>26,240</b>	<b>19,171</b>
<b>Net debt</b>	<b>3,153,225</b>	<b>3,713,880</b>

## 4 - COURT-ORDERED REORGANIZATION

On 01/21/2021, the Company filed a request for court-ordered reorganization in view of the need to renegotiate its obligations with creditors and preserve its activities.

The Court-Ordered Reorganization Plan (PRJ) 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. Since the Company's notification on the ratification of the PRJ on February 22, 2022, the Company has been making payments to creditors, as established in the mentioned Plan.

On 02/11/2021, 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 approved and ratified by the Brazilian Court on 02/04/2022 is accepted by the New York Court, its conditions will be mandatory and binding for all note holders, ending the lawsuit in progress in that country.

## **Management**