

Construtora Tenda S.A.

Notes to the individual and consolidated
Interim financial information
For the period ended June 30, 2020

(Convenience Translation into English from the original previously Issued in Portugues

Contents

Management Report June 30,2020	03
Audited financial statements	
Balance sheet	23
Statement of profit or loss	25
Statement of comprehensive income	26
Statements of changes in Equity.....	27
Statement of cash flows.....	28
Statement of value added.....	29
Notes to interim financial information.....	30
Independent auditor’s report on the financial statements.....	54

2Q20 Earnings Release

Tenda records R\$40.3 million in net income in 2Q20 (-44.8% YoY), with impacts from Covid-19. Operating cash generation of R\$71.0 million reverses 1Q20's consumption and reinforces deleveraging

São Paulo, August 06, 2020 – Construtora Tenda S.A. ("Company", "Tenda"), a leading Brazilian homebuilder and real estate developer, announces today its results for the second quarter of 2020.

HIGHLIGHTS

FINANCIALS

- **Net income** of R\$40.3 million, +128,9% QoQ and -44.8% YoY, due to:
 - Slower progress in several construction sites due to work interruption related to Covid-19
 - SG&A impacted by extraordinary initiatives to digitize sales and operations
 - Negative net financial result due to higher spreads on new debts
- **Adjusted gross margin** at 32.3%, +0,5 p.p. QoQ and -3.8 p.p. YoY
 - Improvement in default indicators allowed a slight reversal of allowance for loan losses
 - With productivity losses and price reductions, backlog margins dropped by 1.3 p.p. QoQ
- **Operating cash generation** of R\$71.0 million in 2Q20 (and R\$ 10.8 million YTD)
- **Net debt/equity** at -13,3%: deleveraging reinforced by cash generation in the quarter

OPERATIONS

- 14 projects **launched** in 2Q20, with a PSV of R\$ 630.2 million (+6.4% YoY, -280.6% QoQ)
 - 18 projects launched year to date, with a total PSV of R\$ 795.8 million (-18.6% YoY)
- **Gross sales** of R\$ 689.2 million in 2Q20 (+28.4% YoY and +27.4 QoQ), with gross SoS of 36.3% (+4.0 p.p. YoY, +5.0 p.p. QoQ). **Record-high quarter in gross sales**
- **Net pre-sales** of R\$ 576.4 million in 2Q20 (+20.1% YoY, +31.1% QoQ), with net SoS of 30.4% (+1.5 p.p. YoY, +4.9 p.p. QoQ)
- **PSV transferred** of R\$ 516.5 million in 2Q20 (+10.8% YoY, +35.1% QoQ)
- **Landbank** reached R\$ 10.69 billion in PSV in 2Q20 (+12.5% YoY)

COVID-19

- **Launching process** remains slower than pre-Covid due to social isolation, imposing difficulties in all metropolitan regions
- **Sales at record-high levels** even with closed closed during 2Q20, signaling demand resilience and efficiency of both online and third-party sales channels.
- **Part of the construction works was impacted throughout 2Q20** due to official decrees in some states, occasional interruptions in some operations and absenteeism
 - At the beginning of 2Q20, there was a standstill by decree in works located in the states of RS, PE, CE and GO, where 20 of the 74 works in progress are located (27.0% of the total)
 - Currently, only two projects are not operating by official decree, both in Porto Alegre (RS)
- **Mortgage transfers were normalized throughout the quarter.** CEF adapted procedures to maintain the transfer level, despite the operational difficulties imposed by social isolation

MESSAGE FROM THE MANAGEMENT

In 2Q20, amid the Covid-19 pandemic, Tenda released the best quarter in gross sales in its history, attesting the resilient demand for affordable housing despite another economic slowdown. The strong operating performance led to higher financial results than in the previous quarter, but still below expectations and hit by the context of the pandemic.

The interruption of construction works in the states of RS, PE, CE and GO throughout 2Q20 led to slower progress in several projects when compared to periods of stability, leading to revenue growth below potential. Productivity losses, of around 15% of its potential, was the worst event related to Covid-19 impacting financials negatively. As a result, net revenue totaled R\$526.1 million, only +7.6% YoY.

Efforts to digitize the sales process and sub-optimal costs in operating physical stores increased sales expenses to 7.5% of gross sales in 1H20 (vs. 7.2% in 1H19). G&A expenses also grew relative to net operating revenue (to 7.5% in 1H20 from 6.6% in 1H19), mainly due to one-off expenses with infrastructure and technology to enable the Company to operate remotely during the pandemic.

Initiatives taken at the beginning of the pandemic aimed at preserving liquidity had a positive effect on cash generation in 2Q20. Operating cash generation totaled R\$71.0 million vs. a consumption of R\$ 60.2 million in 1Q20, which allowed the Company to strengthen its net cash position, expressed in a net debt over equity ratio of -13.3%. On the other hand, greater indebtedness at a higher cost than pre-pandemic levels and lower national interest rates (Selic) led to a negative net financial result of R\$ 6.3 million (vs. -R\$ 3.0 million in 1Q20 and +R\$ 2.4 million in 2Q19).

On the positive side, the improvement in default indicators led to a slight reversal of allowance for loan losses in the quarter. Such event was decisive to maintain the Company's gross margin at a level similar to that of 1Q20. As a result, the adjusted gross margin rose from 31.8% to 32.3% between quarters despite factors such as the loss of productivity in construction works interrupted due to events related to Covid-19 and the slight reduction in regional average prices.

Thus, Tenda delivered R\$40.3 million in net income in 2Q20, reaching R\$57.9 million in the year to date, less than half of the result for the same period last year. In the last twelve months, the Company delivered ROE and ROIC of 14.9% and 21.6%, respectively.

Outlook

In the short term, the Company's net income is still likely to be impacted by adversities arising from Covid-19. Price discounts and productivity losses at the height of the pandemic should still be reflected in the Company's results until the delivery of the impacted units. Selling expenses should still remain at sub-optimal levels due to the low frequency of customers in physical stores. In addition, financial expenses should remain high as a result of liquidity preservation initiatives.

In the macroeconomic scenario, the unemployment rate can deteriorate in the coming months as emergency measures related to Covid-19 vanishes. In addition, attempts to expand emergency withdrawals in FGTS may damage the main funding for affordable housing in Brazil.

Despite the adverse effects of the pandemic on Tenda's short-term results, the main uncertainties are dissipating, which supports the maintenance of the long-term strategy. The Company was able to resume a reasonable level of launches in 2Q20 (although below expectations), sell at record-high levels and has also shown client default indicators under control.

Tenda enters the second half of the year aware of the short-term operational challenges, engaged in investing in long-term projects and aware that the post-pandemic economic situation may bring new complexities; thus, the Company will continue to work dynamically to preserve value and ensure the sustainability of the business.

STRATEGIC INITIATIVES

Tenda maintains its long-term plans unchanged and continues to rely on a set of value generation goals: to achieve the growth potential of the current business model, to enable a business model based on offsite construction and to face digital transformation as a business imperative.

The development of offsite construction in Tenda, one of the main projects of the Company's growth platform, is now entering an important test stage: based on a first prototype of the product designed to serve small and medium-sized cities in the country, several aspects will be evaluated: manufacturing, assembly, logistics, and others. Tests results will be decisive for the assessment of the Company's next steps on this front.

In 2Q20, the Company disbursed R\$6.1 million in strategic initiatives, of which R\$3.9 million related to offsite construction.

Strategic Challenges (R\$ thousands)	2Q20			2020 YTD		
	Personnel	Others	TOTAL	Personnel	Others	TOTAL
1 Onsite: P&D to support current business model growth	136.0	-	136.0	546.6	-	546.6
2 Offsite construction investments	1,945.8	2,004.5	3,950.3	2,754.8	9,542.1	12,296.9
3 Digital and Corporate Development	983.2	1,059.8	2,043.0	1,215.4	1,831.2	3,046.6
Total	3,065.0	3,064.3	6,129.3	4,516.8	11,373.3	15,890.1

Your next achievement

In early July, Tenda repositioned its brand in order to seek closer proximity to customers and emphasize the importance of home ownership. With a new visual identity, Tenda now also adopts the slogan "Your next achievement" ("sua próxima conquista"). To find out more, [access](#) a report from Meio&Mensagem (in Portuguese) and [watch](#) the institutional video for launching the new brand.

"Since our business is to build, we built a new brand"




Tenda
sua próxima conquista

ESG

As of this quarter the company started to provide new information related to customers, suppliers, the environment, employees, and governance in its market reports.

In this press release the company presents a starting point with the main elements of ESG impact based on the material topics proposed by the SASB (Sustainability Accounting Standards Board) and S&P SAM CSA (Corporate Sustainability Assessment) for the sector, in addition to other material aspects associated with Tenda's performance in the affordable housing segment.

Tenda's main elements with ESG impact can be grouped together into three pillars:

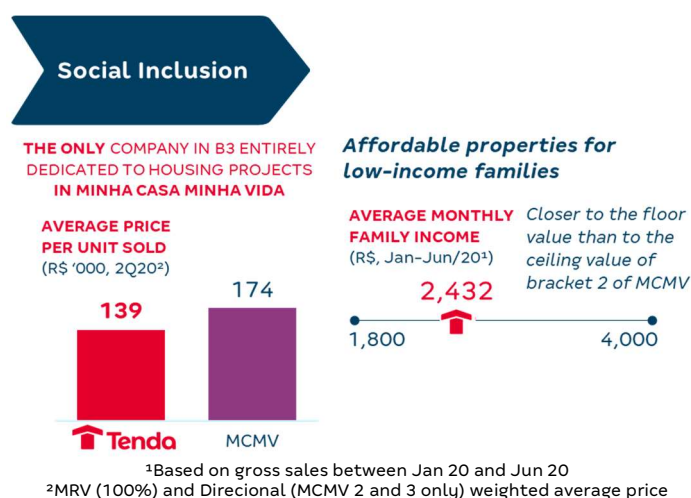
Social inclusion

Products available to low-income families through projects that contribute to enhanced well-being, sanitation, and infrastructure of communities

At Tenda, the only company in B3 entirely dedicated to building affordable residential units, all the projects fall into brackets 1.5 and 2 of the Minha Casa, Minha Vida (MCMV) program. The Company offers apartments with prices 20% lower than the average charged by the main competitors (according to sales information for 2Q20), providing families which never had this alternative with access to their own properties. Between January and June 2020, Tenda reached families with an average monthly family income of R\$ 2,432, which is closer to the floor value than to the ceiling value of MCMV bracket 2 (monthly family income ranging between R\$ 1,800 and R\$ 4,000).

Indicators	2Q20	1Q20	2Q19
Average sales price - Tenda (R\$/HU)	139	138	133
Average sales price - MCMV ¹ (R\$/HU)	174	162	162
%Average sales price - (Tenda/MCMV)	80%	85%	82%

¹Weighted average price between MRV (100%) and Direcional (MCMV 2 and 3 only)



Respect for customers and employees

Quality products, delivered on-schedule and made safely by directly hired professionals and with growth opportunities

All projects launched since 2013, the year that marks the beginning of the current business model, were delivered in compliance to the contractual term, one of the main commitments assumed by Management with its customers. The Company has turned its efforts towards customer satisfaction and, in 2020, the Net Promoting Score (NPS), one of the main global metrics of satisfaction, became part of the goals of its main officers.

At Tenda, most of the employees involved in the construction of the buildings are employed directly by the Company, and not outsourced, as is usually the practice in the sector. In addition to enabling the implementation of the industrial approach to construction, which is Tenda's main competitive differential, the initiative brings more security and stability to employees. Tenda adopts strict

occupational health and safety practices, continuously monitoring risks and indicators.

Indicators	2Q20	1Q20	2Q19
On-schedule deliveries (%) ¹	100%	100%	100%
Number of direct employees ²	3.532	3.498	3.020
Number of indirect employees	1.921	1.816	1.518
Total employees	5.453	5.314	4.538
% direct employees/total	65%	66%	67%

¹ Projects launched since 2013, the starting point of the current business model
² Employees directly hired by the Company



Commitment to ethics and governance

Rigor and responsible performance in all stages of the feasibility of the projects, with management in line with the best corporate practices

Ethical behavior is part of Tenda's culture and is at the heart of the Company's decisions, from the prospecting and legalization processes for future projects to the best practices towards employees and suppliers. The company maintains an Ethics Committee coordinated by the CEO, codes of ethics and conduct for employees and suppliers, and independent reporting channels.

A Novo Mercado company, B3's highest Corporate Governance level, Tenda meets 90% of the best practices established by Brazilian Institute of Corporate Governance (IBGC) under the Brazilian Governance Code. All Board Members are independent, and all directors are statutory officers, with 37% of their total compensation linked to long-term incentives.



³Based on answers to Tenda's CVM (Brazilian Securities Exchange Commission) form 586

⁴According to the management proposal approved at the AGM for the year 2020

For more ESG-related information, contact Tenda's IR team at ri@tenda.com

OPERATIONAL AND FINANCIAL HIGHLIGHTS

	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Operational Highlights (R\$ million, PSV)								
Launches	630.2	165.6	280.6% ↑	592.3	6.4% ↑	795.8	977.9	(18.6%) ↓
Net Pre-Sales	576.4	439.7	31.1% ↑	479.9	20.1% ↑	1,016.1	886.8	14.6% ↑
Sales over Supply (SoS) (%)	30.4%	25.5%	4.9 p.p. ↑	28.9%	1.5 p.p. ↑	43.5%	42.8%	0.7 p.p. ↑
PSV Transferred	516.5	382.2	35.1% ↑	466.0	10.8% ↑	898.7	810.6	10.9% ↑
Units Delivered (#)	2,499	1,856	34.6% ↑	3,236	(22.8%) ↓	4,355	4,772	(8.7%) ↓
Landbank	10,690.5	10,556.7	1.3% ↑	9,499.3	12.5% ↑	10,690.5	9,499.3	12.5% ↑
Landbank - Acquisitions / Adjustments	764.0	102.9	642.1% ↑	673.5	13.4% ↑	866.9	1,583.6	(45.3%) ↓
Financial Highlights (R\$ million)								
Net Revenue	526.1	415.8	26.5% ↑	489.1	7.6% ↑	941.9	898.4	4.8% ↑
Adjusted Gross Profit ¹	169.8	132.1	28.5% ↑	176.4	(3.7%) ↓	301.9	322.7	(6.4%) ↓
Adjusted Gross Margin ¹ (%)	32.3%	31.8%	0.5 p.p. ↑	36.1%	(3.8 p.p.) ↓	32.1%	35.9%	(3.9 p.p.) ↓
Adjusted EBITDA ²	72.3	42.0	72.4% ↑	95.3	(24.1%) ↓	114.3	165.1	(30.8%) ↓
Adjusted EBITDA Margin ² (%)	13.7%	10.1%	3.7 p.p. ↑	19.5%	(5.7 p.p.) ↓	12.1%	18.4%	(6.2 p.p.) ↓
Net Financial Result	(6.3)	(3.0)	(113.8%) ↓	2.4	(364.6%) ↓	(9.3)	2.6	(450.3%) ↓
Net Income (Loss) ³	40.3	17.6	128.9% ↑	73.0	(44.8%) ↓	57.9	122.7	(52.8%) ↓
Backlog Revenues	687.0	638.5	7.6% ↑	528.6	30.0% ↑	687.0	528.6	30.0% ↑
Backlog Results	255.1	245.3	4.0% ↑	200.2	27.4% ↑	255.1	200.2	27.4% ↑
Backlog Margin (%)	37.1%	38.4%	(1.3 p.p.) ↓	37.9%	(0.8 p.p.) ↓	37.1%	37.9%	(0.8 p.p.) ↓
Cash and Cash Equivalents ⁴	1,534.9	1,060.7	44.7% ↑	1,045.9	46.7% ↑	1,534.9	1,045.9	46.7% ↑
Net Debt	(187.7)	(131.8)	(42.4%) ↓	(289.6)	35.2% ↑	(187.7)	(289.6)	35.2% ↑
Shareholders' Equity + Minority Shareholders	1,408.1	1,371.1	2.7% ↑	1,252.4	12.4% ↑	1,408.1	1,252.4	12.4% ↑
Net Debt / (SE + Minority) (%)	(13.3%)	(9.6%)	(3.7 p.p.) ↓	(23.1%)	9.8 p.p. ↑	(13.3%)	(23.1%)	9.8 p.p. ↑
Cash Generation ⁵	55.9	(68.2)	181.9% ↑	26.2	113.3% ↑	(12.3)	64.1	(119.2%) ↓
Operating Cash Generation ⁶	71.0	(60.2)	217.9% ↑	32.6	118.1% ↑	10.8	68.6	(84.3%) ↓
Net Income (Loss) (LTM)	198.7	231.4	(14.1%) ↓	235.1	(15.5%) ↓	198.7	235.1	(15.5%) ↓
NOPAT ⁷ (LTM)	236.2	257.9	(8.4%) ↓	260.9	(9.5%) ↓	236.2	260.9	(9.5%) ↓
Capital Employed ⁸	1,220.4	1,239.3	(1.5%) ↓	962.8	26.8% ↑	1,220.4	962.8	26.8% ↑
ROE ⁹ (LTM)	14.9%	18.0%	(3.1 p.p.) ↓	19.3%	(4.4 p.p.) ↓	14.9%	19.3%	(4.4 p.p.) ↓
ROIC ¹⁰ (LTM)	21.6%	24.1%	(2.5 p.p.) ↓	27.8%	(6.1 p.p.) ↓	21.6%	27.8%	(6.1 p.p.) ↓
Earnings Per Share ¹¹ (LTM) (R\$/shares (ex-Treasury))	2.04	2.38	(14.4%) ↓	2.43	(16.2%) ↓	2.04	2.37	(13.9%) ↓

1. Adjusted by capitalized interests.

2. Adjusted by capitalized interests, expenses with stock option plans (non-cash) and minority shareholders.

3. Adjusted by minority shareholders.

4. Backlog results comprise the projects restricted by condition precedent.

5. Cash and cash equivalents and securities.

6. Cash Generation is obtained through the difference between the variation of Available Cash and the variation of Gross Debt, adjusted to the amounts of Share Buyback, Dividends Capital Reduction and non-operating effects.

7. Operating Cash Generation is a result of the company's managerial calculation which neither reflects nor is compared with the figures reported in the financial statements.

8. NOPAT is composed of net income excluding financial result and capitalized interest effects

9. ROE is calculated by net income of the last 12 months adjusted by minority shareholders divided by the average shareholders' equity. Average referring to the opening and closing position in the last 12 months.

10. ROIC is calculated by NOPAT of the last 12 months divided by average capital employed. Average referring to the opening and closing position in the last 12 months.

11. Earnings per share (ex-Treasury) considers the issued shares (adjusted for stock splits) and does not consider shares held in Treasury at the end of the period.

OPERATIONAL RESULTS

LAUNCHES

In 2Q20, Tenda launched 14 projects, totaling R\$ 630.2 million in PSV, up 6.4% YoY and 280.6% QoQ. In 1S20, however, the launch of R\$ 795.8 million in PSV is 18.6% below 1S19.

The gradual resumption of approvals (municipalities and states offices) and registries (notary offices) in Brazil contributed to the increase in the number of launches in the quarter. However, the process to launch a project remains slower than pre-Covid.

There were launches in 6 out of 9 metropolitan areas where Tenda operates, with 4 projects in RJ (24.9% of the total PSV launched in 2Q20), 3 in BA (23.5% of the total) and 2 in SP (22.2% of the total).

On the one hand, more vertical projects (10 or more floors) in BA and SP led to an increase of 7.9% YoY in the average number of units launched per project. The average number of units per project launched in BA and SP in 2Q20 was 394 units/project vs. 286 units/project in other regions.

On the other hand, the lower share of SP in PSV launched in 2Q20 (22.2% of PSV launched in 2Q20 vs. 66.8% in 1Q20 and 59.7% in 2Q19) explains the reduction in the average price per unit launched.

Launches	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Number of Launches	14	4	250.0% ↑	13	7.7% ↑	18	23	(21.7%) ↓
PSV (R\$ million)	630.2	165.6	280.6% ↑	592.3	6.4% ↑	795.8	977.9	(18.6%) ↓
Number of units	4,540	1,119	305.7% ↑	4,072	11.5% ↑	5,659	6,703	(15.6%) ↓
Average price per unit (R\$ thousand)	138.8	148.0	(6.2%) ↓	145.4	(4.6%) ↓	140.6	145.9	(3.6%) ↓
Average size of launches (in units)	324	280	15.9% ↑	313	3.5% ↑	314	291	7.9% ↑

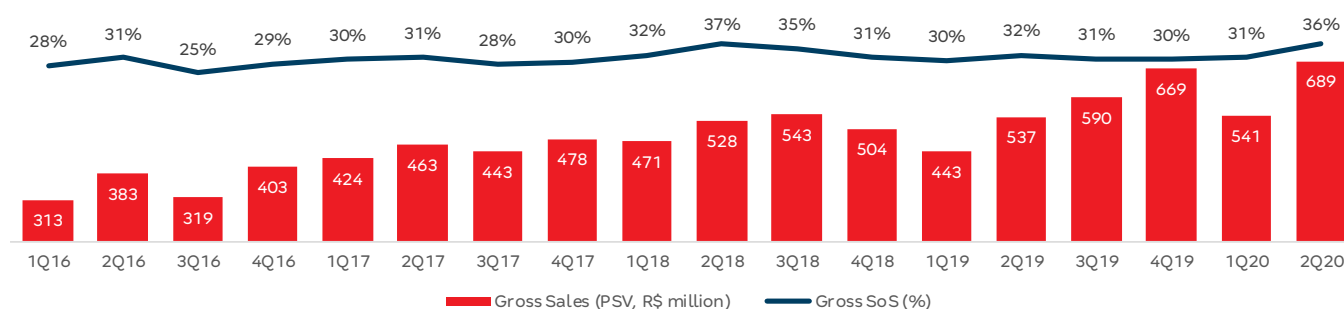
GROSS SALES

Gross sales totaled R\$ 689.2 million in 2Q20, up 28.4% YoY and 27.4% QoQ. **This was Tenda's best quarter ever in terms of gross sales.** The strong sales growth in the quarter led to a gross SoS of 36.3%, +4.0 p.p. YoY and +5.0 p.p. QoQ.

There was an increase of 4.7% YoY and 0.8% QoQ in the national selling price due to the higher share of SP in the sales mix (38.7% of gross PSV sold in 2Q20 vs. 38.1% in 1Q20 and 33.2% in 2Q19). However, the average regional sales prices in 2Q20 suffered a slight decrease due to discounts granted in the upfront payment.

Gross Sales	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
PSV (R\$ million)	689.2	540.9	27.4% ↑	536.9	28.4% ↑	1,230.0	979.9	25.5% ↑
Number of units	4,946	3,912	26.4% ↑	4,036	22.5% ↑	8,858	7,381	20.0% ↑
Average price per unit (R\$ 000's)	139.3	138.3	0.8% ↑	133.0	4.7% ↑	138.9	132.8	4.6% ↑
Gross SoS	36.3%	31.3%	5.0 p.p. ↑	32.3%	4.0 p.p. ↑	52.7%	47.3%	5.4 p.p. ↑

Gross Sales (PSV, R\$ million) and Gross SoS (%)



CANCELLATION AND NET PRE-SALES

Net pre-sales totaled R\$ 576.4 million in 2Q20, up 20.1% YoY and 31.1% QoQ, resulting in net SoS of 30.4% in 2Q20, up 1.5 p.p. YoY and 4.9 p.p. QoQ.

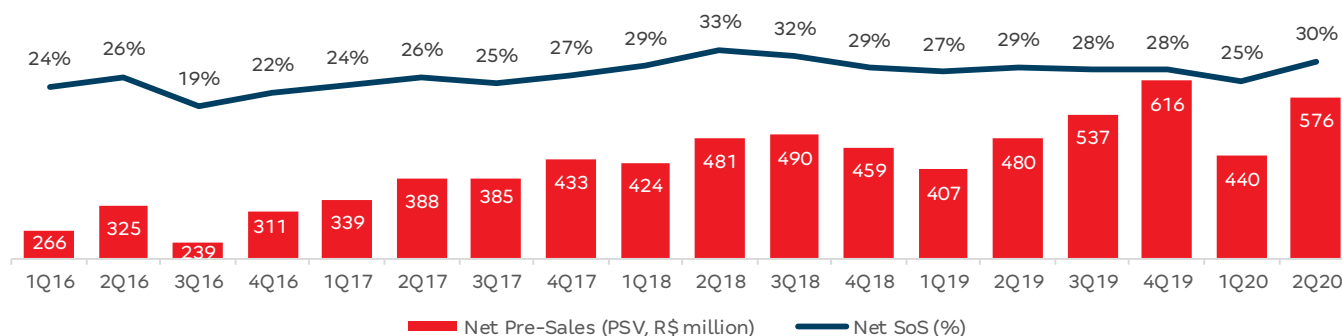
The level of cancellations on gross sales (16.4% in 2Q20) remained well above the average of the last two years (average of 9.2% between 2018 and 2019). As in 1Q20, the high rate of cancellations is directly related to sales not transferred in periods when there was a deadlock regarding the allocation of resources for the MCMV program (deadlocks occurred in 3Q19 and 1Q20). Despite those high levels of cancellations in the year to date, there is still a backlog of transfers regarding this year's sales.

(PSV, R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Gross Sales	689.2	540.9	27.4% ↑	536.9	28.4% ↑	1,230.0	979.9	25.5% ↑
Cancellations	112.8	101.2	11.5% ↑	57.0	97.9% ↑	214.0	93.0	130.0% ↑
Net Pre-Sales	576.4	439.7	31.1% ↑	479.9	20.1% ↑	1,016.1	886.8	14.6% ↑
% Launches ¹	30.7%	2.9%	27.8 p.p. ↑	28.0%	2.7 p.p. ↑	18.7%	17.2%	1.5 p.p. ↑
% Inventory	69.3%	97.1%	(27.8 p.p.) ↓	72.0%	(2.7 p.p.) ↓	81.3%	82.8%	(1.5 p.p.) ↓
Cancellations / Gross Sales	16.4%	18.7%	(2.3 p.p.) ↓	10.6%	5.8 p.p. ↑	17.4%	9.5%	7.9 p.p. ↑
Net SoS	30.4%	25.5%	4.9 p.p. ↑	28.9%	1.5 p.p. ↑	43.5%	42.8%	0.7 p.p. ↑

(in units)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Gross Units Sold	4,946	3,912	26.4% ↑	4,036	22.5% ↑	8,858	7,381	20.0% ↑
Cancelled Units	817	742	10.1% ↑	427	91.3% ↑	1,559	703	121.8% ↑
Net Units Sold	4,129	3,170	30.3% ↑	3,609	14.4% ↑	7,299	6,678	9.3% ↑
Cancellations / Gross Sales	16.5%	19.0%	(2.5 p.p.) ↓	10.6%	5.9 p.p. ↑	17.6%	9.5%	8.1 p.p. ↑

¹Current year launches

Net Pre-Sales (PSV, R\$ million) and Net SoS (%)



UNITS TRANSFERRED, DELIVERED, AND CONSTRUCTION SITES

PSV transferred totaled R\$ 516.5 million in 2Q20, up 10.8% YoY and 35.1% QoQ. The positive performance is related to the normalization of mortgage transfers throughout the quarter, as CEF adapted several procedures to overcome the operational challenges imposed by social isolation.

In 2Q20, 2,499 units were delivered. At the end of the quarter, 74 construction sites are in progress.

Transfers, Deliveries and Construction Sites	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
PSV Transferred (in R\$ million)	516.5	382.2	35.1% ↑	466.0	10.8% ↑	898.7	810.6	10.9% ↑
Transferred Units	4,157	3,127	32.9% ↑	3,944	5.4% ↑	7,284	6,868	6.1% ↑
Delivered Units	2,499	1,856	34.6% ↑	3,236	(22.8%) ↓	4,355	4,772	(8.7%) ↓
Construction Sites	74	67	10.4% ↑	54	37.0% ↑	74	54	37.0% ↑

INVENTORY AT MARKET VALUE

The inventory at market value in the 1Q20 totaled R\$ 1.29 billion in PSV, up 19.8% YoY and down 18.6% QoQ. Finished inventory totaled R\$ 51.5 million and represents only 4.0% of the total. Inventory turnover (given by the inventory at market value divided by net pre sales of LTM) is 7.5 months, below the average level of 2019 (8.2 months).

Inventory at Market Value	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
PSV (R\$ million)	1,320.1	1,287.7	2.5% ↑	1,183.4	11.6% ↑	1,320.1	1,183.4	11.6% ↑
Number of Units	9,289	8,903	4.3% ↑	7,998.0	16.1% ↑	9,289	7,998.0	16.1% ↑
Average price per unit (R\$ thousand)	142.1	144.6	(1.7%) ↓	148.0	(4.0%) ↓	142.1	148.0	(4.0%) ↓

Status of Construction	2Q20	0% to 30% built	30% to 70% built	More than 70% built	Finished units
PSV (R\$ million)	1,320.1	645.2	493.8	128.9	52.2

LANDBANK

In 2Q20, landbank reached R\$ 10.69 billion in PSV, up 12.5% YoY and 1.3% QoQ. After a 1Q20 with few acquisitions, 8 new projects representing R\$ 764.0 million in PSV are now part of the Company's landbank, acquired in a post-Covid scenario in which the Company became more restrictive when negotiating land, avoiding short-term payment flows.

Landbank	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Number of projects	285	291	(2.1%) ↓	270	5.6% ↑	285	270	5.6% ↑
PSV (R\$ million)	10,690.5	10,556.7	1.3% ↑	9,499.3	12.5% ↑	10,690.5	9,499.3	12.5% ↑
Acquisitions/Adjustments (R\$ million)	764.0	102.9	642.1% ↑	673.5	13.4% ↑	866.9	1,583.6	(45.3%) ↓
Number of units	72,167	71,625	0.8% ↑	64,846	11.3% ↑	72,167	64,846	11.3% ↑
Average price per unit (R\$ thousands)	148.1	147.4	0.5% ↑	146.5	1.1% ↑	148.1	146.5	1.1% ↑
% Swap Total	34.8%	33.9%	0.9 p.p. ↑	26.2%	8.6 p.p. ↑	34.8%	26.2%	8.6 p.p. ↑
% Swap Units	8.5%	8.2%	0.3 p.p. ↑	11.7%	(3.2 p.p.) ↓	8.5%	11.7%	(3.2 p.p.) ↓
% Swap Financial	26.3%	25.8%	0.5 p.p. ↑	14.4%	11.9 p.p. ↑	26.3%	14.4%	11.9 p.p. ↑

FINANCIAL RESULTS

NET OPERATIONAL REVENUE

Net operating revenue totaled R\$ 526.1 million in 2Q20, an increase of 7.6% YoY and 26.5% QoQ, due to the growth in net sales and the slight reversal to estimated losses on doubtful accounts, which indicates stability in default indicators after the worsening of the situation in March. (For more information, see [TENDA RECEIVABLES](#)). The provision for cancellations remains at higher levels than in 2019 and mainly reflects sales made in early 2020, but not yet transferred.

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Gross Operating Revenues	548.6	451.8	21.4% ↑	494.3	11.0% ↑	1,000.4	923.0	8.4% ↑
Provision for estimated losses on doubtful accounts	1.6	(12.8)	112.3% ↑	6.4	(75.5%) ↓	(11.2)	6.3	(278.3%) ↓
Provision for cancellations	(13.8)	(16.2)	14.9% ↑	(3.0)	(367.9%) ↓	(30.0)	(12.7)	(137.0%) ↓
Taxes on sales of properties and services	(10.3)	(7.0)	47.0% ↑	(8.7)	18.5% ↑	(17.2)	(18.2)	(5.3%) ↓
Net Operating Revenue	526.1	415.8	26.5% ↑	489.1	7.6% ↑	941.9	898.4	4.8% ↑

GROSS PROFIT

Gross profit totaled R\$ 161.7 million in 2Q20, -2.8% YoY and +26.5% QoQ, resulting in a gross margin of 30.7%, flat with the previous quarter, but 3.3 p.p. less than the gross margin in 2Q19.

Adjusted for capitalized interest, gross profit reached R\$ 169.8 million in the quarter. Adjusted gross margin rose from 31.8% to 32.3% between quarters despite factors such as the loss of productivity in construction sites interrupted due to events related to Covid-19 and the slight reduction in average regional prices. It is worth noting that the backlog margin fell 1.3 p.p. between 1Q20 and 2Q20.

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Net Revenue	526.1	415.8	26.5% ↑	489.1	7.6% ↑	941.9	898.4	4.8% ↑
Gross Profit	161.7	127.9	26.5% ↑	166.4	(2.8%) ↓	289.6	307.0	(5.7%) ↓
Gross Margin	30.7%	30.7%	(0.0 p.p.) ↓	34.0%	(3.3 p.p.) ↓	30.7%	34.2%	(3.4 p.p.) ↓
(-) Financial Costs	8.0	4.3	89.1% ↑	9.9	(18.9%) ↓	12.3	15.8	(21.9%) ↓
Adjusted Gross Profit¹	169.8	132.1	28.5% ↑	176.4	(3.7%) ↓	301.9	322.7	(6.4%) ↓
Adjusted Gross Margin	32.3%	31.8%	0.5 p.p. ↑	36.1%	(3.8 p.p.) ↓	32.1%	35.9%	(3.9 p.p.) ↓

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

Selling expenses

In 2Q20, selling expenses totaled R\$ 44.7 million, +19.2% YoY and -7.0% QoQ, equivalent to 6.5% of gross sales (an indicator that reached 8.9% in 1Q20). In the year to date, marketing expenses represented 2.7% of gross PSV sold (vs. 2.6% in 1H19) and brokerage expenses represented 4.7% of gross PSV (vs. 4.4 % in 1H19).

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Selling Expenses	(44.7)	(48.1)	(7.0%) ↓	(37.5)	19.2% ↑	(92.8)	(70.3)	32.0% ↑
Selling Expenses / Gross Sales	6.5%	8.9%	(2.4 p.p.) ↓	7.0%	(0.5 p.p.) ↓	7.5%	7.2%	0.4 p.p. ↑

General and Administrative Expenses (G&A)

In 2Q20, G&A expenses totaled R\$ 40.5 million, +32.3% YoY and +35.6% QoQ. Despite lower expenses with salaries, travel and rentals when compared to the previous quarter, there was an increase in expenses with services (mainly related to exceptional expenses with infrastructure and technology to allow the Company's operation in the midst of the pandemic) and increased profit sharing provisions (in 1Q20, there was a lower provision due to the effective payment related to the 2019 results below what was being provisioned; the provision of R\$ 8.5 million in 2Q20 results in an average provision of R\$ 5.7 million per quarter in the year so far, closer to the recurring level).

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
General & Admin Expenses	(40.5)	(29.9)	35.6% ↑	(30.6)	32.3% ↑	(70.3)	(59.7)	17.9% ↑
G&A Expenses / Net Operating Revenue	7.7%	7.2%	0.5 p.p. ↑	6.3%	1.4 p.p. ↑	7.5%	6.6%	0.8 p.p. ↑

OTHER OPERATIONAL REVENUES (EXPENSES)

Other operating revenues and expenses totaled R\$ 16.0 million no 2Q20, + 18.4% YoY and + 5.0% QoQ. The indicator remains flat in the comparison between 1H20 and 1H19, representing 3.3% of net operating revenue in the periods.

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Other Operating Revenues (Expenses)	(16.0)	(15.2)	5.0% ↑	(13.5)	18.4% ↑	(31.2)	(29.4)	6.0% ↑
Litigation Expenses	(9.3)	(11.0)	(15.1%) ↓	(5.2)	80.6% ↑	(20.3)	(17.5)	15.7% ↑
Others	(6.7)	(4.3)	56.4% ↑	(8.4)	(20.0%) ↓	(11.0)	(11.9)	(8.1%) ↓
% Net Operating Revenue	3.0%	3.7%	0.7 p.p.	2.8%	0.2 p.p.	3.3%	3.3%	0.0 p.p.
Equity Income	(0.2)	0.2	201.9% ↑	(0.2)	(27.1%) ↓	(0.0)	(1.5)	(99.8%) ↓

ADJUSTED EBITDA

In 2Q20, the Tenda's adjusted EBITDA totaled R\$ 72.3 million, -24.1% YoY and +72.4% QoQ.

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Net Income	40.3	17.6	128.9% ↑	73.0	(44.8%) ↓	57.9	122.7	(52.8%) ↓
(+) Financial result	6.3	3.0	113.8% ↑	(2.4)	364.6% ↑	9.3	(2.6)	450.3% ↑
(+) Income taxes and social contribution	9.7	8.2	18.9% ↑	9.2	5.0% ↑	17.9	15.8	13.3% ↑
(+) Depreciation and amortization	4.3	6.1	(29.8%) ↓	4.9	(11.3%) ↓	10.4	9.5	9.4% ↑
(+) Capitalized interests	8.0	4.3	89.1% ↑	9.9	(18.9%) ↓	12.3	15.8	(21.9%) ↓
(+) Expenses with Stock Option Plan	3.9	2.9	35.4% ↑	0.7	425.7% ↑	6.7	3.3	105.9% ↑
(+) Minority Shareholders	(0.2)	0.0	(1,854.5%) ↓	(0.1)	(188.1%) ↓	(0.2)	0.7	(125.1%) ↓
Adjusted EBITDA¹	72.3	42.0	72.4% ↑	95.3	(24.1%) ↓	114.3	165.1	(30.8%) ↓
Net Revenue	526.1	415.8	26.5% ↑	489.1	7.6% ↑	941.9	898.4	4.8% ↑
Adjusted EBITDA Margin¹	13.7%	10.1%	3.7 p.p. ↑	19.5%	(5.7 p.p.) ↓	12.1%	18.4%	(6.2 p.p.) ↓

FINANCIAL RESULTS

In 2Q20, Tenda recorded a negative financial result of R\$ 6.3 million. Lower net cash position and lower national interest rate (Selic) resulted in financial income from investments (at a 100% CDI benchmark) insufficient to meet the cost of debt (86.8% of gross debt is linked to CDI, with an average spread of CDI + 1.91%, vs. CDI + 1.35% by the end of 1Q20).

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Financial Income	10.3	9.3	10.8% ↑	15.2	(32.7%) ↓	19.5	27.3	(28.5%) ↓
Financial Expenses	(16.6)	(12.2)	35.7% ↑	(12.9)	28.8% ↑	(28.8)	(24.7)	16.7% ↑
Financial Results	(6.3)	(3.0)	(113.8%) ↓	2.4	(364.6%) ↓	(9.3)	2.6	(450.3%) ↓

NET INCOME

In 2Q20, Tenda posted net income of R\$ 40.3 million, down 44.8% YoY and up 128.9% QoQ. Lower gross margin, increase in selling, general and administrative expenses (SG&A) and worsening of the net financial result are the three main factors that explain the drop in net profit compared to 2Q19.

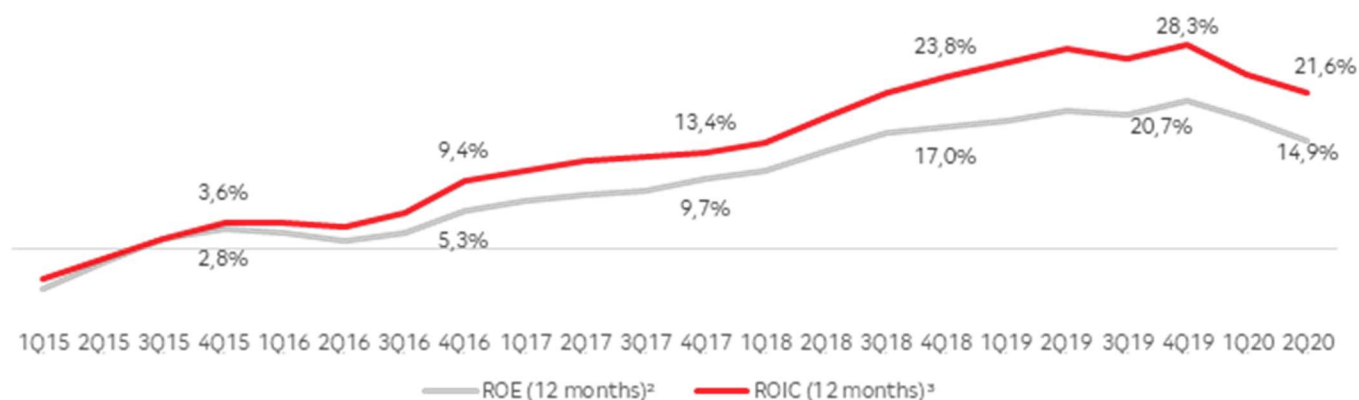
Earnings per share ex-treasury were R\$ 2.04, an increase of 16.2% YoY.

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Net Income after Income Tax and Social Contribution	40.1	17.6	127.7% ↑	72.9	(45.0%) ↓	57.7	123.4	(53.3%) ↓
(-) Minority shareholders	0.2	(0.0)	1,854.5% ↑	0.1	188.1% ↑	0.2	(0.7)	125.1% ↑
Net Income	40.3	17.6	128.9% ↑	73.0	(44.8%) ↓	57.9	122.7	(52.8%) ↓
Net Margin	7.7%	4.2%	3.4 p.p. ↑	14.9%	(7.3 p.p.) ↓	6.1%	13.7%	(7.5 p.p.) ↓
Earnings per Share (12 months) (R\$/share)	1.90	2.22	(14.1%) ↓	2.25	(15.5%) ↓	1.90	2.23	(14.6%) ↓
Earnings per Share (12 months) (R\$/share) (ex-Treasury)	2.04	2.38	(14.4%) ↓	2.43	(16.2%) ↓	2.04	2.37	(13.9%) ↓

1. Earnings per share considers all issued shares (adjusted for stock splits).

2. Earnings per share (ex-Treasury) considers the issued shares (adjusted for stock splits) and does not consider shares held in Treasury at the end of the period

ROE (% , LTM) and ROIC (% , LTM)



BACKLOG RESULTS

Backlog margin at 37.1% in 2Q20, down 0.8 p.p. YoY and 1.3 p.p. QoQ. The reduction reflects the loss of productivity in construction sites interrupted due to events related to Covid-19 and the slight reduction in average regional prices in the quarter.

(R\$ million)	June 20	March 20	QoQ (%)	June 19	YoY (%)
Backlog Revenues	687.0	638.5	7.6% ↑	528.6	30.0% ↑
Backlog Costs (of Units Sold)	(431.9)	(393.2)	9.9% ↑	(328.4)	31.5% ↑
Backlog Results	255.1	245.3	4.0% ↑	200.2	27.4% ↑
Backlog Margin	37.1%	38.4%	(1.3 p.p.) ↓	37.9%	(0.8 p.p.) ↓

CASH AND CASH EQUIVALENTS

(R\$ million)	June 20	March 20	QoQ (%)	June 19	YoY (%)
Cash & Cash Equivalents	26.1	34.2	(23.8%) ↓	69.5	(62.5%) ↓
Short-term Investments	1,508.8	1,026.5	47.0% ↑	976.4	54.5% ↑
Total Cash Position	1,534.9	1,060.7	44.7% ↑	1,045.9	46.7% ↑

ACCOUNTS RECEIVABLE

The Company totaled R\$ 741.2 million in accounts receivable in 2Q20, up 40.0% YoY and 7.2% QoQ.

(R\$ million)	June 20	March 20	QoQ (%)	June 19	YoY (%)
2020	707.8	621.4	13.9% ↑	608.8	16.3% ↑
2021	109.2	140.6	(22.3%) ↓	36.6	198.5% ↑
2022	56.5	52.8	6.9% ↑	23.1	144.4% ↑
2023	34.9	33.6	4.1% ↑	12.0	191.4% ↑
2024 and beyond	44.0	42.0	4.7% ↑	9.3	373.7% ↑
Total Accounts Receivable	952.4	890.3	7.0% ↑	689.8	38.1% ↑
(-) Present value adjustment	(6.1)	(6.1)	(0.4%) ↓	(8.3)	26.7% ↑
(-) Provision for doubtful accounts	(129.4)	(131.0)	1.2% ↑	(124.2)	(4.2%) ↓
(-) Provision for cancellations	(75.8)	(62.0)	(22.3%) ↓	(27.8)	(172.5%) ↓
Accounts Receivable	741.2	691.3	7.2% ↑	529.5	40.0% ↑
Days of Accounts Receivable	136	129	5.2% ↑	107	27.4% ↑

1. Overdue and falling due

TENDA RECEIVABLES

Tenda's Net Receivables (on and off balance receivables with installment payments directly to the Company, since the bank loan does not absorb 100% of the property value) grew +13.6% QoQ and 33.4% YoY, in line with sales growth.

Several initiatives in Collection led to an improvement in non-payment indicators: net receivables after delivery fell from 19.8% to 15.1% of the total. In addition to reinforcing initiatives to reduce installments and new ways of negotiating with customers due to the uncertainty caused by Covid-19, the Company also opened new digital collection channels, with a positive impact on the behavior of the Tenda Receivables portfolio.

Improvement in default indicators led to a reduction in the allowances over after-delivery total receivables ratio, which went from 30.9% in 1Q20 to 28.7% in 2Q20.

Receivables Tenda ¹ (R\$ million)	2T20	1T20	T/T (%)	2T19	A/A (%)
Gross Receivables	443.3	405.3	9.4% ↑	348.1	27.3% ↑
Installments Before Delivery	61.7	44.3	39.1% ↑	48.4	27.5% ↑
Installments After Delivery	381.6	360.9	5.7% ↑	299.8	27.3% ↑
Net Receivables (Gross Receivables - Allowances)	333.1	293.2	13.6% ↑	249.7	33.4% ↑
Installments Before Delivery	61.0	43.8	39.3% ↑	47.9	27.4% ↑
Installments After Delivery	272.1	249.4	9.1% ↑	201.8	34.8% ↑

Receivables Tenda ¹ (aging, after delivery)	2T20	1T20	T/T (%)	2T19	A/A (%)
Net Receivables Tenda (R\$ million)	272.1	249.4	9.1% ↑	201.8	34.8% ↑
Not Delivered ²	100.6	86.8	15.9% ↑	57.1	76.1% ↑
Delivered - Current	130.2	113.1	15.1% ↑	111.3	16.9% ↑
Delivered - <90d Overdue	29.1	35.9	(18.8%) ↓	28.1	3.8% ↑
Delivered - >90d Overdue	12.1	13.6	(10.9%) ↓	5.3	128.0% ↑
% of Allowances over Total Receivables Tenda	28.7%	30.9%	(2.2 p.p.) ↓	32.7%	(4.0 p.p.) ↓
Not Delivered ²	16.9%	19.7%	(2.8 p.p.) ↓	18.7%	(1.8 p.p.) ↓
Delivered - Current	1.8%	2.0%	(0.3 p.p.) ↓	2.7%	(0.9 p.p.) ↓
Delivered - <90d Overdue	17.2%	18.7%	(1.5 p.p.) ↓	16.8%	0.4 p.p. ↑
Delivered - >90d Overdue	86.9%	85.4%	1.5 p.p. ↑	93.5%	(6.5 p.p.) ↓

1. On and off balance receivables with installment payments directly to the Company, since the bank loan does not absorb 100% of the property value.

2. Projects not delivered have installments payment before and after delivery. The allowances over total receivable Tenda are just installments payment after delivery.

INDEBTEDNESS

In 2Q20, the Company's total debt rose to R\$ 1,348 billion after obtaining R\$ 250.0 million in bank financing from banks Itaú, BTG Pactual and ABC Brasil in order to strengthen the Company's gross cash position amidst the uncertainties arising of the Covid-19 pandemic.

With a duration of 22.0 months and a nominal average cost of 4.6% YoY, the total debt in 2Q20 was composed mainly of corporate debt (86.8% of the total), linked to CDI with with an average spread CDI + 1.91%.

Debt Maturity Schedule (R\$ million)	2Q20	Bank Debt	Corporate Debt	Project Finance (SFH)
2020	12.6	2.0	2.2	8.4
2021	689.5	249.9	414.8	24.7
2022	249.4	70.0	100.0	79.4
2023	265.4	26.7	175.0	63.7
2024	131.5	4.2	125.0	2.3
2025 onwards	0.0	0.0	0.0	0.0
Total Debt	1,348.3	352.8	817.0	178.5

Debt Breakdown (R\$ million)	Maturity	Charges (APY)	Balance Due June 20	Balance Due March 20
Total Debt			1,348.3	928.9
Bank Debt	until 03/2024	CDI + 2.93% & 3.90%	352.8	50.0
Corporate Debt			817.0	812.0
CRI Tenda	until 01/2021	CDI + 0.90%	314.8	310.6
DEB TEND14	until 09/2023	CDI + 1.75%	152.2	150.6
DEB TEND15	until 03/2024	CDI + 1.40%	151.3	149.7
DEB TEND16	until 12/2024	CDI + 1,30%	198.6	201.1
SFH	until 12/2023	TR + 8.30%	178.5	66.9

Weighted Average Cost of Debt (R\$ million)	Balance Due June 20	Balance Due / Total Debt	Average Cost (APY)
CDI	1,169.8	86.8%	CDI + 1.91%
TR	178.5	13.2%	TR + 8.3%
Total	1,348.3	100%	4.6%

RATING

Standard & Poor's ("S&P") maintains Tenda's corporate credit rating at brAA+ with a stable outlook.

NET DEBT

Tenda has a net cash to equity ratio of 13.3%, keeping it as one of the most unleveraged companies in the sector.

(R\$ million)	June 20	March 20	QoQ (%)	June 19	YoY (%)
Gross Debt	1,347.2	928.9	45.0% ↑	756.3	78.1% ↑
(-) Cash and cash equivalents and financial investments	(1,534.9)	(1,060.7)	44.7% ↑	(1,045.9)	46.7% ↑
Net Debt	(187.7)	(131.8)	(42.4%) ↓	(289.6)	35.2% ↑
Shareholders' Equity + Minority Shareholders (SE+MS)	1,408.1	1,371.1	2.7% ↑	1,252.4	12.4% ↑
Net Debt / Equity (SE+MS)	(13.3%)	(9.6%)	(3.7 p.p.) ↓	(23.1%)	9.8 p.p. ↑
Adjusted EBITDA (Last 12 months)	315.3	331.4	(4.9%) ↓	327.0	(3.6%) ↓

CASH GENERATION AND CAPITAL DISTRIBUTION

Tenda ended 1Q20 with a cash consumption of R\$ 68.2 million. Intermittance of mortgage transfers led to cash consumption of R\$ 68.2 million in the quarter. The Company didn't buyback shares nor distribute capital in 1Q20.

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)
Stock buyback	0.0	0.0	0.0% ↑	10.9	(100.0%) ↓
Dividends paid	0.0	0.0	0.0% ↑	25.1	(99.9%) ↓
Capital Distribution	0.0	0.0	0.0% ↑	36.0	(99.9%) ↓

(R\$ million, last 12 months)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)
Stock buyback	0.0	10.9	(100.0%) ↓	131.5	(100.0%) ↓
Dividends paid	32.7	57.8	(43.4%) ↓	50.1	(34.7%) ↓
Capital Distribution	32.7	68.7	(52.4%) ↓	181.6	(82.0%) ↓

(R\$ million)	June 20	March 20	QoQ (%)	June 19	YoY (%)
Change in Available Cash	474.2	(9.7)	-	191.4	147.7% ↑
(-) Change in Gross Debt	418.3	58.5	615.4% ↑	201.3	107.8% ↑
(-) Capital Distribution	0.0	0.0	0.0% ↑	36.0	(99.9%) ↓
Cash Generation¹	55.9	(68.2)	181.9% ↑	26.2	113.3% ↑
Operational Cash Generation²	71.0	(60.2)	217.9% ↑	32.6	118.1% ↑

1. Cash Generation is obtained through the difference between the change in Available Cash and the change in Gross Debt, adjusted to the amounts of Share Buyback and Dividends Paid

2. Operating Cash Generation is a result of the company's managerial calculation which neither reflects nor is compared with the figures reported in the financial statements

INCOME STATEMENT

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Net Revenue	526.1	415.8	26.5% ↑	489.1	7.6% ↑	941.9	898.4	4.8% ↑
Operating Costs	(364.4)	(288.0)	26.5% ↑	(322.7)	12.9% ↑	(652.3)	(591.5)	10.3% ↑
Gross Profit	161.7	127.9	26.5% ↑	166.4	(2.8%) ↓	289.6	307.0	(5.7%) ↓
Gross Margin	30.7%	30.7%	(0.0 p.p.) ↓	34.0%	(3.3 p.p.) ↓	30.7%	34.2%	(3.4 p.p.) ↓
Operating Expenses	(105.6)	(99.1)	6.6% ↑	(86.7)	21.9% ↑	(204.8)	(170.4)	20.2% ↑
Selling Expenses	(44.7)	(48.1)	(7.0%) ↓	(37.5)	19.2% ↑	(92.8)	(70.3)	32.0% ↑
G&A Expenses	(40.5)	(29.9)	35.6% ↑	(30.6)	32.3% ↑	(70.3)	(59.7)	17.9% ↑
Other Operating Revenue/Expenses	(16.0)	(15.2)	5.0% ↑	(13.5)	18.4% ↑	(31.2)	(29.4)	6.0% ↑
Depreciation and Amortization	(4.3)	(6.1)	(29.8%) ↓	(4.9)	(11.3%) ↓	(10.4)	(9.5)	9.4% ↑
Equity Income	(0.2)	0.2	(201.9%) ↓	(0.2)	27.1% ↑	(0.0)	(1.5)	99.8% ↑
Operational Result	56.1	28.7	95.3% ↑	79.8	(29.7%) ↓	84.8	136.6	(37.9%) ↓
Financial Income	10.3	9.3	10.8% ↑	15.2	(32.7%) ↓	19.5	27.3	(28.5%) ↓
Financial Expenses	(16.6)	(12.2)	35.7% ↑	(12.9)	28.8% ↑	(28.8)	(24.7)	16.7% ↑
Net Income Before Taxes on Income	49.8	25.8	93.2% ↑	82.1	(39.4%) ↓	75.6	139.2	(45.7%) ↓
Deferred Income Taxes	(1.5)	(1.3)	(14.2%) ↓	(1.7)	12.4% ↑	(2.8)	(1.7)	(64.5%) ↓
Current Income Taxes	(8.2)	(6.9)	19.8% ↑	(7.5)	8.9% ↑	(15.1)	(14.1)	7.2% ↑
Net Income After Taxes on Income	40.1	17.6	127.7% ↑	72.9	(45.0%) ↓	57.7	123.4	(53.3%) ↓
(-) Minority Shareholders	0.2	(0.0)	1,854.5% ↑	0.1	188.1% ↑	0.2	(0.7)	125.1% ↑
Net Income	40.3	17.6	128.9% ↑	73.0	(44.8%) ↓	57.9	122.7	(52.8%) ↓

BALANCE SHEET

(R\$ million)	June 20	March 20	QoQ (%)	June 19	YoY (%)
Current Assets	3,086.9	2,675.9	15.4% ↑	2,158.3	43.0% ↑
Cash and cash equivalents	26.1	34.2	(23.8%) ↓	69.5	(62.5%) ↓
Short term investments	1,508.8	1,026.5	47.0% ↑	976.4	54.5% ↑
Receivables from clients	578.1	549.8	5.1% ↑	380.1	52.1% ↑
Properties for sale	880.3	980.0	(10.2%) ↓	685.9	28.4% ↑
Other accounts receivable	93.6	85.4	9.6% ↑	46.4	101.6% ↑
Non-Current Assets	906.9	745.9	21.6% ↑	711.5	27.5% ↑
Receivables from clients	163.0	141.5	15.2% ↑	149.4	9.1% ↑
Properties for sale	679.3	532.2	27.6% ↑	496.3	36.9% ↑
Other	64.5	72.3	(10.7%) ↓	65.8	(1.9%) ↓
Intangible, Property and Equipment	102.0	105.1	(3.0%) ↓	97.8	4.2% ↑
Investments	42.5	42.7	(0.4%) ↓	37.9	12.1% ↑
Total Assets	4,138.3	3,569.7	15.9% ↑	3,005.6	37.7% ↑
Current Liabilities	1,051.1	914.4	14.9% ↑	539.6	94.8% ↑
Loans and financing	197.0	8.2	2,317.7% ↑	7.8	2,422.9% ↑
Debentures	318.8	313.8	1.6% ↑	18.4	1,629.1% ↑
Land obligations and customers' advances	263.7	339.6	(22.3%) ↓	310.9	(15.2%) ↓
Material and service suppliers	53.8	63.5	(15.2%) ↓	48.3	11.5% ↑
Taxes and contributions	62.2	30.3	105.3% ↑	27.4	127.0% ↑
Other	155.5	159.1	(2.2%) ↓	126.8	22.6% ↑
Non-current Liabilities	1,679.2	1,284.1	30.8% ↑	1,213.6	38.4% ↑
Loans and financing	333.1	108.8	206.2% ↑	147.8	125.4% ↑
Debentures	498.3	498.1	0.0% ↑	582.3	(14.4%) ↓
Land obligations and customers' advances	757.7	593.1	27.7% ↑	390.8	93.9% ↑
Deferred taxes	14.3	12.8	11.6% ↑	9.7	47.8% ↑
Provision for contingencies	29.3	30.0	(2.4%) ↓	29.8	(1.7%) ↓
Other creditors	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Other	46.5	41.2	12.9% ↑	53.2	(12.5%) ↓
Shareholders' Equity	1,408.1	1,371.1	2.7% ↑	1,252.4	12.4% ↑
Shareholders' Equity	1,407.1	1,370.2	2.7% ↑	1,251.4	12.4% ↑
Minority Shareholders	0.9	0.9	1.5% ↑	0.9	(4.0%) ↓
Total Liabilities and Shareholders' Equity	4,138.3	3,569.7	15.9% ↑	3,005.6	37.7% ↑

CASH FLOW STATEMENT

(R\$ million)	2Q20	1Q20	QoQ (%)	2Q19	YoY (%)	1S20	1S19	YoY (%)
Cash from (used in) operating activities	90.7	(42.3)	314.3% ↑	42.4	113.9% ↑	48.4	91.3	(47.0%) ↓
Net Income (loss) before taxes	49.8	25.8	93.2% ↑	82.1	(39.4%) ↓	75.6	139.2	(45.7%) ↓
Depreciation and amortization	7.9	9.3	(15.3%) ↓	7.5	4.7% ↑	17.2	14.6	18.2% ↑
Provision(reversal) doubtful accounts and cancellations	11.9	20.9	(43.0%) ↓	(6.2)	292.6% ↑	32.8	(0.5)	6,728.3% ↑
Present value adjustment	0.0	(1.3)	101.8% ↑	0.0	140.0% ↑	(1.3)	(1.7)	22.2% ↑
Impairment	(0.2)	(0.3)	18.2% ↑	(0.3)	29.0% ↑	(0.5)	(2.6)	79.5% ↑
Equity income	0.2	(0.2)	201.9% ↑	0.2	(27.1%) ↓	0.0	1.5	(99.8%) ↓
Provision for contingencies	0.1	2.9	(95.2%) ↓	(8.1)	101.7% ↑	3.0	(2.5)	222.4% ↑
Unrealized interest and charges, net	15.1	9.6	57.5% ↑	4.2	261.0% ↑	24.6	6.4	286.9% ↑
Warranty provision	0.7	0.4	77.7% ↑	1.1	(30.5%) ↓	1.1	1.4	(15.7%) ↓
Profit sharing provision	8.4	3.0	177.6% ↑	5.7	47.2% ↑	11.5	9.0	27.7% ↑
Stock option plan expenses	3.9	2.9	35.4% ↑	0.7	425.7% ↑	6.7	3.3	105.9% ↑
Other provisions	(1.8)	1.6	(213.7%) ↓	(0.1)	(2,526.5%) ↓	(0.2)	(0.7)	69.1% ↑
Leasing	4.5	0.0	0.0% ↑	0.0	0.0% ↑	4.5	0.0	0.0% ↑
Deferred income tax and social contribution	0.9	2.3	(63.6%) ↓	(0.3)	351.3% ↑	3.2	(0.3)	1,336.8% ↑
Clients	(62.1)	(93.8)	33.8% ↑	(17.7)	(250.7%) ↓	(156.0)	(58.5)	(166.6%) ↓
Properties for sale	(44.5)	3.5	(1,364.2%) ↓	(24.5)	(81.3%) ↓	(41.0)	(89.2)	54.1% ↑
Other accounts receivable	0.0	(11.6)	100.1% ↑	(16.8)	100.1% ↑	(11.6)	(17.8)	35.1% ↑
Suppliers	(9.7)	24.6	(139.3%) ↓	1.9	(597.5%) ↓	14.9	26.9	(44.5%) ↓
Taxes and contributions	9.0	(1.4)	744.9% ↑	0.4	2,250.1% ↑	7.6	0.4	1,906.6% ↑
Salaries, payroll charges and bonus provision	(0.5)	1.9	(124.2%) ↓	(11.8)	96.1% ↑	1.4	(10.0)	114.4% ↑
Obligations for purchase of real properties	86.2	(25.3)	441.5% ↑	30.6	181.6% ↑	61.0	85.5	(28.7%) ↓
Other accounts payable	10.5	(9.4)	212.1% ↑	1.5	616.9% ↑	1.1	(0.0)	2,454.2% ↑
Current account operations	0.1	0.1	51.5% ↑	0.0	- ↑	0.2	1.1	(78.2%) ↓
Taxes paid	0.1	(7.8)	101.1% ↑	(7.6)	101.2% ↑	(7.8)	(14.0)	44.5% ↑
Cash from (used in) investment activities	(491.6)	(17.8)	(2,658.4%) ↓	(191.6)	(156.6%) ↓	(509.4)	(156.7)	(225.1%) ↓
Purchase of property and equipment	(10.7)	(14.8)	28.0% ↑	(11.4)	6.5% ↑	(25.5)	(20.8)	(22.5%) ↓
Investments in marketable securities, net	(480.9)	(3.0)	- ↓	(180.2)	(166.9%) ↓	(483.9)	(135.9)	(256.0%) ↓
Cash from (used in) financing activities	392.7	46.0	753.1% ↑	151.2	159.7% ↑	438.7	100.7	335.9% ↑
Stock Buyback	0.0	0.0	0.0% ↑	(10.9)	100.0% ↑	0.0	(62.5)	100.0% ↑
Capital Reserve Increase	(7.2)	(0.9)	(734.3%) ↓	0.4	(1,705.4%) ↓	(8.1)	2.1	(488.5%) ↓
Dividends Paid	(0.0)	0.0	0.0% ↑	(25.1)	99.9% ↑	(0.0)	(25.1)	99.9% ↑
Loans and financing increase	489.2	101.0	384.6% ↑	290.8	68.2% ↑	590.1	359.0	64.4% ↑
Amortization of loans and financing	(88.1)	(53.1)	(66.0%) ↓	(102.7)	14.2% ↑	(141.2)	(170.3)	17.0% ↑
Loans and financing increase	(0.9)	(0.9)	(5.6%) ↓	(0.9)	(7.8%) ↓	(1.8)	(1.9)	5.5% ↑
Loan operations	(0.1)	(0.1)	(123.1%) ↓	(0.4)	66.1% ↑	(0.2)	(0.6)	66.6% ↑
Net increase (decrease) in cash and cash equivalents	(8.2)	(14.1)	42.2% ↑	2.1	(497.8%) ↓	(22.3)	35.2	(163.3%) ↓
At the beginning of the period	34.2	48.4	(29.2%) ↓	67.5	(49.2%) ↓	48.4	34.3	41.0% ↑
At the end of the period	26.1	34.2	(23.8%) ↓	69.5	(62.5%) ↓	26.1	69.5	(62.5%) ↓

INVESTOR RELATIONS

Renan Barbosa Sanches

CFO and Investor Relations Officer

Luiz Felipe Fustaino

Investor Relations and Treasury Manager

Bruno Souza

Investor Relations Sr. Analyst

Investor Relations

Phone: +55 (11) 3111-9909

E-mail: ri@tenda.com

Website: ir.tenda.com

MEDIA RELATIONS

Máquina Cohn & Wolfe

Isabela Kalil

Phone: +55 11 3147 7382

E-mail: tenda@maquinacohnwolfe.com

ABOUT TENDA

Tenda (B3: TEND3), one of the main homebuilders in Brazil, is listed under Novo Mercado, B3's highest corporate governance level. With a focus on affordable housing, it concentrates its activities in nine metropolitan areas of Brazil, with projects aimed within the brackets 1.5 and 2 of the "Minha Casa, Minha Vida" ("MCMV") federal government housing program.

	Notes	Parent		Consolidated	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	8,037	36,730	26,076	48,353
Securities	4.2	1,139,830	770,680	1,508,805	1,022,099
Receivables from development and services provided	5	66,934	68,619	578,121	406,599
Properties for sale	6	60,150	70,818	880,346	955,589
Due from related parties	7.1	22,038	39,529	3,551	3,051
Escrow deposits	17.2	16,280	10,932	16,854	11,304
Other receivables		30,172	22,808	73,176	59,371
Total current assets		1,343,441	1,020,116	3,086,929	2,506,366
NONCURRENT ASSETS					
Receivables from development and services provided	5	29,614	38,535	163,037	218,543
Properties for sale	6	51,784	44,208	679,298	536,975
Due from related parties	7.1	46,930	46,720	37,631	37,421
Escrow deposits	17.2	25,984	33,562	26,906	34,704
Investments in equity interests	8	1,225,534	1,110,713	42,543	42,592
Property, plant and equipment	9	61,605	68,046	76,496	79,434
Intangible assets	10	25,468	22,450	25,472	22,450
Total noncurrent assets		1,466,919	1,364,234	1,051,383	972,119
TOTAL ASSETS		2,810,360	2,384,350	4,138,312	3,478,485

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

	Notes	Parent		Consolidated	
		06/30/2020	12/31/2019	06/30/2020	12/31/2019
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Borrowings and financing	11	186,135	1,641	197,039	8,517
Debentures	12	318,780	5,598	318,780	5,598
Lease – right of use	13	3,413	2,981	3,413	2,981
Payables for materials and services	-	11,000	6,202	53,836	38,926
Taxes and contributions	-	9,657	10,647	48,440	30,048
Payroll, related taxes and profit sharing	14	12,944	11,434	62,184	49,265
Payables for purchase of properties and advances from customers	15	4,963	5,311	263,713	340,862
Provisions and contract terminations payable	-	4,171	4,253	8,602	8,294
Due to related parties	7.1	49,491	48,570	24,407	23,681
Allowance for loss on investments	8	12,295	11,426	5,678	5,705
Dividends payable	-	18,147	18,175	18,147	18,175
Other payables	-	5,064	5,553	12,557	15,023
Provision for contingencies	17.1	31,481	30,086	34,273	31,896
Total current liabilities		667,541	161,877	1,056,958	578,971
NONCURRENT LIABILITIES					
Borrowings and financing	11	182,589	8,383	333,137	51,499
Debentures	12	498,255	804,822	498,255	804,822
Lease – right of use	13	9,041	17,698	9,041	17,698
Payables for purchase of properties and advances from customers	15	533	1,734	757,650	602,386
Provision for legal claims	17.1	26,936	27,057	29,325	28,685
Deferred taxes	16	476	399	14,308	11,794
Other payables	-	17,845	11,759	37,477	30,921
Total noncurrent liabilities		735,675	871,852	1,679,193	1,547,805
EQUITY					
Capital	18.1	1,095,511	1,095,511	1,095,511	1,095,511
Capital and stock option reserve	18.2	18,240	33,531	18,240	33,531
Treasury shares	18.3	(88,479)	(102,425)	(88,479)	(102,425)
Earnings reserves	-	381,872	324,004	381,872	324,004
Equity attributable to the Company's owners		1,407,144	1,350,621	1,407,144	1,350,621
Noncontrolling interests		-	-	906	1,088
Total equity		1,407,144	1,350,621	1,408,050	1,351,709
TOTAL LIABILITIES AND EQUITY		2,810,360	2,384,350	4,138,312	3,478,485

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

	Notes	Parent				Consolidated			
		04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
NET REVENUE	22	65,654	81,646	34,446	108,445	526,127	941,939	489,099	898,413
COSTS	23	(57,418)	(71,187)	(35,557)	(91,061)	(364,384)	(652,337)	(322,667)	(591,457)
GROSS PROFIT		8,236	10,459	(1,111)	17,384	161,743	289,602	166,432	306,956
(EXPENSES) INCOME									
Selling expenses	23	(11,690)	(11,543)	(3,943)	(8,719)	(44,706)	(92,791)	(37,502)	(70,275)
General and administrative expenses	23	(14,450)	(22,645)	(5,953)	(16,675)	(40,479)	(70,336)	(30,587)	(59,665)
Share of profit (loss) of investees	8	84,201	132,296	99,591	167,042	(164)	(3)	(225)	(1,468)
Other income (expenses), net	23	(16,875)	(36,739)	(16,110)	(35,744)	(20,294)	(41,650)	(18,361)	(38,982)
PROFIT BEFORE FINANCE INCOME (COSTS)		49,422	71,828	72,474	123,288	56,100	84,822	79,757	136,566
FINANCE INCOME (COSTS)		(8,776)	(13,058)	491	(570)	(6,308)	(9,259)	2,384	2,643
Finance income	24	5,540	12,238	11,507	20,684	10,262	19,523	15,246	27,300
Finance costs	24	(14,316)	(25,296)	(11,016)	(21,254)	(16,570)	(28,782)	(12,862)	(24,657)
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		40,646	58,770	72,965	122,718	49,792	75,563	82,141	139,209
INCOME TAX AND SOCIAL CONTRIBUTION		(372)	(902)	(6)	(6)	(9,711)	(17,877)	(9,249)	(15,772)
Current income tax and social contribution	16	(411)	(825)	(7)	(7)	(8,222)	(15,084)	(7,549)	(14,074)
Deferred income tax and social contribution	16	39	(77)	1	1	(1,489)	(2,793)	(1,700)	(1,698)
PROFIT FOR THE PERIOD		40,274	57,868	72,959	122,712	40,081	57,686	72,892	123,437
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:									
Owners of the Company		40,274	57,868	72,959	122,712	40,274	57,868	72,959	122,712
Noncontrolling interests		-	-	-	-	(193)	(182)	(67)	725
EARNINGS PER SHARE ATTRIBUTABLE TO COMPANY OWNERS									
Basic earnings per thousand shares – in reais	20	0.4129	0.5933	0.7597	1.2778	0.4129	0.5933	0.7597	1.2778
Diluted earnings per thousand shares – in reais	20	0.3808	0.5471	0.6954	1.1696	0.3871	0.5463	0.6954	1.1696

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

	Parent				Consolidated			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
PROFIT FOR THE PERIOD	40,274	57,868	72,959	122,712	40,081	57,686	72,892	123,437
Other comprehensive income	-	-	-	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	40,274	57,868	72,959	122,712	40,081	57,686	72,892	123,437
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:								
Owners of the Company	40,274	57,868	72,959	122,712	40,274	57,868	72,959	122,712
Noncontrolling interests			-	-	(193)	(182)	(67)	725
	40,274	57,868	72,959	122,712	40,081	57,686	72,892	123,437

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

Attributable to owners of the Company									
	Notes	Capital	Capital reserve	Treasury shares	Earnings reserves	Retained earnings/ accumulated losses	Total Parent	Noncontrolling interests	Total equity
BALANCE AS AT DECEMBER 31, 2018		1,095,511	69,999	(90,889)	123,052	-	1,197,673	6,101	1,203,774
Capital decrease		-	-	-	-	-	-	(5,882)	(5,882)
Increase of capital reserve		-	2,073	-	-	-	2,073	-	2,073
Recognized stock options granted		-	3,259	-	-	-	3,259	-	3,259
Share buyback		-	-	(62,466)	-	-	(62,466)	-	(62,466)
Stock options exercise		-	(40,793)	40,793	-	-	-	-	-
Interim dividends		-	-	-	-	(11,816)	(11,816)	-	(11,816)
Profit for the period		-	-	-	-	122,712	122,712	725	123,437
BALANCE AS AT JUNE 30, 2019		1,095,511	34,538	(112,562)	123,052	110,896	1,251,435	944	1,252,379
BALANCE AS AT DECEMBER 31, 2019		1,095,511	33,531	(102,425)	324,004	-	1,350,621	1,088	1,351,709
Decrease of capital reserve		-	(8,054)	-	-	-	(8,054)	-	(8,054)
Recognized stock options granted		-	6,709	-	-	-	6,709	-	6,709
Stock options exercise	18.3	-	(13,946)	13,946	-	-	-	-	-
Profit for the period		-	-	-	-	57,868	57,868	(182)	57,686
BALANCE AS AT JUNE 30, 2020		1,095,511	18,240	(88,479)	324,004	57,868	1,407,144	906	1,408,050

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

	Notes	Parent		Consolidated	
		06/30/2020	06/30/2019	06/30/2020	06/30/2019
CASH FLOW FROM OPERATING ACTIVITIES					
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		58,769	122,718	75,562	139,209
Adjustments for:					
Depreciation and amortization	9 and 10	15,893	14,269	17,210	14,562
Estimated allowance for (reversal of) doubtful debts and contract terminations (net of termination costs)	5 and 6	1,934	(7,951)	32,810	(495)
Present value adjustment	5	(72)	(302)	(1,312)	(1,686)
Allowance for impairment of nonfinancial assets	6 and 8	(392)	(2,626)	(538)	(2,625)
Share of profit (loss) of investees	8	(132,296)	(167,042)	3	1,468
Provision for contingencies and commitments	17	1,274	(1,186)	3,017	(2,464)
Unrealized interest and finance charges, net		21,897	3,311	24,642	6,369
Provision for warranties		1	106	1,144	1,357
Accrued profit sharing	23	4,747	4,463	11,476	8,987
Stock option costs	18.2	6,709	3,259	6,709	3,259
Leases		4,541	-	4,541	-
Other provisions		(136)	(662)	(215)	(696)
Provision for/(reversal of) deferred taxes (PIS and COFINS)		(829)	(765)	3,191	(258)
(Increase) decrease in operating assets					
Receivables from development and services provided		7,279	18,351	(155,966)	(58,506)
Properties and land for sale		5,003	13,985	(40,968)	(89,247)
Other receivables		(5,133)	(10,173)	(11,556)	(17,799)
Increase (decrease) in operating liabilities					
Payables for materials and services		4,798	6,438	14,910	26,856
Taxes and contributions		(477)	(619)	7,645	381
Payroll, related taxes and profit sharing		(3,237)	(8,257)	1,443	(10,002)
Payables for purchase of properties and advances from customers		(1,603)	(6,229)	60,993	85,488
Other payables		3,364	1,868	1,130	(48)
Related-party transactions		36,756	178,996	244	1,121
Income tax and social contribution paid		(509)	-	(7,752)	(13,966)
Net cash (used in) provided by operating activities		28,281	161,952	48,363	91,265
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of tangible and intangible assets	9 and 10	(20,640)	(18,673)	(25,466)	(20,782)
Investments in/redemption of securities		(367,667)	(169,321)	(483,922)	(135,924)
Total net cash used in investing activities		(388,307)	(187,994)	(509,388)	(156,706)
CASH FLOWS FROM FINANCING ACTIVITIES					
Share buyback		-	(62,466)	-	(62,466)
Dividends paid		(28)	(25,090)	(28)	(25,090)
(Decrease) increase of capital reserve		(8,054)	2,073	(8,054)	2,073
Payment of rights of use under leases		(1,836)	(1,942)	(1,836)	(1,942)
Borrowings, financing and debentures		373,553	160,385	590,111	358,974
Repayment of borrowings, financing and debentures - principal		(16,701)	(14,876)	(123,768)	(160,391)
Payment of borrowings, financing and debentures - interest		(15,391)	(6,077)	(17,467)	(9,869)
Intragroup loans		(210)	(628)	(210)	(628)
Net cash (used in) provided by financing activities		331,333	51,379	438,748	100,661
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(28,693)	25,337	(22,277)	35,220
CASH AND CASH EQUIVALENTS					
At the beginning of the period		36,730	11,674	48,353	34,287
At the end of the period		8,037	37,011	26,076	69,507
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(28,693)	25,337	(22,277)	35,220

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

	Notes	Parent		Consolidated	
		06/30/2020	06/30/2019	06/30/2020	06/30/2019
REVENUE					
Real estate development and sale		83,640	101,037	1,000,430	922,999
Estimated allowance for (reversal of) doubtful debts and contract terminations		(3,399)	8,754	(41,262)	(6,384)
		80,241	109,791	959,168	916,615
INPUTS PURCHASED FROM THIRD PARTIES					
Operating costs - real estate development and sale		(64,655)	(84,608)	(633,254)	(570,666)
Supplies, power, outside services and other inputs		(40,805)	(40,541)	(63,905)	(60,311)
		(105,460)	(125,149)	(697,159)	(630,977)
GROSS VALUE ADDED		(25,219)	(15,358)	262,009	285,638
RETENTIONS					
Depreciation and amortization	9 and 10	(15,893)	(14,269)	(17,210)	(14,564)
WEALTH CREATED BY THE COMPANY		(41,112)	(29,627)	244,799	271,074
WEALTH RECEIVED IN TRANSFER					
Share of profit (loss) of investees	8	132,296	167,042	(3)	(1,468)
Finance income		12,833	21,687	20,449	28,557
		145,129	188,729	20,446	27,089
WEALTH FOR DISTRIBUTION		104,017	159,102	265,245	298,163
WEALTH DISTRIBUTED					
Employees and payroll taxes		17,792	9,338	111,706	84,035
Direct compensation		15,446	7,782	87,664	65,285
Benefits		1,586	1,187	16,893	12,685
Payroll taxes		760	369	7,149	6,065
TAXES, FEES AND CONTRIBUTIONS		2,092	4,085	54,764	50,270
Federal		2,092	4,085	54,702	50,086
Municipal		-	-	62	184
LENDERS AND LESSORS					
Interest and leases		26,266	22,967	41,090	40,421
SHAREHOLDERS					
Dividends		-	11,816	-	11,816
Retained earnings		57,867	110,896	57,867	110,896
Profit (losses) attributable to noncontrolling interests		-	-	(182)	725

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

1. GENERAL INFORMATION

Construtora Tenda S.A. ("Company" or "Tenda") and its subsidiaries ("Group") engage in the performance of general construction works, real estate development, real estate purchase and sale, the provision of general construction management services, the intermediation of the sale of consortium shares, and holding of interests in other companies. The subsidiaries significantly share the Company's management, operating, and corporate costs. The SPEs are exclusively engaged in real estate operations and are linked to specific projects.

The Company is a publicly-traded company with registered head office at Avenida Francisco Matarazzo, 1400, 20º andar, in the city of São Paulo, State of São Paulo, and registered with the São Paulo Stock Exchange - B3 (former BMF&BOVESPA) under the ticker symbol "TEND3".

2. PRESENTATION OF INTERIM FINANCIAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The Company's interim financial information comprises:

- a) The individual interim financial information prepared in accordance with accounting practices adopted in Brazil, as laid down in accounting pronouncement CPC 21 (R1) – Interim Financial Reporting, and the consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB"), which takes into consideration the guidance contained in CVM/SNC/SEP Circular Letter 02/2018 on the guidelines of CPC 47 (IFRS15) applicable to real estate development entities in Brazil with respect to the transfer of control on the sale of real estate units, identified as "Parent"; and
- b) The consolidated interim financial information prepared in accordance with accounting practices adopted in Brazil, as laid down in accounting pronouncement CPC 21 (R1) – Interim Financial Reporting, and the consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB"), which takes into consideration the guidance contained in CVM/SNC/SEP Circular Letter 02/2018 on the guidelines of CPC 47 (IFRS15) applicable to real estate development entities in Brazil with respect to the transfer of control on the sale of real estate units, identified as "Consolidated".

2.2 Basis of preparation

The interim financial information has been prepared in the normal course of business, using the historical cost as the value base, and liabilities and assets at present or realizable value.

All relevant information related to the interim financial information and only this information is being disclosed and corresponds to the information used by the Company's Management in its management.

In preparing the interim financial information, Management assesses the Company's ability to continue as a going concern.

Except for the information on the application of the new accounting practices described in note 3.(a), the information on the basis for preparation and presentation of the interim financial information, the summary of the significant accounting policies, and the use of estimates and judgments did not change as compared to the information disclosed in note 2 to the Annual Financial Statements for the year ended December 31, 2019, published on March 19, 2020 in the newspapers O Estado de São Paulo and Diário Oficial do Estado de São Paulo (the São Paulo State Official Gazette), and made available on the following websites: www.cvm.gov.br, www.bmfbovespa.com.br and <http://ir.tenda.com>.

All the figures disclosed in this interim financial information are expressed in thousands of Brazilian reais, unless otherwise stated.

2.3 Approval of interim financial information

The Company's individual and consolidated interim financial information was approved by the Board of Directors and authorized for issuance on August 05, 2020.

2.4 Consolidated interim financial information

The Company's consolidated interim financial information includes the individual financial information of the Parent and its direct and indirect subsidiaries. The Company has the control over an entity when it is exposed or has rights to variable returns from its involvement with the entity and has ability to affect those returns through power over an entity. The existence and the effects of potential voting rights, currently exercisable or convertible, are taken into consideration when determining whether the Company controls or not another entity. Subsidiaries are fully consolidated from the date on which control is transferred until the date control ceases.

The accounting policies have been consistently applied by all subsidiaries included in the interim financial information. (note 8).

2.5 Statements of value added

The purpose of this statement is to disclose the wealth created by the Company and its distribution during a certain reporting period, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its individual financial statements, and as supplemental information to the consolidated financial statements, since this statement is neither required nor mandatory under IFRSs. The statements of value added have been prepared using information obtained in the same accounting records used to prepare the financial statements and pursuant to the provisions of CPC 09 *Statement of Value Added*.

3. ISSUED NEW AND REVISED STANDARDS AND INTERPRETATIONS

New and revised standards and interpretations already adopted in the current year:

New and revised standards and interpretations will become effective as described below:

New and revised standards and interpretations	Effective beginning
CPC00 – Conceptual Framework – Revision (a)	January 1, 2020
Other revisions (b)	January 1, 2020

(a) Change of conceptual framework

On November 1, 2019, the Accounting Pronouncements Committee approved the revision of the conceptual framework (CPC 00 R2) resulting in the following changes: a) enhancement of the definitions of assets, liabilities, income and expenses, and criteria for inclusion/exclusion of financial assets and financial liabilities; b) definition of the financial reporting purpose; c) guidance on the measurement, presentation and disclosure basis; and d) characteristics of the accounting information useful for the user. The Company and its subsidiaries do not believe that their financial statements will be significantly impacted.

(b) Other revised technical pronouncements

The revised standards below did not significantly impact the Company:

CPC 15 - IFRS 3 – Definition of Business

CPC 26 - IAS 1 and CPC 23 - IAS 8 – Definition of Materiality

4. CASH AND CASH EQUIVALENTS AND SECURITIES

4.1 Cash and cash equivalents

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Cash and banks	3,037	1,757	20,182	9,160
Bank certificate of deposit	5,000	34,973	5,894	39,193
Cash and cash equivalents (note 21.b.i)	8,037	36,730	26,076	48,353

4.2 Securities

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Fixed-income funds	-	1,664	1,808	3,452
Exclusive funds (a)	639,625	732,692	740,918	784,891
Repurchase transactions	34	34	34	34
Bank certificate of deposit (b)	461,833	351	465,507	4,080
Restricted short-term investments (c)	38,338	35,939	300,538	229,642
Total securities (note 21.b.i)	1,139,830	770,680	1,508,805	1,022,099

(a) Exclusive funds

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
National Treasury Bills (LTN)	280,595	124,315	338,869	139,316
Bank Certificates of Deposit (CDBs)	-	2,210	-	2,210
Financial Treasury Bill (LFT)	282,313	490,607	325,332	527,805
Private securities (Financial Bill)	52,897	113,143	52,897	113,143
Repurchase transactions	23,820	2,417	23,820	2,417
Total exclusive funds	639,625	732,692	740,918	784,891

(b) As at June 30, 2020, the Bank Certificates of Deposit (CDBs) include interest earned through the end of the reporting period, ranging from 65% to 103% (from 75% to 105.97% as at December 31, 2019) of the Interbank Deposit Certificates (CDI) rate.

(c) Restricted short-term investments are represented by the onlending of real estate pool funding receivables about to be approved by Caixa Econômica Federal (Federal savings bank). This funding is approved as the contracts entered into with customers are formalized with the financial institution.

5. RECEIVABLES FROM DEVELOPMENT AND SERVICES PROVIDED

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Receivables from real estate development and sales	134,667	140,834	910,368	754,316
(-) Estimated allowance for doubtful debts	(50,504)	(50,006)	(129,434)	(118,213)
(-) Allowance for contract terminations	(11,306)	(8,405)	(75,765)	(45,724)
(-) Present value adjustment	(931)	(1,003)	(6,079)	(7,391)
Receivables from land sales and services provided	24,622	25,734	42,068	42,154
	96,548	107,154	741,158	625,142
Current	66,934	68,619	578,121	406,599
Noncurrent	29,614	38,535	163,037	218,543

The aging list of trade receivables is as follows:

Maturity	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Past due				
Up to 90 days	988	785	16,351	2,880
91-180 days	2,108	1,130	9,623	9,326
More than 180 days (a)	36,379	39,483	58,723	68,858
Subtotal - past due	39,475	41,398	84,697	81,064
Current				
2020	69,029	79,198	623,143	449,334
2021	21,596	24,099	109,234	155,623
2022	12,799	9,853	56,477	61,922
2023	7,970	5,230	34,925	22,489
2024 and thereafter	8,420	6,790	43,960	26,038
Subtotal - current	119,814	125,170	867,739	715,406
(-) Present value adjustment (b)	(931)	(1,003)	(6,079)	(7,391)
(-) Estimated allowance for doubtful debts and contract termination	(61,810)	(58,411)	(205,199)	(163,937)
	96,548	107,154	741,158	625,142

(a) Of the amount past due for more than 180 days, amounts being transferred to financial institutions total R\$24,461 in the Parent and R\$42,291 in consolidated (R\$15,376 in the Parent and R\$30,308 in consolidated as at December 31, 2019).

(b) The discount rate applied by the Company and its subsidiaries was 1.66% (average borrowing rate less INCC) for the period ended June 30, 2020 (1.88% in 2019).

The variations in the allowances for doubtful debts and contract terminations in the periods ended June 30, 2020 and 2019 are summarized below:

	Parent			
	Trade receivables - expected credit losses	Trade receivables - Allowance for contract terminations	Properties for sale (Note 6)	Net balance
Balance as at December 31, 2018	(64,311)	(6,183)	5,300	(65,194)
Additions	(4,052)	(1,296)	1,216	(4,132)
Reversals	13,037	1,502	(2,019)	12,520
Low	(437)	-	-	(437)
Balance as at June 30, 2019	(55,763)	(5,977)	4,497	(57,243)
Balance as at December 31, 2019	(50,006)	(8,405)	4,482	(53,929)

Parent				
	Trade receivables - expected credit losses	Trade receivables - Allowance for contract terminations	Properties for sale (Note 6)	Net balance
Additions	(2,977)	(3,462)	3,572	(2,867)
Reversals	1,486	561	(2,107)	(60)
Low	993	-	-	993
Balance as at June 30, 2020	(50,504)	(11,306)	5,947	(55,863)
Consolidated				
	Trade receivables - expected credit losses	Trade receivables - Allowance for contract terminations	Properties for sale (Note 6)	Net balance
Balance as at December 31, 2018	(130,478)	(15,126)	13,862	(131,742)
Additions	(14,820)	(20,048)	11,223	(23,645)
Reversals	23,208	7,371	(4,344)	26,235
Low	(2,095)	-	-	(2,095)
Balance as at June 30, 2019	(124,185)	(27,803)	20,741	(131,247)
Balance as at December 31, 2019	(118,213)	(45,724)	20,851	(143,086)
Additions	(29,163)	(37,897)	22,108	(44,952)
Reversals	8,590	7,856	(13,656)	2,790
Low	9,352	-	-	9,352
Balance as at June 30, 2020	(129,434)	(75,765)	29,303	(175,896)

6. PROPERTIES FOR SALE

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Raw material	-	-	369	-
Land	62,660	60,974	1,274,599	1,198,028
Land held for sale	17,098	19,195	21,264	23,873
Properties under construction	23,029	28,696	278,564	314,548
Cost of properties in the recognition of the allowance for contract terminations (note 5)	5,947	4,482	29,303	20,851
Completed units	8,950	7,875	22,192	19,571
(-) Present value adjustment in land purchases	(37)	(91)	(59,311)	(76,433)
(-) Impairment of properties for sale	(1,259)	(1,651)	(1,623)	(2,092)
(-) Impairment of land held for sale	(4,454)	(4,454)	(5,713)	(5,782)
	111,934	115,026	1,559,644	1,492,564
Current	60,150	70,818	880,346	955,589
Noncurrent	51,784	44,208	679,298	536,975

The Company has commitments to build bartered units, relating to the acquisition of land, recognized based on the fair value of bartered units at the acquisition date. As at June 30, 2020, the balance of obligations for land acquired under barter agreements totals R\$1,900 (R\$1,900 as at December 31, 2019) in the Parent and R\$105,400 (R\$104,734 as at December 31, 2019) in consolidated (Note 15).

As described in note 11, the balance of capitalized finance charges as at June 30, 2020 was R\$4,554 (R\$5,146 as at June 30, 2019) in the Parent and R\$29,822 (R\$31,447 as at June 30, 2019) in consolidated.

7. RELATED PARTIES

7.1 Related-party balances

The asset and liability balances with related parties are as follows:

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Assets				
Subsidiaries				
Related parties' current account (a)	22,038	39,495	-	-
Loan receivable (c)	9,299	9,299	-	-
Total subsidiaries	31,337	48,794	-	-
Joint ventures				
Related parties' current account (a)	-	34	3,551	3,051
Loan receivable (c)	37,631	37,421	37,631	37,421
Total	37,631	37,455	41,182	40,472
Total assets	68,968	86,249	41,182	40,472
Current	22,038	39,529	3,551	3,051
Noncurrent	46,930	46,720	37,631	37,421

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Liabilities				
Subsidiaries				
Related parties' current account (b)	25,084	24,908	-	-
Total subsidiaries	25,084	24,908	-	-
Joint ventures				
Related parties' current account (b)	24,407	23,662	24,407	23,681
Total	24,407	23,662	24,407	23,681
Total liabilities	49,491	48,570	24,407	23,681
Current	49,491	48,570	24,407	23,681

- (a) The Company participates in real estate development projects with other partners, either directly or through related companies. These projects' management structure and cash management are centralized in the company leading the project, which also oversees the construction and budget progress. Thus, the project leader ensures that the necessary funds are used and allocated as planned. The sources and uses of the projects' funds are reflected in these balances, to the extent of the equity interest held by each investor, which is not subject to inflation adjustments or finance charges imposed by each investor, and do not have a fixed maturity date. The purpose of these transactions is to streamline the business relationships that demand a joint management of amounts mutually owed by the parties and, consequently, the control over the movements of amounts mutually handed over, which are netted when the current account is closed. The average period of time to develop and complete the projects in which the funds are invested ranges from 18 to 24 months;
- (b) Amount relating to funds transferred between group companies, which will be derecognized through a capital increase or decrease;
- (c) The intragroup loans between the Company and its joint ventures—detailed below—result from the need to meet cash requirements for the development of their corresponding activities and are subject to the finance charges set forth in the underlying agreements. Related-party transactions are conducted at arm's length and appropriate in order to preserve the interests of both parties involved in each transaction.

The table below shows the breakdown, type, and terms and conditions of the balances of intragroup loans and borrowings. The maturities of intragroup loans are contingent on the duration of the related projects.

	Parent		Consolidated		Nature	Interest rate
	06/30/2020	12/31/2019	06/30/2020	12/31/2019		
Subsidiaries						
FIT 09 SPE Empr. Imob. Ltda. (b)	9,299	9,299	-	-	Construction	120% to 126.5% p.a. of CDI
Loans to subsidiaries	9,299	9,299	-	-		
Joint ventures						
Atua Construtora e Incorporadora S.A. (a)	12,167	12,167	12,167	12,167	Construction	112% to 113.5% of CDI
FIT 19 SPE Empr. Imobiliários Ltda. (b)	18,401	18,304	18,401	18,304	Construction	100% of CDI
Acedio SPE Empr. Imobiliários Ltda. (b)	7,063	6,950	7,063	6,950	Construction	100% of CDI
Loans to joint ventures	37,631	37,421	37,631	37,421		
	46,930	46,720	37,631	37,421		

- (a) Amount related to a Company loan to Atua Construtora e Incorporadora S.A., which is being disputed in arbitration, at the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM/CCBC). The amount is no longer adjusted based at the agreed finance charges in light of the arbitration.
- (b) Amounts receivable between SPEs that are adjusted through August 2014 (date of last request in arbitration) using the contractually agreed financial charges. These amounts are being disputed in arbitration, at the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM/CCBC). The loan to Fit 09 SPE Empr. Imob. Ltda. was eliminated for purposes of the consolidated financial statements, and the balance changes shown arise from the new amounts to guarantee the companies' operations.

7.2 Guarantees, collaterals and sureties

The financial transactions of the Group are collateralized by guarantees or sureties in proportion to the Company's interests in the capital of such companies, totaling R\$733,210 as at June 30, 2020 (R\$674,197 as at December 31, 2019).

8. INVESTMENTS IN EQUITY INTERESTS

(i) Equity interests:

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Subsidiaries				
Wholly-owned	1,175,286	1,060,216	-	-
Due to management of material operations	3,907	3,834	-	-
Capitalized interest	3,798	4,071	-	-
	1,182,991	1,068,121	-	-
Joint ventures	42,543	42,592	42,543	42,592
	1,225,534	1,110,713	42,543	42,592

Variations in investments

	Parent	Consolidated
Balance as at December 31, 2018	964,356	39,376
Share of profit (loss) of investees	167,042	(1,468)
Capital decrease	(5,882)	-
Allowance for investment losses	646	33
Balance as at June 30, 2019	1,126,162	37,941
Balance as at December 31, 2019	1,110,713	42,592
Share of profit (loss) of investees	132,296	(3)
Capital payment	2	-
Dividends (b)	(5,924)	-
Capital decrease (a)	(12,422)	(19)
Allowance for (reversal of) investment losses	869	(27)
Balance as at June 30, 2020	1,225,534	42,543
a) Capital decrease in SPEs: Fit SPE06 Emp. Imob. R\$7,172, Tenda intermediação de negócios R\$2,685, and FIT 31 SPE Emp. Imob. R\$2,287		
b) Dividend distribution from the SPEs: Tenda 46 SPE R\$2,160 and Fit SPE 02 emp. Imob. R\$1,654		

Breakdown of investments and negative equity as at June 30, 2020

	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity and advance for future capital increase	Profit (loss) for the year	Equity interest %	Share of profit (loss) of investees	Investment balance	Equity deficiency
Subsidiaries										
TENDA NEG. IMOB. S/A	1,451,475	663,592	452,686	667,987	994,393	323,254	100%	323,254	994,392	-
FIT 02 SPE EMP.IMOB.LTDA.	19,078	262	1,461	1,415	16,464	6,966	100%	6,966	16,464	-
TENDA 46 SPE EMP.IMOB.LTDA.	27,575	14,671	9,493	20,857	11,897	9,095	100%	9,095	11,897	-
FIT 06 SPE EMP.IMOB.LTDA.	7,325	-	-	-	7,325	31	100%	31	7,325	-
TND NEG. IMOB. LTDA.	6,099	-	109	-	5,992	3,304	100%	3,304	5,992	-
FIT BILD 09 SPE EMP.IMOB.LTDA.	3,078	-	870	9,309	(7,102)	333	75%	249	-	(5,326)
Other	35,301	3,448	7,930	370	30,449	2,800		1,711	27,980	(395)
Capitalized interest								160	4,071	-
Total subsidiaries	1,549,931	681,973	472,549	699,938	1,059,418	345,783		344,770	1,068,121	(5,721)
Joint ventures										
FIT 13 SPE EMP.IMOB.LTDA.	17,890	3,545	1,656	-	19,779	72	50%	36	9,889	-
CIPESA PROJ. 02 EMP. IMOB. SPF	18,397	-	56	14	18,328	247	50%	123	9,164	-
SPE FRANIERE GAFISA 08 EMP.III	22,423	2,391	3,951	2,646	18,217	(2,101)	50%	(1,050)	9,108	-
ACEDIO SPE EMP.IMOB.LTDA.	10,039	9,880	1,421	6,950	11,550	10,451	55%	5,748	6,352	-
FIT JD. BOTÂNICO SPE EMP.IMOE	9,446	-	164	2	9,281	339	55%	186	5,104	-
FIT CAMPOLIM SPE	8,051	-	70	18,304	(10,323)	95	55%	52	-	(5,678)
Other	13,121	109	6,439	898	5,896	(3,711)		(1,856)	2,975	(27)
Consolidated	99,367	15,925	13,757	28,814	72,728	5,392		3,239	42,592	(5,705)
Total Parent	1,649,298	697,898	486,306	728,752	1,132,146	351,175		348,009	1,110,713	(11,426)

Breakdown of investments and negative equity as at December 31,, 2019

	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity and advance for future capital increase	Profit (loss) for the year	Equity interest %	Share of profit (loss) of investees	Investment balance	Equity deficiency
Subsidiaries										
TENDA NEG. IMOB. S/A	1,451,475	663,592	452,686	667,987	994,393	323,254	100%	323,254	994,392	-
FIT 02 SPE EMP.IMOB.LTDA.	19,078	262	1,461	1,415	16,464	6,966	100%	6,966	16,464	-
TENDA 46 SPE EMP.IMOB.LTDA.	27,575	14,671	9,493	20,857	11,897	9,095	100%	9,095	11,897	-
FIT 06 SPE EMP.IMOB.LTDA.	7,325	-	-	-	7,325	31	100%	31	7,325	-
TND NEG. IMOB. LTDA.	6,099	-	109	-	5,992	3,304	100%	3,304	5,992	-
FIT BILD 09 SPE EMP.IMOB.LTDA.	3,078	-	870	9,309	(7,102)	333	75%	249	-	(5,326)
Other	35,301	3,448	7,930	370	30,449	2,800	-	1,711	27,980	(395)
Capitalized interest								160	4,071	-
Total subsidiaries	1,549,931	681,973	472,549	699,938	1,059,418	345,783		344,770	1,068,121	(5,721)
Joint ventures										
FIT 13 SPE EMP.IMOB.LTDA.	17,890	3,545	1,656	-	19,779	72	50%	36	9,889	-
CIPESA PROJ. 02 EMP. IMOB. SPE LT	18,397	-	56	14	18,328	247	50%	123	9,164	-
SPE FRANERE GAFISA 08 EMP.IMOB	22,423	2,391	3,951	2,646	18,217	(2,101)	50%	(1,050)	9,108	-
ACEDIO SPE EMP.IMOB.LTDA.	10,039	9,880	1,421	6,950	11,550	10,451	55%	5,748	6,352	-
FIT JD. BOTÂNICO SPE EMP.IMOB.LT	9,446	-	164	2	9,281	339	55%	186	5,104	-
FIT CAMPOLIM SPE	8,051	-	70	18,304	(10,323)	95	55%	52	-	(5,678)
Other	13,121	109	6,439	898	5,896	(3,711)	-	(1,856)	2,975	(27)
Consolidated	99,367	15,925	13,757	28,814	72,728	5,392		3,239	42,592	(5,705)
Total Parent	1,649,298	697,898	486,306	728,752	1,132,146	351,175		348,009	1,110,713	(11,426)

9. PROPERTY, PLANT AND EQUIPMENT

Parent								
Description	Depreciation rate - % p.a.	12/31/2018	Additions	Write-offs	12/31/2019	Additions	Dispos als	06/30/2020
Cost								
Hardware		22,619	2,000	-	24,619	1,925	-	26,544
Leasehold improvements and facilities		10,201	3,046	-	13,247	858	(1,374)	12,731
Furniture and fixtures		3,883	823	-	4,706	180	-	4,886
Machinery and equipment		3,009	321	-	3,330	1,843	-	5,173
Molds		40,660	20,004	-	60,664	6,490	-	67,154
Lease - right of use (b)		-	26,544	(3,054)	23,490	-	(7,500)	15,990
		80,372	52,738	(3,054)	130,056	11,296	(8,874)	132,478
Accumulated depreciation								
Hardware	20%	(12,726)	(3,705)	-	(16,431)	(2,041)	-	(18,472)
Leasehold improvements and facilities	(a)	(7,628)	(1,242)	-	(8,870)	(953)	660	(9,163)
Furniture and fixtures	10%	(2,726)	(239)	-	(2,965)	(125)	-	(3,090)
Machinery and equipment	10%	(1,180)	(315)	-	(1,495)	(172)	-	(1,667)
Molds	20%	(18,931)	(10,046)	-	(28,977)	(5,562)	-	(34,539)
Lease - right of use (b)	14%	-	(3,401)	129	(3,272)	(2,161)	1,491	(3,942)
		(43,191)	(18,948)	129	(62,010)	(11,014)	2,151	(70,873)
		37,181	33,790	(2,925)	68,046	282	(6,723)	61,605
Consolidated								
Description	Depreciation rate - % p.a.	12/31/2018	Additions	Write-offs	12/31/2019	Additions	Write-offs	06/30/2020
Cost								
Hardware		22,619	2,000	-	24,619	1,934	-	26,553
Leasehold improvements and facilities		10,201	3,162	-	13,363	942	(1,374)	12,931
Furniture and fixtures		4,014	1,077	-	5,091	602	-	5,693
Machinery and equipment		3,009	364	-	3,373	2,099	-	5,472
Molds		42,519	30,319	-	72,838	10,539	-	83,377
Lease - right of use (b)		-	26,544	(3,054)	23,490	-	(7,500)	15,990
		82,362	63,466	(3,054)	142,774	16,116	(8,874)	150,016
Accumulated depreciation								
Hardware	20%	(12,726)	(3,705)	-	(16,431)	(2,041)	-	(18,472)
Leasehold improvements and facilities	(a)	(7,628)	(1,257)	-	(8,885)	(1,003)	660	(9,228)
Furniture and fixtures	10%	(2,735)	(258)	-	(2,993)	(159)	-	(3,152)
Machinery and equipment	10%	(1,180)	(316)	-	(1,496)	(187)	-	(1,683)
Molds	20%	(19,075)	(11,190)	-	(30,265)	(6,778)	-	(37,043)
Lease - right of use (b)	14%	-	(3,401)	131	(3,270)	(2,161)	1,489	(3,942)
		(43,344)	(20,127)	131	(63,340)	(12,329)	2,149	(73,520)
		39,018	43,339	(2,923)	79,434	3,787	(6,725)	76,496

(a) Depreciated according to the lower of the lease agreement term or its economic useful life.

(b) Lease - right of use, depreciated according to the contractual term. See note 13 for variations in liabilities.

The residual value, useful lives, and depreciation methods were reviewed at the end of year 2019, and no change was made. Assets are subject to periodical impairment testing.

10. INTANGIBLE ASSETS

	Consolidated						
	12/31/2018 Balance	Additions	Amortization	12/31/2019 Balance	Additions	Amortization	06/30/2020 Balance
Software – cost	49,572	7,907	-	57,479	9,392	-	66,871
Software – amortization	(23,506)	-	(11,523)	(35,029)	-	(6,370)	(41,399)
	26,066	7,907	(11,523)	22,450	9,392	(6,370)	25,472

Refer mainly to the expenses on the acquisition and implementation of information systems and software licenses, amortized over a three-year period based on their economic useful life (33.33% per year).

Intangible assets with finite useful lives are amortized over their useful lives, and tested for impairment whenever there is indication of asset impairment. The amortization period and method for an intangible asset with finite useful life are reviewed at least at the end of each annual reporting period.

11. BORROWINGS AND FINANCING

Type of transaction	Maturity	Annual interest rate	Parent		Consolidated	
			06/30/2020	12/31/2019	06/30/2020	12/31/2019
National Housing System (SFH)	07/2020 to 03/2024	TR + 8.30% p.a.	17,094	10,024	178,546	60,016
	03/2024	CDI + 2.93%	50,770	-	50,770	-
	06/2023	CDI + 3.45%	50,157	-	50,157	-
Bank Credit Note (CCB)	04/2021	CDI + 3.20%	50,551	-	50,551	-
	10/2021	CDI + 3.90%	101,230	-	101,230	-
	04/2022	CDI + 3.30%	100,043	-	100,043	-
Borrowing costs			(1,121)	-	(1,121)	-
Total			368,724	10,024	530,176	60,016
Current			186,135	1,641	197,039	8,517
Noncurrent			182,589	8,383	333,137	51,499

The current and noncurrent portions mature as follows:

Maturity	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
2020	3,140	1,641	9,611	8,517
2021	253,811	3,876	274,344	23,504
2022	76,551	3,529	149,408	22,668
2023	31,055	978	90,356	5,327
2024 and thereafter	4,167	-	6,457	-
	368,724	10,024	530,176	60,016

Finance costs on borrowings and financing (SFH) are capitalized at the cost of each construction project and land plot, according to the use of funds, and recognized in profit or loss proportionally to the units sold, as shown below. The capitalization rate used to determine the amount of the borrowing costs eligible for capitalization was 4.65% as at June 30, 2020 (5.88% as at December 31, 2019).

The following table shows a summary of finance costs and charges, and the portion capitalized in line item 'Properties for sale'.

	Parent		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Total borrowing costs for the period	20,843	20,984	29,532	43,125
Capitalized finance charges	(1,223)	(1,408)	(9,444)	(23,507)
Finance costs (note 24)	19,620	19,576	20,088	19,618
Borrowing costs allocated to line item 'Properties for sale':				
Opening balance	4,301	5,452	32,683	23,705
Capitalized finance charges	1,223	1,408	9,444	23,507
Finance charges charged to profit or loss (note 23)	(970)	(1,714)	(12,305)	(15,765)
Closing balance	4,554	5,146	29,822	31,447

12. DEBENTURES

Type of transaction	Maturity	Annual payout	Transaction cost		Parent/Consolidated	
			Appropriated	Incurred	06/30/2020	12/31/2019
Debentures (a)	January 2021	CDI + 0.90%	7,297	(9,222)	314,837	306,385
Debentures (b)	September 2023	CDI + 1.75%	824	(824)	152,249	153,453
Debentures (b)	March 2024	CDI + 1.40%	729	(1,163)	151,306	152,259
Debentures (b)	December 2024	CDI + 1.3%	260	(2,099)	198,643	198,323
Total debentures (note 21 iii)			9,110	(13,308)	817,035	810,420
Current						
Debentures					321,233	5,598
Transaction costs					(2,453)	-
Total current					318,780	5,598
Noncurrent						
Debentures					500,000	810,675
Transaction costs					(1,745)	(5,853)
Total noncurrent					498,255	804,822
					817,035	810,420

Summary of debentures issued:

Issue	Date	value	Payment of principal	Payment of interest	Covenants (net leverage ratio (total financial debt less SFH))
3 rd issue (a)	06/09/2017	270,000	01/15/2021 33.30% 09/2021	On maturity	(Must not exceed 50%) -26.01%
4 th issue (a)	10/09/2018	150,000	33.30% 09/2022 33.40% 09/2023	Semiannual	(Must not exceed 15%) -26.01%
5 th issue (b)	02/04/2019	150,000	50% 03/2023 50% 03/2024 25% 12/2021	Semiannual	(Must not exceed 15%) -26.01%
6 th issue (b)	05/12/2019	200,000	25% 12/2022 25% 12/2023 25% 12/2024	Semiannual	(Must not exceed 15%) -26.01%

- a) The Company launched the third issue of nonconvertible debentures. The proceeds from this issuance were used exclusively in real estate projects specifically targeted at the lower-income population segment.
- b) The Company launched the fourth, fifth and sixth issue of nonconvertible simple debentures. The proceeds from this issue were used in ordinary management, including working capital increase and capital structure growth.

13. LEASE – RIGHT OF USE

Liabilities	Parent/Consolidated		
	Variations – liabilities without present value adjustment	Present value adjustment	Right-of-use liability
Opening balance - 12/31/2019	23,724	(3,045)	20,679
Payments/interest	(1,836)	474	(1,362)
Write-offs	(7,461)	598	(6,863)
Closing balance - 06/30/2020	14,427	(1,973)	12,454
Current	4,704	(1,291)	3,413
Noncurrent	9,723	(682)	9,041

The lease balance is comprised of the following agreements:

Agreements	Parent/Consolidated				
	Principal	interest/PVA (a)	Liability balance	Months to be incurred	Monthly amount
Up to 5 years	1,841	(148)	1,693	19	96
5 to 10 years	6,243	(730)	5,513	39	162
Over 10 years	6,343	(1,095)	5,248	135	47
	14,427	(1,973)	12,454	47	305

- a) Average interest rate of 3.53% p.a. (nominal rate of the agreement / expected inflation up to the end of the agreement).

14. PAYROLL, RELATED TAXES AND PROFIT SHARING

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Payroll and related taxes	7,393	3,895	24,732	12,297
Accrued payroll and related taxes	2,877	2,458	27,292	21,131
Employee profit sharing (a)	2,674	5,081	10,160	15,837
	12,944	11,434	62,184	49,265

(a) The Company has a variable compensation program that grants its employees and management personnel and the employees and management personnel of its subsidiaries a share of the Company's profits. This program is linked to the fulfillment of specific goals, which are set, agreed-upon, and approved by the Board of Directors at the beginning of each year.

15. PAYABLES FOR PURCHASE OF PROPERTIES AND ADVANCES FROM CUSTOMERS

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Payables for properties purchased	3,596	5,123	915,958	838,200
Advances from customers	-	22	5	314
Physical barter - land	1,900	1,900	105,400	104,734
	5,496	7,045	1,021,363	943,248
Current	4,963	5,311	263,713	340,862
Noncurrent	533	1,734	757,650	602,386

The current and noncurrent portions mature as follows:

Maturity	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
2020	1,539	5,311	165,262	340,862
2021	3,957	1,734	278,684	198,038
2022	-	-	238,912	196,084
2023	-	-	141,876	104,714
2024 and thereafter	-	-	196,629	103,550
	5,496	7,045	1,021,363	943,248

16. INCOME TAX AND SOCIAL CONTRIBUTION

a) Current income tax and social contribution

The reconciliation at the effective tax rate for the periods ended June 30, 2020 and 2019 is as follows

	Parent			
	04/01/2020	01/01/2020	04/01/2019	01/01/2019
	to	to	to	to
	06/30/2020	06/30/2020	06/30/2019	06/30/2019
Income before income tax and social contribution:	40,645	58,769	72,965	122,718
Income tax calculated at the statutory rate - 34%	34%	34%	34%	34%
	(13,819)	(19,981)	(24,808)	(41,724)
Net impact of subsidiary taxed based on deemed income/RET	(372)	(911)	(111)	(111)
Other permanent differences	(1,671)	(2,947)	(3,326)	(2,529)
Unrecognized tax credits	(10,482)	(23,100)	(7,979)	(14,385)
Share of profit (loss) of investees	28,629	44,981	33,861	56,794
Other add-backs and deductions	(2,657)	1,056	2,357	1,949
Income tax and social contribution expenses (income)	(372)	(902)	(6)	(6)
Current tax expenses (income)	(411)	(825)	(7)	(7)
Deferred tax expenses (income)	39	(77)	1	1

	Consolidated			
	04/01/2020	01/01/2020	04/01/2019	01/01/2019
	to	to	to	to
	06/30/2020	06/30/2020	06/30/2019	06/30/2019
Income before income tax and social contribution:	49,790	75,561	82,141	139,209
Income tax calculated at the statutory rate - 34%	34%	34%	34%	34%
	(16,929)	(25,691)	(27,928)	(47,331)
Net impact of subsidiary taxed based on deemed income/RET	27,701	37,082	26,788	43,306
Other permanent differences	(2,092)	(3,552)	(3,980)	(3,033)
Unrecognized tax credits	(15,013)	(29,362)	(11,822)	(17,608)
Share of profit (loss) of investees	(56)	(1)	(195)	(585)
Other add-backs and deductions	(3,322)	3,647	7,888	9,479
Income tax and social contribution expenses (income)	(9,711)	(17,877)	(9,249)	(15,772)
Current tax expenses (income)	(8,222)	(15,084)	(7,549)	(14,074)
Deferred tax expenses (income)	(1,489)	(2,793)	(1,700)	(1,698)

b) Deferred income tax and social contribution

The origin of deferred income tax and social contribution as at June 30, 2020 and 2019 is as follows:

Description	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Assets				
Tax loss carryforwards	308,828	285,500	325,616	294,402
Allowance for doubtful debts	16,884	16,900	18,911	18,890
Allowance for impairment of nonfinancial assets	1,852	1,942	1,852	1,966
Other provisions	4,598	5,152	8,819	11,021
Provision for contingencies	19,862	19,429	21,225	20,423
Temporary differences - CPC	15,105	13,328	15,305	13,577
Temporary differences - deferred PIS and COFINS	690	1,501	825	1,501
Unrecognized tax credits	(353,107)	(330,006)	(373,805)	(344,443)
Subtotal	14,712	13,746	18,748	17,337
Liabilities				
Revenue taxation on a cash and an accrual basis	(14,712)	(13,746)	(18,748)	(17,337)
Deferred income tax and social contribution (Earmarked assets, or RET)	(476)	(399)	(14,307)	(11,794)
Subtotal	(15,188)	(14,145)	(33,055)	(29,131)
Recognized in line item deferred taxes (liabilities)	(476)	(399)	(14,307)	(11,794)

The Company holds unrecognized income tax loss and social contribution loss carryforwards that can be offset against 30% of annual taxable income and carried forward indefinitely in the following amounts:

Description	Parent					
	06/30/2020			12/31/2019		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Tax loss carryforwards	908,319	908,319	308,829	839,706	839,706	285,500
Tax assets (25%, 9%)	227,080	81,749	308,829	209,926	75,574	285,500
Unrecognized tax assets on tax loss carryforwards	227,080	81,749	308,829	209,926	75,574	285,500

Description	Consolidated					
	06/30/2020			12/31/2019		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Tax loss carryforwards	957,700	957,700	325,618	865,888	865,888	294,402
Tax assets (25%, 9%)	239,425	86,193	325,618	216,472	77,930	294,402
Unrecognized tax assets on tax loss carryforwards	239,425	86,193	325,618	216,472	77,930	294,402

The balance of tax loss carryforwards was not recorded as we do not expect any taxable income in the Company and its subsidiaries.

17. PROVISION FOR CONTINGENCIES

17.1 Provision for contingencies

In the periods ended June 30, 2020 and 2019, the variations in the provision for contingencies are summarized as follows:

	Parent			
	Civil lawsuits (a)	Labor lawsuits	Other (b)	Total
Balance as at December 31, 2018	38,942	10,261	10,913	60,116
Additions (note 22)	10,061	2,176	13	12,250
Write-offs/transfers (note 22)	(9,736)	(3,956)	256	(13,436)
Balance as at June 30, 2019	39,267	8,481	11,182	58,930
Current	20,674	4,465	5,888	31,027
Noncurrent	18,593	4,016	5,294	27,903
Balance as at December 31, 2019	49,828	6,923	392	57,143
Additions (note 23)	15,252	959	414	16,625
Write-offs/transfers (note 23)	(12,583)	(2,523)	(245)	(15,351)
Balance as at June 30, 2020	52,497	5,359	561	58,417
Current	28,291	2,888	302	31,481
Noncurrent	24,206	2,471	259	26,936

	Consolidated			
	Civil lawsuits (a)	Labor lawsuits	Other (b)	Total
Balance as at December 31, 2018	42,976	11,325	11,171	65,472
Additions (note 23)	11,292	2,427	14	13,733
Write-offs (note 23)	(11,747)	(4,449)	(1)	(16,197)
Balance as at June 30, 2019	42,521	9,303	11,184	63,008
Current	22,387	4,898	5,889	33,174
Noncurrent	20,134	4,405	5,295	29,834
Balance as at December 31, 2019	52,719	7,470	392	60,581
Additions (note 23)	17,754	1,431	414	19,599
Write-offs (note 23)	(13,531)	(2,807)	(244)	(16,582)
Balance as at June 30, 2020	56,942	6,094	562	63,598
Current	30,685	3,286	302	34,273
Noncurrent	26,257	2,808	260	29,325

- (a) Lawsuits mainly attributable to the Company's legacy project (construction defects and construction delay); and
(b) In 2018 a provision related to a tax lawsuit for 2011 taxes (IRPJ, CSLL, PIS and COFINS) of one of its subsidiaries was recognized.

17.2 Escrow deposits

As at June 30, 2020, the Company and its subsidiaries have the following amounts deposited in courts:

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Civil lawsuits	20,003	21,876	20,711	22,620
Environmental lawsuits	86	86	89	89
Tax lawsuits	19,188	17,852	19,867	18,459
Labor lawsuits	2,987	4,680	3,093	4,840
	42,264	44,494	43,760	46,008
Current	16,280	10,932	16,854	11,304
Noncurrent	25,984	33,562	26,906	34,704

17.3 Lawsuits with a possible likelihood of an unfavorable outcome

As at June 30, 2020, the Company and its subsidiaries are aware of other civil, labor, tax and environmental lawsuits. Based on the history of probable lawsuits and the specific analysis of the main claims, the lawsuits with a likelihood of an unfavorable outcome classified as possible total R\$353,694 (R\$312,140 as at December 31, 2019), based on the historical average of the lawsuits adjusted for current estimates, for which the Company's Management believes it is not necessary to recognize a provision for potential losses. The variation in the period is due to the revision of the involved amounts, as shown below:

	Consolidated	
	06/30/2020	12/31/2019
Civil lawsuits (a)	241,262	212,128
Tax lawsuits (b)	78,794	84,583
Labor lawsuits	11,794	15,364
Environmental lawsuits	529	65
	332,379	312,140

- (a) As at June 30, 2020, the Company and its subsidiaries are aware of civil lawsuits and risks based on the history of probable lawsuits and a specific analysis of main claims, the measurement of the lawsuits with a likelihood of an unfavorable decision estimated as possible total R\$241,262, mostly attributed to legacy projects (construction defects and delay).
(b) The Company had received a tax assessment notice issued by the Brazilian Federal Revenue Service, in which it challenges the tax bases of income tax, social contribution, PIS and COFINS for FY 2010. The Company filed an objection to the tax assessment within the statutory deadline, which was partially upheld on March 31, 2017 by the lower administrative court, which reduced the tax assessment fine and rebate of the amounts paid as COFINS and PIS. The Company filed an administrative appeal with the competent body (CARF) against such decision. On January 24, 2019, the appeal decision was handed down, whereby the following issues worth attention: decrease of the voluntary fine; deduction of the amounts paid; statute of limitation of the periods from January to September 2010. After the decision, the likelihood of loss was assessed as "possible" by the legal counsel, substantially reducing the possible contingencies for this lawsuit by R\$78,567.

18. EQUITY

18.1 Capital

As at June 30, 2020, the Company's subscribed and paid-in capital was R\$1,095,829, represented by 104,344,246 registered common shares, with no par value (R\$1,095,829 represented by 104,344,246 common shares, with no par value as at December 31, 2019).

18.2 Employee benefits

a) Stock option plan

The Company has a total of five stock option plans for common shares, launched since 2014 that follow the rules set out in the Company's Stock Option Plan.

The granted options entitle their holders (management personnel and employees designated by the executive committee and approved by the Board of Directors) to purchase Company common shares, after vesting periods that range from three to ten years while employed by the Company (essential condition to exercise a stock option), and expire ten years after the grant date.

The fair value of the stock options is set on the grant date and recognized as expenses in profit or loss (as contra entry to equity), during the plan's vesting period, as the services are provided by the employees and management personnel.

The variations in the outstanding stock options in the period ended June 30, 2020 and in the year ended December 31, 2019, which include their related weighted average strike prices, are as follows:

	06/30/2020		06/30/2019	
	Number of stock options	Weighted average strike price for the year (reais)	Number of stock options	Weighted average strike price for the year (reais)
Outstanding stock options at the beginning of the period	7,478,114	3.28	5,326,598	6.74
Exercised stock options	(954,304)	5.49	(1,235,346)	5.90
Split bonus	-	-	4,091,252	-
Outstanding stock options at the end of the period	6,523,810	3.28	8,182,504	3.34

The fair value of the stock options granted from 2014 to 2017 was estimated based on the Black & Scholes pricing model, taking into consideration the following assumptions:

Grant date	Strike price	Weighted average	Expected volatility (%) (*)	Expected stock option life (years)	Risk-free interest rate (%) (**)
08/11/2014	6.63	6.52	31.02%	-	11.66% to 11.81%
11/12/2014	6.63	6.55	31.30%	-	12.77% to 12.84%
05/09/2016	6.86	6.83	26.70%	0.84 years	12.67% to 12.77%
04/10/2017	8.13	8.13	24.65%	1.70 years	9.69% to 10.07%

(*) The volatility was determined based on the history of the BM&FBOVESPA Real Estate Index (IMOBX).

(**) Risk-free market interest rate for the stock option period at the grant date.

Outstanding stock options			Vested stock options	
Number of stock options	Remaining contractual weighted average life (years)	Weighted average strike price for the year (R\$)	Number of stock options	Weighted average strike price for the year (R\$)
7,637,978	0.76	3.28	6,523,810	2.58

Total expenses recognized in the period ended June 30, 2020 was R\$133 (R\$856 as at December 31, 2019) and are disclosed in note 23.

b) Restricted stock option plan

On August 8, 2018, the Extraordinary General Meeting approved the restricted stock option plan. The plan's objectives are to: (i) promote the growth, success and attainment of the corporate guidelines of the Company and the companies under its control; (ii) align the interests of beneficiaries to those of the shareholders; and (iii) encourage the maintenance of officers and employees at the Company or at the companies under its control.

The Plan's restricted shares granted confer upon their holders (officers, directors and employees appointed by the executive board and approved by the Board of Directors) the right to common shares in the Company's capital, after a period from two to three years. For officers and employees the quantities

granted will rely on the goals attained established by the Board of Directors and may range from 0% to 150%.

The Plan is valid for ten years and will be divided into Programs, subject to a ceiling that results in a maximum dilution of 5% of the Company's capital.

Programs

	Grant date	Granted quantities
2018 Program	09/13/2018	915,000
2019 Program	04/09/2019	914,100
2020 Program	06/01/2020	442,306

The fair value of the stock options is set on the grant date and recognized as expenses in profit or loss (as contra entry to equity), during the plan's vesting period, as the services are provided by the employees, directors and management personnel.

	06/30/2020	06/30/2019
	Number of stock options	Number of stock options
Outstanding stock options at the beginning of the period	1,829,100	652,500
Stock options granted	442,306	-
Exercised stock options	-	(195,000)
Split bonus (2018 Program)	-	457,500
Outstanding stock options at the end of the period	2,271,406	915,000

The fair value of the restricted stock options was estimated based on the Monte Carlo pricing model, which may vary according to the attainment of goals, taking into consideration the following assumptions:

Program	Grant date	Expected volatility (%) (*)	Expected stock option life (months)	Risk-free interest rate (%) (**)
2018	08/13/2018	29.52%	10 months	10.01%
2019	09/30/2019	31.42%	22 months	5.95%
2019	04/09/2019	31.50%	22 months	7.92%
2019	04/09/2019	31.50%	10 months	7.31%
2020	06/01/2020	42.24%	32 months	4.90%

(*) Volatility was determined based on the historical quotation of the Company's shares

(**) Risk-free market interest rate for the stock option period at the grant date.

Outstanding stock options		
Program	Number of stock options	Remaining contractual weighted average life (months)
2018	915,000	10 months
2019	914,100	22 months
2020	442,306	32 months

Total expenses recognized in the period ended June 30, 2020 was R\$6,576 (R\$7,800 as at December 31, 2019) and are disclosed in note 23.

18.3 Treasury shares

	Number (thousands)	Average cost - R\$	Total cost
Balance as at December 31, 2019	7,009	14.61	102,425
Stock option exercise	(954)	14.61	(13,946)
Balance as at June 30, 2020	6,055	14.61	88,479

As at June 30, 2020, the fair value of the Company's treasury shares was R\$186,789.

Variations in treasury shares (in quantity)

Description	Variations
Share buyback program - 2018	7,555
Cancellation 12/06/2018	(2,000)
Split (03/26/2019)	4,513
Stock option exercise	(4,013)
Total - quantity	6,055

19. INSURANCE

Tenda has insurance against engineering risk, barter guarantee, construction completion guarantee, and civil liability, associated to involuntary bodily harm caused to third parties, and property damages caused to tangible assets, as well as fire, lightening, electrical damage, natural phenomenon, and gas explosion hazards. The insurance coverage purchased is considered sufficient by Management to cover probable losses on its assets and/or liabilities. The table below shows the liabilities covered by insurance and the related amounts as at June 30, 2020:

Insurance line (in effect)	Coverage - R\$'000
Engineering risks and construction completion guarantee (effective from April 2016 to March 2028)	4,236,527
Civil liability - Directors and Officers (D&O) (*)	50,000
Insurance line (future periods)	
Engineering risks and construction completion guarantee (effective from 07/2020 to 10/2028)	150,547

(*) The effective period of the D&O civil liability policy is from February 25, 2020, renewed until February 25, 2021 by the Company.

20. EARNINGS PER SHARE

The table below shows how basic and diluted earnings per share are calculated.

	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Basic numerator				
Undistributed earnings	40,274	57,868	72,959	122,712
Undistributed earnings, available to the holders of common shares	40,274	57,868	72,959	122,712
Basic denominator (in thousand of shares)				
Weighted average number of shares	97,528	97,528	96,037	96,037
Basic earnings per share in Brazilian reais	0.4129	0.5933	0.7597	1.2778
Diluted numerator				
Undistributed earnings	40,274	57,868	72,959	122,712
Undistributed earnings, available to the holders of common shares	40,274	57,868	72,959	122,712
Diluted denominator (in thousand of shares)				
Weighted average number of shares	97,528	97,528	96,037	96,037
Stock options	8,246	8,246	8,877	8,877
Diluted earnings per share in Brazilian reais	0.3808	0.5471	0.6954	1.1696

21. FINANCIAL INSTRUMENTS

The Company and its subsidiaries enter into transactions with financial instruments. These financial instruments are managed through operating strategies and internal control that aim at liquidity, profitability and security. Financial instruments for hedging purposes are contracted based on a periodic analysis of the risk exposure Management intends to mitigate (foreign exchange, interest rates, etc.), which is submitted to the appropriate Management bodies for approval and subsequent operationalization of the strategy presented. The control policy consists of a permanent monitoring of contracted terms and conditions compared to market terms and conditions.

The Company and its subsidiaries do not make investments involving derivatives or any other risk assets for speculative purposes. Gains and losses on these transactions are consistent with the policies and strategies designed by the Company's Management. The Company's and its subsidiaries' operations are subject to the following risk factors described below:

(a) Risk considerations

(i) Credit risk

The Company and its subsidiaries restrict their exposure to credit risks related to cash and cash equivalents by making their investments in prime financial institutions and in interest-bearing short-term investments.

With respect to trade receivables, the Company restricts its exposure to credit risks by selling to a broad customer base and continuously analyzing credit. Additionally, there is no material history of losses since there is a collateral on the units sold, represented by real estate unit, which can be repossessed in the case of default during the construction period. As at June 30, 2020 and December 31, 2019, there was no material credit risk concentration related to customers.

(ii) Interest rate risk

Arises from the possibility of the Company and its subsidiaries incurring gains or losses due to fluctuations in the interest rates on their financial assets and financial liabilities. To mitigate this risk, the Company and its subsidiaries try to diversify their borrowings into fixed and floating rates. The interest rates on borrowings and financing are described in notes 11 and 12. The interest rates on short-term investments are described in note 4. Receivables from real estate development are subject to the National Civil Construction Index (INCC) and the General Market Price Index (IGP-M).

(iii) Liquidity risk

The liquidity risk arises from the possibility that the Company and its subsidiaries may not have sufficient funds to meet their obligations due to a mismatch in the settlement terms of their rights and obligations.

To mitigate the liquidity risks and optimize the weighted average cost of capital, the Company and its subsidiaries permanently monitor the debt levels according to the market standards and the compliance with the ratios (covenants) provided for in loan, financing and debenture agreements, to ensure that the cash generation and early funding, when necessary, are sufficient to honor their commitments, and avoid any liquidity risk for the Company and its subsidiaries (notes 11 and 12).

Most of the Company's financing is carried out with Caixa Econômica Federal under real estate pool funding schemes ("crédito associativo"), the "Minha Casa Minha Vida" federal housing program, and transfers at the end of the construction.

The maturities of borrowings, financing, trade payables, and debenture financial instruments are as follows:

	Parent				06/30/2020				12/31/2019			
	Borrowings (note 11)	Debentures (note 12)	Trade payables	Payables for purchase of properties and advances from customers	Borrowings (note 11)	Debentures (note 12)	Trade payables	Payables for purchase of properties and advances from customers				
Up to 1 year	186,135	318,778	11,000	1,539	1,641	5,598	6,202	3,411				
1 to 3 years	168,449	273,257	-	2,057	7,406	504,822	-	1,734				
4 to 5 years	14,140	225,000	-	-	978	300,000	-	-				
Total	368,724	817,035	11,000	3,596	10,024	810,420	6,202	5,145				

	Parent				06/30/2020				12/31/2019			
	Borrowings (note 11)	Debentures (note 12)	Trade payables	Payables for purchase of properties and advances from customers	Borrowings (note 11)	Debentures (note 12)	Trade payables	Payables for purchase of properties and advances from customers				
Up to 1 year	197,039	318,778	53,836	138,400	8,517	5,598	38,926	285,694				
1 to 3 years	291,561	273,257	-	455,166	46,172	504,822	-	361,071				
4 to 5 years	41,576	225,000	-	250,102	5,327	300,000	-	153,114				
More than 5 years	-	-	-	72,295	-	-	-	38,635				
Total	530,176	817,035	53,836	915,963	60,016	810,420	38,926	838,514				

(iv) Fair value hierarchy

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments by valuation technique:

Level 1: prices traded (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices in active markets included within Level 1, that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3: inputs for assets or liabilities that are not based on observable market variables (unobservable inputs).

The fair value hierarchy level for the financial instrument assets measured at fair value through profit or loss of the Company, disclosed as at June 30, 2020 and December 31, 2019, is as follows:

	Parent		Consolidated	
	Level 1	Fair value hierarchy Level 2	Level 1	Level 2
At June 30, 2020				
Financial assets				
Securities (note 4.2)	562,908	576,922	664,201	844,604

	Parent		Consolidated	
	Level 1	Fair value hierarchy Level 2	Level 1	Level 2
As at December 31, 2019				
Financial assets				
Securities (note 4.2)	615,688	154,992	667,888	354,211

In the periods ended June 30, 2020 and the year ended December 31, 2019, there were no fair value measurement transfers between the Level 1 and Level 2 fair value measurements or transfers between the Level 3 and Level 2 fair value measurements.

(b) Fair value of financial instruments

(i) Fair value measurement

The estimated fair values were determined using observable market inputs and appropriate valuation techniques. However, considerable judgment is required to interpret market inputs and estimate fair value. Thus, the estimates presented herein are not an indication of the amounts that the Company could realize in the current market. The use of different market assumptions and/or estimate methodologies could have a significant impact on the estimated fair values.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which estimating values is practicable:

- The amounts of cash and cash equivalents, securities, trade receivables, and other receivables, trade payables, and other current liabilities approximate their fair values, recognized in the interim financial information.
- The fair value of bank loans and other financial debts is estimated through discounted future cash flows using available benchmark interest rates for similar and remaining debts or terms.

The main carrying amounts and fair values of financial assets and financial liabilities as at June 30, 2020 and December 31, 2019, classified in Level 1 and Level 2 of the fair value hierarchy, are as follows:

Categories	Parent			
	06/30/2020		12/31/2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents (note 4.1)	8,037	8,037	36,730	36,730
Cash and banks	3,037	3,037	1,757	1,757
Bank certificate of deposit	5,000	5,000	34,973	34,973
Securities and restricted short-term investments (note 4.2)	1,139,830	1,139,830	770,680	770,680
Bank certificate of deposit	461,833	461,833	351	351
Bank certificate of deposit	-	-	2,478	2,478
LFT and LTN	562,908	562,908	615,688	615,688
Private securities	52,897	52,897	113,772	113,772
Repurchase transactions (exclusive funds)	23,820	23,820	2,417	2,417
Repurchase transactions	34	34	34	34
Restricted short-term investments	38,338	38,338	35,940	35,940
Trade receivables (note 5)	96,548	96,548	107,154	107,154
Intragroup loans receivable (note 7.1)	46,930	46,930	46,720	46,720
Financial liabilities				
Borrowings and financing (note 11)	368,724	368,724	10,024	10,024
Debentures (note 12)	817,035	821,648	810,420	824,797
Trade payables	11,000	11,000	6,202	6,202
Payables for purchase of properties and advances from customers	3,596	3,596	5,145	5,145

Categories	Consolidated			
	06/30/2020		12/31/2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents (note 4.1)	26,076	26,076	48,353	48,353
Cash and banks				
	Amortized cost	20,182	20,182	9,160
	Fair value through profit or loss*			9,160
Bank certificate of deposit	5,894	5,894	39,193	39,193
Securities and restricted short-term investments (note 4.2)	1,508,805	1,508,805	1,022,099	1,022,099
Bank certificate of deposit				
	Amortized cost	465,507	465,507	4,080
	Fair value through profit or loss*			4,080
Bank certificate of deposit	-	-	2,478	2,478
	Fair value through profit or loss*			
LFT and LTN	664,201	664,201	667,888	667,888
	Fair value through profit or loss*			
Private securities	52,897	52,897	113,772	113,772
	Fair value through profit or loss*			
Repurchase transactions (exclusive funds)	23,820	23,820	2,417	2,417
Repurchase transactions				
	Amortized cost	34	34	34
	Fair value through profit or loss*			
Restricted short-term investments	300,538	300,538	229,642	229,642
	Fair value through profit or loss*			
Investment funds	1,808	1,808	1,788	1,788
Trade receivables (note 5)	741,158	741,158	625,142	625,142
Intragroup loans receivable (note 7.1)	37,631	37,631	37,421	37,421
Financial liabilities				
Borrowings and financing (note 11)	530,176	530,176	60,016	60,016
Debentures (note 12)	817,035	821,648	810,420	824,797
Trade payables	53,836	53,836	38,926	38,926
Payables for purchase of properties and advances from customers				
	Amortized cost	915,963	915,963	838,514

* Classification at fair value through profit or loss after initial recognition.

(ii) Debt acceleration risk

As at June 30, 2020, the Company was a party to loan, financing and debenture agreements that contained restrictive covenants related to indebtedness ratios. These restrictive covenants have been complied with by the Company and do not limit its ability to continue as going concern (notes 11 and 12).

(c) Capital management

The Company's capital management aims at maintaining the good credit rating from credit rating institutions and an optimum capital ratio sufficient to support the Company's business and maximize shareholder value.

The Company controls its capital structure and adjusts it to current economic conditions. To keep this structure adjusted, the Company can pay dividends, return on capital to shareholders, raise new borrowings and financing, issue debentures, etc.

The Company includes in its net debt structure: borrowings and financing less cash and banks (cash and cash equivalents, securities, and restricted short-term investments).

	Parent		Consolidated	
	06/30/2020	12/31/2019	06/30/2020	12/31/2019
Borrowings and financing (note 11)	368,724	10,024	530,176	60,016
Debentures (note 12)	817,035	810,420	817,035	810,420
(-) Cash and cash equivalents and securities (notes 4.1 and 4.2)	(1,147,867)	(807,410)	(1,534,881)	(1,070,452)
Net debt	37,892	13,034	(187,670)	(200,016)
Equity	1,407,144	1,350,621	1,408,050	1,351,709
Equity and net debt	1,445,036	1,363,655	1,220,380	1,151,693

(d) Sensitivity analysis

The sensitivity analysis of financial instruments for the period ended June 30, 2020, describes the risks that may cause material changes in the Company's profit or loss, in compliance with by CVM requirements, set out in Instruction 475/08, in order to show a 10%, 25% and 50% increase / decrease in the risk variable considered.

As at June 30, 2020, the Company has the following financial instruments:

- Short-term investments, borrowings and financing indexed to the CDI;
- Borrowings and financing indexed to the Benchmark Rate (TR);

- c) Trade and other receivables, borrowings and financing indexed to the National Civil Construction Index (INCC) and the General Market Price Index (IGP-M).

For the sensitivity analysis in the period ended June 30, 2020, the Company considered the interest rates of investments, borrowings and trade receivables, the Certificate of Interbank Deposit (CDI) rate at 2.15%, the Benchmark Rate at 0%, the National Civil Construction Index (INCC) at 4.24%, and the General Market Price Index (IGP-M) at 4.38%.

The scenarios considered were as follows:

Scenario I: Probable: 10% appreciation/depreciation of the risk variables used for pricing

Scenario II: Possible: 25% appreciation/depreciation of the risk variables used for pricing

Scenario III: Remote: 50% appreciation/depreciation of the risk variables used for pricing

As at June 30, 2020:

		Consolidated scenario					
Transaction	Risk	III	II	I	I	II	III
		50% increase	25% increase	10% increase	10% decrease	25% decrease	50% decrease
Securities	CDI increase/decrease	13,311	6,656	2,662	(2,662)	(6,656)	(13,311)
Debentures	CDI increase/decrease	(8,611)	(4,305)	(1,722)	1,722	4,305	8,611
CCB	CDI increase/decrease	(1,071)	(535)	(214)	214	535	1,071
Net effect of CDI variance		3,630	1,815	726	(726)	(1,815)	(3,630)
Receivables from developments	INCC increase/decrease	9,267	4,633	1,853	(1,853)	(4,633)	(9,267)
Receivables from developments	IGP-M increase/decrease	5,979	2,990	1,196	(1,196)	(2,990)	(5,979)

22. NET REVENUE

		Parent				
		04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	
Gross revenue						
Property development and sale, barter, and provision for construction services			65,202	83,640	33,129	101,037
(Recognition) reversal of allowance for doubtful debts (note 5)			107	(498)	673	8,548
(Recognition) reversal of allowance for contract terminations (note 5)			143	(2,901)	352	206
Taxes on property sales and services			202	1,405	292	(1,346)
Net revenue			65,654	81,646	34,446	108,445

		Consolidated				
		04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019	
Gross revenue						
Property development and sale, barter, and provision for construction services			548,620	1,000,430	494,299	922,999
(Recognition) reversal of allowance for doubtful debts (note 5)			1,569	(11,221)	6,405	6,293
(Recognition) reversal of allowance for contract terminations (note 5)			(13,809)	(30,041)	(2,951)	(12,677)
Taxes on property sales and services			(10,253)	(17,229)	(8,654)	(18,202)
Net revenue			526,127	941,939	489,099	898,413

23. COSTS AND EXPENSES BY NATURE

Broken down as follows:

	Parent			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
	Real estate development and sale costs			
Construction costs	(49,309)	(56,702)	(25,937)	(65,814)
Land costs	(2,351)	(5,706)	(1,268)	(8,741)
Development costs	(2,183)	(4,997)	(2,120)	(7,811)
Capitalized finance charges (note 11)	(737)	(970)	(1,172)	(1,714)
Maintenance/warranties	(1,909)	(4,277)	(4,618)	(6,178)
Cost of properties on allowance for contract terminations recognition (note 6)	(929)	1,465	(442)	(803)
	(57,418)	(71,187)	(35,557)	(91,061)
Selling expenses:				
Product marketing expenses	(4,219)	(4,163)	(1,480)	(3,118)
Realtor and sales commissions	(7,210)	(7,122)	(2,395)	(5,356)
Cost of sales	(4,994)	(4,938)	(1,742)	(3,911)
Onlending costs	(662)	(653)	(318)	(884)
Brokerage	(1,554)	(1,531)	(335)	(561)
Expenses on customer management (CRM)	(111)	(109)	(58)	(87)
Other selling expenses	(150)	(149)	(10)	(158)
	(11,690)	(11,543)	(3,943)	(8,719)
General and administrative expenses:				
Expenses on payroll and related taxes	(4,626)	(6,001)	(2,022)	(5,319)
Employee benefits	(564)	(701)	(199)	(520)
Travel and utilities	(121)	(164)	(120)	(250)
Expenses on services provided	(2,829)	(3,272)	(550)	(1,691)
Rental and common area maintenance fee expenses	(171)	(230)	(181)	(350)
IT expenses	(331)	(383)	(387)	(690)
Stock option plan costs (note 18.2)	(3,859)	(6,709)	(734)	(3,259)
Expenses provision for profit sharing (note 25.2)	(1,621)	(4,747)	(1,724)	(4,463)
Other general and administrative expenses	(328)	(438)	(36)	(133)
	(14,450)	(22,645)	(5,953)	(16,675)
Other income (expenses), net:				
Depreciation and amortization	(4,235)	(10,328)	(4,846)	(9,530)
Expenses on payments of contingencies	(9,161)	(17,233)	(13,260)	(19,964)
Provisions for/reversals of contingencies (note 17.1)	1,174	(1,274)	7,479	1,186
Other income/(expenses)	(4,653)	(7,904)	(5,483)	(7,436)
	(16,875)	(36,739)	(16,110)	(35,744)
	Consolidated			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
	Real estate development and sale costs			
Construction costs	(270,832)	(493,491)	(241,745)	(442,747)
Land costs	(60,119)	(106,887)	(48,983)	(93,395)
Development costs	(22,997)	(42,658)	(19,343)	(38,999)
Capitalized finance charges (note 11)	(8,048)	(12,305)	(9,929)	(15,765)
Maintenance/warranties	(2,714)	(5,448)	(5,399)	(7,430)
Cost of properties on allowance for contract terminations recognition (note 6)	326	8,452	2,732	6,879
	(364,384)	(652,337)	(322,667)	(591,457)
Selling expenses:				
Product marketing expenses	(15,083)	(33,467)	(13,888)	(25,128)
Realtor and sales commissions	(28,590)	(57,253)	(22,850)	(43,171)
Cost of sales	(21,386)	(39,697)	(16,639)	(31,526)
Onlending costs	(2,323)	(5,246)	(3,242)	(7,124)
Brokerage	(4,881)	(12,310)	(2,969)	(4,521)
Expenses on customer management (CRM)	(241)	(874)	(506)	(704)
Other selling expenses	(792)	(1,197)	(258)	(1,272)
	(44,706)	(92,791)	(37,502)	(70,275)
General and administrative expenses:				
Expenses on payroll and related taxes	(12,794)	(27,987)	(14,406)	(28,450)
Employee benefits	(1,754)	(3,271)	(1,415)	(2,782)
Travel and utilities	(288)	(765)	(353)	(907)
Expenses on services provided	(10,361)	(15,259)	(4,187)	(9,046)
Rentals and common area maintenance fee expenses	(417)	(1,074)	(1,153)	(1,872)
IT expenses	(1,211)	(1,785)	(2,400)	(3,691)
Stock option plan costs (note 18.2)	(3,859)	(6,709)	(734)	(3,259)
Expenses provision for profit sharing (note 25.2)	(8,437)	(11,476)	(5,730)	(8,987)
Other general and administrative expenses	(1,358)	(2,010)	(209)	(671)
	(40,479)	(70,336)	(30,587)	(59,665)

	Consolidated			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Other income (expenses), net:				
Depreciation and amortization	(4,303)	(10,429)	(4,848)	(9,536)
Expenses on payments of contingencies	(9,161)	(17,233)	(13,260)	(19,964)
Provisions for/reversals of contingencies (note 17.1)	(138)	(3,017)	8,111	2,464
Other income/(expenses)	(6,694)	(10,973)	(8,364)	(11,946)
	(20,294)	(41,650)	(18,361)	(38,982)

24. FINANCE INCOME (COSTS)

	Parent			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Finance income (net of PIS/COFINS)				
Income from short-term investments	5,324	11,887	11,226	19,993
Other finance income	216	351	281	691
Total finance income (net of PIS/COFINS)	5,540	12,238	11,507	20,684
Finance costs				
Interest on borrowings, net of capitalization (note 11)	5,664	(19,620)	(10,101)	(19,576)
Banking expenses	(325)	(521)	(285)	(607)
Other finance costs	(19,655)	(5,155)	(630)	(1,071)
	(14,316)	(25,296)	(11,016)	(21,254)
Finance income (costs)	(8,776)	(13,058)	491	(570)

	Consolidated			
	04/01/2020 to 06/30/2020	01/01/2020 to 06/30/2020	04/01/2019 to 06/30/2019	01/01/2019 to 06/30/2019
Finance income (net of PIS/COFINS)				
Income from short-term investments	6,156	13,680	13,079	23,901
Other finance income	4,106	5,843	2,167	3,399
Total finance income (net of PIS/COFINS)	10,262	19,523	15,246	27,300
Finance costs				
Interest on borrowings, net of capitalization (note 11)	(8,366)	(20,088)	(10,112)	(19,618)
Banking expenses	(1,902)	(3,040)	(1,481)	(2,959)
Other finance costs	(6,302)	(5,654)	(1,269)	(2,080)
	(16,570)	(28,782)	(12,862)	(24,657)
Finance income (costs)	(6,308)	(9,259)	2,384	2,643

25. TRANSACTIONS WITH MANAGEMENT AND EMPLOYEES

25.1 Management compensation

The amounts recognized in line item 'General and administrative expenses' for the periods ended June 30, 2020 and 2019 related to the compensation of key management personnel are as follows:

Management compensation			
	Board of Directors	Executive Committee	Total
Period ended June 30, 2019			
Number of members	7	12	19
Fixed compensation for the period	1,412	4,052	5,464
Salary/management fees	1,208	3,443	4,651
Direct and indirect benefits	-	253	253
Other (social security)	204	356	560
Monthly compensation	235	675	910
Variable compensation for the period	698	5,260	5,958
Profit sharing (note 24.2)	-	2,699	2,699
Share-based compensation	698	2,561	3,259
Total compensation for the period	2,110	9,312	11,422

Management compensation			
	Board of Directors	Executive Committee	Total
Period ended June 30, 2020			
Number of members	7	15	22
Fixed compensation for the period	1,133	5,408	6,541
Salary/management fees	956	3,942	4,898
Direct and indirect benefits	-	620	620
Other (social security)	177	846	1,023
Monthly compensation	189	901	1,090
Variable compensation for the period	1,136	9,099	10,235
Profit sharing (note 25.2)	-	4,520	4,520
Share-based compensation	1,136	4,579	5,715
Total compensation for the period	2,269	14,507	16,776

25.2 Profit sharing

	Parent		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Executive committee	4,520	2,699	4,520	2,699
Other employees	227	1,764	6,956	6,288
	4,747	4,463	11,476	8,987

26. SEGMENT REPORTING

The Company's management analyzes its internal managerial reports to make decisions relating to the consolidated interim financial information, on the same basis that these statements are disclosed, i.e., a single segment and geography.

Therefore, since Management does not use any information system other than the quarterly information as at June 30, 20120 and the financial statements as at December 31, 2019, no specific disclosure will be presented, as defined in CPC 22.

As for the information on its main customers, since its residential real estate activity is targeted at a single economic segment, the Company does not have any individual customer that represents 10% or more of its total consolidated revenue.

27. REAL ESTATE PROJECTS UNDER CONSTRUCTION – INFORMATION AND COMMITMENTS

The projects under construction as at June 30, 2020 are as follows:

	Consolidated Under construction 06/30/2020
(i) Unallocated revenue from properties sold	
(a) - Revenue from sales contracted	2,605,255
(b) - Recognized sales revenue, net	1,918,241
1i) Unrecognized sales revenue a) (a-b)	687,014
(ii) Revenue from contract termination indemnity	(800)
(iii) Unrecognized revenue from agreements not qualifying for revenue recognition (b)	16,651
(iv) Allowance for contract terminations (Liability)	
Adjustment to recognized revenues	30,381
(-) Adjustment to trade receivables	(29,062)
(-) Revenue from contract termination indemnity	(264)
	1,055
(v) Budgeted costs on units sold to be recognized	
(a) - Budgeted cost of units (without finance charges)	1,676,216
Incurred cost, net	
(b) - (-) Incurred construction costs	(1,248,547)
Finance charges	(16,888)
(c) - Terminations - construction costs	4,263
Terminations - finance charges	61
	(1,261,111)
2i) Budgeted costs to be recognized in profit or loss (without finance charges) (a+b+c)	431,932
Profit to be recognized (1i-2i)	255,082
(vi) Budgeted costs to be recognized in inventories	
(a) - Budgeted cost of units (without finance charges)	733,556
(-) Incurred cost, net	
(b) - (-) Incurred construction costs	(247,316)
Finance charges	(3,140)
	(250,456)
Budgeted costs to be recognized in inventories (without finance charges) (a+b)	486,240

- a) The unrecognized sales revenue is measured at the notional amount of the underlying contracts, plus the contractual adjustments and less contract terminations, not taking into consideration the effects of the taxes levied thereon and the present value adjustment.
- b) The unrecognized sales revenue from agreements not eligible to revenue recognition refer to customers which do not have collateral or prospect of fulfilling the amounts of the properties acquired.

The recognized revenue amounts and incurred costs are stated in the income statement, and the advances received in the line item 'Payables for purchase of properties and advances from customer'.

As at June 30, 2020, the percentage of assets consolidated in the interim financial information referring to projects included in the asset segregation structure was 65.45%.

28. NONCASH TRANSACTIONS AND RECONCILIATION OF FINANCING ACTIVITIES

a) Noncash transactions:

The main investing and financing transactions that did not involve cash and cash equivalents (Parent and Consolidated), as contra entry to related parties, considered for purposes of preparing the statement of cash flows were as follows:

	Parent		Consolidated	
	06/30/2020	06/30/2019	06/30/2020	06/30/2019
Capital decrease (note 8)	(12,422)	-	(19)	-
	(12,422)		(19)	

b) Reconciliation of financing activities:

	Parent						
	Opening balance - 12/31/2018	Cash transactions			Noncash transactions		
		New	Interest payment (a)	Principal repayment	New	Interest and inflation adjustment/PV A	Closing balance - 06/30/2019
Borrowings (notes 11 and 12)	453,348	160,385	(6,077)	(14,876)	-	19,235	612,015
Intragroup loans (note 7.1)	(43,812)	(628)	-	-	-	-	(44,440)
Dividends	13,338	-	-	(25,090)	11,816	-	64
Lease - right of use (note 9)	-	-	-	(1,942)	26,544	481	25,083
Total	422,874	159,757	(6,077)	(41,908)	38,360	19,716	592,722

	Parent						
	Opening balance - 12/31/2019	Cash transactions			Noncash transactions		
		New	Interest payment (a)	Principal repayment	Low	Interest and inflation adjustment/PVA	Closing balance - 06/30/2020
Borrowings (notes 11 and 12)	820,444	373,553	(15,391)	(16,701)	-	23,854	1,185,759
Intragroup loans (note 7.1)	(46,720)	(210)	-	-	-	-	(46,930)
Dividends	18,175	-	-	(28)	-	-	18,147
Lease - right of use (note 13)	20,679	-	(52)	(1,784)	(5,915)	(474)	12,454
Total	812,578	373,343	(15,443)	(18,513)	(5,915)	23,380	1,169,430

	Consolidated						
	Opening balance - 12/31/2018	Cash transactions			Noncash transactions		
		New	Interest payment (a)	Principal repayment	New	Interest and inflation adjustment	Closing balance - 06/30/2019
Borrowings (notes 11 and 12)	542,491	358,974	(9,869)	(160,391)	-	25,130	756,335
Intragroup loans (note 7.1)	(34,513)	(628)	-	-	-	-	(35,141)
Dividends	13,338	-	-	(25,090)	11,816	-	64
Lease - right of use (note 9)	-	-	-	(1,942)	26,544	481	25,083
Total	521,316	358,346	(9,869)	(187,423)	38360	25,611	746,341

	Consolidated						
	Opening balance - 12/31/2019	Cash transactions			Noncash transactions		
		New	Interest payment (a)	Principal repayment	Low	Interest and inflation adjustment	Closing balance - 06/30/2020
Borrowings (notes 11 and 12)	870,436	590,111	(17,467)	(123,768)	-	27,899	1,347,211
Intragroup loans (note 7.1)	(37,421)	(210)	-	-	-	-	(37,631)
Dividends	18,175	-	-	(28)	-	-	18,147
Lease - right of use (note 13)	20,679	-	(52)	(1,784)	(5,915)	(474)	12,454
Total	871,869	589,901	(17,519)	(125,580)	(5,915)	27,425	1,340,181

29. EVENTS AFTER THE REPORTING PERIOD

c) Covid-19 Pandemic - Coronavirus

Since the beginning of the Covid-19 pandemic, the Company has adopted health, operating, and financial measures to protect its employees and the communities where it operates, while preserving its financial soundness to ensure its continuity as a going concern.

The Company's management believes that it is not possible to anticipate or predict any material impacts that could affect the interim financial information and the financial statements for future reporting periods. However, based on the actions and results obtained so far, there was no indication that the continuity of the business would be compromised and/or has significant impacts on the Company's accounting estimates.

The measures adopted by the Company include:

- Increase in the liquidity position with borrowings from financial institutions. Between the periods ended on March 31, 2020 and June 30, 2020, the Company increased its cash position, including short-term investments, from R\$1,070,452 million to R\$1,534,881 million.
- Negotiations with suppliers and land owners and adherence to all governmental incentive programs, such as tax payment deferral, also contributed to the increase in the liquidity position highlighted above.
- Strengthening the partnership with customers, aiming at obtaining security and building up trust in debt rescheduling programs and key delivery acceleration, etc.

To date, no further material measures have been taken after the period ended June 30, 2020.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of
Construtora Tenda S.A.
São Paulo, SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Construtora Tenda S.A. (the "Company"), included in the Interim Financial Information Form (ITR), for the quarter ended June 30, 2020, which comprises the balance sheet as at June 30, 2020, and the related income statement and statement of comprehensive income for the three- and six-month periods then ended, and the statement of changes in equity and statement of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of this individual interim financial information in accordance with CPC 21 - Interim Financial Reporting and the consolidated interim financial information in accordance with CPC 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as the presentation of information in accordance with the standards applicable to real estate development entities in Brazil, registered with the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the Individual Interim Financial Information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial information included in the interim financial reporting referred to above is not prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of Interim Financial Information (ITR) and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Conclusion on the Consolidated Interim Financial Information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the interim financial statements referred to above is not prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Interim Financial Statements (ITR), and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Emphases of Matter

As described in Note 2.1 to the interim financial information, the individual and consolidated interim financial information, contained in the Interim Financial Information Form (ITR) has been prepared in accordance with CPC 21 and IAS 34, applicable to real estate development entities in Brazil, registered with the CVM. Accordingly, the determination of the accounting policy adopted by the Company for the recognition of revenue from purchase and sale agreements of uncompleted real estate units, on aspects related to transfer of control, abide by the Company's management understanding on the application of CPC 47, aligned with the understanding expressed by the CVM in Circular Letter CVM/SNC/SEP 02/2018. Our conclusion is not qualified in respect of this matter.

Other Matters

Statements of value added

The interim financial information referred to above includes the individual and consolidated statements of value added for the six-month period ended June 30, 2020, prepared under the responsibility of the Company's management and presented as supplemental information for IAS 34 purposes, applicable to real estate development entities in Brazil, registered with the Brazilian Securities and Exchange Commission ("CVM"). These statements were submitted to the review procedures performed together with the review of the interim financial information to reach a conclusion on whether they were reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are consistent with the criteria set forth by CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set forth in said Standard and consistently with the accompanying individual and consolidated interim financial information taken as a whole.

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

São Paulo, August 5, 2020

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Roberto Torres dos Santos
Contador