

# 1Q22 Earnings Presentation

May 17, 2022

MAKING CHEMISTRY HAPPEN



# 1Q22 global sector scenario - impact on variable demand and price commercial in the regional market



Restricted supply of chemicals products on international markets.



Strong demand globally and in South America.



Higher inputs, energy, and services due to local and global inflation.



Recomposition of global PVC inventories and return to production of plants that were under maintenance.



Reduced demand in the construction industry in the northern hemisphere due to winter and cost



Brazil: Sales of construction materials decelerating in early 2022.  
Argentina: high demand, driven by public works.



The unbalance of global logistics chains.

## CHEMICALS

## PVC



## 2022 expectation is that global uncertainties will persist throughout the year. We have challenges in the segments and markets that we operate.



Events with a very difficult to forecast duration and consequences (Ukraine War, COVID in China, among others).



Macroeconomic outlook of lower global growth, increased inflation, and measures from the financial authorities (raising interest rates and removing incentives).



Global logistics unbalanced, lack of supplies, production and distribution costs.



Continued demand in civil construction in Brazil and continuity of public works in Argentina.



Continuity in the implementation of the Sanitation framework, executing the contracted biddings and holding new ones.

Consistent implementation of our strategy allows Unipar to continue to advance in operational and commercial excellence by leveraging market opportunities, while investing in the future (growth, sustainability, and team).



> We continue to seek growth opportunities in 3 verticals. Expansion into current core business in Brazil or other geographies; expansion into adjacent core businesses; and basic chemical and petrochemical businesses, historically in Unipar's DNA.

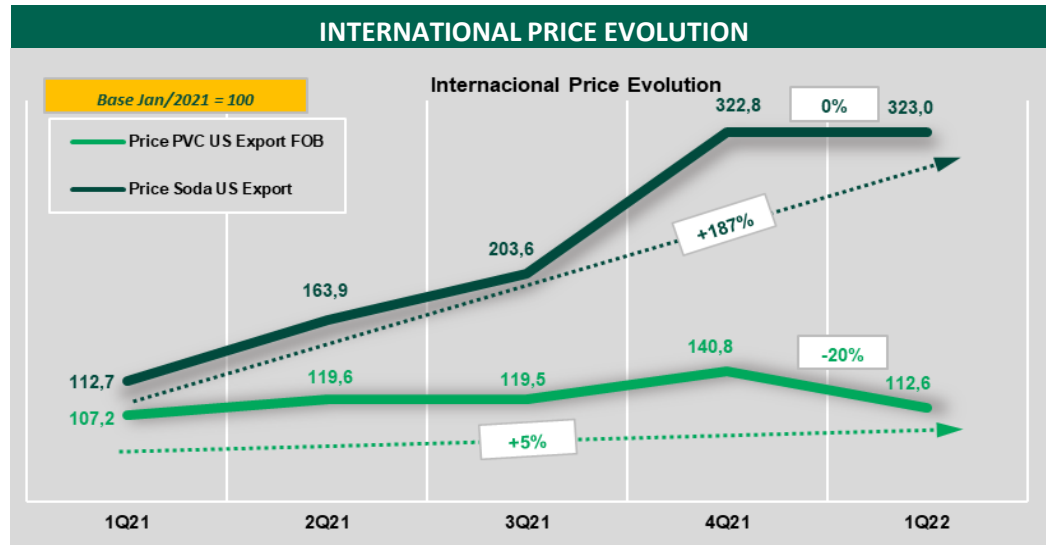
> Search for operational excellence with improved reliability in operations, processes, and fixed cost optimization.

> Increased competitiveness with the implementation of programs to reduce variable costs by optimizing coefficients and reducing unit costs of strategic inputs.

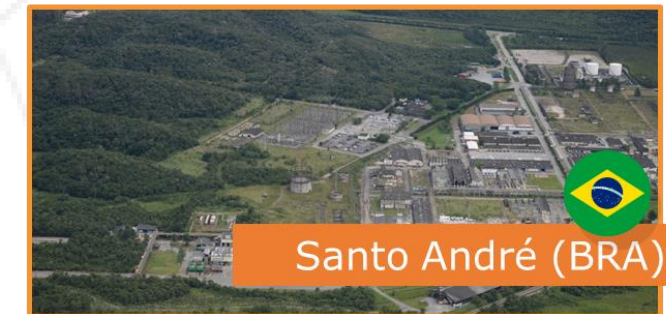
> Build and develop high-performance teams with potential for sustainable growth projects. In addition, build a strong, inclusive culture with a positive climate.

> Development of an ecosystem of sustainability with all partners and Unipar. Sustainability is a core part of our culture and is present in everything we do in the company.

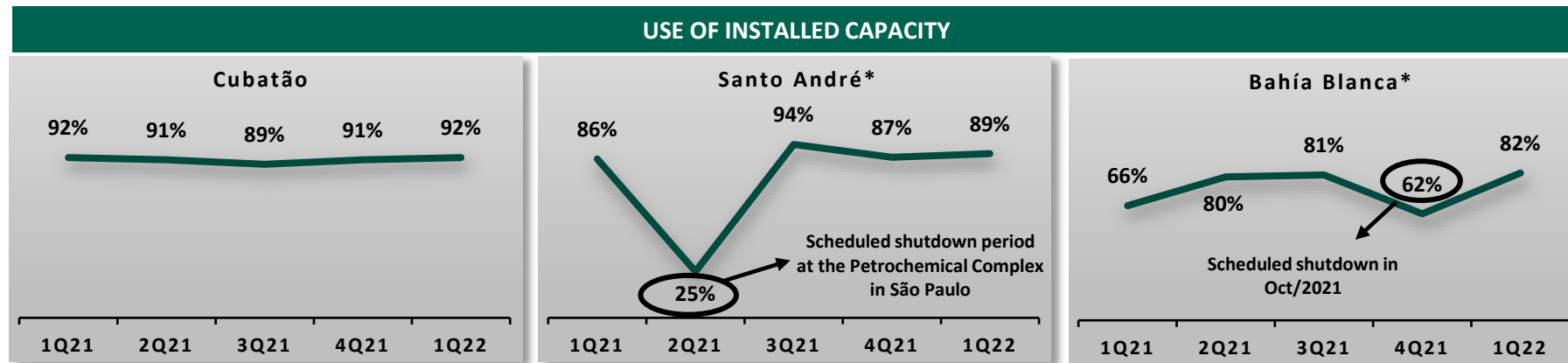
# Favorable market conditions combined with operational excellence



Source: Consulting Firm



Pictures: Company Archives

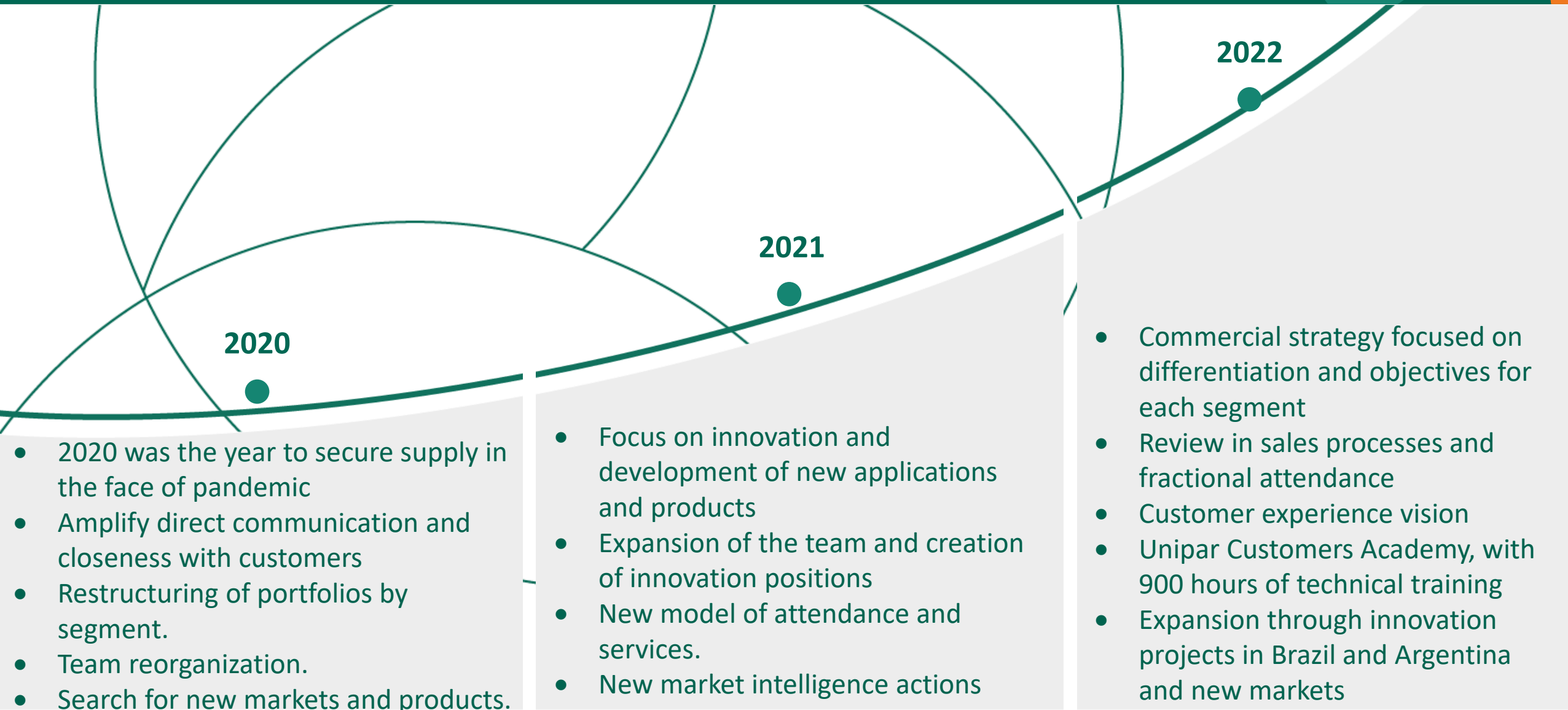


\*Average use of capacity of chlorine/soda and PVC

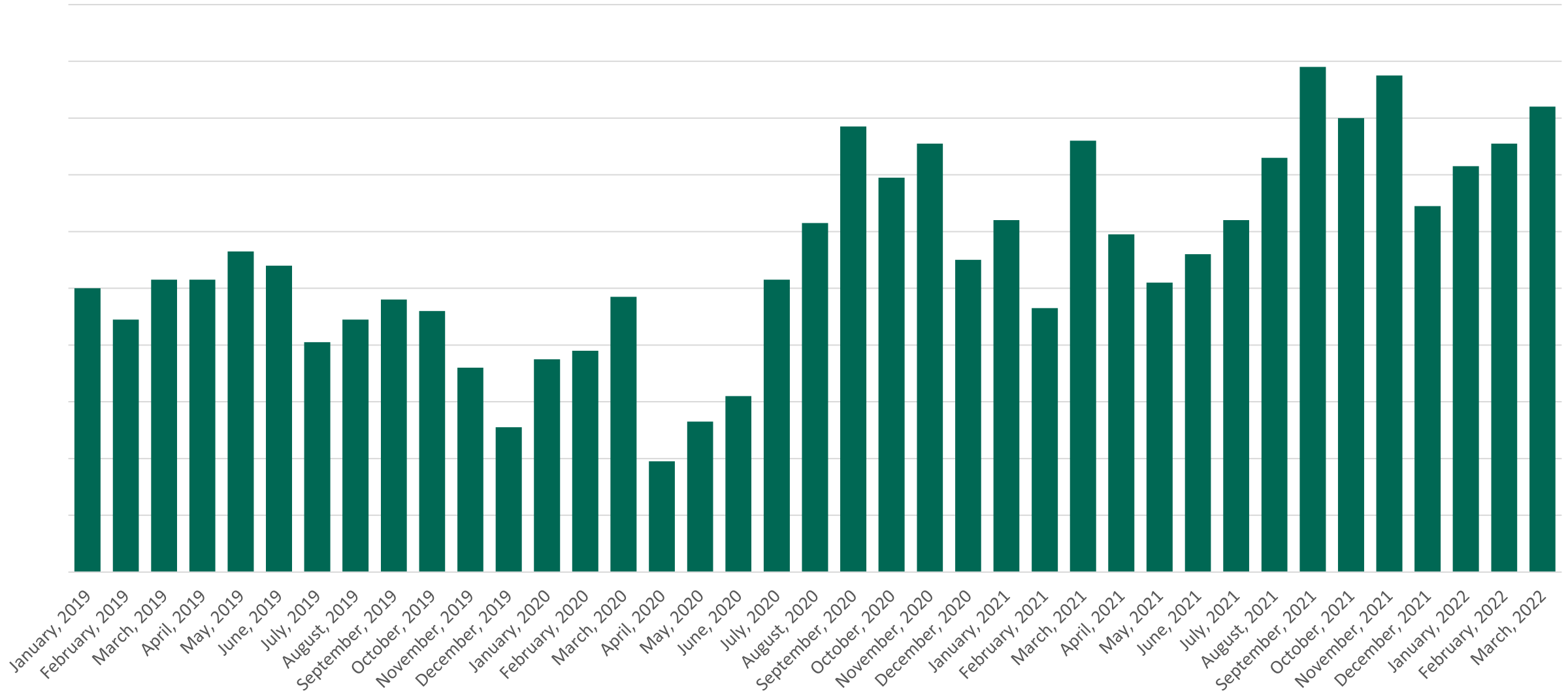


**With the high demand, Unipar's operation areas have had the challenge of finding solutions to expand the offer to meet the market, while the commercial team has to prepare the company's future by creating new business models and solutions to boost sales and margins in the medium and long term.**

## We focus on developing new models, products, and services. The challenge is to consolidate the positioning with a focus on differentiation and innovation.



## Evolution of Unipar customers' positivity.



Company's Internal data

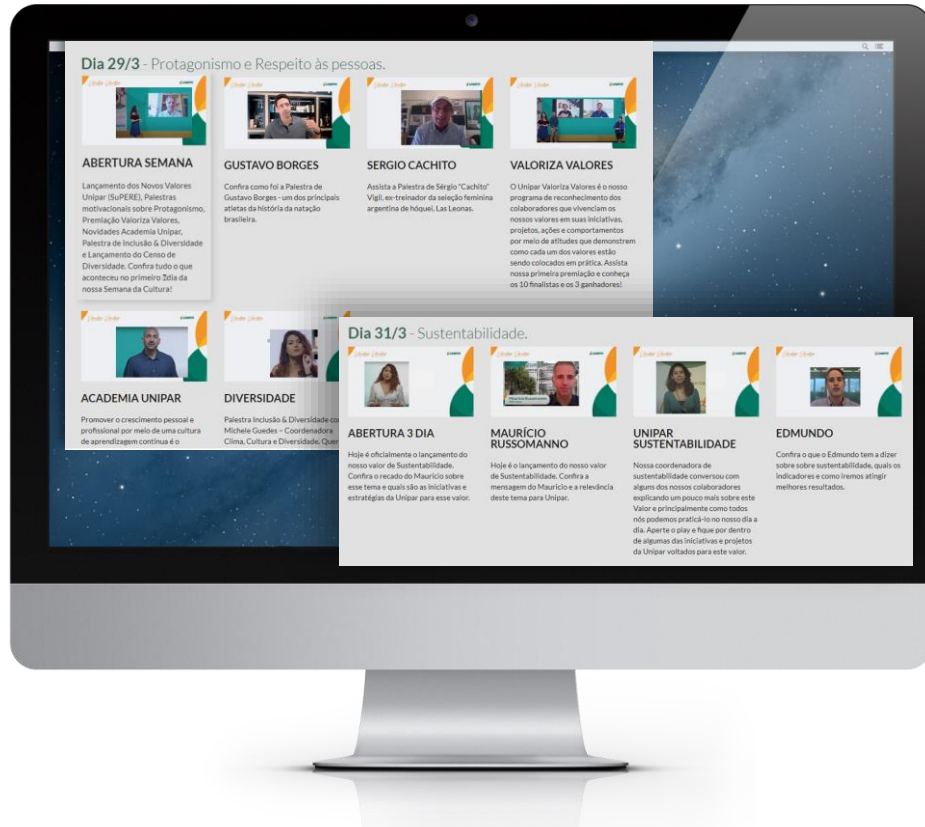
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**In addition to important operational and commercial improvements, we continue to look inward. We continue to strengthen our culture to build our future together!**

# Unipar Cultural Journey - Growth with Sustainability



Technical content and recognition

## Nossos Valores



Sustainability as a Value



Discussion groups and in-person activities

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**In line with our Sustainability view, we have consistently advanced this agenda. We would like, in this first quarter, to shed light on the topics of private social investment!**

We announced R\$11 million for social projects to be executed in the next 24 month. In 1Q22, we already started to get it off the ground to impact 850,000 people in the biennium.

We prioritize initiatives and projects with social impact in the communities surrounding our plants, such as the projects:

- *Pescar*
- *Sabores Sustentáveis da Serra*
- *Fazer Valer*
- *Mempodera*
- *Lar Fraternal*
- Bienal and its traveling exhibition in the countryside of São Paulo
- *SP\_Arte*
- Encouraging recycling
- Volunteering to organize community clean-ups and train vulnerable young people



**All these actions are part of Unipar's transformational movement to continue its journey of sustainable growth. Our vision is to generate value for all stakeholders on a permanent basis.**



# The 1Q22 results show that we remain firmly on track for sustainable growth

**01 CAPACITY** – Average utilization of the three plants' **INSTALLED PRODUCTION CAPACITY** was 88% in 1Q22, with the Bahía Blanca plant performing especially well after the scheduled stoppage in October 2021

**02 CAPITAL INCREASE** – At the Extraordinary Shareholders' Meeting held in April/2022, the Company's capital increase was approved through the capitalization of a portion of the income reserve with **BONIFICATION** in shares, proportionally to one new share for every 10 shares, resulting in a capital stock of R\$927.9 million

**03 DIVIDENDS** – On May 04, Unipar paid additional **DIVIDENDS** in the total of R\$250.0 million for fiscal year 2021, totaling R\$1.5 billion of dividends paid for fiscal year 2021

## 1Q22 Consolidated Financial Highlights

### NET REVENUE

**R\$ 1,890.5 million**  
43.6% higher than 1Q21

### EBITDA

**R\$ 825.9 million**  
46.3% higher than 1Q21

### NET PROFIT

**R\$ 449.0 million**  
59.9% higher than 1Q21

### NET CASH

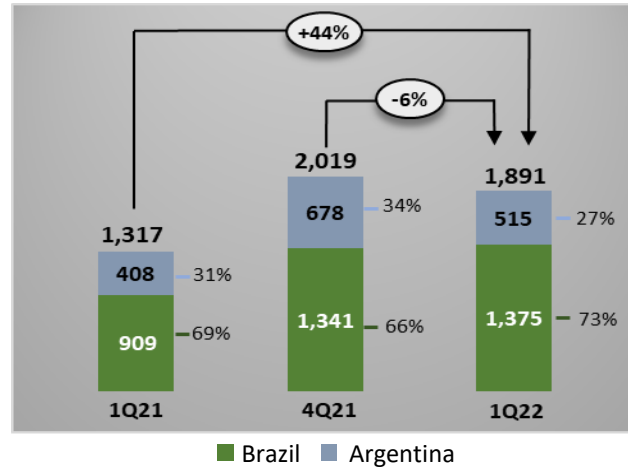
**R\$ 1,865.4 million**  
Positive variation of R\$ 243.0 million over Dec/2021



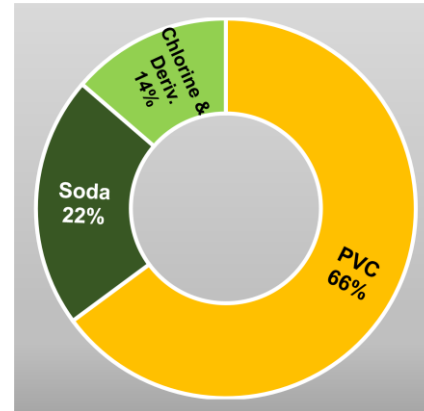
# Quarterly Consolidated Results 1Q21 x 4Q21 x 1Q22

## CONSOLIDATED NET OPERATIONAL REVENUE (R\$ million)

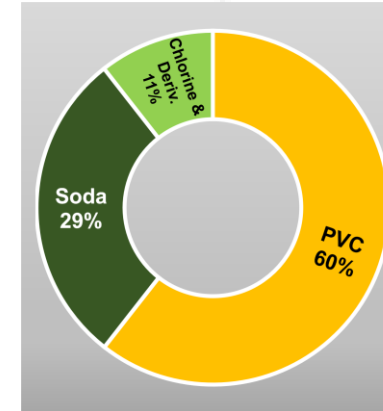
### By Country



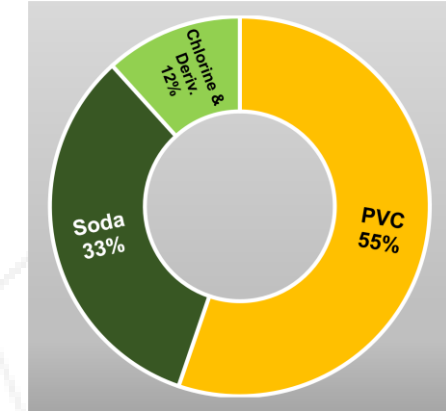
### By Product



1Q21 - R\$ 1,317 million

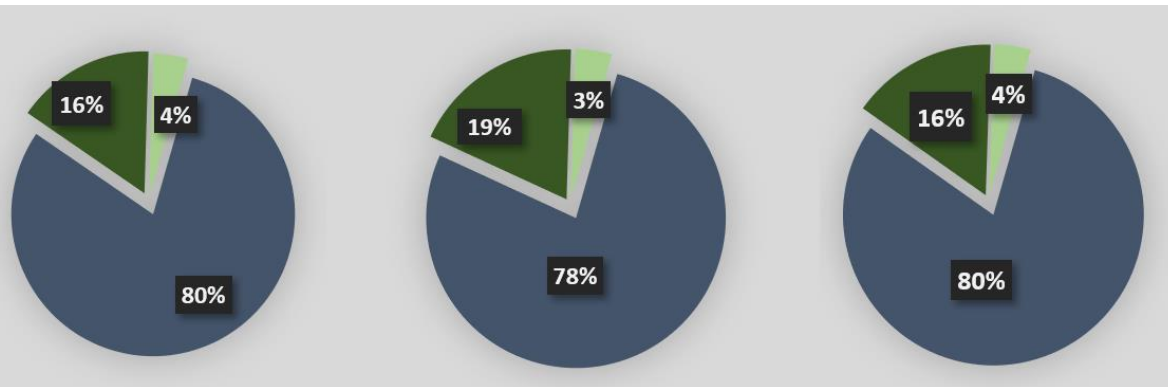


4Q21 - R\$ 2,019 million



1Q22 - R\$ 1,891 million

## COGS CONSOLIDATED



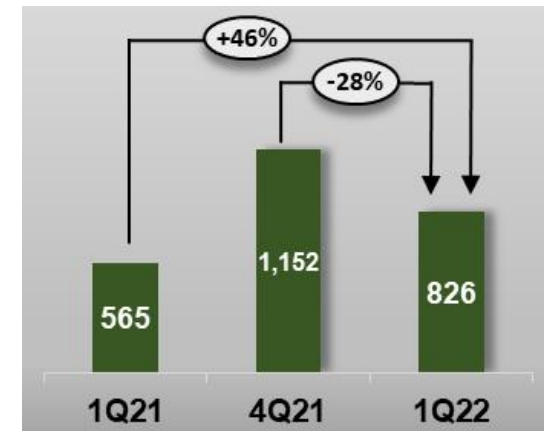
■ Variable Costs ■ Fixed Costs ■ Depreciation

1Q21 - R\$ 679 million

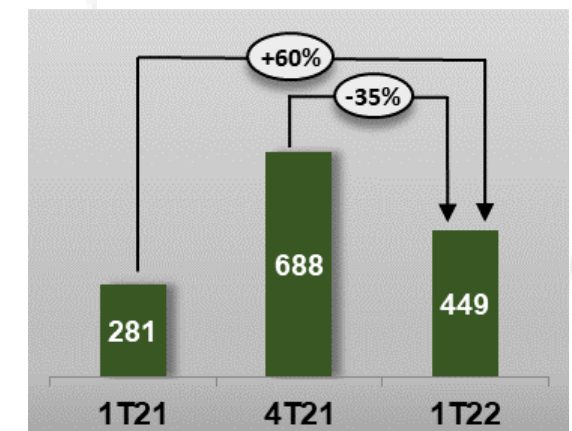
4Q21 - R\$ 1,082 million

1Q22 - R\$ 948 million

## CONSOLIDATED EBITDA (R\$ million)

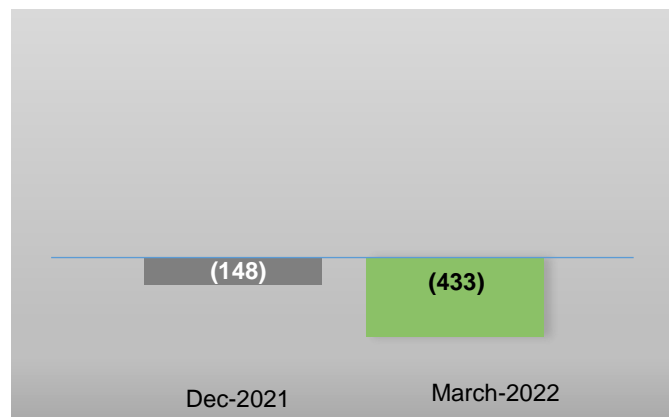


## CONSOLIDATED NET PROFIT (R\$ million)

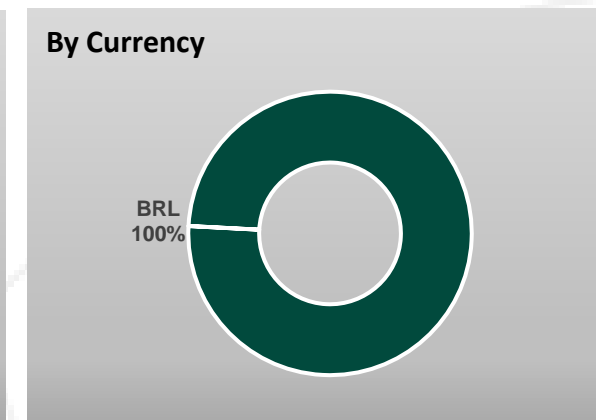
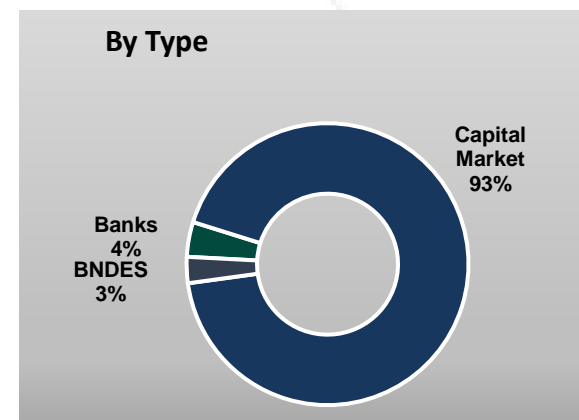


# Strong operating cash generation and optimization of capital allocation in Capex and dividends

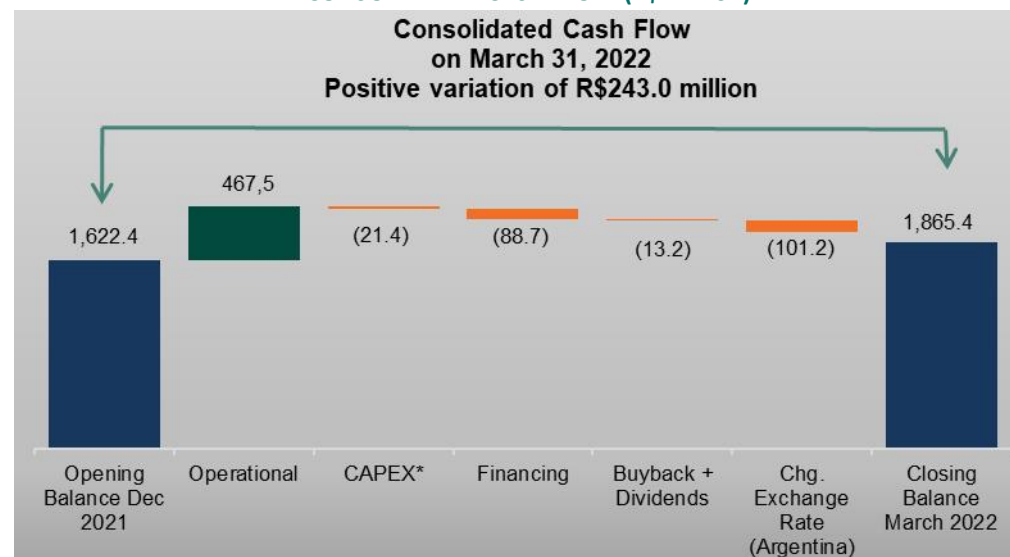
CONSOLIDATED NET DEBT (R\$ million)



CONSOLIDATED GROSS DEBT- MARCH/2022 (R\$ million)



CONSOLIDATED CASH FLOW (R\$ million)



\* CAPEX includes acquisition and investment in the joint venture with AES Brasil

## INVESTOR RELATIONS TEAM

Christian Eduard Carraresi Schnitzlein

Sergio Luiz Baptista dos Santos

Raquel Turano de Souza

Roberta Maria dos Santos Silva

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Av. Juscelino Kubistchek, 1,327 – 22<sup>nd</sup> floor  
Zip Code 04543-011  
São Paulo/SP- BRAZIL  
Tel.: +55 11 3704 4200

Website: <http://www.ri.unipar.com/en/>  
E-mail: [ri@unipar.com](mailto:ri@unipar.com)