

## **Compass Gás e Energia S.A.**

Interim financial statements

(A free translation of the original in Portuguese)

June 30, 2023



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## **Independent auditor's review report on interim financial information**

To the Shareholders of

**Compass Gás e Energia S.A**

São Paulo - SP

### **Introduction**

We have reviewed the individual and consolidated interim financial information of Compass Gás e Energia S.A. ("Company"), contained in the Quarterly Information Form (ITR) for the quarter ended June 30, 2023, which comprise the statement of financial position as at June 30, 2023 and the statements of profit or loss, of comprehensive income, for the three and six-month period then ended, and statement of changes in equity and of cash flows for the six-month period then ended, including the accompanying notes.

The executive board is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 – Interim Financial Reporting and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on these interim financial statements based on our review.

## **Scope of review**

We conducted our review in accordance with the 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). 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 auditing standards 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 and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the CVM.

## **Other matters**

### **Statements of value added**

The quarterly information referred to above includes the individual and consolidated statements of value added (SVA) for the six-month period ended June 30, 2023, prepared under the responsibility of the Company's executive board, and presented as supplementary information for IAS 34 purposes. These statements were subject to review procedures conducted jointly with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 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 by this Standard and consistently with the individual and consolidated interim financial information as a whole.

São Paulo, August 11, 2023.

ERNST & YOUNG

Auditores Independentes S/S Ltda.

CRC SP-034519/O

Flávio Serpejante Peppe

Accountant CRC SP-172167/O

**Statements of financial position**  
*(In thousands of Brazilian Reais - R\$)*



		Parent Company		Consolidated	
	Note	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Assets					
Cash and cash equivalents	5.1	665,470	265,994	4,273,964	3,403,635
Marketable securities	5.2	6,250	1,035	632,997	578,358
Trade receivables	5.3	-	-	1,834,295	1,908,388
Derivative financial instruments	5.7	-	-	270,520	352,568
Inventories		-	-	156,506	133,881
Receivables from related parties	5.4	4,321	21,130	2,399	6,558
Income tax receivable		47,621	14,039	114,462	50,198
Other current tax receivable	6	-	-	514,596	769,197
Dividends and interest on capital receivable	7.1	694	42,773	198,725	101,027
Sector assets	10	-	-	149,623	148,955
Other current assets		1,783	166	130,551	110,606
Total current assets		726,139	345,137	8,278,638	7,563,371
Restricted cash	5.2	-	-	4,100	4,100
Trade receivables	5.3	-	-	32,471	22,817
Deferred tax assets	11	61,919	38,937	579,134	482,296
Sector assets	10	-	-	264,388	193,378
Income taxes		8,608	45,330	89,328	125,164
Other non-current tax receivable	6	-	-	221,220	212,281
Judicial deposits	12	-	-	48,450	55,382
Derivative financial instruments	5.7	-	-	127,062	39,295
Other non-current assets		-	-	59,973	18,708
Investments in associates	7.1	5,784,214	6,686,237	2,457,153	2,525,292
Contract assets	8.2	-	-	850,786	1,110,335
Right-of-use assets		11,293	12,312	84,301	83,059
Property, plant and equipment	8.3	10,820	5,947	958,199	671,573
Intangible assets	8.1	1,464	1,479	12,521,189	12,015,135
Total non-current assets		5,878,318	6,790,242	18,297,754	17,558,815
Total assets		6,604,457	7,135,379	26,576,392	25,122,186

The accompanying notes are an integral part of these interim financial statements.

**Statements of financial position**  
**(In thousands of Brazilian Reais - R\$)**



	Note	Parent Company		Consolidated	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Liabilities</b>					
Loans, borrowings and debentures	5.5	1,131	1,131	1,768,888	1,685,123
Leases		2,609	2,635	12,195	13,195
Derivative financial instruments	5.7	-	-	80,509	485
Trade payables	5.6	1,889	1,994	1,595,687	1,842,810
Employee benefits payables		82,934	57,460	198,671	193,585
Income tax payables	11	514	7,931	1,557,578	137,092
Other taxes payable		1,664	5,224	200,692	264,391
Dividends payable	13	-	42,611	2,522	72,863
Payables to related parties	5.4	3,677	1,751	11,874	14,764
Other financial liabilities	5.9 c)	-	-	100,721	72,579
Deferred income		77,981	-	713,707	-
Sector liabilities	10	-	-	67,917	67,419
Other current liabilities		1,046	6,472	243,051	218,239
<b>Total current liabilities</b>		<b>173,445</b>	<b>127,209</b>	<b>6,554,012</b>	<b>4,582,545</b>
Loans, borrowings and debentures	5.5	398,674	398,485	7,273,290	6,593,716
Leases		9,530	10,361	67,396	63,411
Derivative financial instruments	5.7	-	-	377,072	399,866
Other taxes payable		-	-	4,585	4,766
Provision for legal proceedings	12	-	-	77,532	87,747
Deferred income		-	77,981	-	592,601
Post-employment benefits	19	-	-	457,876	448,157
Deferred tax liabilities	11	-	-	2,157,757	2,161,191
Sector liabilities	10	-	-	1,665,741	1,549,197
Other non-current liabilities		-	80	-	32,205
<b>Total non-current liabilities</b>		<b>408,204</b>	<b>486,907</b>	<b>12,081,249</b>	<b>11,932,857</b>
<b>Total liabilities</b>		<b>581,649</b>	<b>614,116</b>	<b>18,635,261</b>	<b>16,515,402</b>
<b>Shareholders' equity</b>	13				
Share capital		2,272,500	2,272,500	2,272,500	2,272,500
Capital reserve		2,872,363	2,872,050	2,872,363	2,872,050
Other equity		180,158	152,761	180,158	152,761
Profit reserve		1,223,952	1,223,952	1,223,952	1,223,952
Accumulated losses		(526,165)	-	(526,165)	-
		<b>6,022,808</b>	<b>6,521,263</b>	<b>6,022,808</b>	<b>6,521,263</b>
<b>Equity attributable to:</b>					
Owners of the Company		6,022,808	6,521,263	6,022,808	6,521,263
Non-controlling interests	7.2	-	-	1,918,323	2,085,521
<b>Total shareholders' equity</b>		<b>6,022,808</b>	<b>6,521,263</b>	<b>7,941,131</b>	<b>8,606,784</b>
<b>Total shareholders' equity and liabilities</b>		<b>6,604,457</b>	<b>7,135,379</b>	<b>26,576,392</b>	<b>25,122,186</b>

The accompanying notes are an integral part of these interim financial statements.

# Statement of profit or loss

(In thousands of Brazilian Reais – R\$, except earnings per share)

	Note	Parent Company			
		April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
General and administrative expenses	16	(36,626)	(74,737)	(26,049)	(51,485)
Other income net	17	5	(45)	-	6
<b>Operating income</b>		<b>(36,621)</b>	<b>(74,782)</b>	<b>(26,049)</b>	<b>(51,479)</b>
<b>Loss before equity in earnings of investees, finance results and taxes</b>		<b>(36,621)</b>	<b>(74,782)</b>	<b>(26,049)</b>	<b>(51,479)</b>
<b>Equity in earnings of investees</b>	7.1 a)	<b>308,960</b>	<b>(467,339)</b>	<b>366,762</b>	<b>840,717</b>
Finance expense		(16,411)	(33,361)	(18,331)	(32,083)
Finance income		16,520	26,342	88,174	145,291
Foreign exchange, net		(7)	(7)	1	81
<b>Finance results, net</b>	18	<b>102</b>	<b>(7,026)</b>	<b>69,844</b>	<b>113,289</b>
<b>Profit before taxes</b>		<b>272,441</b>	<b>(549,147)</b>	<b>410,557</b>	<b>902,527</b>
Current		-	-	(12,753)	(16,826)
Deferred		12,899	22,982	(1,938)	(3,858)
<b>Income tax (expenses) benefits</b>	11	<b>12,899</b>	<b>22,982</b>	<b>(14,691)</b>	<b>(20,684)</b>
<b>Profit for the exercise</b>		<b>285,340</b>	<b>(526,165)</b>	<b>395,866</b>	<b>881,843</b>

The accompanying notes are an integral part of these interim financial statements.



# Statement of profit or loss

(In thousands of Brazilian Reais – R\$, except earnings per share)

		Consolidated			
	Note	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Net sales	15	4,584,529	9,119,533	4,896,370	8,902,199
Cost of sales	16	(3,579,067)	(7,173,670)	(3,998,050)	(7,298,722)
<b>Gross profit</b>		<b>1,005,462</b>	<b>1,945,863</b>	<b>898,320</b>	<b>1,603,477</b>
Selling expenses	16	(41,379)	(80,285)	(38,134)	(76,605)
General and administrative expenses	16	(218,875)	(415,964)	(152,965)	(293,394)
Other income net	17	(51,325)	(57,033)	(1,989)	(30,921)
<b>Operating income</b>		<b>(311,579)</b>	<b>(553,282)</b>	<b>(193,088)</b>	<b>(400,920)</b>
<b>Gain before finance results and taxes</b>		<b>693,883</b>	<b>1,392,581</b>	<b>705,232</b>	<b>1,202,557</b>
<b>Equity in earnings of investees</b>	7.1 b)	<b>61,603</b>	<b>113,738</b>	-	-
Finance expense		(309,703)	(1,069,290)	(320,663)	(639,861)
Finance income		230,609	430,465	361,268	628,742
Foreign exchange, net		105,151	152,748	(175,761)	101,345
Derivatives		(261,005)	(214,359)	22,094	(240,664)
<b>Finance results, net</b>	18	<b>(234,948)</b>	<b>(700,436)</b>	<b>(113,062)</b>	<b>(150,438)</b>
<b>Profit before taxes</b>		<b>520,538</b>	<b>805,883</b>	<b>592,170</b>	<b>1,052,119</b>
Current		(317,338)	(1,365,130)	(417,354)	(405,622)
Deferred		143,095	114,293	237,766	248,547
<b>Income tax (expenses) benefits</b>	11	<b>(174,243)</b>	<b>(1,250,837)</b>	<b>(179,588)</b>	<b>(157,075)</b>
<b>Profit for the period</b>		<b>346,295</b>	<b>(444,954)</b>	<b>412,582</b>	<b>895,044</b>
<b>Total net income attributable to:</b>					
Owners of the Company		285,340	(526,165)	395,866	881,843
Non-controlling interests		60,955	81,211	16,716	13,201
		<b>346,295</b>	<b>(444,954)</b>	<b>412,582</b>	<b>895,044</b>
<b>Earnings per share</b>	14				
Basic (in R\$)		R\$0.39953	(R\$0.73673)	R\$0.55429	R\$1.23475
Diluted (in R\$)		R\$0.39953	(R\$0.73673)	R\$0.55429	R\$1.23475
<b>Earnings per share</b>	14				
Basic (in R\$)		R\$0.39928	(R\$0.73673)	R\$0.55351	R\$1.23317
Diluted (in R\$)		R\$0.39928	(R\$0.73673)	R\$0.55351	R\$1.23317

The accompanying notes are an integral part of these interim financial statements.

**Statement of other comprehensive income**  
**(In thousands of Brazilian Reais - R\$)**



	Note	Parent Company			
		April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Profit for the period</b>		<b>285,340</b>	<b>(526,165)</b>	<b>395,866</b>	<b>881,843</b>
<b>Other comprehensive income (loss)</b>					
<b>Items that will never be reclassified to profit or loss</b>					
Actuarial gains on defined benefit plans		-	180	-	-
		-	180	-	-
<b>Items that can be subsequently reclassified to the result:</b>					
Taxes over actuarial gains on defined benefit plans		27,217	27,217	-	-
		27,217	27,217	-	-
<b>Total other comprehensive (loss) income, net of tax</b>	7.1 a)	<b>27,217</b>	<b>27,397</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>312,557</b>	<b>(498,768)</b>	<b>395,866</b>	<b>881,843</b>
<b>Total net income attributable to:</b>					
Owners of the Company		312,557	(498,768)	395,866	881,843
		<b>312,557</b>	<b>(498,768)</b>	<b>395,866</b>	<b>881,843</b>

	Consolidated			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Profit for the period</b>	<b>346,295</b>	<b>(444,954)</b>	<b>412,582</b>	<b>895,044</b>
<b>Other comprehensive income (loss)</b>				
<b>Items that will never be reclassified to profit or loss</b>				
Actuarial gains on defined benefit plans	-	352	-	-
	-	352	-	-
<b>Total other comprehensive (loss) income, net of tax</b>				
Income from cash flow hedge accounting	41,238	41,238	-	-
Income tax and social contribution on income with cash flow hedge accounting	(14,021)	(14,021)	-	-
	27,217	27,217	-	-
<b>Total other comprehensive (loss) income, net of tax</b>	<b>27,217</b>	<b>27,569</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>373,512</b>	<b>(417,385)</b>	<b>412,582</b>	<b>895,044</b>
Owners of the Company	312,557	(498,768)	395,866	881,843
Non-controlling interests	60,955	81,383	16,716	13,201
	<b>373,512</b>	<b>(417,385)</b>	<b>412,582</b>	<b>895,044</b>

The accompanying notes are an integral part of these interim financial statements.

**Statement of changes in equity**  
**(In thousands of Brazilian Reais - R\$)**

	Profit reserve								
	Share capital	Capital reserve	Other equity components	Legal	Retained earning	Accumulated losses	Total	Non-controlling interest	Total equity
<b>At January 1, 2023</b>	<b>2,272,500</b>	<b>2,872,050</b>	<b>152,761</b>	<b>46,563</b>	<b>1,177,389</b>	<b>-</b>	<b>6,521,263</b>	<b>2,085,521</b>	<b>8,606,784</b>
Net income for the period	-	-	-	-	-	(526,165)	(526,165)	81,211	(444,954)
<b>Other comprehensive income</b>									
Actuarial losses with defined benefit plan net of tax (note 7.1 a) e 7.2)	-	-	180	-	-	-	180	172	352
Income from cash flow hedge accounting (note 7.1 a))	-	-	27,217	-	-	-	27,217	-	27,217
<b>Total other comprehensive income, net</b>	<b>-</b>	<b>-</b>	<b>27,397</b>	<b>-</b>	<b>-</b>	<b>(526,165)</b>	<b>(498,768)</b>	<b>81,383</b>	<b>(417,385)</b>
<b>Contributions by and distributions to owners of the Company</b>									
Loss in the distribution of dividends to non-controlling shareholders	-	(225)	-	-	-	-	(225)	225	-
Dividends and interest on equity (note 7.2)	-	-	-	-	-	-	-	(248,811)	(248,811)
Share-based programs granted	-	829	-	-	-	-	829	8	837
Share options exercised - Stock settlement (note 20)	-	(291)	-	-	-	-	(291)	(3)	(294)
<b>Total contributions by and distributions to owners of the Company</b>	<b>-</b>	<b>313</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313</b>	<b>(248,581)</b>	<b>(248,268)</b>
<b>At June 30, 2023</b>	<b>2,272,500</b>	<b>2,872,363</b>	<b>180,158</b>	<b>46,563</b>	<b>1,177,389</b>	<b>(526,165)</b>	<b>6,022,808</b>	<b>1,918,323</b>	<b>7,941,131</b>

	Profit reserve								
	Share capital	Capital reserve	Other equity components	Legal	Retained earning	Profit reserve	Total	Non-controlling interest	Total equity
<b>At January 1, 2022</b>	<b>2,272,500</b>	<b>2,886,216</b>	<b>127,919</b>	<b>46,563</b>	<b>1,011,449</b>	<b>-</b>	<b>6,344,647</b>	<b>28,466</b>	<b>6,373,113</b>
Net income for the period	-	-	-	-	-	881,843	881,843	13,201	895,044
<b>Total other comprehensive income, net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>881,843</b>	<b>881,843</b>	<b>13,201</b>	<b>895,044</b>
<b>Contributions by and distributions to owners of the Company</b>									
Loss in the distribution of dividends to non-controlling shareholders	-	(382)	-	-	-	-	(382)	382	-
Business combination	-	-	-	-	-	-	-	917,783	917,783
Dividends and interest on equity	-	-	-	-	(79,803)	(25,238)	(105,041)	(33,178)	(138,219)
Share-based programs granted	-	1,388	-	-	-	-	1,388	8	1,396
<b>Total contributions by and distributions to owners of the Company</b>	<b>-</b>	<b>1,006</b>	<b>-</b>	<b>-</b>	<b>(79,803)</b>	<b>(25,238)</b>	<b>(104,035)</b>	<b>884,995</b>	<b>780,960</b>
<b>At June 30, 2022</b>	<b>2,272,500</b>	<b>2,887,222</b>	<b>127,919</b>	<b>46,563</b>	<b>931,646</b>	<b>856,605</b>	<b>7,122,455</b>	<b>926,662</b>	<b>8,049,117</b>

The accompanying notes are an integral part of these interim financial statements.

**Statement of cash flows**  
**(In thousands of Brazilian Reais - R\$)**



	Note	Parent Company		Consolidated	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Cash flows from operating activities</b>					
Profit before taxes		(549,147)	902,527	805,883	1,052,119
<b>Adjustments for:</b>					
Depreciation and amortization	16	1,693	1,516	419,557	378,015
Interest in earnings of subsidiaries	7	467,339	(840,717)	(113,738)	-
Loss on disposed assets	17	50	-	17,054	15,612
Share-based payment transactions	20	26,187	10,240	28,218	12,014
Legal proceedings provision	17	-	-	2,589	7,295
Indexation charges, interest and exchange, net		28,936	(11,615)	962,844	352,758
Provisions for employee benefits		4,300	8,950	31,280	26,291
Provision / (reversal) for expected credit loss	5.3	-	-	7,502	6,692
Sectorial assets and liabilities, net	10	-	-	(3,526)	32,941
Loss in energy derivative operations		-	-	-	(120,064)
Other		-	-	5,468	(8,404)
		<b>(20,642)</b>	<b>70,901</b>	<b>2,163,131</b>	<b>1,635,205</b>
<b>Changes in:</b>					
Trade receivables		-	-	57,483	(597,979)
Inventories		-	-	(28,094)	7,764
Other current tax receivable		(6,418)	(4,854)	177,865	53,953
Income tax receivable		(3,149)	(37,362)	(346,631)	(186,749)
Related parties, net		18,734	3,758	1,687	2,251
Suppliers and other financial liabilities		(46)	481	(145,117)	78,528
Employee benefits		(701)	(3,025)	(46,601)	(34,356)
Deferred income		-	77,981	121,106	77,981
Other financial assets		-	-	-	(14,950)
Post-employment benefits		-	-	(12,851)	(11,915)
Other assets and liabilities, net		(7,188)	(3,820)	(67,048)	69,482
		<b>1,232</b>	<b>33,159</b>	<b>(288,201)</b>	<b>(555,990)</b>
<b>Net cash (used in) generated provided by operating activities</b>		<b>(19,410)</b>	<b>104,060</b>	<b>1,874,930</b>	<b>1,079,215</b>
<b>Cash flows from investing activities</b>					
Capital contribution in investees	7.1 (a)	(206,000)	(100,000)	-	-
Acquisition of subsidiary, net of cash acquired		-	-	-	(881,946)
Marketable securities		(4,842)	(203,713)	(28,384)	590,460
Dividends received from subsidiaries and associates	7.1 (c)	708,304	691,243	86,349	-
Acquisition of property, plant and equipment, intangible assets, contract assets and right-of-use assets		(5,560)	(323)	(1,033,647)	(761,663)
Payment of derivative financial instruments		-	-	(7,905)	-
Receipt of derivative financial instruments		-	-	3,558	-
Cash received on the sale of other permanent assets		-	-	-	2,383
Restricted cash		-	-	-	(4,100)
<b>Net cash (used in) generated by investing activities</b>		<b>491,902</b>	<b>387,207</b>	<b>(980,029)</b>	<b>(1,054,866)</b>
<b>Cash flows from financing activities</b>					
Loans, borrowings and debentures raised	5.5	-	398,106	1,043,680	2,398,509
Repayment of principal on loans, borrowings and debentures	5.5	-	-	(464,294)	(2,011,332)
Payment of interest on loans, borrowings and debentures	5.5	(29,023)	(22,587)	(188,347)	(264,646)
Payment of principal on leases		(880)	(793)	(5,314)	(3,762)
Payment of interest on leases		(502)	(523)	(3,345)	(3,169)
Payment of derivative financial instruments	5.7	-	-	(171,740)	(48,587)
Receipt of derivative financial instruments	5.7	-	-	84,457	68,691
Dividends and interest on equity paid	13	(42,611)	-	(319,375)	(6,226)
Settlement of share grant plans	20	-	-	(294)	-
<b>Net cash (used in) generated by financing activities</b>		<b>(73,016)</b>	<b>374,203</b>	<b>(24,572)</b>	<b>129,478</b>
<b>Increase in cash and cash equivalents</b>		<b>399,476</b>	<b>865,470</b>	<b>870,329</b>	<b>273,891</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>265,994</b>	<b>1,412,862</b>	<b>3,403,635</b>	<b>3,562,358</b>
<b>Cash and cash equivalents at end of the period</b>		<b>665,470</b>	<b>2,278,332</b>	<b>4,273,964</b>	<b>3,836,249</b>
<b>Additional information</b>					
Income tax paid		-	-	(54,457)	(60,241)

The accompanying notes are an integral part of these interim financial statements.

**Non-cash transaction in June 30, 2023**

- On March 10, 2023, the Company deliberated on the capital increase in the subsidiary TRSP - Terminal de Regasificação de GNL de São Paulo S.A in the amount of R\$350,000, of which R\$200,000 was settled upon the transaction and R\$150,000 to be paid in by 31 December 2023.
- On March 10, 2023, the Company resolved on the capital increase in the subsidiary Edge – Empresa de Geração de Energia S.A. in the amount of R\$15,152, of which R\$6,000 was paid on April 27, 2023, and R\$9,152 to be paid in by December 31, 2023.
- Recognition of right of use in the amount of R\$10,703 related to new contracts classified under the leasing rule.
- Acquisition of assets for construction of the distribution network with payment in installments in the amount of R\$ 182,297.

**Presentation of interest**

Interest paid is classified as cash flow from financing activities, as it is considered to be related to the costs of obtaining financial resources. Interest received on real estate securities, as well as interest paid on construction in progress and contract assets, are classified as cash flows from investing activities.

**Statement of value added**  
**(In thousands of Brazilian Reais - R\$)**

	Note	Parent Company		Consolidated	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Revenues</b>					
Sales of gas distribution and energy commercialization		-	-	10,330,993	10,585,138
Sales of services	15	-	-	336,889	183,012
Revenue construction	15	-	-	694,620	468,060
Other operating revenues, net		(40)	-	(58,151)	(31,616)
Provision/(reversal) for expected credit loss	5.3	-	-	(7,502)	(6,692)
		<b>(40)</b>	<b>-</b>	<b>11,296,849</b>	<b>11,197,902</b>
<b>Raw materials acquired from third parties</b>					
Cost of gas and transportation		-	-	(7,571,791)	(8,360,152)
Cost of services rendered		-	-	(29,784)	(17,207)
Cost of construction	16	-	-	(694,620)	(468,060)
Materials, energy, third party services, others		(12,624)	(9,305)	(202,180)	(140,106)
		<b>(12,624)</b>	<b>(9,305)</b>	<b>(8,498,375)</b>	<b>(8,985,525)</b>
<b>Gross value added</b>		<b>(12,664)</b>	<b>(9,305)</b>	<b>2,798,474</b>	<b>2,212,377</b>
<b>Retention</b>					
Depreciation and amortization	16	(1,693)	(1,516)	(419,557)	(378,015)
		<b>(1,693)</b>	<b>(1,516)</b>	<b>(419,557)</b>	<b>(378,015)</b>
<b>Net value added</b>		<b>(14,357)</b>	<b>(10,821)</b>	<b>2,378,917</b>	<b>1,834,362</b>
<b>Value added transferred in</b>					
Interest in earnings of subsidiaries	7	(467,339)	840,717	113,738	-
Finance income		26,342	145,296	424,057	628,742
		<b>(440,997)</b>	<b>986,013</b>	<b>537,795</b>	<b>628,742</b>
<b>Value added to be distributed</b>		<b>(455,354)</b>	<b>975,192</b>	<b>2,916,712</b>	<b>2,463,104</b>
<b>Distribution of value added</b>					
Payroll and social charges					
Remuneration		41,287	29,425	116,312	97,736
Benefits		2,163	1,687	38,730	27,785
FGTS / Other		13,535	7,250	28,244	17,543
		<b>56,985</b>	<b>38,362</b>	<b>183,286</b>	<b>143,064</b>
Taxes and contributions					
Federal		(22,982)	20,684	1,496,547	274,593
State		-	-	525,387	348,706
Municipalities		1,178	562	20,972	17,948
		<b>(21,804)</b>	<b>21,246</b>	<b>2,042,906</b>	<b>641,247</b>
Finance expense and rents					
Interest		33,369	32,000	1,032,073	731,030
Rents and leases		2,261	1,741	20,818	13,037
Other		-	-	82,583	39,682
		<b>35,630</b>	<b>33,741</b>	<b>1,135,474</b>	<b>783,749</b>
Non-controlling interests	7.2	-	-	81,211	13,201
Dividends		-	105,041	148	105,041
Retained earnings		(526,165)	776,802	(526,313)	776,802
		<b>(526,165)</b>	<b>881,843</b>	<b>(444,954)</b>	<b>895,044</b>
		<b>(455,354)</b>	<b>975,192</b>	<b>2,916,712</b>	<b>2,463,104</b>

The accompanying notes are an integral part of these interim financial statements.

## **1 Operations**

Compass Gas and Energy S.A. (“Compass Gás e Energia” or “Company”) is a publicly-held corporation headquartered in the city of São Paulo, State of São Paulo, incorporated on November 12, 2014, registered on the São Paulo Stock Exchange Paulo (“B3”). The Company is controlled by Cosan Dez Participações S.A. through direct participation of 88% of the share capital. Mr. Rubens Ometto Silveira Mello is the final controlling shareholder of Cosan.

The Company's main activities are the administration, control or even management of an investment portfolio with the aim of developing an increasingly broad, transparent and competitive gas and energy market in Brazil. Through its subsidiaries, its activities are (i) distribution of piped natural gas throughout Brazil to customers in the industrial, residential, commercial, automotive and cogeneration categories; (ii) commercialization of natural gas; (iii) development of infrastructure projects; and (iv) development of thermal generation projects using natural gas.

### **1.1 Impacts of military conflicts between Russia and Ukraine**

On February 24, 2022, there was a full-scale military invasion of Ukraine by Russian troops. The ongoing military assault has led, and continues to lead, to significant casualties, population displacement, damage to infrastructure and disruption to economic activity in Ukraine.

In response, several jurisdictions including the European Union, the United Kingdom and the United States of America have imposed initial economic sanctions on Russia (and, in certain cases, Belarus). In addition to the imposition of sanctions, a growing number of large public and private companies have announced voluntary actions to reduce commercial activities with Russia and Belarus. These actions include plans to divest assets or discontinue operations in Russia/Belarus, restrict exports or imports from these countries and discontinue providing services.

Since then, global markets have experienced volatility and disruption following the escalation of geopolitical tensions and the onset of military conflict between these countries. The conflict in Ukraine caused an imbalance in supply and demand for a series of products and services, in addition to pressure on global expectations regarding world economic growth arising from this scenario of uncertainty. The Company and its subsidiaries have been monitoring the unfolding of the conflict, especially in terms of volatility in oil and natural gas commodity prices, exchange rate fluctuations and interest rates.

## **2 Preparation base**

### **2.1 Statement of compliance**

The interim financial statements are being presented in thousands of Brazilian reais, unless otherwise stated and have been prepared and are presented in accordance with technical pronouncement CPC 21 and International standard IAS 34 - Interim Financial Reporting, issued International Accounting Standards Board (IASB), and also based on the provisions of the Brazilian Corporate Law, and presented in a manner consistent with the standards issued by the Brazilian Securities Commission, applicable to the preparation of quarterly information – ITR.

The presentation of the Statements of Added Value (DVA) is required by Brazilian corporate law and accounting practices adopted in Brazil applicable to publicly held companies CPC 09 - Statement of Added Value. IFRS does not require this demonstration to be presented. Consequently, by IFRS, this statement is presented as supplementary information, without prejudice to all interim financial statements.

The relevant information specific to the interim financial statements, and only them, is being evidenced and corresponding to those used by management in its management.



The Company's Management concluded that there are no material uncertainties that could generate significant doubts about its ability to continue operating for an indefinite period and remains confident in relation to the continuity of operations and used this assumption as a basis for the preparation of this quarterly information.

These interim financial statements are prepared on the basis of historical cost, except as otherwise indicated and were authorized for issue by management on August 10, 2023.

### **3 Accounting policies**

These interim financial statements were prepared following the basis of preparation and accounting policies consistent with those adopted in the preparation of the annual financial statements of December 31, 2022, and should be read together.

#### **4 Segment information**

The following segment information is used by Company's senior management (the "Chief Operating Decision Maker") to assess the performance of the operating segments and to make decisions with regard to the allocation of resources. This information is prepared on a basis consistent with the accounting policies used in the preparation of the interim financial statements. Compass Gás e Energia evaluates the performance of its operating segments based on Earnings Before Interest Tax, Depreciation and Amortization ("EBITDA").

##### **Reported segments:**

- Gas Distribution: mainly refers to piped natural gas distributors in which the Company has control or participation. The operating regions are in the Southeast, South and Northeast of the country and serve customers in the industrial, residential, commercial, automotive, thermogeneration and cogeneration sectors.
- Other segment: (i) gas commercialization, being the purchase and sale of gas to consumers who have free choice of supplier and to other agents permitted by law; (ii) other investments in development process and corporate activities, including TRSP – Terminal de Regasificação de GNL de São Paulo S.A. ("TRSP"), Rota 4 Participações S.A. ("Rota 4") and Edge – Empresa de Geração de Energia S.A. ("Edge") and; (iii) other non-operating legal entities, including the controlling entity. The balances related to investment and equity in the "eliminations" column must be read in conjunction with this segment.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

	April 1, 2023 to June 30, 2023			
	Reported segments	Reconciliation		Consolidated
	Gas distribution	Other segment	Eliminations	
Gross sales	5,724,573	-	-	5,724,573
Net sales	4,584,529	-	-	4,584,529
Cost of sales and services	(3,579,067)	-	-	(3,579,067)
<b>Gross profit</b>	<b>1,005,462</b>	-	-	<b>1,005,462</b>
Selling expenses	(41,379)	-	-	(41,379)
General and administrative expenses	(172,619)	(46,256)	-	(218,875)
Other income (expenses), net	1,984	(53,309)	-	(51,325)
Interest in earnings of associates	61,603	314,491	(314,491)	61,603
<b>Financial results</b>	<b>(258,053)</b>	<b>23,105</b>	-	<b>(234,948)</b>
Finance expense	(260,405)	(49,298)	-	(309,703)
Finance income	160,591	70,018	-	230,609
Foreign exchange losses, net	105,131	20	-	105,151
Derivatives	(263,370)	2,365	-	(261,005)
Income tax (expense)benefit	(200,955)	26,712	-	(174,243)
<b>Profit for the period</b>	<b>396,043</b>	<b>264,743</b>	<b>(314,491)</b>	<b>346,295</b>
<b>Net income attributable to:</b>				
Owners of the Company	335,088	264,743	(314,491)	285,340
Non-controlling interests	60,955	-	-	60,955
	<b>396,043</b>	<b>264,743</b>	<b>(314,491)</b>	<b>346,295</b>
<b>Other select data:</b>				
Depreciation and amortization	211,636	1,064	-	212,700
EBITDA	1,066,687	215,990	(314,491)	968,186
Acquisition of property, plant and equipment, intangible assets, contract assets	(375,137)	(131,481)	-	(506,618)
<b>EBITDA reconciliation</b>				
Profit for the period	396,043	264,743	(314,491)	346,295
Income tax and social contribution	200,955	(26,712)	-	174,243
Financial result, net	258,053	(23,105)	-	234,948
Depreciation and amortization	211,636	1,064	-	212,700
<b>EBITDA</b>	<b>1,066,687</b>	<b>215,990</b>	<b>(314,491)</b>	<b>968,186</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

				January 1, 2023 to June 30, 2023
	Reported segments	Reconciliation		Consolidated
	Gas distribution	Other segment	Eliminations	
Gross sales	11,386,263	-	-	11,386,263
Net sales	9,119,533	-	-	9,119,533
Cost of sales and services	(7,173,670)	-	-	(7,173,670)
<b>Gross profit</b>	<b>1,945,863</b>	-	-	<b>1,945,863</b>
Selling expenses	(80,285)	-	-	(80,285)
General and administrative expenses	(324,187)	(91,777)	-	(415,964)
Other income (expenses), net	(3,661)	(53,372)	-	(57,033)
Interest in earnings of associates	113,738	(463,402)	463,402	113,738
<b>Financial results</b>	<b>(709,045)</b>	<b>8,609</b>	-	<b>(700,436)</b>
Finance expense	(969,211)	(100,079)	-	(1,069,290)
Finance income	300,061	130,404	-	430,465
Foreign exchange losses, net	153,501	(753)	-	152,748
Derivatives	(193,396)	(20,963)	-	(214,359)
Income tax (expense)benefit	(1,292,906)	42,069	-	(1,250,837)
<b>Profit for the period</b>	<b>(350,483)</b>	<b>(557,873)</b>	<b>463,402</b>	<b>(444,954)</b>
<b>Net income attributable to:</b>				
Owners of the Company	(431,694)	(557,873)	463,402	(526,165)
Non-controlling interests	81,211	-	-	81,211
	<b>(350,483)</b>	<b>(557,873)</b>	<b>463,402</b>	<b>(444,954)</b>
<b>Other select data:</b>				
Depreciation and amortization	417,448	2,109	-	419,557
EBITDA	2,068,915	(606,441)	463,402	1,925,876
Acquisition of property, plant and equipment, intangible assets, contract assets	(776,634)	(257,013)	-	(1,033,647)
<b>EBITDA reconciliation</b>				
Profit for the period	(350,483)	(557,873)	463,402	(444,954)
Income tax and social contribution	1,292,906	(42,069)	-	1,250,837
Financial result, net	709,045	(8,609)	-	700,436
Depreciation and amortization	417,448	2,109	-	419,557
<b>EBITDA</b>	<b>2,068,916</b>	<b>(606,442)</b>	<b>463,402</b>	<b>1,925,876</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

	April 1, 2022 to June 30, 2022			
	Reported segments	Reconciliation		Consolidated
	Gas distribution	Other segment	Eliminations	
Gross sales	6,138,213	64,957	-	6,203,170
Net sales	4,837,636	58,734	-	4,896,370
Cost of sales and services	(3,930,286)	(67,764)	-	(3,998,050)
<b>Gross profit</b>	<b>907,350</b>	<b>(9,030)</b>	-	<b>898,320</b>
Selling expenses	(38,134)	-	-	(38,134)
General and administrative expenses	(120,025)	(32,940)	-	(152,965)
Other income (expenses), net	(11,253)	9,264	-	(1,989)
Interest in earnings of associates	-	368,949	(368,949)	-
<b>Financial results</b>	<b>(181,348)</b>	<b>68,286</b>	-	<b>(113,062)</b>
Finance expense	(275,891)	(44,772)	-	(320,663)
Finance income	252,661	108,607	-	361,268
Foreign exchange losses, net	(175,758)	(3)	-	(175,761)
Derivatives	17,640	4,454	-	22,094
Income tax (expense)benefit	(170,926)	(8,662)	-	(179,588)
<b>Profit for the period</b>	<b>385,664</b>	<b>395,867</b>	<b>(368,949)</b>	<b>412,582</b>
<b>Net income attributable to:</b>				
Owners of the Company	368,948	395,867	(368,949)	395,866
Non-controlling interests	16,716	-	-	16,716
	<b>385,664</b>	<b>395,867</b>	<b>(368,949)</b>	<b>412,582</b>
<b>Other select data:</b>				
Depreciation and amortization	170,325	1,006	-	171,331
EBITDA	908,263	337,249	(368,949)	876,563
Acquisition of property, plant and equipment, intangible assets, contract assets	(287,678)	(103,181)	-	(390,859)
<b>EBITDA reconciliation</b>				
Profit for the period	385,664	395,867	(368,949)	412,582
Income tax and social contribution	170,926	8,662	-	179,588
Financial result, net	181,348	(68,286)	-	113,062
Depreciation and amortization	170,325	1,006	-	171,331
<b>EBITDA</b>	<b>908,263</b>	<b>337,249</b>	<b>(368,949)</b>	<b>876,563</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

	January 1, 2022 to June 30, 2022			
	Reported segments	Reconciliation		Consolidated
	Gas distribution	Other segment	Eliminations	
Gross sales	11,153,532	127,326	-	11,280,858
Net sales	8,787,174	115,025	-	8,902,199
Cost of sales and services	(7,167,716)	(131,006)	-	(7,298,722)
<b>Gross profit</b>	<b>1,619,458</b>	<b>(15,981)</b>	-	<b>1,603,477</b>
Selling expenses	(76,605)	-	-	(76,605)
General and administrative expenses	(230,126)	(63,268)	-	(293,394)
Other income (expenses), net	(40,190)	9,269	-	(30,921)
Interest in earnings of associates	-	806,194	(806,194)	-
<b>Financial results</b>	<b>(329,533)</b>	<b>179,095</b>	-	<b>(150,438)</b>
Finance expense	(543,565)	(96,296)	-	(639,861)
Finance income	415,781	212,961	-	628,742
Foreign exchange losses, net	101,261	84	-	101,345
Derivatives	(303,010)	62,346	-	(240,664)
Income tax (expense)benefit	(123,608)	(33,467)	-	(157,075)
<b>Profit for the period</b>	<b>819,396</b>	<b>881,842</b>	<b>(806,194)</b>	<b>895,044</b>
<b>Net income attributable to:</b>				
Owners of the Company	806,195	881,842	(806,194)	881,843
Non-controlling interests	13,201	-	-	13,201
	<b>819,396</b>	<b>881,842</b>	<b>(806,194)</b>	<b>895,044</b>
<b>Other select data:</b>				
Depreciation and amortization	376,213	1,802	-	378,015
EBITDA	1,648,750	738,016	(806,194)	1,580,572
Acquisition of property, plant and equipment, intangible assets, contract assets	(596,644)	(165,019)	-	(761,663)
<b>EBITDA reconciliation</b>				
Profit for the period	819,396	881,842	(806,194)	895,044
Income tax and social contribution	123,608	33,467	-	157,075
Financial result, net	329,533	(179,095)	-	150,438
Depreciation and amortization	376,213	1,802	-	378,015
<b>EBITDA</b>	<b>1,648,750</b>	<b>738,016</b>	<b>(806,194)</b>	<b>1,580,572</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

				June 30, 2023
Statement of finance position	Gas distribution	Other segment	Eliminations	Consolidated
Cash and cash equivalents	2,874,374	1,399,590	-	4,273,964
Marketable securities	618,022	14,975	-	632,997
Trade receivables	1,833,919	376	-	1,834,295
Derivative financial instruments - assets	325,150	72,432	-	397,582
Inventories	156,506	-	-	156,506
Tax receivable	779,852	159,754	-	939,606
Sectorial assets	414,011	-	-	414,011
Other financial assets	1,917	-	-	1,917
Other current receivables	355,445	34,322	(58,092)	331,675
Other non-current receivables	489,127	317,385	-	806,512
Investments in associates	2,457,153	4,142,297	(4,142,297)	2,457,153
Contract assets	850,786	-	-	850,786
Property, plant and equipment	1,046	957,153	-	958,199
Intangible	12,411,408	109,781	-	12,521,189
Loans, borrowings and debentures	(7,754,183)	(1,287,995)	-	(9,042,178)
Derivative financial instruments - liabilities	(455,921)	(1,660)	-	(457,581)
Trade payables	(1,576,008)	(19,679)	-	(1,595,687)
Salaries and wages	(107,296)	(91,375)	-	(198,671)
Deferred income	-	(713,707)	-	(713,707)
Other current payables	(2,106,916)	(67,614)	58,092	(2,116,438)
Leases	(58,478)	(21,113)	-	(79,591)
Sectorial liabilities	(1,733,657)	-	-	(1,733,657)
Deferred tax liabilities	(2,155,640)	(2,117)	-	(2,157,757)
Post-employment benefits	(457,876)	-	-	(457,876)
Other non-current payables	(82,118)	-	-	(82,118)
<b>Total assets (net of liabilities) allocated by segment</b>	<b>7,080,623</b>	<b>5,002,805</b>	<b>(4,142,297)</b>	<b>7,941,131</b>
<b>Total assets</b>	<b>23,568,716</b>	<b>7,208,065</b>	<b>(4,200,389)</b>	<b>26,576,392</b>
<b>Equity attributable to:</b>				
Equity attributable to owners of the Company	5,162,300	5,002,805	(4,142,297)	6,022,808
Non-controlling interests	1,918,323	-	-	1,918,323
<b>Total shareholders' equity</b>	<b>7,080,623</b>	<b>5,002,805</b>	<b>(4,142,297)</b>	<b>7,941,131</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

	December 31, 2022			
Statement of finance position	Gas distribution	Other segment	Eliminations	Consolidated
Cash and cash equivalents	2,478,458	925,177	-	3,403,635
Marketable securities	569,296	9,062	-	578,358
Trade receivables	1,887,767	20,621	-	1,908,388
Derivative financial instruments - assets	344,760	47,103	-	391,863
Inventories	133,881	-	-	133,881
Tax receivable	995,453	152,970	8,417	1,156,840
Sectorial assets	342,333	-	-	342,333
Other financial assets	2,295	-	-	2,295
Other current receivables	199,824	82,000	(63,633)	218,191
Other non-current receivables	375,238	288,828	1	664,067
Investments in associates	2,525,292	5,273,603	(5,273,603)	2,525,292
Contract assets	1,110,335	-	-	1,110,335
Property, plant and equipment	147	671,426	-	671,573
Intangible	13,108,419	108,727	(1,202,011)	12,015,135
Loans, borrowings and debentures	(7,054,357)	(1,224,482)	-	(8,278,839)
Derivative financial instruments - liabilities	(399,866)	(485)	-	(400,351)
Trade payables	(1,784,176)	(58,634)	-	(1,842,810)
Salaries and wages	(127,412)	(66,173)	-	(193,585)
Deferred income	-	(592,601)	-	(592,601)
Other current payables	(797,358)	(81,632)	99,062	(779,928)
Leases	(54,707)	(21,899)	-	(76,606)
Sectorial liabilities	(1,616,616)	-	-	(1,616,616)
Deferred tax liabilities	(2,569,310)	(564)	408,683	(2,161,191)
Post-employment benefits	(448,157)	-	-	(448,157)
Other non-current payables	(124,638)	(82)	2	(124,718)
<b>Total assets (net of liabilities) allocated by segment</b>	<b>9,096,901</b>	<b>5,532,965</b>	<b>(6,023,082)</b>	<b>8,606,784</b>
<b>Total assets</b>	<b>24,073,498</b>	<b>7,579,517</b>	<b>(6,530,829)</b>	<b>25,122,186</b>
<b>Equity attributable to:</b>				
Equity attributable to owners of the Company	7,011,380	5,532,965	(6,023,082)	6,521,263
Non-controlling interests	2,085,521	-	-	2,085,521
<b>Total shareholders' equity</b>	<b>9,096,901</b>	<b>5,532,965</b>	<b>(6,023,082)</b>	<b>8,606,784</b>



**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**



**4.1 Net sales by clients segments**

	Consolidated			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Natural gas distribution</b>				
Industrial	2,887,816	5,862,565	3,227,954	5,869,526
Residential	623,764	1,127,804	551,177	951,070
Cogeneration	195,776	408,667	237,206	474,317
Automotive	152,558	316,029	276,291	503,374
Commercial	217,345	411,752	193,313	354,382
Thermogeneration	1,021	1,930	-	-
Construction revenue	391,712	694,620	262,291	468,060
Other	114,537	296,166	89,404	166,445
	<b>4,584,529</b>	<b>9,119,533</b>	<b>4,837,636</b>	<b>8,787,174</b>
Energy trading	-	-	58,734	115,025
<b>Total</b>	<b>4,584,529</b>	<b>9,119,533</b>	<b>4,896,370</b>	<b>8,902,199</b>

No customers or specific group represented 10% or more of net sales for the periods presented in other segments.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

**5 Financial assets and liabilities**

Financial assets and liabilities are as following:

		Parent Company		Consolidated	
	Note	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Assets</b>					
<b>Amortized cost</b>					
Cash and cash equivalents	5.1	656,324	264,908	3,030,508	3,092,439
Trade receivables	5.3	-	-	1,866,766	1,931,205
Restricted cash	5.2	-	-	4,100	4,100
Receivables from related parties	5.4	4,321	21,130	2,399	6,558
Sector assets	10	-	-	414,011	342,333
Dividends and interest on capital receivable	7.1 c)	694	42,773	198,725	101,027
		<b>661,339</b>	<b>328,811</b>	<b>5,516,509</b>	<b>5,477,662</b>
<b>Fair values through profit or loss</b>					
Cash and cash equivalents	5.1	9,146	1,086	1,243,456	311,196
Marketable securities	5.2	6,250	1,035	632,997	578,358
Derivative financial instruments	5.7	-	-	397,582	391,863
		<b>15,396</b>	<b>2,121</b>	<b>2,274,035</b>	<b>1,281,417</b>
<b>Total</b>		<b>676,735</b>	<b>330,932</b>	<b>7,790,544</b>	<b>6,759,079</b>
<b>Liabilities</b>					
<b>Amortized cost</b>					
Loans, borrowings and debentures		(399,805)	(399,616)	(2,025,449)	(1,670,370)
Leases		(12,139)	(12,996)	(79,591)	(76,606)
Trade payables	5.6	(1,889)	(1,994)	(1,595,687)	(1,842,810)
Other financial liabilities	5.9 c)	-	-	(100,721)	(72,579)
Dividends and interest on capital payable	13	-	(42,611)	(2,522)	(72,863)
Payables to related parties	5.4	(3,677)	(1,751)	(11,874)	(14,764)
Sector liabilities	10	-	-	(1,733,658)	(1,616,616)
Tax installments - REFIS		-	-	(5,407)	(5,549)
		<b>(417,510)</b>	<b>(458,968)</b>	<b>(5,554,909)</b>	<b>(5,372,157)</b>
<b>Fair values through profit or loss</b>					
Loans, borrowings and debentures	5.8	-	-	(7,016,729)	(6,608,469)
Derivative financial instruments	5.7	-	-	(457,581)	(400,351)
		<b>-</b>	<b>-</b>	<b>(7,474,310)</b>	<b>(7,008,820)</b>
<b>Total</b>		<b>(417,510)</b>	<b>(458,968)</b>	<b>(13,029,219)</b>	<b>(12,380,977)</b>

## 5.1 Cash and cash equivalents and restricted cash

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Cash and bank accounts	4	22	49,483	131,802
Financial investments	665,466	265,972	4,224,481	3,271,833
<b>Total</b>	<b>665,470</b>	<b>265,994</b>	<b>4,273,964</b>	<b>3,403,635</b>

Financial investments are composed as following:

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Investment fund</b>				
Repurchase agreements	9,146	1,086	1,243,456	311,196
<b>Total investment fund</b>	<b>9,146</b>	<b>1,086</b>	<b>1,243,456</b>	<b>311,196</b>
<b>Bank investments</b>				
Repurchase agreements	-	-	103,719	20,691
Bank certificate of deposits - CDB	656,320	264,886	2,877,306	2,939,946
<b>Total bank investments</b>	<b>656,320</b>	<b>264,886</b>	<b>2,981,025</b>	<b>2,960,637</b>
<b>Total financial investments</b>	<b>665,466</b>	<b>265,972</b>	<b>4,224,481</b>	<b>3,271,833</b>

The financial investments are remunerated at rates around 100% of the interbank deposit certificate ("CDI") on at June 30, 2023 and December 31, 2022. See note 5.9 with the sensitivity analysis on interest rate risks.

## 5.2 Marketable securities

	Parent company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Marketable securities</b>				
Government security	6,250	1,035	632,997	578,358
	<b>6,250</b>	<b>1,035</b>	<b>632,997</b>	<b>578,358</b>
<b>Restricted cash</b>				
Securities pledged as collateral	-	-	4,100	4,100
	<b>-</b>	<b>-</b>	<b>4,100</b>	<b>4,100</b>

Government security have an interest rate linked to the special settlement and custody system ("Selic") approximately 100% of the CDI and mature between two and five years with daily liquidity.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**



**5.3 Trade receivables**

	<b>Consolidated</b>	
	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Receivable from gas	1,053,117	1,052,703
Electric operations	-	20,621
Unbilled revenue	927,340	968,147
Other	11,974	13,828
	<b>1,992,431</b>	<b>2,055,299</b>
Impairment of trade receivable	(125,665)	(124,094)
	<b>(125,665)</b>	<b>(124,094)</b>
<b>Total</b>	<b>1,866,766</b>	<b>1,931,205</b>
<b>Current</b>	1,834,295	1,908,388
<b>Non-current</b>	32,471	22,817
	<b>1,866,766</b>	<b>1,931,205</b>

The aging of the accounts receivables are as following:

	<b>Consolidated</b>	
	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Not yet due	1,786,411	1,854,522
Overdue:		
From 1 to 30 days	63,864	68,111
From 31 to 60 days	15,085	13,468
From 61 to 90 days	6,538	7,322
More than 90 days	120,533	111,876
Impairment of trade receivable	(125,665)	(124,094)
	<b>1,866,766</b>	<b>1,931,205</b>

Changes in the expected impairments are as following:

	<b>Consolidated</b>
<b>At December 31, 2022</b>	<b>(124,094)</b>
Additions / reversals	(7,502)
Write-off	5,931
<b>At June 30, 2023</b>	<b>(125,665)</b>

**Explanatory Notes to the Financial Statement**  
(In thousands of Brazilian Reais - R\$)



## 5.4 Related parties

### a) Summary of balances to related parties

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Current assets</b>				
<b>Commercial operation</b>				
Raízen S.A. and your subsidiaries	215	186	610	4,390
Cosan S.A.	1,299	1,299	1,299	1,370
Commit Gás e Energia S.A.	2,546	8,070	-	-
Compass Um Participações S.A.	-	8,664	-	-
Companhia de Gás do Estado do Rio Grande do Sul S.A. "Sulgás"	-	1,737	-	-
Companhia de Gás de São Paulo S.A. "Comgás"	81	40	-	-
Other	180	1,134	490	798
	<b>4,321</b>	<b>21,130</b>	<b>2,399</b>	<b>6,558</b>

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Current liabilities</b>				
<b>Commercial operation</b>				
Raízen S.A. and your subsidiaries	144	502	7,667	13,421
Cosan S.A.	1,240	996	1,240	996
Commit Gás e Energia S.A.	2,150	-	-	-
Other	143	253	2,967	347
	<b>3,677</b>	<b>1,751</b>	<b>11,874</b>	<b>14,764</b>

### b) Related party transactions:

	Parent Company			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Shared expense</b>				
Raízen S.A. and your subsidiaries	(88)	(970)	(1,384)	(2,875)
Cosan S.A.	(1,779)	(3,628)	364	586
Companhia de Gás do Estado do Rio Grande do Sul S.A. "Sulgás"	51	102	-	-
Companhia de Gás de São Paulo S.A. "Comgás"	-	1,256	-	-
Commit Gás e Energia S.A.	1,187	(2,453)	-	-
Other	(2)	(1,485)	-	-
	<b>(631)</b>	<b>(7,178)</b>	<b>(1,020)</b>	<b>(2,289)</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reals - R\$)**



Consolidated				
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Operating revenues</b>				
Raízen S.A. and its subsidiaries	1,013	5,069	3,849	8,259
Elevações Portuárias S.A.	142	230	95	233
	<b>1,155</b>	<b>5,299</b>	<b>3,944</b>	<b>8,492</b>
<b>Operating supply</b>				
Raízen S.A. and its subsidiaries	-	-	(3,478)	(13,154)
	<b>-</b>	<b>-</b>	<b>(3,478)</b>	<b>(13,154)</b>
<b>Shared expense</b>				
Raízen S.A. and its subsidiaries	(5,364)	(10,325)	(6,186)	(14,456)
Cosan S.A.	(4,543)	(6,392)	(1,384)	(2,875)
Other	(423)	(423)	-	-
	<b>(10,330)</b>	<b>(17,140)</b>	<b>(7,570)</b>	<b>(17,331)</b>
<b>Financial result</b>				
Rumo Malha Paulista S.A.	-	750	-	-
	<b>-</b>	<b>750</b>	<b>-</b>	<b>-</b>

**c) Officers' and directors' compensation:**

The Company has a compensation policy approved by the Board of Directors. Compensation of the Business's key management personnel includes salaries, non-cash benefits, contributions to a post-employment defined benefit plan and share-based payments.

		Parent Company			
		April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Short-term benefits to officers and directors		7,042	13,282	3,489	8,479
Post-employment benefits		129	255	141	251
Long-term bonuses for administrators		7,654	14,092	250	3,376
		14,825	27,629	3,880	12,106

	Consolidated			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Short-term benefits to officers and directors	16,986	32,420	12,951	25,359
Post-employment benefits	559	886	349	660
Long-term bonuses for administrators	9,494	17,644	4,666	8,989
Stock option expense	57	114	419	839
	27,096	51,064	18,385	35,847

**d) Officers' and directors' compensation:**

On June 7, 2023, the subsidiary Comgás entered into an ICMS credit purchase and sale agreement with Rumo Malha Paulista S.A, in the amount of R\$157,179 and a 10% discount. The credit transfer is subject to authorization from the São Paulo State Finance Department - SEFAZ.

**5.5 Loans, borrowings and debentures**

The main characteristics of these debts are described below:

Description	Index	Interest	Parent Company		Consolidated		Maturity	Purpose
		Annual interest rate <sup>(i)</sup>	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022		
<b>With guarantee</b>								
<b>BNDES</b>								
Project VI e VII	IPCA + 4,10%	7.38%	-	-	122,610	131,885	Apr-29	Investments
Project VIII	IPCA + 3,25%	6.50%	-	-	1,614,643	1,653,501	Jun-34	Investments
Project I	IPCA + 4,10%	8.97%	-	-	76,398	73,717	Jan-30	Investments
Project IX	IPCA + 5,74%	9.07%	-	-	594,995	544,925	Dec-36	Investments
Project IX	IPCA + 6,01%	9.35%	-	-	301,083	-	Dec-36	Investments
			-	-	<b>2,709,729</b>	<b>2,404,028</b>		
<b>No guarantee</b>								
<b>Resolution 4131</b>								
Scotiabank 2018	USD + 3,67%	3.67%	-	-	-	395,285	May-23	Working capital
Scotiabank 2020	USD + 1,36%	1.36%	-	-	348,623	377,705	Fev-24	Working capital
Scotiabank 2022	USD + 2,13%	2.13%	-	-	912,106	1,000,957	Fev-25	Working capital
Scotiabank 2023	USD + 4,04%	4.04%	-	-	718,370	-	Mai-26	Working capital
<b>Debentures</b>								
4th emission - 2th issue	CDI + 1,45%	15.30%	399,805	399,616	399,805	399,616	Dec-26	Investments
4th emission - 3th issue	IPCA + 7,36%	12.41%	-	-	123,031	114,014	Dec-25	Investments
5th emission - single	IPCA + 5,87%	10.85%	-	-	960,101	907,366	Dec-23	Investments
6th emission - single	IPCA + 4,33%	9.23%	-	-	551,465	523,837	Oct-24	Investments
7th emission - single	IGPM + 6,10%	6.28%	-	-	359,973	372,171	May-28	Working capital
9th emission - 1th issue	IPCA + 5,12%	10.06%	-	-	542,700	491,153	Aug-31	Investments
9th emission - 2th issue	IPCA + 5,22%	10.17%	-	-	528,086	467,841	Aug-36	Investments
1th emission	CDI + 1,95%	15.87%	-	-	888,189	824,866	Aug-24	Investments
			<b>399,805</b>	<b>399,616</b>	<b>6,332,449</b>	<b>5,874,811</b>		
<b>Total</b>			<b>399,805</b>	<b>399,616</b>	<b>9,042,178</b>	<b>8,278,839</b>		
<b>Current</b>			<b>1,131</b>	<b>1,131</b>	<b>1,768,888</b>	<b>1,685,123</b>		
<b>Non-current</b>			<b>398,674</b>	<b>398,485</b>	<b>7,273,290</b>	<b>6,593,716</b>		
			<b>399,805</b>	<b>399,616</b>	<b>9,042,178</b>	<b>8,278,839</b>		

<sup>(i)</sup> For loans that have derivatives linked to them, the effective values are presented in note 5.7.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

Non-current borrowings are scheduled to fall due as follows:

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
13 to 24 months	-	-	2,344,285	1,798,401
25 to 36 months	-	-	1,134,457	1,227,708
37 to 48 months	398,674	398,485	779,271	754,560
49 to 60 months	-	-	380,608	356,075
61 to 72 months	-	-	258,006	356,120
73 to 84 months	-	-	426,333	402,829
85 to 96 months	-	-	416,543	383,799
Over 96 months	-	-	1,533,787	1,314,224
	<b>398,674</b>	<b>398,485</b>	<b>7,273,290</b>	<b>6,593,716</b>

The carrying amounts of loans, borrowings and debentures are denominated in the following currencies:

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Reais (R\$)	399,805	399,616	7,063,079	6,504,892
Dollar (U.S.\$) <sup>(ii)</sup>	-	-	1,979,099	1,773,947
	<b>399,805</b>	<b>399,616</b>	<b>9,042,178</b>	<b>8,278,839</b>

<sup>(ii)</sup> All dated debts denominated in U.S. dollar, have currency risk protection through derivatives (Note 5.7).

Below are the movements that occurred for the period ended June 30, 2023:

	Parent Company	Consolidated
<b>At December 31, 2022</b>	399,616	8,278,839
Raised	-	1,043,680
Amortization of principal	-	(464,294)
Payment of interest	(29,023)	(188,347)
Payment of interest on works in progress	-	(28,214)
Interest, exchange rate and fair value	29,212	400,514
<b>At June 30, 2023</b>	<b>399,805</b>	<b>9,042,178</b>



**a) Unused lines of credit**

As of June 30, 2023, the Company, through its subsidiaries, had credit lines in banks, which were not used, in the amount of approximately R\$ 745.797 (R\$ 1.045.797 on December 31, 2022).

The use of these lines of credit is subject to certain contractual conditions.

**b) Covenants**

Under the terms of the main loan facilities, its subsidiaries are required to comply with the following financial covenants:

Debit	Company	Triggers	Ratios
BNDES	Sulgás	Net debt <sup>(i)</sup> / EBTIDA <sup>(ii)</sup> cannot exceed 3.50	0.30
BNDES	Sulgás	General debt ratio (Total Liabilities / Total Liabilities + Shareholders' Equity) cannot exceed 0.8	0.73
BNDES	Comgás	Net debt <sup>(i)</sup> / EBTIDA <sup>(ii)</sup> cannot exceed 4.00	1.51
Resolution 4131			
Debenture 4th and 9th			
Debenture 4th issue	Comgás	Short-term indebtedness / Total indebtedness <sup>(iii)</sup> cannot exceed 0.6	0.18

<sup>(i)</sup> Net debt consists of current and non-current debt, net of cash and cash equivalents and marketable securities recorded in these interim financial statements of subsidiary Comgás. Net debt is a non-accounting measure.

<sup>(ii)</sup> Corresponds to the accumulated EBITDA of the last twelve months.

<sup>(iii)</sup> Total indebtedness corresponds to the sum of loans, financing, debentures and leases of the subsidiary Comgás, in the short and long term (including the net balance of derivative).

For other loans and financing of the Company and its subsidiaries, there are no financial and non-financial restrictive clauses.

At June 30, 2023, the Company and its subsidiaries remain in compliance with all financial and non-financial covenants.

**c) Fair value and exposure to financial risk**

The fair value of the loans and debentures are based on the discounted cash flow using its implicit discount rate. They are classified as a level 2 fair value in the hierarchy (Note 5.8) due to the data observation, including own credit risk.

The details of the Company and the subsidiaries exposure to risks arising from loans are disclosed in Note 5.9.

**5.6 Trade payables**

	Parent Company		Consolidated	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Natural gas suppliers	-	-	1,224,205	1,393,418
Supply and transportation of electricity	-	-	-	42,732
Raw material and service suppliers	1,889	1,994	371,482	406,660
	<b>1,889</b>	<b>1,994</b>	<b>1,595,687</b>	<b>1,842,810</b>

**5.7 Derivative financial instruments**

The impact of the derivative financial instruments of financial position is, as follows:

	Consolidated			
	June 30, 2023		December 31, 2022	
	Notional	Fair value	Notional	Fair value
<b>Exchange rate derivatives</b>				
Exchange rate derivative	38,479	(1,045)	53,012	(486)
Put options	624,568	30,012	676,214	25,360
	<b>663,047</b>	<b>28,967</b>	<b>729,226</b>	<b>24,874</b>
<b>Commodity derivatives</b>				
Put options - gas	-	41,805	-	-
Put options - energy	-	-	-	21,744
	-	<b>41,805</b>	-	<b>21,744</b>
<b>Swap agreements</b>				
Interest rate	4,919,169	234,936	4,919,169	31,748
Exchange and interest rate	2,253,960	(365,707)	1,772,775	(86,854)
	<b>7,173,129</b>	<b>(130,771)</b>	<b>6,691,944</b>	<b>(55,106)</b>
<b>Total financial instruments contract</b>		<b>(59,999)</b>		<b>(8,488)</b>
<b>Current assets</b>		<b>270,520</b>		<b>352,568</b>
<b>Non-current assets</b>		<b>127,062</b>		<b>39,295</b>
<b>Current liabilities</b>		<b>(80,509)</b>		<b>(485)</b>
<b>Non-current liabilities</b>		<b>(377,072)</b>		<b>(399,866)</b>
		<b>(59,999)</b>		<b>(8,488)</b>

**a) Fair value hedge**

The subsidiary Comgás adopts fair value hedge accounting for some of its operations, both hedging instruments and items protected by hedge are accounted for at fair value through profit or loss.

Debts that have interest risk hedges are shown in the table below:

	Notional amount (US\$)	Carrying amount: (R\$)		Fair value accumulated adjust	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2020
<b>Loans, financing and debentures</b>					
<b>Items</b>					
5th issue - single series	(684,501)	(960,101)	(907,366)	(50,778)	(33,892)
BNDES - Project VIII	(1,000,000)	(836,276)	(851,689)	37,221	70,260
<b>Total debt</b>	<b>(1,684,501)</b>	<b>(1,796,377)</b>	<b>(1,759,055)</b>	<b>(13,557)</b>	<b>36,368</b>
<b>Derivative</b>					
<b>Hedge</b>					
5th issue - single series	684,501	228,076	221,000	7,076	1,248
BNDES - Project VIII	1,000,000	(65,429)	(90,193)	15,164	(57,944)
<b>Total derivative</b>	<b>1,684,501</b>	<b>162,647</b>	<b>130,807</b>	<b>22,240</b>	<b>(56,696)</b>
<b>Total</b>	<b>-</b>	<b>(1,633,730)</b>	<b>(1,628,248)</b>	<b>8,683</b>	<b>(20,328)</b>

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**b) Fair value options**

Certain derivative instruments were not linked to documented hedging structures and, therefore, the hedge accounting procedure provided for in CPC 48 – Financial Instruments was not used. The Company chose to designate protected liabilities (hedge objects) to be recorded at fair value through profit or loss. Whereas derivative instruments are always accounted for at fair value through profit or loss:

			Carrying amount		Fair value accumulated adjust	
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Hedge foreign exchange risk</b>						
<b>Debit</b>						
4131 Scotiabank (2018)	US\$ + 3,67%	-	-	(395,285)	-	(2,680)
4131 Scotiabank (2021)	US\$ + 1,60%	(407,250)	(348,623)	(377,705)	14,551	15,545
4131 Scotiabank (2022)	US\$ + 2,51%	(1,097,400)	(912,106)	(1,000,957)	59,959	51,798
4131 Scotiabank (2023)	US\$ + 4,76%	(749,310)	(718,369)	-	7,027	-
		<b>(2,253,960)</b>	<b>(1,979,098)</b>	<b>(1,773,947)</b>	<b>81,537</b>	<b>64,663</b>
<b>Derivative</b>						
4131 Scotiabank (2018)	BRL + 107,9% do CDI	-	-	123,760	(28,050)	(61,685)
4131 Scotiabank (2021)	BRL + CDI + 1,25%	407,250	(78,849)	(50,245)	(55,043)	(88,612)
4131 Scotiabank (2022)	BRL + CDI + 1,20%	1,097,400	(246,645)	(160,369)	(153,849)	(217,215)
4131 Scotiabank (2023)	BRL + CDI + 1,30%	749,310	(40,213)	-	(40,213)	-
		<b>2,253,960</b>	<b>(365,707)</b>	<b>(86,854)</b>	<b>(277,155)</b>	<b>(367,512)</b>
		<b>-</b>	<b>(2,344,805)</b>	<b>(1,860,801)</b>	<b>(195,618)</b>	<b>(302,849)</b>

			Carrying amount		Fair value accumulated adjust	
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Hedge interest rate risk</b>						
<b>Loans, financing and debentures</b>						
4th issue - 3rd series	IPCA + 7,36%	(114,818)	(123,031)	(114,014)	(8,267)	(114,014)
6th issue - single series	IPCA + 4,33%	(523,993)	(551,465)	(523,837)	(25,304)	(523,837)
9th issue - 1st series	IPCA + 5,12%	(500,000)	(542,700)	(491,153)	(33,363)	(6,179)
9th issue - 2nd series	IPCA + 5,22%	(500,000)	(528,086)	(467,841)	(41,128)	9,737
BNDES - Project VI e VII	IPCA + 4,10%	(160,126)	(122,610)	(131,885)	24,480	(131,885)
BNDES - Project VIII	IPCA + 3,25%	(870,149)	(778,367)	(801,812)	38,360	(801,812)
BNDES - Project IX	IPCA + 5,74%	(565,582)	(594,995)	(544,925)	(32,911)	(544,925)
		<b>(3,234,668)</b>	<b>(3,241,254)</b>	<b>(3,075,467)</b>	<b>(78,133)</b>	<b>(2,112,915)</b>
<b>Derivative</b>						
Swap 4th issue - 2nd series	94,64% CDI	-	-	-	-	(3,900)
Swap 4th issue - 3rd series	112,49% CDI	114,818	(369)	(778)	409	(5,096)
Swap 6th issue - single series	89,9% CDI	523,993	(14,673)	(10,419)	(4,254)	(26,161)
Swap 9th issue - 1st series	109,2% CDI	500,000	33,960	(17,705)	29,156	(37,517)
Swap 9th issue - 2nd series	110,50% CDI	500,000	20,289	(40,441)	37,993	(53,304)
Swap BNDES - Project VI e VII	87,50% CDI	160,126	(1,035)	(2,046)	1,249	(6,923)
Swap BNDES - Project VIII	82,94% CDI	870,149	(8,709)	(21,039)	12,752	(48,613)
Swap BNDES - Project IX	98,9% CDI	565,582	42,826	(6,631)	29,757	(6,632)
		<b>3,234,668</b>	<b>72,289</b>	<b>(99,059)</b>	<b>107,062</b>	<b>(188,146)</b>
		<b>-</b>	<b>(3,168,965)</b>	<b>(3,174,526)</b>	<b>28,929</b>	<b>(2,301,061)</b>

In the subsidiary Comgás, financial instruments of loans, financing and debentures were paid and received, arising from the respective swap maturities, in the amounts of R\$171,740 and R\$84,457 (R\$22,464 and R\$19,296 on June 30, 2022), net of tax income.

**c) Cash flow hedge**

The subsidiary Compass Comercialização S.A. entered into contracts for the purchase and sale of natural gas with a third party and a related party. In order to mitigate the risks arising from fluctuations in natural gas indexes, the subsidiary designated this operation subject to hedge accounting for the respective protection of cash flows.

In this contract, the expected benefits are: reducing the financial risk associated with fluctuations in natural gas prices, avoiding fluctuations in the financial result of hedging instruments, protecting the Company's margins, as well as maintaining predictability in its costs or revenues, ensuring greater stability in operating results.

On June 30, 2023, there was no ineffective portion reclassified to income. Equity recognized in the equity of the subsidiary and the promise of realization in equity are shown below:

<b>Derivatives</b>	<b>Market</b>	<b>Risk</b>	<b>Accomplishment periods</b>		<b>Contributed asset valuation adjustments</b>
			<b>2023</b>	<b>2024</b>	
Future	B3	JKM	41,852	-	(614)
Future	B3	BRENT	-	(614)	41,852
			<b>41,852</b>	<b>(614)</b>	<b>41,238</b>
(-) Deferred taxes			(14,230)	209	(14,021)
Effect on equity 2023			<b>27,622</b>	-	-
Effect on equity 2024			-	<b>(405)</b>	-
Effect on equity			-	-	<b>27,217</b>

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Below we show the changes in consolidated balances in other comprehensive income during the period:

	<b>2023</b>
Balance at the beginning of the period	-
Movement occurred in the period:	
Designation as hedge accounting	
Fair value of commodity futures	41,238
	<b>41,238</b>
Commodity earnings realizations and write-offs	
Net operating revenue	-
Cost of goods sold and services rendered	-
	-
Total transactions in the year (before deferred taxes)	41,238
Effect of deferred taxes on equity valuation adjustments	(14,021)
	<b>27,217</b>
Balance at the end of the period	<b>27,217</b>

## 5.8 Recognized fair value measurements

	Fair value <sup>(i)</sup>	
	Level 2	
	June 30, 2023	December 31, 2022
<b>Assets</b>		
Investment funds	1,243,456	311,196
Marketable securities	632,997	578,358
Derivate financial instruments	397,582	391,863
<b>Total</b>	<b>2,274,035</b>	<b>1,281,417</b>
<b>Liabilities</b>		
Loans, borrowings and debentures	(7,016,729)	(6,608,469)
Derivate financial instruments	(457,581)	(400,351)
<b>Total</b>	<b>(7,474,310)</b>	<b>(7,008,820)</b>

(i) The Company's transactions with financial instruments present carrying amount equivalent to fair value because these financial instruments have characteristics substantially similar to those that would be obtained if they were traded in the market.

As of June 30, 2023 and December 31, 2022, there was no change in the classification of levels.

## 5.9 Financial risk management

The usage of financial instruments in order to protect against these areas of volatility is determined through an analysis of the risk exposure that management intends to cover.

### a) Market risk

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company and the subsidiaries use derivatives to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee.

#### i) Foreign exchange risk

Net exposure to foreign exchange variation on US dollar-denominated assets and liabilities:

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Loans, borrowings and debentures	(1,979,098)	(1,773,947)
Derivative financial instruments - debt	1,979,098	1,773,947
Derivative financial instruments - foreign exchange	28,967	(24,875)
<b>Foreign exchange exposure, net</b>	<b>28,967</b>	<b>(24,875)</b>

The sensitivity of profit or loss to changes in the exchange rates arises mainly from U.S. dollar denominated financial instruments.



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A reasonably possible strengthening (weakening) of the Real to U.S. dollar at June 30, 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below:

Instrument	Risk factor	Variation scenario				
		Probable	25%	50%	-25%	-50%
Loans, borrowings and debentures	Currency fluctuation	(123,529)	(649,186)	(1,174,843)	402,128	927,784
Derivative financial instruments - debt	Currency fluctuation	123,529	649,186	1,174,843	(402,128)	(927,784)
Derivative financial instruments - foreign exchange	Currency fluctuation	25,068	62,969	125,648	79,419	135,051
<b>Foreign exchange exposure, net</b>		<b>25,068</b>	<b>62,969</b>	<b>125,648</b>	<b>79,419</b>	<b>135,051</b>

The probable scenario was based on the estimated U.S. dollar market rates as of June 30, 2023, for determining the fair value of the derivatives as of that date. Stress scenarios (positive and negative effects, before taxes) were defined based on adverse impacts of 25% and 50% on the U.S. dollar exchange rates considered in the probable scenario.

Based on the financial instruments denominated in U.S. dollars taken out as of June 30, 2023, the Company conducted a sensitivity analysis considering increase and decrease in the exchange rate (R\$/US\$) of 25% and 50%. The probable scenario considers estimates, made by a specialized consulting company, for exchange rates within a projection period of 12 months, as follows:

Exchange rate sensitivity analysis (R\$/US\$)						
U.S.\$	Scenario					
	June 30, 2023	Probable	25%	50%	-25%	-50%
	4.82	5.12	6.40	7.68	3.84	2.56

**ii) Interest rate risk**

The Company and its subsidiaries monitor the fluctuations in variable interest rates in connection with their borrowings and uses derivative instruments in order to minimize variable interest rate fluctuation risks.

A sensitivity analysis on the interest rates on loans and borrowings in compensation for the CDI investments with pre-tax increases and decreases of 25% and 50% is presented below:

	Scenario				
	Probable	25%	50%	-25%	-50%
Cash and cash equivalents	504,587	886,686	1,012,832	634,392	508,245
Marketable securities	77,942	101,593	121,078	62,622	43,136
Restricted cash	485	1,092	1,213	849	728
Derivative financial instruments	(111,239)	(85,970)	(18,784)	(85,088)	(41,630)
Loans, borrowings and debentures	(420,178)	(525,222)	(630,267)	(315,133)	(210,089)
<b>Impacts on profit or loss</b>	<b>51,597</b>	<b>378,179</b>	<b>486,072</b>	<b>297,642</b>	<b>300,390</b>

The probable scenario considers the estimated interest rate, prepared by a specialized third party based on information from the Central Bank of Brazil (BACEN) on July 11, 2023, as follows:

	Interest rate sensitivity analysis				
	Scenario				
	Probable	25%	50%	-25%	-50%
CDI	11.84%	14.80%	17.76%	8.88%	5.92%
IPCA	4.60%	5.75%	6.90%	3.45%	2.30%
IGPM	2.28%	2.85%	3.42%	1.71%	1.14%

### iii) Price risk

- Natural gas**

The Company and its subsidiaries carry out operations with natural gas derivatives, in order to mitigate the risks arising from fluctuations in natural gas indexes in their contracts for the purchase and sale of natural gas with third parties. Although part of these instruments are designated in hedge accounting for the protection of cash flows (see note 5.7), below we present a sensitivity analysis referring to price fluctuations:

Instrument	Risk factor	Scenario				
		Probable	25%	50%	-25%	-50%
Brent derivatives - options	Change in price U.S.\$ / bbl	601	11,095	53,667	3	-

### b) Credit risk

The Company's regular operations expose it to potential defaults when customers, suppliers and counterparties are unable to comply with their financial or other commitments. The Company seeks to mitigate this risk by entering into transactions with a diverse pool of counterparties. However, the Company continues to remain subject to unexpected third party financial failures that could disrupt its operations. The exposure to credit risk was as follows:

	June 30, 2023	December 31, 2022
Cash and cash equivalents	4,273,964	3,403,635
Marketable securities	632,997	578,358
Restricted cash	4,100	4,100
Trade receivables <sup>(i)</sup>	1,866,766	1,931,205
Derivative financial instruments	397,582	391,863
Receivables from related parties	2,399	6,558
Dividends and interest on capital received	198,725	101,027
	<b>7,376,533</b>	<b>6,416,746</b>

- <sup>(i)</sup> As of June 30, 2023, the subsidiaries of the gas distribution segment had a portfolio of approximately 2.53 million customers (unaudited), in the residential, commercial, industrial, vehicle, cogeneration and thermogeneration customer categories, with no concentration of credit to large consumers in a volume greater than 10% of sales, thus diluting the risk of default.

The Company is also exposed to risks in connection with its cash management activities and temporary investments.

Net assets are invested primarily in government security and other investments in Banks with a minimum grade of "A." Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis and may be updated throughout the year. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. The credit risk on cash and cash equivalents, marketable securities, restricted cash and derivative financial instruments are determined by rating instruments widely accepted by the market and are arranged as follows:

	June 30, 2023	December 31, 2022
AAA	4,528,408	3,079,698
AA	780,235	1,159,780
A-	-	138,478
	<b>5,308,643</b>	<b>4,377,956</b>

**c) Liquidity risk**

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial liabilities of the Company sorted by due dates (based on undiscounted cash flows contracted) are as follows:

	June 30, 2023				December 31, 2022
	Up to 1 year	1 - 2 years	3 - 5 years	More than 5 years	Total
Loans, borrowings and debentures	(2,145,382)	(2,880,262)	(2,832,567)	(4,748,676)	(12,606,887)
Derivative financial instruments	(203,731)	(233,574)	(107,487)	963,107	418,315
Trade payables	(1,595,687)	-	-	-	(1,595,687)
Other financial liabilities <sup>(i)</sup>	(100,721)	-	-	-	(100,721)
Dividends payable	(2,522)	-	-	-	(2,522)
Tax installments - REFIS	(863)	(865)	(1,731)	(2,234)	(5,693)
Leases	(9,814)	(12,220)	(18,536)	(36,811)	(77,381)
Payables to related parties	(11,874)	-	-	-	(11,874)
	<b>(4,070,594)</b>	<b>(3,126,921)</b>	<b>(2,960,321)</b>	<b>(3,824,614)</b>	<b>(13,982,450)</b>
					<b>(13,813,496)</b>

- (i) At the subsidiary Comgás, on June 30, 2023, the balance advanced by our suppliers with financial institutions was R\$ 100,721 (R\$ 72,579 on December 31, 2022). The payment period for these operations is up to 90 days. The drawn risk operation is an option of the supplier and does not change the commercial conditions between the parties (term and value of the service). The prepayment of receivables by suppliers is based on acceptance of the terms, including the prepayment fees for these operations. The Company does not exert any influence on the supplier's decision, nor does it receive any benefit from the bank in this operation. The other subsidiaries do not have drawee risk operations.

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**6 Other current tax recoverable**

	Consolidated	
	June 30, 2023	December 31, 2022
COFINS (tax for security financing) - Revenue tax <sup>(i)</sup>	455,576	528,028
PIS (social integration program) - Revenue tax <sup>(i)</sup>	39,257	219,853
ICMS (value added tax on sales and services)	233,578	226,823
Other	7,405	6,774
	<b>735,816</b>	<b>981,478</b>
<b>Current</b>	514,596	769,197
<b>Non-current</b>	221,220	212,281
	<b>735,816</b>	<b>981,478</b>

- (i) On May 13, 2021, the Federal Supreme Court ("STF") concluded the judgment of Extraordinary Appeal No. 574.706") are not included in the calculation base for the Social Integration Program ("PIS") and the Contribution for the Financing of Social Security ("COFINS"), since this amount does not constitute revenue/revenue, that is, taxpayers have the right to exclude the ICMS amount highlighted in the invoice from the PIS and COFINS calculation basis. The Company, through its subsidiaries, recognized credits related to the subject.

Upon deferral of PIS and COFINS credits, the Company, through its subsidiaries, began to use it for monthly payments of PIS and COFINS, as well as for payments of IRPJ and CSLL.

## 7 Investments in other entities

### 7.1 Investment in subsidiaries and associates

The Company's direct and indirect subsidiaries and associates are listed below:

	June 30, 2023	December 31, 2022
<b>Direct interests in controlled subsidiaries</b>		
Companhia de Gás de São Paulo S.A. - Comgás	99.14%	99.14%
TRSP - Terminal de Regaseificação de GNL de São Paulo S.A.	100.00%	100.00%
Rota 4 Participações S.A.	100.00%	100.00%
Edge - Empresa de Geração de Energia S.A.	100.00%	100.00%
Edge II - Empresa de Geração de Energia S.A.	100.00%	100.00%
Ute Porto de Suape LTDA.	100.00%	100.00%
TRPE - Terminal de Regaseificação de GNL de Pernambuco LTDA.	99.98%	99.98%
Compass Comercialização S.A.	100.00%	100.00%
Compass Um Participações S.A.	100.00%	100.00%
Commit Gás e Energia S.A.	51.00%	51.00%
<b>Participation of Compass Um Participações S.A. in your controlled subsidiary</b>		
Companhia de Gás do Estado do Rio Grande do Sul S.A. - Sulgás	51.00%	51.00%
<b>Participation of Commit Gás e Energia S.A. in your subsidiaries</b>		
Companhia de Gás do Estado do Rio Grande do Sul S.A. - Sulgás	49.00%	49.00%
GasBrasiliano Distribuidora S.A.	100.00%	100.00%
Gás de Alagoas S.A. - ALGÁS	29.44%	29.44%
Companhia de Gás do Ceará - CEGÁS	29.44%	29.44%
CEG Rio S.A.	37.41%	37.41%
Companhia Paranaense de Gás - COMPAGAS	24.50%	24.50%
Companhia Potiguar de Gás - POTIGÁS	83.00%	83.00%
Companhia de Gás do Estado do MS - MSGÁS	49.00%	49.00%
Companhia de Gás de Santa Catarina - SCGÁS	41.00%	41.00%
Sergipe Gás S.A. - SERGÁS	41.50%	41.50%
Companhia Pernambucana de Gás - COPERGÁS	41.50%	41.50%

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Below are the investments in direct subsidiaries as of June 30, 2023:

**a) Parent company**

	Shares issued by the associate	Shares held by Cosan
Companhia de Gás de São Paulo S.A. - Comgás	132,520,587	131,381,377
Compass Comercialização S.A.	766,105,000	766,105,000
TRSP - Terminal de Regaseificação de GNL de São Paulo S.A.	387,205,000	387,205,000
Rota 4 Participações S.A.	16,605,000	16,605,000
Compass Um Participações S.A.	944,505,000	944,505,000
Edge - Empresa de Geração de Energia S.A.	39,156,979	39,156,979
Edge II - Empresa de Geração de Energia S.A.	1,000,500	1,000,500
Ute Porto de Suape LTDA.	5,000	5,000
TRPE - Terminal de Regaseificação de GNL de Pernambuco LTDA.	5,000	4,999
Commit Gás e Energia S.A.	110,993	56,606

Changes:

	At January 1, 2023	Interest in earnings (losses) of subsidiaries	Dividends and interest on equity	Increase of capital	Other comprehensive results	Other	At June 30, 2023	Interest in earnings (losses) of subsidiaries at June 30, 2022
Companhia de Gás de São Paulo S.A. - Comgás <sup>(i)</sup>	3,131,216	(554,915)	(413,617)	-	-	536	2,163,220	799,671
Compass Comercialização S.A.	363,367	(38,744)	-	-	27,217	-	351,840	(11,319)
TRSP - Terminal de Regaseificação de GNL de São Paulo S.A.	38,190	3,987	-	200,000	-	-	242,177	38,033
Rota 4 Participações S.A.	13,116	212	-	-	-	-	13,328	190
Compass Um Participações S.A.	988,298	31,706	-	-	-	-	1,020,004	16,109
Edge - Empresa de Geração de Energia S.A.	9,664	(1,095)	-	6,000	-	-	14,569	(1,967)
Commit Gás e Energia S.A.	2,142,386	91,510	(255,000)	-	180	-	1,979,076	-
<b>Total investments in associates</b>	<b>6,686,237</b>	<b>(467,339)</b>	<b>(668,617)</b>	<b>206,000</b>	<b>27,397</b>	<b>536</b>	<b>5,784,214</b>	<b>840,717</b>

- (i) Despite presenting a negative equity result on June 30, 2023, due to the constitution of a provision disclosed in note 11, no other events or conditions were identified that, individually or collectively, may raise doubts as to the operational continuity of the investment or recoverability of the asset.



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**b) Consolidated**

	Shares issued by the associate	Shares held by Cosan
Gás de Alagoas S.A. - ALGÁS	810,896,963	238,728,878
Companhia de Gás do Ceará - CEGÁS	39,400,000	11,599,428
CEG Rio S.A.	1,995,022,625	746,251,086
Companhia Paranaense de Gás - COMPAGAS	33,600,000	8,232,000
Companhia Potiguar de Gás - POTIGÁS	4,245,000	3,523,350
Companhia de Gás do Estado do MS - MSGÁS	61,610,000	30,188,900
Companhia de Gás de Santa Catarina - SCGÁS	10,749,497	4,407,293
Sergipe Gás S.A. - SERGÁS	1,593,656	661,363
Companhia Pernambucana de Gás - COPERGÁS	163,485,912	67,846,653

Changes:

	At January 1, 2023	Interest in earnings (losses) of subsidiaries	Dividends and interest on equity	Other	At June 30, 2023
Companhia Paranaense de Gás - Compagás	424,837	29,133	(52,320)	351	402,001
Companhia Pernambucana de Gás - Copergás	415,301	(4,972)	(19,238)	-	391,091
Companhia de Gás de Santa Catarina - Scgás	627,829	16,056	(13,596)	-	630,289
Sergipe Gás S.A. - SERGÁS	69,430	704	(5,466)	-	64,668
Companhia de Gás do Ceará - Cegás	184,537	4,662	(12,509)	1,446	178,136
CEG Rio S.A.	274,480	38,769	(48,594)	-	264,655
Companhia de Gás de Mato Grosso do Sul - Msgás	291,543	13,874	(9,718)	-	295,699
Companhia Potiguar de Gás - Potigas	168,887	9,149	(13,118)	-	164,918
Gás de Alagoas S.A. - Algás	68,448	6,363	(8,492)	(623)	65,696
	<b>2,525,292</b>	<b>113,738</b>	<b>(183,051)</b>	<b>1,174</b>	<b>2,457,153</b>

For comparative purposes, equity income as of June 30, 2022 was not presented, as the companies were acquired in July 2022.

**c) Movement of dividends and interest on equity receivable:**

	Parent Company	Consolidated
<b>At December 31, 2022</b>	<b>42,773</b>	<b>101,027</b>
Proposed Dividends	651,561	170,488
Interest on capital proposed	17,056	12,563
Tax on proposed interest on equity	(2,556)	(1,884)
Dividends and interest on capital received	(708,304)	(86,349)
Other	164	2,880
<b>At June 30, 2023</b>	<b>694</b>	<b>198,725</b>

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**7.2 Non-controlling interests in subsidiaries**

	Shares issued by the subsidiary	Shares held by non- controlling shareholders	Non- controlling interest
Companhia de Gás de São Paulo S.A. - Comgás	132,520,587	1,139,210	0.86%
Commit Gás e Energia S.A.	110,993	54,387	49.00%

Changes:

	At January 1, 2023	Interest in earnings (losses) of subsidiaries	Dividends	Other	At June 30, 2023	Interest in earnings (losses) of subsidiaries at June 30, 2022
Companhia de Gás de São Paulo S.A. - Comgás	27,152	(4,795)	(3,811)	229	18,775	6,935
Companhia de Gás do Estado do Rio Grande do Sul S.A.	-	-	-	-	-	6,266
Commit Gás e Energia S.A.	2,058,369	86,006	(245,000)	173	1,899,548	-
	<b>2,085,521</b>	<b>81,211</b>	<b>(248,811)</b>	<b>402</b>	<b>1,918,323</b>	<b>13,201</b>

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**8 Intangible and contract assets**

**8.1 Intangible**

	Concession rights	Goodwill	Customer relationships	Intangible	Total
<b>Cost</b>					
<b>At December 31, 2022</b>	<b>14,926,765</b>	<b>100,192</b>	<b>1,255,127</b>	<b>19,738</b>	<b>16,301,822</b>
Additions	-	-	61,409	1,432	62,841
Disposals	(41,947)	-	(2)	-	(41,949)
Transfers <sup>(i)</sup>	885,175	-	(252)	(115)	884,808
<b>At June 30, 2023</b>	<b>15,769,993</b>	<b>100,192</b>	<b>1,316,282</b>	<b>21,055</b>	<b>17,207,522</b>
<b>Amortization</b>					
<b>At December 31, 2022</b>	<b>(3,312,602)</b>	<b>-</b>	<b>(969,706)</b>	<b>(4,379)</b>	<b>(4,286,687)</b>
Additions	(357,708)	-	(60,192)	(773)	(418,673)
Disposals	19,025	-	2	-	19,027
<b>At June 30, 2023</b>	<b>(3,651,285)</b>	<b>-</b>	<b>(1,029,896)</b>	<b>(5,152)</b>	<b>(4,686,333)</b>
<b>At December 31, 2022</b>	<b>11,614,163</b>	<b>100,192</b>	<b>285,421</b>	<b>15,359</b>	<b>12,015,135</b>
<b>At June 30, 2023</b>	<b>12,118,708</b>	<b>100,192</b>	<b>286,386</b>	<b>15,903</b>	<b>12,521,189</b>

<sup>(i)</sup> The amount of the transfers also includes a portion of R\$ 69,361 (R\$ 13,071 for the period ended June 30, 2022), of the intangible asset that was reclassified to a bifurcated financial asset.

## 8.2 Contract assets

	Contract assets
<b>Cost:</b>	
<b>At December 31, 2022</b>	<b>1,110,335</b>
Additions	694,620
Transfer to intangible	(954,169)
<b>At June 30, 2023</b>	<b>850,786</b>

During the period ended June 30, 2023, through its subsidiaries, R\$58,674 was added referring to the capitalization of internally generated labor (R\$44,899 in the period ended June 30, 2022).

### Capitalization of intangible asset borrowing costs

During the period ended June 30, 2023, the subsidiary Comgás capitalized R\$39,113 at a weighted average rate of 12.69% p.a. (BRL 30,082 and 13.05% p.a. in the period ended June 30, 2022.).

During the period ended June 30, 2023, the subsidiary Sulgás capitalized R\$285 at a weighted average rate of 5.64% p.a. (there was no capitalization on June 30, 2022).

### 8.3 Property, plant and equipment

	Construction in progress	Buildings and improvements	Other	Total
<b>Cost</b>				
<b>At December 31, 2022</b>	<b>665,355</b>	<b>6,334</b>	<b>2,207</b>	<b>673,896</b>
Additions	286,214	940	-	287,154
Disposals	-	-	(69)	(69)
Transfers	-	12	115	127
<b>At June 30, 2023</b>	<b>951,569</b>	<b>7,286</b>	<b>2,253</b>	<b>961,108</b>
<b>Depreciation</b>				
<b>At December 31, 2022</b>	<b>-</b>	<b>(1,421)</b>	<b>(902)</b>	<b>(2,323)</b>
Additions	-	(458)	(143)	(601)
Disposals	-	-	15	15
<b>At June 30, 2023</b>	<b>-</b>	<b>(1,879)</b>	<b>(1,030)</b>	<b>(2,909)</b>
<b>At December 31, 2022</b>	<b>665,355</b>	<b>4,913</b>	<b>1,305</b>	<b>671,573</b>
<b>At June 30, 2023</b>	<b>951,569</b>	<b>5,407</b>	<b>1,223</b>	<b>958,199</b>

During the period ended June 30, 2023, through its subsidiaries, R\$3,583 was added referring to the capitalization of internally generated labor (R\$3,998 in the period ended June 30, 2022).

#### Capitalization of fixed asset borrowing costs

During the period ended June 30, 2023, the Company and its subsidiaries capitalized R\$53,963 at a weighted average rate of 8.92% p.a. (BRL 13,422 and 2.15% p.a. in the period ended June 30, 2022).

### 9 Commitments

Considering the current gas supply contracts, the subsidiaries have total financial commitments at present value estimated at R\$ 13,374,347 (unaudited), which includes the minimum established in the contract for both commodities and transport, with a term until December 2032.

## 10 Assets and liabilities sectorial

The balance of the net sectorial financial asset (liability) for the period of three months ended on June 30, 2023 is recorded below:

	Assets	Liabilities	Total
<b>At December 31, 2022</b>	<b>342,333</b>	<b>(1,616,616)</b>	<b>(1,274,283)</b>
Cost of gas <sup>(i) (v)</sup>	(21,633)	-	(21,633)
Credits of taxes <sup>(ii)</sup>	12,293	(44,771)	(32,478)
Monetary variation <sup>(iii)</sup>	23,381	(72,271)	(48,890)
IGP-M <sup>(iv)</sup>	57,637	-	57,637
<b>At June 30, 2023</b>	<b>414,011</b>	<b>(1,733,658)</b>	<b>(1,319,647)</b>
<b>Current</b>	149,623	(67,917)	81,706
<b>Non-current</b>	264,388	(1,665,741)	(1,401,353)
	<b>414,011</b>	<b>(1,733,658)</b>	<b>(1,319,647)</b>

- (i) Refers to the cost of gas purchased compared to that contained in the tariffs, fully classified in current assets, since the ARSESP decision provides for tariff recovery on an annual basis for the residential and commercial segments and quarterly for the other segments.
- (ii) Refers to the net amount of tax credits on tax benefits in the period.
- (iii) Monetary adjustment on the current gas account and extemporaneous credit, based on the SELIC rate.
- (iv) Appropriation of the IGP-M deferral for the residential and commercial segments.
- (v) Includes the effect of (R\$ 34,193), according to Resolution No. 1,423 of June 30, 2023.

In view of the public hearing held by ARSESP on January 9, 2023, related to the issue of returning PIS/COFINS credits to customers, arising from the exclusion of ICMS from their bases, the subsidiaries and industry representatives presented important contributions to be considered by the agency during the review period. Thus, until the regulatory agencies analyzes of these contributions are completed, the issue remains open and the next steps have not been finalized, with no impact on these interim financial statements.

## 11 Income tax and social contribution

### i. Reconciliation of income and social contribution tax expenses

	Parent Company			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Profit before taxes	272,441	(549,147)	410,557	902,527
Income tax and social contribution nominal rate (34%)	(92,630)	186,710	(139,589)	(306,859)
<i>Adjustments to determine the effective rate</i>				
Equity method investments (nontaxable income)	105,046	(158,895)	124,699	285,844
Interest capital - benefit	-	(5,799)	-	-
Undue Selic <sup>(ii)</sup>	494	980	396	396
Other	(11)	(14)	(197)	(65)
<b>Income tax and social contribution expense (current and deferred)</b>	<b>12,899</b>	<b>22,982</b>	<b>(14,691)</b>	<b>(20,684)</b>
<b>Effective rate</b>	<b>(4.73%)</b>	<b>4.19%</b>	<b>3.58%</b>	<b>2.29%</b>

**Explanatory Notes to the Financial Statement**  
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	Consolidated			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Profit before taxes	520,538	805,883	592,170	1,052,119
Income tax and social contribution nominal rate (34%)	(176,983)	(274,000)	(201,338)	(357,720)
	-	-	-	-
<i>Adjustments to determine the effective rate</i>				
Equity method investments (nontaxable income)	26,251	7,481	-	-
Non-deductible expenses (donations, gifts, etc.)	(1,331)	(3,281)	(435)	(1,421)
Benefit of the extemporaneous federative pact <sup>(i)</sup>	-	-	28,077	156,782
Benefit of the federative pact - current period <sup>(i)</sup>	-	49,737	39,500	72,739
Interest capital - benefit	-	50	3,256	8,656
Provision for non-realization of the benefit of the federative pact <sup>(i)</sup>	18,667	(907,087)	-	-
Provision for non-realization of the federal pact benefit - interest and fine <sup>(i)</sup>	(43,884)	(134,164)	-	-
Zero litigation program membership benefit	1,390	1,390	-	-
Undue SELIC <sup>(ii)</sup>	3,586	7,860	(39,102)	(39,102)
Other	(1,939)	1,177	(9,546)	2,991
<b>Income tax and social contribution expense (current and deferred)</b>	<b>(174,243)</b>	<b>(1,250,837)</b>	<b>(179,588)</b>	<b>(157,075)</b>
<b>Effective rate</b>	<b>33.47%</b>	<b>155.21%</b>	<b>30.33%</b>	<b>14.93%</b>

- (i) As of the 1st quarter of 2021, the Company, through its subsidiary Comgás, began to calculate and use current and extemporaneous credits arising from the non-taxation of the benefit of reducing the ICMS calculation base in the State of São Paulo, whose effective rate is reduced from 18% to the range between 12% and 15.6% pursuant to art. 8 of Annex II of the ICMS Regulation, approved by State Decree No. 45,490 ("RICMS/SP"), as amended by State Decrees No. 62,399/2016 and 67,383/2022. These credits were used by the Company based on its best understanding of the subject, substantiated by the opinion of its external legal advisors, which took into account all applicable case law, including the understanding signed in November 2017 by the 1st Section of the STJ regarding the application of the thesis of the federative pact, which began to be applied in repeated judgments of the 1st Panel of the STJ. On March 8, 2022, there was a decision on the subject in the 1st Panel of the STJ, favorable to the taxpayer, involving tax benefit of ICMS deferral, obtained by contract. On April 5, 2022, the 2nd Panel of the STJ ruled against the taxpayer, in a case involving a reduction in the ICMS tax base. After said divergence, the matter was set for judgment by the 1st Section of the STJ on April 26, 2023. Although a preliminary decision was issued by the STF determining the suspension of the effectiveness of the STJ judgment of April 26, the session took place and the ministers unanimously decided against the taxpayers and the thesis defended by the Company. On May 4, 2023, the preliminary injunction was reconsidered by the STF Minister who granted it, with the STJ decision becoming effective as of April 26, 2023. The Company's management, observing the technical interpretation that governs the treatment of uncertainties regarding taxes on income (ICPC22 and IFRIC 23), decided to set up a provision on March 31, 2023 due to the unfavorable decision. The provision updated on June 30, 2023, of the tax assessment notices for the year 2018, presents the total amount of R\$1,301,687 (R\$907,087 of principal recorded under current income tax, R\$169,831 of interest and R\$224,769 of fines recorded under the financial result item), which also includes the assessments received for the years 2015, 2016 and 2017 and the other credits used in the following years until March 31, 2023, plus the respective legal charges.



- (ii) Refers to the judgment of the STF in RE No. 1,063,187, dated September 24, 2021, as well as the modulation of the effects of the decision established by the Court in the judgment finalized on April 29, 2022, in the sense that amounts related to Selic of undue federal taxes after September 30, 2021, should not be subject to taxation by IRPJ and CSLL.

The Company does not expect the occurrence of events that could significantly impact the annual effective rate beyond those already disclosed in this quarter.

The balance of income tax and social contribution in current liabilities, in the amount of R\$ 1,557,578, (R\$ 137,092 on December 31, 2022), mainly refers to the liability related to the benefit of the federative pact in the amount of BRL 1,301,687.

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**ii. Deferred income tax assets and liabilities**

The tax effects of temporary differences that give rise to significant portions of the Company's deferred tax assets and liabilities are presented below:

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets credit of:</b>				
Income tax loss carries forwards	25,235	13,513	222,446	200,223
Social contribution tax loss carries forwards	9,083	4,863	80,079	72,078
<b>Assets credit of temporary differences:</b>				
Provision for legal proceedings	-	-	21,789	25,694
Post-employment benefits	-	-	155,678	152,373
Allowance for doubtful accounts	-	-	20,743	20,743
Share-based payment transactions	24,801	12,606	29,971	15,955
Profit sharing	1,708	5,339	15,563	30,249
Temporary differences	804	2,383	337,353	317,243
Deferred on pre-operating result	-	-	40,708	24,999
Leases	288	233	463	358
Other	-	-	95,572	59,877
	<b>61,919</b>	<b>38,937</b>	<b>1,020,365</b>	<b>919,792</b>
<b>Liabilities credit of temporary differences:</b>				
Tax deductible goodwill	-	-	(16,669)	(13,443)
Unrealized (loss) gains on derivatives instruments	-	-	(48,516)	(106,059)
Fair value amortization of the concession right	-	-	(2,155,640)	(2,160,627)
Foreign exchange - Loans and borrowings	-	-	(73,962)	(36,861)
Leases	-	-	(2,622)	(2,963)
Useful life for intangible asset	-	-	(161,752)	(175,421)
Other	-	-	(139,827)	(103,313)
	-	-	<b>(2,598,988)</b>	<b>(2,598,687)</b>
<b>Total of deferred taxes recorded</b>	<b>61,919</b>	<b>38,937</b>	<b>(1,578,623)</b>	<b>(1,678,895)</b>
<b>Deferred assets</b>	<b>61,919</b>	<b>38,937</b>	<b>579,134</b>	<b>482,296</b>
<b>Deferred liabilities</b>	<b>-</b>	<b>-</b>	<b>(2,157,757)</b>	<b>(2,161,191)</b>
	<b>61,919</b>	<b>38,937</b>	<b>(1,578,623)</b>	<b>(1,678,895)</b>

**Explanatory Notes to the Financial Statement**  
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**iii. Changes in deferred tax**

**I. Parent Company**

Asset	Post-employment liabilities	Provisions	Taxes loss carryforwards	Total
At December 31, 2022	17,945	2,383	18,376	38,937
(Charged) / credited in profit or loss	8,564	(1,579)	15,942	22,982
At June 30, 2023	26,509	804	34,318	61,919

**II. Consolidated**

	Post-employment liabilities	Employee benefits	Taxes loss carryforwards	Provisions	Other	Total
	152.373	46.204	272.301	349.770	99.144	919.792
(Charged) / credited in profit or loss	3.305	(670)	30.223	30.114	37.601	100.573
	155.678	45.534	302.524	379.884	136.745	1.020.365

	Intangible	Leasing	Derivatives income not recognized	Assets	Foreign exchange - Loans and borrowings	Other	Total
At December 31, 2022	(2.160.627)	(2.963)	(106.059)	(175.421)	(36.861)	(116.756)	(2.598.687)
(Charged) / credited in profit or loss	4.986	341	71.564	13.669	(37.101)	(39.739)	13.720
Other comprehensive results	-	-	(14.021)	-	-	-	(14.021)
At June 30, 2023	(2.155.641)	(2.622)	(48.516)	(161.752)	(73.962)	(156.495)	(2.598.988)
Total tax							(1.578.623)

**12 Provision for legal proceedings and judicial deposits**

The Company, through its subsidiaries, has contingent liabilities and escrow deposits as of June 30, 2023 in relation to:

	Consolidated			
	Provision for legal proceedings		Judicial deposit	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Tax	15,104	19,914	20,206	24,720
Civil, environmental and regulatory	34,862	38,605	18,105	20,747
Labor	27,566	29,228	10,139	9,915
	77,532	87,747	48,450	55,382

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Changes in provision for legal proceedings:

	Consolidated			
	Tax	Civil, environmental and regulatory	Labor	Total
<b>At December 31, 2022</b>	<b>19,914</b>	<b>38,605</b>	<b>29,228</b>	<b>87,747</b>
Provisions	1,219	1,603	2,083	4,905
Settlement / Write-offs	(2,860)	(7,953)	(4,400)	(15,213)
Monetary variation <sup>(ii)</sup>	(3,169)	2,607	655	93
<b>At June 30, 2023</b>	<b>15,104</b>	<b>34,862</b>	<b>27,566</b>	<b>77,532</b>

(i) Includes interest by reversal.

### Possible losses

The principal proceedings for which we deem the risk of loss as possible are described below:

	Consolidated	
	June 30, 2023	December 31, 2022
Tax	3,222,871	3,559,918
Civil, environmental and regulatory	175,408	153,343
Labor	46,942	36,854
	<b>3,445,221</b>	<b>3,750,115</b>

### a) Taxes

The main tax lawsuits, whose likelihood of loss is possible and, consequently, no provision was recognized in the interim financial statements, are as follows:

	Consolidated	
	June 30, 2023	December 31, 2022
Federal income taxes <sup>(i)</sup>	2,916,247	3,110,741
Federal income taxes compensation	117,731	127,993
Other <sup>(ii)</sup>	188,893	321,184
	<b>3,222,871</b>	<b>3,559,918</b>

- (i) In view of the decision of the STJ, of April 26, 2023, regarding the requirement for taxation, by IRPJ and CSLL, of tax incentives such as reduction of the ICMS calculation base, the subsidiary Comgás constituted a provision, as detailed in the note Explanatory 11.a, of the amounts related to the charges it received on the subject, for the periods from 2015 to 2017, which were classified as possible on December 31, 2022. In relation to such assessments, a) remained as a possible contingency a) the discussion on the tax amortization of the balance of the Regulatory Current Account ("CCR") in the period of 2015, in the amount of R\$ 110,425, and b) the effects of these adjustments on the tax incentives for the period of 2017, in the amount of R\$ 28,280.
- (ii) Reclassification of the risk of loss as possible to remote in the amount of R\$ 144,064 referring to notices of infraction drawn up to charge an isolated fine due to non-approved offsets. Said change in prognosis is due to the judgment finalized by the STF on March 17, 2023, in RE No. 796,939 (Theme 736), which decided on the unconstitutionality of the isolated fine charged in these cases.

Tax contingencies refer to the tax assessments of its subsidiaries, mainly at the Federal level, assessed as possible losses by legal advisors and management and, therefore, without constitution of a provision, as established in CPC 25 / IAS 37. Balance variations refer to refers to existing issues and the monetary restatement of said contingent liabilities.

## **b) Civil, environmental and regulatory**

The entities are parties to a series of civil lawsuits related to (i) compensation for material and moral damages; (ii) termination of different types of contracts; and (iii) compliance with the terms of adjustment of conduct, among other issues.

## **c) Labor**

The labor lawsuits refer to questioning in several claims requests related to the payment of: overtime and reflexes; additional for unhealthy work, additional for hazardous work; subsidiary/joint liability, among others.

### 13 Shareholders' equity

#### a) Share capital

The Company's subscribed capital is R\$ 2,272,500, fully paid in, represented by 714,190 registered, book-entry shares with no par value, of which 628,488 are common shares, 30,853 are class A preferred shares and 54,849 are class B preferred shares. authorized social security may be increased up to the limit of R\$ 10,000,000.

Stockholders	Number of shares in June 30, 2023 and December 31, 2022							
	Common shares	%	Prefer shares - A	%	Prefer shares - B	%	Total	%
Cosan Dez Participações S.A.	628,488	100.00	-	-	-	-	628,488	88.00
Bloco Atmos	-	-	30,853	100.00	-	-	30,853	4.32
Bradesco Vida e Previdência S.A.	-	-	-	-	30,853	56.25	30,853	4.32
BC Gestão de Recursos Ltda	-	-	-	-	14,474	26.39	14,474	2.03
Prisma Capital Ltda	-	-	-	-	5,713	10.42	5,713	0.80
Núcleo Capital Ltda	-	-	-	-	3,809	6.94	3,809	0.53
<b>Total</b>	<b>628,488</b>	<b>100.00</b>	<b>30,853</b>	<b>100.00</b>	<b>54,849</b>	<b>100.00</b>	<b>714,190</b>	<b>100.00</b>

#### b) Movement of dividends and interest on equity payable:

	Parent Company	Consolidated
<b>At December 31, 2022</b>	<b>42,611</b>	<b>72,863</b>
Proposed Dividends	-	248,663
Interest on capital proposed	-	148
Tax on proposed interest on equity	-	(24)
Dividends and interest on capital paid	(42,611)	(319,375)
Other	-	247
<b>At June 30, 2023</b>	<b>-</b>	<b>2,522</b>

**Explanatory Notes to the Financial Statement**  
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**14 Earnings per share**

The following table sets forth the calculation of earnings per share (in thousands of Brazilian Reais, except amounts per share):

	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Profit attributable to ordinary equity holders - basic</b>	<b>285,340</b>	<b>(526,165)</b>	<b>395,866</b>	<b>881,843</b>
Ordinary	251,099	(463,025)	348,362	776,022
Preference	34,241	(63,140)	<b>47,504</b>	105,821
<b>Effect of dilution:</b>	<b>(175)</b>	<b>-</b>	<b>(553)</b>	<b>(1,128)</b>
<b>Profit attributable to ordinary equity holders adjusted for the effect of dilution</b>	<b>285,165</b>	<b>(526,165)</b>	<b>395,313</b>	<b>880,715</b>
Ordinary	250,945	(463,025)	<b>347,876</b>	775,030
Preference	34,220	(63,140)	<b>47,437</b>	105,685
<b>Weighted average number of common shares outstanding - basic (in thousands of shares)</b>	<b>714,190</b>	<b>714,190</b>	<b>714,190</b>	<b>714,190</b>
Ordinary	628,488	628,488	<b>628,488</b>	628,488
Preference	85,702	85,702	<b>85,702</b>	85,702
<b>Weighted average number of common shares outstanding - diluted (in thousands of shares)</b>	<b>714,190</b>	<b>714,190</b>	<b>714,190</b>	<b>714,190</b>
Ordinary	628,488	628,488	<b>628,488</b>	628,488
Preference	85,702	85,702	<b>85,702</b>	85,702
<b>Earnings per share</b>				
<b>Basic (in R\$)</b>				
Ordinary	0.39953	(0.73673)	0.55429	1.23475
Preference	0.39953	(0.73673)	0.55429	1.23475
<b>Diluted (in R\$)</b>				
Ordinary	0.39928	(0.73673)	0.55351	1.23317
Preference	0.39928	(0.73673)	0.55351	1.23317

The Company, through its subsidiary Comgás, has a category of possible dilutive effect, which are its share-based compensation plans, in which case a calculation is made to determine the dilution effect on the earnings attributable to the Company's controlling shareholders due to the exercise of the stock options.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

**15 Net sales**

The following is an analysis of the Company's revenue:

	<b>Consolidated</b>			
	<b>April 1, 2023 to June 30, 2023</b>	<b>January 1, 2023 to June 30, 2023</b>	<b>April 1, 2022 to June 30, 2022</b>	<b>January 1, 2022 to June 30, 2022</b>
Gross revenue from gas distribution	5,200,692	10,354,754	5,746,584	10,502,460
Gross revenue from electric energy	-	-	64,956	127,326
Gross revenue from sales of services	132,169	336,889	129,339	183,012
Construction revenue	391,712	694,620	262,291	468,060
Sales taxes and deductions	(1,140,044)	(2,266,730)	(1,306,800)	(2,378,659)
<b>Net sales</b>	<b>4,584,529</b>	<b>9,119,533</b>	<b>4,896,370</b>	<b>8,902,199</b>

**16 Costs and expenses by nature**

The expenses are presented in the statement of profit and loss by function. The reconciliation of income by nature / purpose are as following:

	<b>Parent Company</b>			
	<b>April 1, 2023 to June 30, 2023</b>	<b>January 1, 2023 to June 30, 2023</b>	<b>April 1, 2022 to June 30, 2022</b>	<b>January 1, 2022 to June 30, 2022</b>
Amortization	(844)	(1,693)	(796)	(1,516)
Expenses materials/ services	(2,845)	(4,806)	(2,892)	(3,553)
Employee expenses	(27,291)	(56,985)	(19,470)	(38,361)
Other expenses	(5,646)	(11,253)	(2,891)	(8,055)
	<b>(36,626)</b>	<b>(74,737)</b>	<b>(26,049)</b>	<b>(51,485)</b>
General and administrative	(36,626)	(74,737)	(26,049)	(51,485)
	<b>(36,626)</b>	<b>(74,737)</b>	<b>(26,049)</b>	<b>(51,485)</b>

	<b>Consolidated</b>			
	<b>April 1, 2023 to June 30, 2023</b>	<b>January 1, 2023 to June 30, 2023</b>	<b>April 1, 2022 to June 30, 2022</b>	<b>January 1, 2022 to June 30, 2022</b>
Cost of gas and transport	(2,968,449)	(6,051,099)	(3,493,385)	(6,322,098)
Energy trading	-	-	(67,764)	(131,006)
Construction cost	(391,712)	(694,620)	(262,291)	(468,060)
Amortization	(212,700)	(419,557)	(171,331)	(378,015)
Expenses materials and services	(125,141)	(239,899)	(89,329)	(174,775)
Employee expenses	(112,608)	(212,834)	(84,436)	(166,051)
Other expenses	(28,711)	(51,910)	(20,613)	(28,716)
	<b>(3,839,321)</b>	<b>(7,669,919)</b>	<b>(4,189,149)</b>	<b>(7,668,721)</b>
Cost of goods sold and services rendered	(3,579,067)	(7,173,670)	(3,998,050)	(7,298,722)
Selling expenses	(41,379)	(80,285)	(38,134)	(76,605)
General and administrative	(218,875)	(415,964)	(152,965)	(293,394)
	<b>(3,839,321)</b>	<b>(7,669,919)</b>	<b>(4,189,149)</b>	<b>(7,668,721)</b>



**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**



**17 Other income (expenses), net**

Parent company				
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Income from disposals intangible assets	-	(50)	-	-
Other	5	5	-	6
	<b>5</b>	<b>(45)</b>	<b>-</b>	<b>5</b>

  

Consolidated				
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Values under discussion with customers	-	-	-	(16,000)
Income from disposals intangible assets	(10,368)	(17,054)	(6,045)	(15,612)
Net effect of legal proceedings	(4,259)	(2,589)	(5,633)	(7,295)
Inventory loss	(1,484)	(5,468)	(385)	(860)
Contractual agreement <sup>(i)</sup>	34.193	34.193	-	-
Other	(1,021)	2,271	10,074	8,846
	<b>(51,325)</b>	<b>(57,033)</b>	<b>(1,989)</b>	<b>(30,921)</b>

- (i) Contractual agreement of the subsidiary Comgás pursuant to resolution No. 1,423 of June 30, 2023, as per explanatory note 10.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

**18 Finance results**

Details of finance income and costs are as follows:

	Parent Company			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Cost of gross debt</b>				
Interest on debt	(14,490)	(29,023)	(13,362)	(23,683)
Amortization of borrowing costs	(95)	(189)	(108)	(189)
	<b>(14,585)</b>	<b>(29,212)</b>	<b>(13,470)</b>	<b>(23,872)</b>
Income from financial investment	15,066	23,071	87,516	144,194
	<b>15,066</b>	<b>23,071</b>	<b>87,516</b>	<b>144,194</b>
<b>Cost of debt, net</b>	<b>481</b>	<b>(6,141)</b>	<b>74,046</b>	<b>120,322</b>
<b>Other charges and monetary variations</b>				
Interest on other receivables	685	468	(4,321)	(8,001)
Interest on other liabilities	(284)	(558)	(286)	(541)
Bank charges and other	(773)	(788)	404	1,428
Exchange variation and net derivatives	(7)	(7)	1	81
	<b>(379)</b>	<b>(885)</b>	<b>(4,202)</b>	<b>(7,033)</b>
<b>Finance results, net</b>	<b>102</b>	<b>(7,026)</b>	<b>69,844</b>	<b>113,289</b>
<b>Reconciliation</b>				
Finance expense	(16,411)	(33,361)	(18,331)	(32,083)
Finance income	16,520	26,342	88,174	145,291
Foreign exchange, net	(7)	(7)	1	81
<b>Finance results, net</b>	<b>102</b>	<b>(7,026)</b>	<b>69,844</b>	<b>113,289</b>

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**

	Consolidated			
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
<b>Cost of gross debt</b>				
Interest on debt	(107,527)	(498,737)	(275,604)	(539,911)
Exchange rate variation	105,132	153,501	(175,757)	101,261
Derivatives and fair value measurement	(263,370)	(193,396)	160,467	(28,009)
Amortization of borrowing costs	(632)	(1,264)	(1,598)	(2,199)
Guarantees and warranties on debt	(3,810)	(7,475)	(3,849)	(7,554)
	<b>(270,207)</b>	<b>(547,371)</b>	<b>(296,341)</b>	<b>(476,412)</b>
Income from financial investment	151,961	283,246	165,721	301,667
	<b>151,961</b>	<b>283,246</b>	<b>165,721</b>	<b>301,667</b>
<b>Cost of debt, net</b>	<b>(118,246)</b>	<b>(264,125)</b>	<b>(130,620)</b>	<b>(174,745)</b>
<b>Other charges and monetary variations</b>				
Interest on other receivables	65,748	136,143	54,944	107,175
Interest on actuarial and other liabilities	(11,285)	(22,571)	(7,570)	(11,551)
Interest on other financial assets	(14,294)	(60,081)	(5,609)	(26,530)
Interest on other liabilities	(29,409)	(68,797)	(18,322)	(36,418)
Charges on provision for non-realization of the benefit of the federative pact <sup>(i)</sup>	(129,071)	(394,600)	-	-
Bank charges and other	(776)	(4,689)	(5,881)	(8,453)
Exchange variation and net derivatives	2,385	(21,716)	(4)	84
	<b>(116,702)</b>	<b>(436,311)</b>	<b>17,558</b>	<b>24,307</b>
<b>Finance results, net</b>	<b>(234,948)</b>	<b>(700,436)</b>	<b>(113,062)</b>	<b>(150,438)</b>
<b>Reconciliation</b>				
Finance expense	(309,703)	(1,069,290)	(320,663)	(639,861)
Finance income	230,609	430,465	361,268	628,742
Foreign exchange, net	105,151	152,748	(175,761)	101,345
Derivatives	(261,005)	(214,359)	22,094	(240,664)
<b>Finance results, net</b>	<b>(234,948)</b>	<b>(700,436)</b>	<b>(113,062)</b>	<b>(150,438)</b>

(i) The balance presented substantially refers to the amount of the federal pact benefit, as per explanatory note 11.a.

## 19 Post-employment benefits

Assumptions that affect the statement of comprehensive income are reviewed annually. For the period ended at June 30, 2023 the changes in post-employment benefits are as follows:

	<b>Consolidated</b>
<b>At December 31, 2022</b>	<b>448,157</b>
Current service cost	31
Interest expense	22,570
Benefits payment	(12,882)
<b>At June 30, 2023</b>	<b>457,876</b>

## 20 Share-based payment

The Company has share-based compensation plans that are settled in shares and cash. As of June 30, 2023, it has the following share-based payment arrangements:

- (i) Share grant plans (settled in shares), without lock-up, with delivery of shares at the end of the four-year grace period, conditioned only to the maintenance of the employment relationship (service condition).
- (ii) The Company has granted a phantom shares plan that provides for the granting of share appreciation rights (“SARs”) and other cash-based awards to certain employees. SARs provide the opportunity to receive a cash payment equal to the fair market value of Compass common stock.

**Explanatory Notes to the Financial Statement**  
**(In thousands of Brazilian Reais - R\$)**



As of June 30, 2023, the Company had the following share-based payment details:

Type of award / Grant date	Company	Expected life (month)	Granted <sup>(i)</sup>	Exercised / canceled / transferred	Available	Fair value at grant date - R\$
<b>Stock grant programs</b>						
July 31, 2019	Comgás	48	83,683	(16,227)	67,456	79.00
			<b>83,683</b>	<b>(16,227)</b>	<b>67,456</b>	
<b>Remuneration plan based on actions settled in cash</b>						
August 1, 2021	Compass Gás e Energia	24	29,492	-	29,492	25.46
August 1, 2021	Compass Comercialização	36	34,306	-	34,306	25.46
August 1, 2021	Compass Gás e Energia	36	166,188	-	166,188	25.46
August 1, 2021	TRSP	36	36,589	-	36,589	25.46
November 1, 2021	Comgás	32	187,377	-	187,377	25.46
November 1, 2021	Compass Gás e Energia	32	1,603,842	-	1,603,842	25.46
February 1, 2022	Compass Gás e Energia	29	87,383	-	87,383	25.59
August 1, 2022	Compass Gás e Energia	36	812,300	-	812,300	25.59
August 1, 2022	Compass Comercialização	36	29,922	-	29,922	25.59
August 1, 2022	TRSP	36	30,726	-	30,726	25.59
			<b>3,018,125</b>	<b>-</b>	<b>3,018,125</b>	
<b>Total</b>			<b>3,101,808</b>	<b>(16,227)</b>	<b>3,085,581</b>	

- (i) Total shares corresponding to the proportional amount of dividends, interest on equity and reduction of equity eventually paid or credited by the Company to its shareholders between the grant date and the end of said vesting period.

On June 30, 2023, 1,433 shares of the 2019 plan were settled in the subsidiary Comgás, in the amount of R\$ 294. The variation between the value of the share on the grant date and the value of the share on the settlement date is recognized in the Company's shareholders' equity.

**i. Measurement of fair values**

The weighted average fair value of the programs granted during the financial period ended June 30, 2023 principal assumptions used in applying the Black-Scholes model were as follows:

June 30, 2023				
	Compass Gás e Energia	Compass Comercialização	TRSP	Comgás
Weighted average of key assumptions:				
Share price at grant date	38.62	38.62	38.62	79.00
Risk-free interest rate	N/A	N/A	N/A	6.82%
Dividend yield	N/A	N/A	N/A	5.39%
Volatility factor	N/A	N/A	N/A	32.81%

December 31, 2022				
	Compass Gás e Energia	Compass Comercialização	TRSP	Comgás
Weighted average of key assumptions:				
Share price at grant date	29.20	29.20	29.20	79.00
Risk-free interest rate	N/A	N/A	N/A	6.82%
Dividend yield	N/A	N/A	N/A	5.39%
Volatility factor	N/A	N/A	N/A	32.81%

**ii. Expense recognized in profit or loss**

	Program for granting shares
At December 31, 2022	3,191,375
Increase / (decrease) of shares	(89,567)
Exercised / canceled / transferred	(16,227)
At June 30, 2023	3,085,581

**iii. Expense recognized in profit or loss**

The share-based and cash-settled compensation expenses included in the income statement are shown below:

Parent Company				
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Remuneration plan based on actions settled in cash	(13,100)	(26,187)	(6,392)	(10,240)
	(13,100)	(26,187)	(6,392)	(10,240)

  

Consolidated				
	April 1, 2023 to June 30, 2023	January 1, 2023 to June 30, 2023	April 1, 2022 to June 30, 2022	January 1, 2022 to June 30, 2022
Remuneration plan based on actions settled in cash	(15,260)	(29,361)	(6,995)	(11,640)
Stock grant programs	(418)	(836)	(725)	(1,401)
	(15,678)	(30,197)	(7,720)	(13,041)

**21 Subsequent events**

**21.1 Contract for the supply of natural gas in the subsidiary Comgás**

On July 11, 2023, the subsidiary Comgás signed a contract with Petrobras to supply natural gas for distribution to its customer base. The commitment is valid from January 2024 to December 2034, in the approximate amount of R\$56 billion.

**21.2 Assessment notices on income tax and social contribution at subsidiary Comgás**

On August 1, 2023, the subsidiary Comgás received tax assessment notices for IRPJ and CSLL, referring to the year 2018, related to the discussion of the non-taxation of the tax incentive to reduce the ICMS calculation base and complemented the previously constituted accounting provision, as detailed in note 11a.