

## **Unipar Carbocloro S.A.**

Parent Company and Consolidated Financial Information in IFRS for the period ended March 31, 2023 and Independent Auditor's Report

(Free translation from the original issued in Portuguese. In the event of any discrepancies, the Portuguese language version shall prevail.)

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## **Report on the review of quarterly information**

To the Management and Shareholders of

**Unipar Carbocloro S.A.**

São Paulo - SP

### **Introduction**

We have reviewed the parent company and consolidated interim financial information of Unipar Carbocloro S.A (Company), contained in the Quarterly Information Form (ITR) for the quarter ended March 31, 2023, which comprises the statement of financial position as of March 31, 2023, and the statements of income, comprehensive income, changes in equity, and changes in the cash flows for the three-month period then ended, including the notes to the financial information.

Management is responsible for preparing the parent company and consolidated quarterly information under NBC TG 21 (R1) - Interim Financial Information and the International Standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for presenting this information in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this quarterly information based on our review.

### **Scope of the review**

We conducted our review under the Brazilian and international standards for the review of quarterly information (NBC TR 2410 and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of quarterly 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 under standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. For this reason, we did not issue an audit opinion.

### **Conclusion on the parent company and consolidated interim financial information**

Based on our review, we are not aware of any fact that causes us to believe that the parent company and consolidated quarterly information was not prepared, in all material respects, under NBC TG 21 and IAS 34 applicable to the preparation of the Quarterly Information Form (ITR), and presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission.

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### **Conclusion on the parent company and consolidated interim financial information**

Based on our review, we are not aware of any fact that causes us to believe that the parent company and consolidated quarterly information was not prepared, in all material respects, under NBC TG 21 and IAS 34 applicable to the preparation of the Quarterly Information Form (ITR), and presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission.



## **Other matters**

### *Value added statements*

The quarterly information referred to above includes the value added statements (DVA) for the parent company and consolidated for the three-month period ended March 31, 2023, which were prepared by the Company's Executive Board and presented as supplementary information for the purposes of IAS 34. These statements were subject to review procedures performed together with the Company's quarterly information review. To draw our conclusion, we verified if these statements were reconciled with the quarterly information and accounting records, as applicable, and if their format and content follow the criteria provided for in the NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that would lead us to believe that the statements of value added were not prepared, in all material respects, following the criteria established in this rule and in a manner consistent with the parent company and consolidated quarterly information as a whole.

São Paulo, May 11, 2023.

ERNST & YOUNG

Auditores Independentes S.S. Ltda.

CRC-SP034519/O

Antonio Humberto Barros dos Santos

Accountant CRC-SP161745/O

## Unipar Carbocloro S.A.

### Statements of financial position

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

			Parent Company		Consolidated
	Note	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<b>Assets</b>					
<b>Current</b>					
Cash and cash equivalents	3	497,690	62,709	1,101,464	402,122
Financial investments	4	151,724	569,306	307,141	1,011,847
Trade receivables	5	202,632	207,123	583,246	541,716
Taxes recoverable	6	23,422	38,054	186,207	197,299
Inventories	7	71,151	59,348	370,772	426,704
Prepaid expenses	-	9,737	512	35,473	2,340
Receivables from affiliates	9	23,572	28,068	-	-
Other current assets	10	12,504	13,518	17,642	21,047
		<b>992,432</b>	<b>978,638</b>	<b>2,601,945</b>	<b>2,603,075</b>
<b>Non-current</b>					
Trade receivables	5	53,757	51,880	-	-
Taxes recoverable	6	7,939	8,634	533,211	522,120
Inventories	7	28,240	27,639	81,639	63,528
Court deposits	8	25,332	26,107	25,376	26,151
Receivables from affiliates	9	213,352	219,118	-	-
Other non-current assets	10	-	-	8,615	8,646
		<b>328,620</b>	<b>333,378</b>	<b>648,841</b>	<b>620,445</b>
Investments	11	3,166,324	3,086,604	192,929	192,650
PP&E	12	883,076	880,798	2,278,610	2,280,362
Intangible assets	13	291,415	281,182	315,757	297,913
		<b>4,340,815</b>	<b>4,248,584</b>	<b>2,787,296</b>	<b>2,770,925</b>
		<b>4,669,435</b>	<b>4,581,962</b>	<b>3,436,137</b>	<b>3,391,370</b>
<b>Total assets</b>		<b>5,661,867</b>	<b>5,560,600</b>	<b>6,038,082</b>	<b>5,994,445</b>

The accompanying notes are an integral part of the parent company and consolidated financial information.

## Unipar Carbocloro S.A.

### Statements of financial position

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

		Parent Company		Consolidated	
	Note	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<b>Liabilities</b>					
<b>Current</b>					
Suppliers	14	73,594	58,698	332,625	365,714
Loans, financing, and debentures	15	241,340	168,988	220,019	171,206
Payroll and related charges	16	32,900	55,211	105,671	186,458
Income tax and social contribution	20	62,508	254,800	77,406	291,331
Other taxes and contributions payable	21	45,434	51,315	98,194	88,406
Dividends payable	30	178,588	178,706	178,588	178,706
Legal claims	18	685	866	4,506	5,191
Electricity	17	27,546	27,745	80,856	86,328
Environmental liabilities	19	700	699	20,312	23,095
Other current liabilities		53,876	48,955	95,247	99,370
		<u>717,171</u>	<u>845,983</u>	<u>1,213,424</u>	<u>1,495,805</u>
<b>Non-current</b>					
Loans, financing, and debentures	15	1,834,820	1,846,461	1,208,241	1,220,540
Payroll and related charges	16	9,588	9,235	10,091	9,915
Income tax and social contribution	20	-	-	30,757	-
Deferred income tax and social contribution	20	419,647	417,057	729,230	660,385
Other taxes and contributions payable	21	8,715	10,272	17,102	19,954
Employee benefit obligations	22	6,124	6,056	26,029	26,021
Legal claims	18	15,410	15,305	34,404	35,239
Electricity	17	79,668	79,668	126,157	126,157
Environmental liabilities	19	5,136	4,961	38,593	36,864
Other non-current liabilities		7,952	8,198	7,978	8,232
		<u>2,387,060</u>	<u>2,397,213</u>	<u>2,228,582</u>	<u>2,143,307</u>
<b>Equity</b>					
Capital stock	23	927,877	927,877	927,877	927,877
Treasury shares	23(d)	(31,039)	(31,039)	(31,039)	(31,039)
Capital Reserves	24	814	814	814	814
Profit reserves	24	1,010,773	1,010,773	1,010,773	1,010,773
Other reserves	24	9,056	5,660	9,056	5,660
Other comprehensive income	-	388,386	403,319	388,386	403,319
Retained earnings	-	251,769	-	251,769	-
Attributed to controlling interest		2,557,636	2,317,404	2,557,636	2,317,404
Non-controlling interest		-	-	38,440	37,929
<b>Total equity</b>		<u>2,557,636</u>	<u>2,317,404</u>	<u>2,596,076</u>	<u>2,355,333</u>
<b>Total liabilities and equity</b>		<u>5,661,867</u>	<u>5,560,600</u>	<u>6,038,082</u>	<u>5,994,445</u>



## **Unipar Carbocloro S.A.**

Statements of financial position

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

The accompanying notes are an integral part of the parent company and consolidated financial information.

## Unipar Carbocloro S.A.

### Statement of Income

Three-month period ended March 31, 2023 and 2022

(In thousands of reais)

	Note	Parent Company		Consolidated	
		1Q23	1Q22	1Q23	1Q22
Net operating income	25	562,823	583,509	1,567,754	1,890,469
Cost of goods sold	26	(202,735)	(222,495)	(955,304)	(947,967)
<b>Gross profit</b>		<b>360,088</b>	<b>361,014</b>	<b>612,450</b>	<b>942,502</b>
Selling expenses	26	(24,521)	(22,746)	(61,217)	(67,711)
Administrative expenses	26	(54,334)	(42,467)	(104,818)	(87,614)
Equity pickup	11	98,677	297,700	259	(2,245)
Other operating expenses, net	27	(4,965)	(1,057)	(13,363)	(14,573)
<b>Earnings before the financial result, income tax and social contribution</b>		<b>374,945</b>	<b>592,444</b>	<b>433,311</b>	<b>770,359</b>
Financial revenues	28	16,067	(30,150)	80,289	9,975
Financial expenses	28	(60,417)	(44,979)	(55,821)	(78,084)
Net financial result	28	(44,350)	(75,129)	24,468	(68,109)
<b>Earnings before income tax and social contribution</b>		<b>330,595</b>	<b>517,315</b>	<b>457,779</b>	<b>702,250</b>
Income tax and social contribution	20	(78,826)	(71,919)	(204,818)	(253,220)
<b>Net income for the period</b>		<b>251,769</b>	<b>445,396</b>	<b>252,961</b>	<b>449,030</b>
<b>Profit attributed to:</b>					
Controlling interest				251,769	445,396
Non-controlling interest				1,192	3,634
<b>Earnings per share (in Reais)</b>	29				
Common shares		2.28	4.43		
Class "A" preferred shares		2.51	4.87		
Class "B" preferred shares		2.51	4.87		

The accompanying notes are an integral part of the parent company and consolidated financial information.

## Unipar Carbocloro S.A.

### Statement of comprehensive income

Three-month period ended March 31, 2023 and 2022

(In thousands of reais)

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>1Q23</b>	<b>1Q22</b>	<b>1Q23</b>	<b>1Q22</b>
<b>Net income for the period</b>	<b>251,769</b>	445,396	<b>252,961</b>	449,030
<b>Other comprehensive income that will be subsequently reclassified to the income statement</b>				
Effect of the application of IAS 29 (hyperinflation)	<b>159,476</b>	69,071	<b>161,511</b>	70,000
Adjustment in the conversion of financial information of foreign subsidiaries	<b>(174,643)</b>	(161,411)	<b>(176,872)</b>	(163,551)
<b>Total comprehensive income for the period</b>	<b>236,602</b>	353,056	<b>237,600</b>	355,479
<b>Total comprehensive income attributable to:</b>				
Controlling interest			<b>236,602</b>	353,056
Non-controlling interest			<b>998</b>	2,423
			<b>237,600</b>	355,479

The accompanying notes are an integral part of the parent company and consolidated financial information.

## Unipar Carbocloro S.A.

### Statements of changes in equity

Three-month period ended March 31, 2023 and 2022

(In thousands of reais)

	Capital stock	Treasury shares	Profit reserves	Other comprehensive income	Retained earnings	Total interest of the Company's shareholders	Non-controlling interest	Consolidated equity
<b>On December 31, 2021</b>	<u>699,002</u>	<u>(1,401)</u>	<u>1,147,566</u>	<u>443,576</u>	<u>-</u>	<u>2,288,743</u>	<u>32,694</u>	<u>2,321,437</u>
Net income for the period	-	-	-	-	445,396	445,396	3,634	449,030
Purchase of non-controlling interest in subsidiary - net of tax effects	-	-	-	569	-	569	(886)	(317)
Other comprehensive income	-	-	-	(92,340)	-	(92,340)	(1,211)	(93,551)
Effect of the application of IAS 29 (hyperinflation)	-	-	-	69,071	-	69,071	929	70,000
Adjustment in the conversion of financial information of foreign subsidiaries	-	-	-	(161,411)	-	(161,411)	(2,140)	(163,551)
<b>On March 31, 2022</b>	<u>699,002</u>	<u>(1,401)</u>	<u>1,147,566</u>	<u>351,805</u>	<u>445,396</u>	<u>2,642,368</u>	<u>34,231</u>	<u>2,676,599</u>

	Capital stock	Treasury shares	Capital reserves	Reserves of equity instruments granted	Profit reserves	Other comprehensive income	Retained earnings	Total interest of the Company's shareholders	Non-controlling interest	Consolidated equity
<b>On December 31, 2022</b>	<u>927,877</u>	<u>(31,039)</u>	<u>814</u>	<u>5,660</u>	<u>1,010,773</u>	<u>403,319</u>	<u>-</u>	<u>2,317,404</u>	<u>37,929</u>	<u>2,355,333</u>
Net income for the period	-	-	-	-	-	-	251,769	251,769	1,192	252,961
Purchase of non-controlling interest in subsidiary - net of tax effects	-	-	-	-	-	234	-	234	(487)	(253)
Share granting	-	-	-	3,396	-	-	-	3,396	-	3,396
Other comprehensive income	-	-	-	-	-	(15,167)	-	(15,167)	(194)	(15,361)
Effect of the application of IAS 29 (hyperinflation)	-	-	-	-	-	159,476	-	159,476	2,035	161,511
Adjustment in the conversion of financial information of foreign subsidiaries	-	-	-	-	-	(174,643)	-	(174,643)	(2,229)	(176,872)
<b>On March 31, 2023</b>	<u>927,877</u>	<u>(31,039)</u>	<u>814</u>	<u>9,056</u>	<u>1,010,773</u>	<u>388,386</u>	<u>251,769</u>	<u>2,557,636</u>	<u>38,440</u>	<u>2,596,076</u>

The accompanying notes are an integral part of the parent company and consolidated financial information.

# Unipar Carbocloro S.A.

## Statements of cash flows

Three-month period ended March 31, 2023 and 2022

(In thousands of reais)

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
<b>Cash flows from operating activities</b>				
Earnings before income tax and social contribution	330,595	517,315	457,779	702,250
Depreciation and amortization	23,032	23,756	56,771	55,572
Effect of the application of IAS 29 (hyperinflation)	-	-	63,923	(2,018)
Asset write-offs	-	66	3	158
Provision (reversal) for lawsuits	(399)	(482)	(1,257)	7,057
Provision for environmental contingencies	267	539	2,398	1,850
Provision (reversal) of interest, exchange variations, and other charges on loans and receivables from third parties, and inflation adjustment on PIS/COFINS credits (ICMS exclusion from the calculation base)	65,128	92,048	(19,761)	125,443
Provision for expected credit losses	-	(10)	1,218	1,482
Provision for (reversal of) inventory depreciation	(3,344)	-	(23,403)	(86)
Equity pickup	(98,677)	(297,700)	(259)	2,245
PIS and COFINS credits (exclusion of ICMS from the calculation base)	-	-	-	(8,235)
Share-based payment	3,396	-	3,396	-
Others	7	-	7	-
	<b>320,005</b>	<b>335,532</b>	<b>540,815</b>	<b>885,718</b>
Changes in assets and liabilities				
Trade receivables	2,613	(24,231)	(42,726)	(76,843)
Taxes recoverable	22,695	48,453	18,872	46,185
Inventories	(9,062)	9,068	64,547	11,172
Other assets	(6,923)	(9,124)	(28,477)	(18,455)
Suppliers	21,462	(15,894)	(9,063)	(93,444)
Payroll and related charges	(21,958)	(20,811)	(80,435)	(62,859)
Taxes, fees, and contributions	(7,438)	11,922	6,937	36,855
Income tax and social contribution	-	(41,456)	(18,510)	(126,190)
Employee benefit obligations	68	90	9	(468)
Other liabilities	4,198	(10,053)	(11,179)	(14,189)
	<b>5,655</b>	<b>(52,036)</b>	<b>(100,025)</b>	<b>(298,236)</b>
<b>Cash from operations</b>	<b>325,660</b>	<b>283,496</b>	<b>440,790</b>	<b>587,482</b>
Income tax and social contribution paid	(275,771)	(68,533)	(333,527)	(119,949)
<b>Net cash from operating activities</b>	<b>49,889</b>	<b>214,963</b>	<b>107,263</b>	<b>467,533</b>
<b>Cash flows from investing activities</b>				
Financial investments net of redemptions	417,582	(100,468)	704,706	(243,495)
Acquisition of PP&E and intangible assets	(37,834)	(3,175)	(91,668)	(21,079)
Acquisition of interest in subsidiaries	(132)	(275)	(132)	(275)
Interest received - receivables from affiliates	5,601	-	-	-
<b>Net cash used in investing activities</b>	<b>385,217</b>	<b>(103,918)</b>	<b>612,906</b>	<b>(264,849)</b>
<b>Cash flows from financing activities</b>				
Amortization of loans/debentures	-	(82,045)	(962)	(82,998)
Payment of interest and other charges on loans	-	(5,443)	(259)	(5,766)
Dividends paid	(125)	(13,231)	(125)	(13,231)
Loans and financing	-	-	1	-
<b>Net cash used in financing activities</b>	<b>(125)</b>	<b>(100,719)</b>	<b>(1,345)</b>	<b>(101,995)</b>
<b>Exchange variation effect on cash and cash equivalents of foreign subsidiary</b>	<b>-</b>	<b>-</b>	<b>(19,482)</b>	<b>(101,194)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>434,981</b>	<b>10,326</b>	<b>699,342</b>	<b>(505)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>62,709</b>	<b>156,135</b>	<b>402,122</b>	<b>331,177</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>497,690</b>	<b>166,461</b>	<b>1,101,464</b>	<b>330,672</b>

The accompanying notes are an integral part of the parent company and consolidated financial information.

## Unipar Carbocloro S.A.

### Value added statements

Three-month period ended March 31, 2023 and 2022

(In thousands of reais)

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
Income				
Gross sales of products and services	712,672	740,620	1,904,245	2,325,452
Result from the sale of PP&E and others	-	-	(458)	(1,911)
Provision for expected credit losses	-	10	(1,218)	(330)
	<u>712,672</u>	<u>740,630</u>	<u>1,902,569</u>	<u>2,323,211</u>
Inputs acquired from third parties				
Cost of products sold and services rendered	(180,657)	(196,077)	(921,691)	(950,656)
Materials, electricity, and outsourced services	(85,095)	(63,647)	(173,969)	(153,454)
Loss/recovery of assets	3,344	-	6,462	-
	<u>(262,408)</u>	<u>(259,724)</u>	<u>(1,089,198)</u>	<u>(1,104,110)</u>
Gross value added	<u>450,264</u>	<u>480,906</u>	<u>813,371</u>	<u>1,219,101</u>
Depreciation and amortization	(23,032)	(23,756)	(56,771)	(55,572)
Net value added produced by the entity	<u>427,232</u>	<u>457,150</u>	<u>756,600</u>	<u>1,163,529</u>
Value added received in transfer				
Equity pickup	98,677	297,700	259	(2,245)
Financial revenues	16,067	(30,150)	80,289	9,976
Others	(4,696)	(65)	(4,696)	1,043
Total value added to distribute	<u>537,280</u>	<u>724,635</u>	<u>832,452</u>	<u>1,172,303</u>
Distribution of value added				
Personnel				
Direct compensation	(29,158)	(21,057)	(105,529)	(83,032)
Benefits	(9,446)	(10,223)	(20,950)	(21,883)
FGTS	(1,669)	(1,973)	(15,899)	(12,760)
	<u>(40,273)</u>	<u>(33,253)</u>	<u>(142,378)</u>	<u>(117,675)</u>
Taxes, fees, and contributions				
Federal	(110,665)	(108,607)	(292,292)	(331,780)
State	(72,968)	(90,244)	(115,591)	(164,579)
Municipal	(756)	(938)	(2,761)	(2,954)
	<u>(184,389)</u>	<u>(199,789)</u>	<u>(410,644)</u>	<u>(499,313)</u>
Return on third-party capital				
Interest and exchange variations	(59,342)	(43,986)	(14,127)	(89,914)
Rental	(631)	(550)	(640)	(556)
Others	(876)	(1,661)	(11,702)	(15,815)
	<u>(60,849)</u>	<u>(46,197)</u>	<u>(26,469)</u>	<u>(106,285)</u>
Return on equity				
Retained (earnings) losses	(251,769)	(445,396)	(251,769)	(445,396)
Non-controlling interest	-	-	(1,192)	(3,634)
	<u>(251,769)</u>	<u>(445,396)</u>	<u>(252,961)</u>	<u>(449,030)</u>
Value added distributed	<u>(537,280)</u>	<u>(724,635)</u>	<u>(832,452)</u>	<u>(1,172,303)</u>

The accompanying notes are an integral part of the parent company and consolidated financial information.

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial information  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

### 1. Operations

Unipar Carbocloro S.A. ("Unipar" or "Company") is a publicly held company headquartered at Avenida Presidente Juscelino Kubitschek, 1327 – 22º andar, Itaim Bibi, in the city and state of São Paulo. The Company's shares are traded on B3 S.A. – Brasil, Bolsa, Balcão, under the tickers UNIP3, UNIP5, and UNIP6.

Unipar's main activity is the manufacture of chlorine, chlorine derivatives, and caustic soda.

Unipar is controlled by Vila Velha S.A. Administração e Participações ("Vila Velha"). On March 31, 2023, Vila Velha held an interest of 17.52% (17.52% on December 31, 2022) in Unipar's total capital and 50% (50% on December 31, 2022) of its common shares.

Unipar is the parent company of Unipar Indupa S.A.I.C. ("Indupa Argentina") and holds shares representing 98.74% (98.72% on December 31, 2021) of its voting capital. Indupa Argentina has a plant in the city of Bahía Blanca with an installed capacity for the production of 240,000 tons of PVC and 186,000 tons of soda ("Information not audited by independent auditors"). Indupa Argentina also holds 58% of the total capital stock of Solalban Energía S.A., an Argentinean company that has power generation assets in that country. Moreover, Indupa Argentina also holds shares representing 100% of the total voting capital of Unipar Indupa do Brasil S.A. ("Indupa Brasil"), owner of a plant located in the city of Santo André – São Paulo, with a production capacity of 300,000 tons of PVC and 180,000 tons of soda ("Information not audited by independent auditors").

The Company also has investments in a joint venture with AES Tietê Energia S.A. ("AES Tietê"), through its equity interest of 50% in AES Tucano Holding III S.A. ("Tucano III"). Tucano III is building a wind farm in the Tucano wind park, located in the State of Bahia, with a wind power generation capacity of 155 mw, which ensures 78 mw on average to the Company. ("Information not audited by the independent auditors"), according to the Investment Agreement executed with AES Tietê.

The subsidiary Indupa Brasil will implement a project to increase its annual chlorine production capacity by 29,000 tons, and its annual caustic soda production capacity by 32,000 tons at the plant located in Santo André/SP. The project also includes the construction of a hydrochloric acid furnace with an annual capacity of 91,000 tons, with estimated investments of around R\$100 million (one hundred million reais), expected to begin operating in the second half of 2023.

The Company will implement a project for the production of chlorine/soda and their derivatives in the Petrochemical Complex of Camaçari, in the State of Bahia, under a greenfield model, with a production capacity of 20,000 tons of chlorine, 22,000 tons of caustic soda, 25,000 tons of hydrochloric acid, and 20,000 tons of sodium hypochlorite per year. The work should be concluded in up to 24 months, as of the second half of 2022, with investments of around R\$234,000.

As a result, the Unipar Group will increase its production capacity in Brazil by 564,000 tons of chlorine, 635,000 tons of caustic soda and 785,000 tons of hydrochloric acid.

The production expansion is in line with the Company's strategy to strengthen its position in the chlorine, caustic soda and derivative chemical products markets. Information on energy, operational, or installed production capacities has not been reviewed by the independent auditors.

## **Unipar Carbocloro S.A.**

Notes to the parent company and consolidated financial information  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

### **COVID - 19**

The Company has been monitoring the prevention measures to help control the spread of Coronavirus ("COVID-19"), coordinated by a Crisis Committee. It has usually reinforced the health protocols defined at the beginning of the pandemic and maintains the disclosure of information on the matter in its internal communication channels, following the guidelines of the World Health Organization ("WHO"). The current local and global scenario of the pandemic has been less worrying as the vaccination of the population progresses and the number of cases of the disease decreases.

The Company's Management considers that the demand for PVC resin followed a regular market flow and that chlorine and soda produced by the Company are part of the supply chain of essential items for the population, used in the food segment, cleaning products, personal hygiene and hospital segment. For this reason, these products' production and sales forecasts were maintained for the above-mentioned markets.

Regarding the volatility of the financial market, the Company is supported by a robust cash position and Management frequently monitors possible impacts.

The Company's Management continues analyzing possible impacts on its estimates, judgments, and assumptions that could impact the recoverability of its assets and affect the measurement of provisions presented in the financial statements, due to increased expected losses or significant changes in the risks to which the Company is exposed.

### **Operational continuity**

Management is not aware of any material uncertainty that may raise significant doubts about the capacity of the Company and its subsidiaries to continue operating. The parent company and consolidated financial statements have been prepared based on the operational continuity assumption.

## **2. Basis of preparation and presentation of the parent company and consolidated financial information**

The parent company's (Unipar) financial information is identified as "Parent Company" and the consolidated financial information is identified as "Consolidated".

### **2.1. Basis for the preparation, presentation of the quarterly information, and significant accounting policies**

The accounting policies were applied on a straight-line basis in the current period and are consistent with those used for the preparation of the Company's annual financial statements for the year ended December 31, 2022, disclosed on March 20, 2023, and are the same used for the parent company, subsidiaries, and joint venture, except for the application of new pronouncements.

The Company analyzed and concluded that the new pronouncements effective as of January 01, 2023, will not have a significant impact on its financial information.

### **2.2. Compliance statement**



## **Unipar Carbocloro S.A.**

Notes to the parent company and consolidated financial information  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

The Company's parent company and consolidated financial information has been prepared and is being presented according to international standard IAS 34 – "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB), and technical pronouncement CPC 21 (R1) – "Interim Financial Reporting", issued by the Brazilian Accounting Pronouncements Committee (CPC) and approved by the CVM.

The significant accounting policies applied in this interim financial information are consistent with the policies described in Note 2 to the Company's financial statements for the year ended December 31, 2022, filed with the CVM, and disclosed on March 20, 2023.

This financial information does not include all requirements of annual or complete financial statements. Accordingly, they should be read together with the Company's financial statements for the year ended December 31, 2022.

Therefore, the following Notes have not been repeated in this interim financial information either because of redundancy or relevance regarding the information already presented in the annual financial statements.

Summary of significant accounting policies;  
Provision for post-employment benefit;

### **2.3. Measurement basis**

The quarterly financial information has been prepared based on historical cost, except for certain financial instruments measured at fair value. Historical cost is usually based on the fair value of the considerations paid in exchange for assets.

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an organized transaction between market participants on the measurement date, regardless of whether this price is directly observable or estimated using another measurement procedure.

### **2.4. Foreign currency conversions**

#### **2.4.1. Functional and presentation currency**

This interim financial information is presented in Brazilian reais (R\$), which is the Company's functional and presentation currency of the financial information. All financial information is presented in thousands of reais, unless otherwise indicated.

#### **2.4.2. Conversion of Indupa Argentina's financial statements**

Indupa Argentina's financial information, included in the consolidation, has been prepared in Argentinean pesos, which is its functional currency, and translated into Brazilian reais as follows:

- The balances of assets, liabilities, and income statement accounts were converted at the FX rate effective on March 31, 2023, March 30, 2022, and December 31, 2022.
- FX variation gains and losses resulting from the settlement of these transactions and the conversion of foreign currency-denominated monetary assets and liabilities are recorded in the financial result, under "Financial income" or "Financial expenses".

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial information  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

The FX rates in Brazilian reais in effect on the reference date of these financial statements are as follows:

Final rate	March 31, 2023	March 31, 2022	December 31, 2022
Argentinean peso	0.03	0.04	0.03

### 2.5. Consolidation and application of the accounting standard and evidence of a hyperinflationary economy

The consolidated interim financial information includes the results of the direct subsidiary Indupa Argentina and the indirect subsidiary Indupa Brasil.

The consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ends when the Company ceases to exercise said control. Assets, liabilities, and profit or loss of a subsidiary acquired or disposed of in the year are included in the consolidated financial statements as of the date on which the Company obtains control until the date in which the Company ceases to exercise control over the subsidiary.

The Company applied the requirements of CPC 42 (IAS 29) – “Financial Reporting in Hyperinflationary Economies” as an accounting practice for the purposes of Accounting and Evidence of Hyperinflationary Economy and preparation of the financial statements of the subsidiary Indupa Argentina. The index used to calculate the inflation adjustment is disclosed by *Federación de Consejos Profesionales de Argentina* (FACPCE). The accumulated inflation for the period ended March 31, 2023, is 21.73% (16.07% as of March 31, 2022, and 94.79% as of December 31, 2022).

### 2.6. Presentation of the financial statements

The issue of this parent company and consolidated interim financial information was authorized by the Company's Management on May 11, 2023.

## 3. Cash and cash equivalents

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Cash and banks	230	403	13,405	13,177
Short-term financial investments	497,460	62,306	1,088,059	388,945
	497,690	62,709	1,101,464	402,122

Short-term financial investments mainly refer to Bank Deposit Certificates (CDB), their yield are related to the Interbank Deposit Certificate (CDI), they are subject to an insignificant change in value, and may be redeemed at any moment.

## 4. Financial investments

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial information

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

Investment fund shares	<b>68,494</b>	170,357	<b>281,988</b>	599,280
Exclusive investment funds				
Repurchase agreements <sup>(1)</sup>	<b>83,230</b>	398,949	<b>25,153</b>	412,567
	<b>151,724</b>	569,306	<b>307,141</b>	1,011,847
Current	<b>151,724</b>	569,306	<b>307,141</b>	1,011,847

<sup>(1)</sup> Refer to exclusive private equity funds. On March 31, 2023, the portfolio was distributed in the types of investments described in the table above, which are pegged to financial transactions and referenced to the variation of the Interbank Certificate of Deposit (CDI) to obtain the average yield of 100% of the CDI to the Company.

Investments in investment fund quotas (not exclusive) account for 8% of the financial investment portfolio in Brazil in the consolidated, 19% of which are invested in multimarket funds and 81% in CDI-referenced funds, and may be redeemed at any time, and 100% of the consolidated portfolio is represented by investment funds in Argentina, pegged to the U.S. dollar and inflation.

Investment funds (not exclusive) account for 11% of the total financial investment portfolio in the parent company, 27% of which are invested in multimarket funds, and 73% in CDI-referenced funds, and may be redeemed at any time.

## 5. Trade receivables

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Domestic	<b>207,849</b>	208,936	<b>598,706</b>	558,945
Abroad	<b>817</b>	-	<b>30,585</b>	31,105
Related parties (Note 9)	<b>54,399</b>	56,743	-	-
Provision for expected credit losses	<b>(6,676)</b>	(6,676)	<b>(46,045)</b>	(48,334)
	<b>256,389</b>	259,003	<b>583,246</b>	541,716
Current	<b>202,632</b>	207,123	<b>583,246</b>	541,716
Non-current	<b>53,757</b>	51,880	-	-

The balance of trade receivables is net of the value of the refund of revenue for products not delivered in the physical locations indicated by customers until each reporting date, at the parent company totaling R\$4,955 on March 31, 2023 (R\$6,570 on December 31, 2022) and in the consolidated totaling R\$9,432 on March 31, 2023 (R\$22,041 on December 31, 2021).

The breakdown of the trade receivables, by maturity, is as follows:

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Instruments coming due	<b>200,716</b>	200,583	<b>568,605</b>	520,022
Overdue instruments:				
Up to 90 days	<b>1,149</b>	1,027	<b>12,323</b>	18,678
91 to 180 days	<b>16</b>	617	<b>774</b>	1,018
After 180 days	<b>6,785</b>	6,709	<b>47,589</b>	50,332
	<b>208,666</b>	208,936	<b>629,291</b>	590,050
Related parties	<b>54,399</b>	56,743	-	-
Provision for expected credit losses	<b>(6,676)</b>	(6,676)	<b>(46,045)</b>	(48,334)
Total customer portfolio	<b>256,389</b>	259,003	<b>583,246</b>	541,716

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial information  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

Changes in the provision for expected credit losses are as follows:

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Opening balance	(6,676)	(6,733)	(48,334)	(57,830)
Additions	-	-	(1,252)	(4,498)
Reversals	-	57	34	411
Translation adjustments	-	-	3,507	13,583
Closing balance	(6,676)	(6,676)	(46,045)	(48,334)

Historically, the percentage of expected credit loss of the Company and its subsidiaries for trade receivables overdue up to 90 days is close to zero. As for trade receivables overdue more than 90 days that have not been renegotiated and/or customers declaring bankruptcy or filing for court-supervised reorganization, the Company recognizes a provision of 100% of the outstanding balance. The most significant portion the provision consists of exceptional cases in which few customers declared bankruptcy or filed for court-supervised reorganization.

Additions and reversals of the provision for expected credit losses are recorded in profit/loss as "Other net operating income (expenses)". The provision amounts are written off together with the corresponding receivables when there is no expectation of recovery.

## 6. Taxes recoverable

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
IRRF/ IRPJ and CSLL recoverable	15,747	5,565	69,227	38,962
ICMS	12,056	12,850	32,387	27,778
PIS and COFINS	-	24,916	605,413	632,321
INSS to offset	2,254	2,054	2,607	2,054
Registered warrants	1,252	1,252	1,252	1,252
VAT, IIBB, and other tax credits - Argentina	-	-	6,390	14,280
Export refunds - Argentina	-	-	1,967	2,598
Others	52	51	175	174
	31,361	46,688	719,418	719,419
Current	23,422	38,054	186,207	197,299
Non-current	7,939	8,634	533,211	522,120

IRRF – With holding income tax/ IRPJ – Corporate income tax/CSLL – Social contribution on net income: Correspond mainly to withholding income tax and overpayment of IRPJ and CSLL in 2022, and negative balance referring to 2018.

ICMS: Refers to credits arising from the acquisition of PP&E, which are recorded in current and non-current assets with an amortization period of one forty-eighth (1/48).

PIS/COFINS:

Refers to the credit on the exclusion of the ICMS from the tax base, whereby the Parent Company is a party in a lawsuit in the period from March 2017 to October 2021, whose request for qualification was approved by the Federal Revenue Office. This credit was fully offset in 1Q23 (R\$24,916 on December 31, 2022).

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial information  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

The lawsuit of indirect subsidiary Indupa do Brasil corresponds to the period between December 2003 and October 2021, which had a final and unappealable decision in its favor, and whose requests for qualification were ratified at the Federal Revenue Office. The requests were separated into two periods, the first of which from December 2003 to July 2018, totaling R\$512,006, of which R\$261,953 in principal and R\$250,053 in monetary adjustment (R\$503,728 on December 31, 2022), and the other from August 2018 to October 2021. The last period previously mentioned is already being used to offset federal debts and, on March 31, 2023, it had a remaining balance of R\$91,798, of which R\$75,342 in principal and R\$16,456 of monetary adjustment (R\$99,961 on December 31, 2022).

In the consolidated, the credit should be used by 2026, as shown in the table below.

INSS to offset: It basically refers to the payments made to settle social security installment debts, according to the adhesion to the reopening of REFIS, according to article 17 of Law 12,865/2013. However, as the consolidation of the installment has been refused, the Company requested that the amounts paid be refunded.

Export refunds: Refer to the refund of customs duties imposed on the import of raw materials used by the subsidiary Indupa Argentina to manufacture export products.

IVA: It refers to the tax levied on gross sales revenue originated by withholdings from customers and withholdings on suppliers' invoices.

In 2023, the changes in PIS and Cofins credits were as follows:

<u>Parent Company</u>	<u>December 31, 2021</u>	<u>Monetary adjustment</u>	<u>Compensation</u>	<u>December 31, 2022</u>	<u>Monetary adjustment</u>	<u>Compensation</u>	<u>March 31, 2023</u>
PIS and COFINS	145,576	6,662	(127,322)	24,916	243	(25,159)	-

<u>Consolidated</u>	<u>December 31, 2021</u>	<u>Monetary adjustment</u>	<u>Compensation</u>	<u>Credit balance calculation</u>	<u>December 31, 2022</u>
PIS and COFINS	728,267	47,700	(147,362)	3,716	632,321

<u>Consolidated</u>	<u>December 31, 2022</u>	<u>Monetary adjustment</u>	<u>Compensation</u>	<u>Credit balance calculation</u>	<u>March 31, 2023</u>
PIS and COFINS	632,321	11,011	(35,811)	(2,108)	605,413

The expectation to use such credits is shown below:

	<u>Consolidated</u>
	<u>March 31, 2023</u>
2023	76,400
2024	196,900
2025	266,800
2026	65,313
	<u>605,413</u>

## 7. Inventories

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial information

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Raw materials	<b>34,139</b>	13,690	<b>64,669</b>	50,782
Products being manufactured	<b>6,454</b>	5,751	<b>30,277</b>	30,106
Finished products	<b>14,152</b>	22,894	<b>182,853</b>	253,195
Provision for depreciation	<b>(2,614)</b>	(5,957)	<b>(5,383)</b>	(28,771)
Ancillary materials and packages	<b>9,428</b>	13,826	<b>58,269</b>	65,055
Maintenance and repair materials	<b>37,832</b>	36,783	<b>121,726</b>	119,865
	<b>99,391</b>	86,987	<b>452,411</b>	490,232
Current	<b>71,151</b>	59,348	<b>370,772</b>	426,704
Non-current	<b>28,240</b>	27,639	<b>81,639</b>	63,528

Maintenance and repair materials are held to ensure the continuity of the plants' operations in the event of damage to production machinery and equipment, and due to turnover, they are classified as current and non-current assets.

In the parent company and consolidated, the provision for inventory depreciation is created based on the analysis of the unit cost of production in relation to the expected market selling price. The provision is recorded in the cost of sales in profit or loss.

## 8. Court deposits

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Tax	<b>25,332</b>	24,833	<b>25,336</b>	24,837
Civil	-	-	<b>40</b>	40
Labor	-	1,274	-	1,274
	<b>25,332</b>	26,107	<b>25,376</b>	26,151
Non-current	<b>25,332</b>	26,107	<b>25,376</b>	26,151

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

Parent Company	December 31, 2021	Additions	Write-offs	Transfers of deposits on reversed lawsuits	Monetary adjustment	December 31, 2022	Write-offs	Monetary adjustment	March 31, 2023
Tax	33,002	10	(9,832)	(256)	1,909	24,833	-	499	25,332
Labor	1,190	-	-	-	84	1,274	(1,290)	16	-
Civil	-	25	(25)	-	-	-	-	-	-
	<u>34,192</u>	<u>35</u>	<u>(9,857)</u>	<u>(256)</u>	<u>1,993</u>	<u>26,107</u>	<u>(1,290)</u>	<u>515</u>	<u>25,332</u>

Consolidated	December 31, 2021	Additions	Write-offs	Transfers of deposits on reversed lawsuits	Monetary adjustment	December 31, 2022	Write-offs	Monetary adjustment	March 31, 2023
Tax	33,002	14	(9,832)	(256)	1,909	24,837	-	499	25,336
Labor	1,190	-	-	-	84	1,274	(1,290)	16	-
Civil	40	25	(25)	-	-	40	-	-	40
	<u>34,232</u>	<u>39</u>	<u>(9,857)</u>	<u>(256)</u>	<u>1,993</u>	<u>26,151</u>	<u>(1,290)</u>	<u>515</u>	<u>25,376</u>

On December 31, 2022, the parent company's court deposits consist of the following lawsuits:

a) *PER/DCOMPS not ratified by the Federal Revenue Office*

The Company made escrow deposits in the lawsuit that discusses the non-approval of PIS and COFINS credits for 2015, assessed by the legal counsel as possible, totaling R\$9,468 on March 31, 2023 (R\$9,206 on December 31, 2022).

b) *Goyana S.A. Indústrias de Matérias Plásticas ("Goyana")*

Escrow deposits totaled R\$15,864 on March 31, 2023 (R\$15,628 on December 31, 2022) and refer to five lawsuits of its former subsidiary Goyana, where the Company is a party on the defendant side, and requests its withdrawal. The legal counsel assessed the likelihood of loss as possible and remote.

## 9. Related Parties

December 31, 2022  
Balances

1Q22  
Transactions

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

	Current Assets			Non-current Assets		Current Liabilities			Non-Current Liabilities						
	Trade receivables	Other current assets	Receivables from affiliates	Trade receivables	Receivables from affiliates	Suppliers	Loans	Other liabilities / electricity	Loans	Sales	Purchases	Shared expenses	Financial income (interest/FX variation)		
Parent Company															
Direct subsidiary - Indupa Argentina	-	377	28,068	52,027	219,118	-	-	(21,814)	-	-	(7,033)	2,560	1,727		
Indirect subsidiary - Indupa Brasil	4,716	713	-	-	-	(107)	(8,783)	(127)	(650,120)	38,275	-	4,495	-		
Consolidated															
Joint venture - Solalban	-	3,761	-	-	-	-	-	(42,932)	-	3,214	(31,254)	-	-		
March 31, 2023									1Q23						
Balances									Transactions						
	Current Assets			Non-current Assets		Current Liabilities			Non-Current Liabilities						
	Trade receivables	Other current assets	Receivables from affiliates	Trade receivables	Receivables from affiliates	Loans	electricity	Loans	Sales	Purchases	Shared expenses	Other expenses	Financial Income (Expense) (Interest/FX Variation)		
Parent Company															
Direct subsidiary - Indupa Argentina	-	924	23,572	53,997	213,352	-	(22,638)	-	-	-	2,424	-	1,744		
Indirect subsidiary - Indupa Brasil	401	1,289	-	-	-	(32,737)	(81)	(650,120)	7,145	-	3,217	-	(23,955)		
Joint venture - Tucano F6	-	-	-	-	-	-	-	-	-	-	-	4,475	-		
Joint venture - Tucano F7	-	-	-	-	-	-	-	-	-	-	-	5,344	-		
Joint venture - Tucano F8	-	-	-	-	-	-	-	-	-	-	-	4,503	-		
Consolidated															
Joint venture - Solalban	-	2,931	-	-	-	-	(37,745)	-	3,769	(44,973)	-	-	-		

With the partial start-up of the wind farms das Tucanos F6, F7, and F8 ("Tucanos"), transactions related to the purchase/sale and assignment of electricity were carried out with Unipar, according to the agreement executed.



## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

Products are sold to related parties according to the price list commonly used by the Unipar Group with customers and third parties. Acquisitions are made at discounted market prices to reflect the products purchased and the relationship between the parties.

Outstanding amounts are not covered and are settled using cash. No guarantee was given or received. No provision for expected credit losses was recognized regarding the amounts owed by the related parties.

The Company incurs certain corporate expenses, mainly related to the compensation of some executives and employees, which are proportionally divided between its direct and indirect subsidiaries.

On November 28 and 29, 2022, the Company issued commercial notes, acquired by the indirect subsidiary Indupa Brasil, totaling R\$650,000. The interest will correspond to CDI + 1.5% p.a., paid every year, and the principal will be paid in two installments, maturing on November 26, 2027 and November 26, 2028. On March 31, 2023, the claim totaled R\$682,857 (R\$658,903 on December 31, 2022).

Receivables from affiliates refer to the conversion of capital contribution into loans with Indupa Argentina, originally totaling US\$46 million in 2019, with a 3% interest rate p.a., being partially amortized, and the remaining amortizations beginning in 2027, with a remaining balance of US\$36,266 million (US\$36,092 on December 31, 2022), equivalent to R\$184,225 on March 31, 2022 (R\$188,294 on December 31, 2022).

Additionally, in December 2021, a new loan totaling US\$10 million was granted, at an interest rate of 3% p.a., to be amortized in 5 annual installments of US\$2 million in December of each year, starting in 2022 and ending in 2026. Accordingly, on March 31, 2023, the balance receivable was US\$10,373 million (US\$10.3 million on December 31, 2022), equivalent to R\$52,697 (R\$53,736 on December 31, 2022), from 2022 to 2026.

In the quarter ended March 31, 2023, the Company received R\$5,601 referring to interest.

### Guarantees

- At a Board of Directors Meeting held on July 06, 2022, the Company approved, together with AES Brasil Energia S.A. ("AES"), the granting of a personal guarantee ("Guarantee"), in the proportion of fifty percent (50%) each, totaling up to R\$231,279,000 to collateralize all principal and ancillary monetary obligations owed by Tucano Holdings III S.A. ("Tucano") under the "Instrument for the First Issue of Book-Entry Commercial Notes, in a Single Series, for Public Distribution with Restricted Placing Efforts of Tucano Holdings III S.A., dated April 04, 2022, amended on July 07, and maturing on September 08, 2023.

### Consolidated compensation of the key management personnel

Salaries correspond to the monthly fixed compensation, short-term benefits are composed of health plans, life insurance, and annual variable compensation paid to align the interests of executives with those of the Company.

Key management personnel includes board members and executive officers. The compensation paid to these members is as follows:

Parent  
Company

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

	1Q23	1Q22
Salaries and short-term benefits	15,239	18,278
	15,239	18,278

The Company had contracts for the provision of economic consultancy and financial advisory services with Essentia Partners Assessoria Ltda. ("Essentia Partners"), which ended on November 27, 2022. One of the Company's board members is part of Essentia Partners' ownership structure, and in the quarter ended March 31, 2023, the transactions totaled R\$36 and correspond to the refund of expenses (R\$6,112 on December 31, 2022).

The Company has contracts for the provision of legal services with Terra Tavares Ferrari Elias Rosa Advogados ("TERRA"). One of the Company's board members is part of TERRA's ownership structure, and in the quarter ended March 31, 2023, the transactions totaled R\$306 (R\$329 on December 31, 2022).

The subsidiary Indupa Argentina has contracts for the provision of legal services with BF LAW SRL ("BF"). One of the fiscal council members of the subsidiary Indupa Argentina is part of BF's ownership structure, and in the quarter ended March 31, 2023, the transactions totaled R\$24 (R\$134 on December 31, 2022).

### Transactions or relationships with shareholders regarding property lease

The Company maintains a lease agreement for an administrative property with Locuncatun Serviços Financeiros Ltda., a company owned by one of the Company's shareholders. The rental amount recognized in the result for the quarter ended March 31, 2023 was R\$160 (R\$565 on December 31, 2022). The agreement was approved by the Board of Directors, started in February 2019 and is expected to end in 2024.

## 10. Other assets

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Advance to suppliers	9,558	11,662	13,399	15,566
Advance to employees	733	766	1,113	1,437
Receivables from the sale of assets <sup>1</sup>	-	-	8,162	8,161
Insurance claims	-	-	-	84
Corporate Expenses - Related Parties Note 9	2,213	1,090	2,931	3,761
Other assets	-	-	652	684
	12,504	13,518	26,257	29,693
Current	12,504	13,518	17,642	21,047
Non-current	-	-	8,615	8,646

(<sup>1</sup>) Properties received by crediting accounts receivable, still in the process of transfer of ownership.

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

### 11. Investments

	Parent Company								
	December 31, 2022								
Investees	Relationship	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Profit (loss)	Interest (%)	Balances
Subsidiary									
Indupa Argentina	Direct	711,885	3,068,737	431,090	485,101	2,864,431	662,437	98.72%	2,827,863
Asset surplus (¹)									105,157
Joint venture									
Tucano Holdings III	Direct	204,875	719,641	103,264	606,174	215,078	40,096	50.00%	107,539
Affiliate									
Lar do Sol I	Direct	34,727	389,647	11,902	199,673	212,799	(79)	10.00%	21,282
Lar do Sol II	Direct	22,792	212,947	5,553	100,448	129,738	(72)	10.00%	12,975
Lar do Sol III	Direct	14,455	209,974	6,104	100,448	117,877	(73)	10.00%	11,788
Total									3,086,604
	March 31, 2023								
Investees	Relationship	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Profit (loss)	Interest (%)	Balances
Subsidiary									
Indupa Argentina	Direct	684,407	3,145,735	357,093	525,031	2,948,018	98,943	98.74%	2,910,867
Asset surplus (¹)									100,893
Joint venture									
Tucano Holdings III	Direct	41,481	491,567	80,288	236,157	216,603	1,525	50.00%	108,301
Affiliate									
Lar do Sol I	Direct	17,232	410,561	14,549	195,995	217,249	4,450	10.00%	21,727
Lar do Sol II	Direct	16,859	217,880	7,589	98,599	128,551	(1,187)	10.00%	12,856
Lar do Sol III	Direct	8,908	213,221	6,728	98,599	116,802	(1,075)	10.00%	11,680
Total									3,166,324

(¹) The asset surplus balance in the consolidated is reclassified to PP&E and distributed among land, buildings and construction, equipment and facilities, vehicles, and furniture and fixtures.

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

Consolidated									
December 31, 2022									
Investees	Relationship	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Profit (loss)	Interest (%)	Balances
Joint ventures									
Tucano Holdings III	Direct	204,875	719,641	103,264	606,174	215,078	40,096	50.00%	107,539
Solalban	Indirect	68,649	24,329	61,535	3,881	27,562	(3,140)	58.00%	15,986
Affiliate									
Lar do Sol I	Direct	34,727	389,647	11,902	199,673	212,799	(79)	10.00%	21,282
Lar do Sol II	Direct	22,792	212,947	5,553	100,448	129,738	(72)	10.00%	12,975
Lar do Sol III	Direct	14,455	209,974	6,104	100,448	117,877	(73)	10.00%	11,788
Veleiros Holdings S. A.	Indirect	44,180	214,714	13,266	14,833	230,795	(1,735)	10.00%	23,080
									192,650
Consolidated									
March 31, 2023									
Investees	Relationship	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Profit (loss)	Interest (%)	Balances
Joint ventures									
Tucano Holdings III	Direct	41,481	491,567	80,288	236,157	216,603	1,525	50.00%	108,302
Solalban	Indirect	62,689	23,677	54,979	4,815	26,572	(594)	58.00%	15,412
Affiliate									
Lar do Sol I	Direct	17,232	410,561	14,549	195,995	217,249	4,450	10.00%	21,727
Lar do Sol II	Direct	16,859	217,880	7,589	98,599	128,551	(1,187)	10.00%	12,856
Lar do Sol III	Direct	8,908	213,221	6,728	98,599	116,802	(1,075)	10.00%	11,680
Veleiros Holdings S. A.	Indirect	277,803	390,040	13,978	424,346	229,519	(1,277)	10.00%	22,952
Total									192,929

Parent Company	December 31, 2021	Translation adjustments	Addition / Capital Increase	Other	Equity pickup		Amortization	Write-offs	Effect of the application of IAS 29	December 31, 2022
					in the result for the period	In Other Comprehensive Income				
Indupa Argentina	2,210,442	-	2,457	-	653,700	(320,784)	-	-	282,048	2,827,863
Surplus	135,551	(2,722)	128	-	-	-	(27,409)	(391)	-	105,157
Tucano Holdings III	87,491	-	-	-	20,048	-	-	-	-	107,539
Lar do Sol I	-	-	21,293	2	(13)	-	-	-	-	21,282
Lar do Sol II	-	-	12,983	1	(9)	-	-	-	-	12,975
Lar do Sol III	-	-	11,798	1	(11)	-	-	-	-	11,788
Total	2,433,484	(2,722)	48,659	4	673,715	(320,784)	(27,409)	(391)	282,048	3,086,604

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

Parent Company	December 31, 2022	Translation adjustments	Addition / Capital Increase	Equity pickup			Effect of the application of IAS 29	March 31, 2023
				in the result for the period	In Other Comprehensive Income	Amortization		
Indupa Argentina	2,827,863	-	469	97,697	(174,638)	-	159,476	2,910,867
Surplus	105,157	(7)	17	-	-	(4,274)	-	100,893
Tucano Holdings III	107,539	-	-	762	-	-	-	108,301
Lar do Sol I	21,282	-	-	445	-	-	-	21,727
Lar do Sol II	12,975	-	-	(119)	-	-	-	12,856
Lar do Sol III	11,788	-	-	(108)	-	-	-	11,680
<b>Total</b>	<b>3,086,604</b>	<b>(7)</b>	<b>486</b>	<b>98,677</b>	<b>(174,638)</b>	<b>(4,274)</b>	<b>159,476</b>	<b>3,166,324</b>

Consolidated	December 31, 2021	Translation adjustment s	Addition / Capital Increase	Equity pickup			Effect of the application of IAS 29	December 31, 2022
				Other	in the result for the period			
Tucano Holdings III	87,491	-	-	-	20,048	-	-	107,539
Solalban	17,504	(7,400)	-	-	(3,140)	9,022	-	15,986
Veleiros Holdings S. A.	-	-	23,183	-	(103)	-	-	23,080
Lar do Sol I	-	-	21,293	2	(13)	-	-	21,282
Lar do Sol II	-	-	12,983	1	(9)	-	-	12,975
Lar do Sol III	-	-	11,798	1	(11)	-	-	11,788
<b>Total</b>	<b>104,995</b>	<b>(7,400)</b>	<b>69,257</b>	<b>4</b>	<b>16,772</b>	<b>9,022</b>	-	<b>192,650</b>

Consolidated	December 31, 2022	Translation adjustments	Equity pickup in the result for the period	Effect of the application of IAS 29	March 31, 2023
Tucano Holdings III	107,539	-	762	-	108,301
Solalban	15,986	(2,838)	(593)	2,858	15,413
Veleiros Holdings S. A.	23,080	-	(128)	-	22,952
Lar do Sol I	21,282	-	445	-	21,727
Lar do Sol II	12,975	-	(119)	-	12,856
Lar do Sol III	11,788	-	(108)	-	11,680
<b>Total</b>	<b>192,650</b>	<b>(2,838)</b>	<b>259</b>	<b>2,858</b>	<b>192,929</b>

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

### 12. Property, plant and equipment

Parent Company	Average depreciation rate		Cost	Accumulated depreciation	Net	
	March 31, 2023	December 31, 2022			March 31, 2023	December 31, 2022
Land	-	-	253,690	-	253,690	253,690
	3.45% to					
Buildings and construction	6.67%	3.45% to 6.67%	164,090	(81,229)	82,861	81,863
Equipment and facilities	5% to 6%	5% to 6%	1,336,428	(882,143)	454,285	455,250
Vehicles	20%	20%	229	(229)	-	-
Furniture and fixtures	10%	10%	15,878	(12,680)	3,198	2,255
Other assets	10%	10%	22,400	(12,344)	10,056	8,900
PP&E under construction	-	-	78,986	-	78,986	78,840
			1,871,701	(988,625)	883,076	880,798

Consolidated	Average depreciation rate		Cost	Accumulated depreciation	Net	
	March 31, 2023	December 31, 2022			March 31, 2023	December 31, 2022
Land	-	-	309,936	-	309,936	309,876
	2.73% to					
Buildings and construction	6.67%	3.33% to 6.67%	605,045	(333,843)	271,202	268,954
Equipment and facilities	5% to 10%	5% to 10%	4,162,761	(2,794,344)	1,368,417	1,354,978
Vehicles	20%	20%	3,788	(3,648)	140	354
Furniture and fixtures	10% to 14.45%	10%	35,333	(27,812)	7,521	7,086
Other assets	10%	10%	52,314	(34,749)	17,565	17,230
PP&E under construction	-	-	303,829	-	303,829	321,884
			5,473,006	(3,194,396)	2,278,610	2,280,362

#### Changes in PP&E

Parent Company	December 31, 2021	Net additions due to transfers	Write-offs	Depreciation	December 31, 2022	Net additions due to transfers	Depreciation	March 31, 2023
Land	247,550	6,140	-	-	253,690	-	-	253,690
Buildings and construction	85,412	2,317	-	(5,866)	81,863	2,509	(1,511)	82,861
Equipment and facilities	469,757	43,437	(12)	(57,932)	455,250	14,563	(15,528)	454,285
Furniture and fixtures	2,597	144	(1)	(485)	2,255	1,082	(139)	3,198
Other assets	8,816	864	-	(780)	8,900	1,362	(206)	10,056
PP&E under construction <sup>(1)</sup>	48,912	29,928	-	-	78,840	146	-	78,986
	863,044	82,830	(13)	(65,063)	880,798	19,662	(17,384)	883,076

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

On March 31, 2023 and December 31, 2022.

(In thousands of reais)

<b>Consolidated</b>	<b>December 31, 2021</b>	<b>Net additions due to transfers</b>	<b>Write- offs</b>	<b>Depreciation</b>	<b>Effect of the application of IAS 29</b>	<b>Translation adjustments</b>	<b>December 31, 2022</b>
Land	301,177	6,140	-	-	22,298	(19,739)	309,876
Buildings and construction	267,401	11,795	-	(16,381)	33,024	(26,885)	268,954
Equipment and facilities	1,319,208	151,207	(2,240)	(149,366)	190,277	(154,108)	1,354,978
Vehicles	527	19	-	(48)	106	(250)	354
Furniture and fixtures	5,851	1,965	(40)	(1,097)	1,633	(1,226)	7,086
Other assets	12,828	5,944	(9)	(2,777)	1,462	(218)	17,230
PP&E under construction <sup>(1)</sup>	252,932	127,428	-	-	11,872	(70,348)	321,884
	<u>2,159,924</u>	<u>304,498</u>	<u>(2,289)</u>	<u>(169,669)</u>	<u>260,672</u>	<u>(272,774)</u>	<u>2,280,362</u>

<b>Consolidated</b>	<b>December 31, 2022</b>	<b>Net additions due to transfers</b>	<b>Write-offs</b>	<b>Depreciation</b>	<b>Effect of the application of IAS 29</b>	<b>Translation adjustments</b>	<b>March 31, 2023</b>
Land	309,876	-	-	-	8,191	(8,131)	309,936
Buildings and construction	268,954	3,808	-	(3,087)	11,540	(10,013)	271,202
Equipment and facilities	1,354,978	54,028	(3)	(34,443)	70,133	(76,276)	1,368,417
Vehicles	354	-	-	(10)	28	(232)	140
Furniture and fixtures	7,086	1,110	-	(326)	399	(748)	7,521
Other assets	17,230	1,362	-	(725)	721	(1,023)	17,565
PP&E under construction <sup>(1)</sup>	321,884	(14,317)	-	-	11,302	(15,040)	303,829
	<u>2,280,362</u>	<u>45,991</u>	<u>(3)</u>	<u>(38,591)</u>	<u>102,314</u>	<u>(111,463)</u>	<u>2,278,610</u>

<sup>(1)</sup> Mainly related to the improvement of plants and modernization of integrated management systems.

## Unipar Carbocloro S.A.

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(In thousands of reais)

The Company and its subsidiaries assess the impairment of PP&E items according to CPC 01 (R1) – Asset Impairment. For the quarter ended March 31, 2023, there was no evidence of assets being recorded at costs higher than their recoverable amounts.

In 2022, the indirect subsidiary Indupa Brasil reviewed the estimated useful lives of PP&E items based on an external appraiser's report. Based on the Company's policy, the changes in the useful lives were prospectively as of 2023 and the estimated effect will result in a decrease of R\$24,177 in the depreciation expense of 2023 and following years, considering the base date of December 31, 2022. In the quarter ended March 31, 2023, such changes led to a R\$6,309 decrease in depreciation expenses.

With the approval of the Minamata Convention (Decree 9,470, of August 14, 2018) by the Brazilian National Congress, which provides for the elimination of the use of mercury in manufacturing processes, such as the production of chlor-alkali, in 2021, the Company concluded studies to end mercury production and accelerated the depreciation of PP&E items related to this technology, so they are fully depreciated by the end of 2024, since there are no expected future benefits from these items after such date.

Due to hyperinflation adjustments recorded by the direct subsidiary Unipar Indupa SAIC, the Company analyzes whether there are indications of impairment of the PP&E item. Despite the challenging scenario, the direct subsidiary has had a history of positive operating results and profitability in the last few years, and has a significant market share in the local market. As part of the evaluation, the recoverable amount is analyzed based on the value in use of the operations in Argentina, based on the projections of the results for the next 10 years, considering discount and growth rates compatible with local risk prospects and the market share in which the indirect subsidiary operates. The analysis did not identify any impairment loss of the direct subsidiary on December 31, 2022. In the quarter ended March 31, 2023, there was no indication that led management to review such analysis.

### 13. Intangible assets

	Annual amortization rate		Parent Company		Consolidated	
			Net		Net	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Goodwill	-	-	273,025	273,025	274,082	274,310
Software right of use	20%	20%	18,390	8,157	41,675	23,603
			291,415	281,182	315,757	297,913

In 2013, Unipar Participações S.A (former Unipar Carbocloro S.A.), which was not operational, acquired an additional interest of 50% in Carbocloro Indústrias Químicas Ltda. ("Carbocloro"). Considering that Unipar Participações S.A. already held a 50% interest in Carbocloro at the time of the acquisition, such transaction was given a gradual business treatment, thus calculating a total goodwill of R\$273,025. Carbocloro was absorbed by the Company on September 30, 2013. The balances are not amortized and can only be reduced upon the sale or impairment of the related asset.

The Company carried out the impairment test on December 31, 2022, and considered, among other factors, the relation between its market capitalization and its book value, when it performs a review to identify indications of impairment. On December 31, 2022, the Company believed that the market capitalization was greater than the book value of its capital, corroborating Management's understanding that there were no indications of asset impairment.



## Unipar Carbocloro S.A.

### Notes to the parent company and consolidated financial statements

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(In thousands of reais)

On December 31, 2022, the recoverable value was calculated based on the value in use, according to cash projections arising from financial budgets approved by the Company's Management for the next ten years. The discount rate (WACC) applied to cash flow projections is 12.47%. As a result of this analysis, the calculated value in use was higher than the book value. Therefore, the Company did not identify any need to record a provision for the impairment of such assets. The Company's Management did not identify any indication that such analyses required a review for March 31, 2023.

## 14. Suppliers

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Domestic suppliers	42,339	42,523	270,037	299,464
Domestic suppliers - PP&E	4,215	10,781	13,392	37,419
Domestic suppliers - related parties	-	107	-	-
Domestic suppliers - confirming operation (1)	3,828	4,728	8,167	13,026
Foreign suppliers	23,212	559	41,029	15,805
	73,594	58,698	332,625	365,714
Current	73,594	58,698	332,625	365,714

(1) The Company and its subsidiaries entered into contracts with partner banks to structure the "confirming operation" together with its suppliers. In this operation, suppliers transfer receivables to the bank in exchange for advance payment. The bank, in turn, becomes the operation's creditor, and the Company settles the payment on the same data originally agreed upon with its supplier. Such contracts do not expect any type of compensation to the Company when carrying out transactions with the banks. The operation does not substantially change the terms, prices and commercial conditions previously defined with suppliers; therefore, the Company understands that it is still an operational liability and records the operation in the Suppliers line. Moreover, the Company's Management observed quantitative aspects, as the amounts involved in such transactions are not relevant concerning (i) the total balance of suppliers; and (ii) the financial statements taken as a whole.

## 15. Loans, financing, and debentures

	Currency	Parent Company		Consolidated	
		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Local currency					
Debentures - Carbocloro (2022 e 2023: CD + 1.25% p.a.) (1)	R\$	219,513	215,287	219,513	215,287
Debentures - Carbocloro (2022 e 2023: CDI + 1.90% p.a.) (2)	R\$	912,112	886,862	912,112	886,862
Working capital - Carbocloro (2022 and 2023 - CDI + 1.25% p.a.) (3)	R\$	12,570	12,347	12,570	12,347
Working Capital (fixed rate) - Indupa AR	AR\$	-	-	2	2
BNDES - Indupa BR (TJLP + 1.87% p.a.) (4)	R\$	-	-	13,206	14,127
BNDES - Indupa BR (IPCA + 2.14% p.a.) (4)	R\$	-	-	21,193	20,490
Commercial Note (2022 and 2923 - CDI + 1.50% p.a.) - Related Parties (Note 9) (6)	R\$	682,301	658,322	-	-
Promissory Note - Carbocloro (2022 e 2023: CDI + 1.85% p.a.) (5)	R\$	249,664	242,631	249,664	242,631
		2,076,160	2,015,449	1,428,260	1,391,746
Current		241,340	168,988	220,019	171,206
Non-current		1,834,820	1,846,461	1,208,241	1,220,540

(1) Simple, unsecured debentures not convertible into shares issued on March 28, 2018, in two series, totaling R\$350,000, to extend the Company's consolidated debt profile and reinforce its cash position. 96% of the first series debentures, totaling R\$210,170, were extended through the 5th debenture issue on June 10, 2019. The principal amount was not extended, being amortized on March 20, 2020, and the amount corresponding to the 5th debenture issue of R\$201,050 will be amortized in three annual installments beginning on June 12, 2023. The amortization of the 2nd series, totaling R\$139,830, was concluded on March 20, 2022. Interest is paid every six months.

(2) (i) Simple, unsecured debentures not convertible into shares issued on April 30, 2021, in two series, totaling R\$350,000, to extend the Company's consolidated debt profile and reinforce its cash position. The first series, totaling R\$117,000, will be amortized in an annual installment on April 29, 2024. The second series, totaling R\$233,000, will be amortized in two

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annual installments falling due on April 29, 2025 and 2026. Interest will be paid every six months for both issues. (ii) Simple, unsecured debentures not convertible into shares issued on November 10, 2021, in a single series, totaling R\$500,000, to extend the Company's consolidated debt profile and strengthen its cash position. The principal amount will be amortized in two installments, the first on October 13, 2027, totaling R\$250,000, and the second on October 13, 2028, totaling R\$250,000. Interest is paid every six months.

- (3) Guarantee-free fundraising to reinforce the Company's cash position consisting of loans in U.S. dollars with swap in reais, totaling R12,570. This amount was updated in the curve of R\$16,210, being counterbalanced by the positive swap adjustment of R\$3,639, so that the balance on March 31, 2023 is R\$12,571, with interest paid every quarter, and the principal amount amortized in nine quarterly installments beginning in March 2021.
- (4) Fundraising aimed at the modernization and expansion of the PVC resin production line of the Santo André plant of the indirect subsidiary Unipar Indupa do Brasil, collateralized by a suretyship from the Company. For loans indexed to the IPCA, the payment of interest and principal are annually made, maturing on September 15, 2025. For loans indexed to TJLP, the payment of principal and interest are semi-annually made, maturing on August 17, 2026.
- (5) Guarantee-free fundraising, in two series, totaling R\$200,000, to extend the Company's consolidated debt profile and reinforce its cash position. The first series, totaling R\$100,000, will be amortized in an annual installment on July 8, 2024, and the second series, totaling R\$100,000, will be amortized in an annual installment on July 8, 2026. Interest will be paid on maturity for both issues.
- (6) On November 28 and 29, 2022, the Company raised funds through the Commercial Notes ("Notes") issued by its indirect subsidiary Unipar Indupa do Brasil S.A., totaling R\$650,000. The notes are remunerated based on the variation of the CDI + interest of 1.5% p.a., paid every year. The principal will be paid in two installments, maturing on November 26, 2027 and November 26, 2028.

The amortization schedule of these loans and financings is as follows:

	<b>Parent Company</b>	<b>Consolidated</b>
	<b>March 31, 2023</b>	<b>March 31, 2023</b>
2023	241,340	219,452
2024	285,167	295,388
2025	183,517	193,797
2026	216,500	219,656
2027	250,000	250,000
2028 onwards	899,636	249,967
	<b>2,076,160</b>	<b>1,428,260</b>

Certain loans, financing, and debentures have clauses establishing compliance with certain financial and non-financial indicators (covenants). These indicators are yearly measured, according to the terms defined in each contract. On March 31, 2023 and December 31, 2022, the Company and its subsidiaries complied with these clauses.

## 16. Payroll and social security charges

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Provisions on payroll	19,308	16,297	50,232	50,849
Profit sharing, bonuses, and awards	15,748	40,855	30,877	101,705
Payroll charges	7,432	7,294	25,106	24,380
Others	-	-	9,547	19,439
	<b>42,488</b>	<b>64,446</b>	<b>115,762</b>	<b>196,373</b>
Current	32,900	55,211	105,671	186,458
Non-current	9,588	9,235	10,091	9,915

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### **17. Electricity**

The Company and its indirect subsidiary Indupa Brasil have long-term agreements to supply electricity to free consumers. Electricity costs include the acquisition price of the contracted energy, tariff for the use of the transmission system (TUST), and government charges. One of the charges refers to the Energy Development Account ("CDE"), which is annually defined by the Brazilian Government through the Brazilian Electricity Regulatory Agency ("ANEEL").

The initial publication of CDE related to the August 2015 - July 2016 period indicated an increase in the charge, leading the Company, Indupa Brasil, and free consumers to challenge in court the charge of CDE at the new value. The lawsuit was under the care of the Brazilian Association of Large Industrial Energy Consumers and Free Consumers ("ABRACE").

In early 3Q15, ABRACE was granted a preliminary injunction indicating that while the lawsuit is pending a decision, free consumers who challenged the amount should be charged at values lower than those initially charged. The Company and Indupa Brasil created a provision for the full amount initially set, but only pay the amounts provided for in the preliminary injunction based on the supplier's billing. The appeal filed by ANEEL is currently pending a court decision.

The initial publication of CDE related to the August 2016 - July 2017 period also indicated amounts that, according to ABRACE, are above those deemed as correct by the association. Accordingly, ABRACE also challenged in court future charges at the new value and was granted a favorable preliminary injunction on the same terms as that granted for the charges related to the August 2015 - July 2016 period. The lawsuit is currently pending entry of judgment. On March 31, 2023, the aforementioned lawsuits were still pending a decision.

The initial publication of CDE related to 2019 indicated an increase of the charge, leading the Company, Indupa Brasil, and free consumers to challenge in court the charge of CDE at the new value. The lawsuit was under the care of the Brazilian Association of Large Industrial Energy Consumers and Free Consumers ("ABRACE"). The claim was denied. The Federal Regional Court of the 1st Region granted the interlocutory relief to suspend the enforceability of the electricity tariff charged at subsidy amounts intended for public policies not related to the public electricity service until the judgment of the appeal was filed. The Federal Supreme Court suspended the ruling of the 1st Federal Regional Court and, therefore, the collections are being made in the full amount, disregarding the injunction granted by the Regional Court.

Through ABRACE, the Company and its indirect subsidiary Indupa Brasil filed a lawsuit seeking a declaration of unenforceability of the payment of the portion of the Tariff for the Use of the Transmission System (TUST) related to the compensation addressed by paragraph 2 of article 15 of Law 12,783/2013.

The preliminary injunction was partially granted "to determine that ANEEL excludes the so-called "remuneration" portion of the Tariff for the Use of the Transmission System (TUST), calculated on reversible assets not yet amortized or depreciated, provided for in paragraph 2 of article 15 of Law 12,783/2013, and that only the adjustment should apply to the amount". The claim was denied. For this reason, the Company and its indirect subsidiary Indupa Brasil are already collecting the unpaid amounts due to the preliminary injunction granted. Payments are monthly made through an increase in the monthly consumption bill, with the reversal of the provisioned amounts.

The Company and its indirect subsidiary Indupa Brasil, through ABRACE, filed a lawsuit to challenge the distortions in the pricing formation model (PLD) and its consequences to the high cost of the System

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Services Charge (ESS). The injunction granted is suspended because of the Federal Court of the 1st Region's decision of November 2022. The lawsuit is currently pending a decision.

### 18. Legal claims

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Tax	11,291	11,270	16,385	16,475
Labor and social security	17,762	19,635	33,052	35,757
Civil	1,809	305	10,028	8,479
Total	30,862	31,210	59,465	60,711
Tax court deposits	(7,517)	(7,562)	(7,581)	(7,626)
Labor court deposits	(7,250)	(7,477)	(12,974)	(12,655)
Total	(14,767)	(15,039)	(20,555)	(20,281)
	16,095	16,171	38,910	40,430
Current	685	866	4,506	5,191
Non-current	15,410	15,305	34,404	35,239

The Company and its subsidiaries, supported by the assessment of their internal and external legal counsels, classify the likelihood of loss as "probable", "possible", and "remote".

Provisions are created for lawsuits deemed as "probable" and, where applicable, the balances are recorded net of the court deposits linked to the lawsuits, as follows:

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The changes in the provisions for lawsuits are as follows:

Parent Company	December 31, 2021	Additions	Write- offs/Reversal	Transfers	Monetary adjustment	December 31, 2022	Additions	Write- offs/Reversal	Monetary adjustment	March 31, 2023
Tax	22,941	1,493	(13,345)	181	-	11,270	67	(46)	-	11,291
Labor and social security	15,400	7,474	(3,239)	-	-	19,635	200	(2,073)	-	17,762
Civil	10	5,702	(5,407)	-	-	305	1,504	-	-	1,809
Court deposits	(12,172)	(3,400)	1,077	(438)	(106)	(15,039)	-	290	(18)	(14,767)
	<u>26,179</u>	<u>11,269</u>	<u>(20,914)</u>	<u>(257)</u>	<u>(106)</u>	<u>16,171</u>	<u>1,771</u>	<u>(1,829)</u>	<u>(18)</u>	<u>16,095</u>

Consolidated	December 31, 2021	Additions	Write- offs/Reversal	Transfers	Monetary adjustment	Translation adjustments	December 31, 2022	Additions	Write- offs/Reversal	Monetary adjustment	Translation adjustments	March 31, 2023
Tax	58,374	3,159	(45,239)	181	-	-	16,475	636	(726)	-	-	16,385
Labor and social security	38,307	12,456	(9,830)	-	-	(5,176)	35,757	130	(2,341)	83	(577)	33,052
Civil	5,406	17,955	(14,882)	-	-	-	8,479	1,549	-	-	-	10,028
Court deposits	(24,426)	(8,703)	13,408	(438)	(106)	(16)	(20,281)	(583)	326	(18)	1	(20,555)
	<u>77,661</u>	<u>24,867</u>	<u>(56,543)</u>	<u>(257)</u>	<u>(106)</u>	<u>(5,192)</u>	<u>40,430</u>	<u>1,732</u>	<u>(2,741)</u>	<u>65</u>	<u>(576)</u>	<u>38,910</u>

The main lawsuits and related fees, when applicable, are as follows:

### Parent Company

#### a) Tax claims

##### i. Tax lawsuits (probable loss)

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Include several lawsuits related to litigation regarding PIS, COFINS, INSS, and IPTU, among others, totaling R\$8,163 on March 31, 2023 (R\$8,195 on December 31, 2022), classified as a probable loss by the legal counsel.

### *ii. Success fees*

The Company records a provision for payment of attorney fees for lawsuits involving success fees. On March 31, 2023, this provision totaled R\$3,128 (R\$3,075 on December 31, 2022).

### *iii. Other tax lawsuits (possible loss)*

Consists mainly of disputes over the offsetting of tax and contributions not ratified by the Federal Revenue Service, tax lawsuits filed by the former subsidiary Goyana, requirement of IOF collection on credit operations with affiliates, non-deductibility of income tax and social contribution expenses, and the requirement of PIS and COFINS collection, among others, totaling R\$31,396 on March 31, 2023 (R\$30,841 on December 31, 2022). Based on the assessment of the legal counsel, Management considers the likelihood of loss as possible and does not maintain any provision for these contingencies.

## b) Labor and social security lawsuits

### *i. Labor and social security lawsuits*

This line mainly consists of labor lawsuits generally referring to claims filed by former employees and contractors' employees primarily questioning the right to receive bonuses, overtime, and the respective charges. Based on its legal counsel's opinion, the Company considered the likelihood of loss as probable in the total amount of R\$14,244 on March 31, 2023 (R\$16,317 on December 31, 2022) and considered the likelihood of loss as possible in the amount of R\$27,393 on March 31, 2023 (R\$26,879 on December 31, 2022).

### *ii. Other labor lawsuits*

This line consists of labor lawsuits filed by former employees of the former investee, totaling R\$3,912 on March 31, 2023 (R\$3,962 on December 31, 2022). Based on the legal advisors' opinion, Management considers the likelihood of loss as possible and does not maintain any provision for these contingencies. Furthermore, the Company has a refund clause related to such lawsuits. The Company has a decision rendered by the Superior Labor Court rejecting that argument.

### *iii. Success fees*

The Company records a provision for payment of attorney fees for lawsuits involving success fees. On March 31, 2023, this provision totaled R\$3,518 (R\$3,318 on December 31, 2022).

## c) Civil lawsuits

### *i. Lawsuits (probable loss)*

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*The Company has a lawsuit related to loss of suit fees totaling R\$309 on March 31, 2023 (R\$305 on December 31, 2022).*

### *ii. Success fees*

The Company records a provision for payment of attorney fees for lawsuits involving success fees. On March 31, 2023, this provision totaled R\$1,500.

### d) Environmental lawsuits

#### *i. Unmeasurable lawsuits*

The Federal Prosecution Office ("MPF") filed a public lawsuit requesting the restructuring of the mercury cell production unit and the repair of any environmental damage through the payment of indemnification. The lawsuit was dismissed in the lower court, without a resolution on the merits. The MPF filed an appeal, reconsidering the decision to produce new evidence. After the decision of the Higher Courts (Superior Court of Justice - "STJ"), the lawsuit returned to its original Court for evidence and ruling. To collect costs, the amount of R\$500 was attributed to the claim. However, in the current procedural stage, it is not possible to estimate reliable amounts in the event of a possible conviction.

The Federal Prosecution Office also filed a public lawsuit against the Company requesting the recovery of any environmental damage, indemnification for irrecoverable damage, implementation of online treatment and monitoring systems, maintenance of mercury management, and its final disposal. The inspection was conducted on July 13, 2016, and the expert report issued was favorable to the Company. To collect costs, the amount of R\$20,000 was attributed to the claim. However, in the current procedural stage, it is not possible to estimate reliable amounts in the event of a possible conviction.

### Subsidiary Indupa Brasil

The main lawsuits and related fees are as follows:

#### a) Tax claims

##### *i. Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL")*

As a result of the past hyperinflation, the monetary adjustment of the PP&E amounts using a mandatory index determined by the government was regulated (beginning in December 1995). This index was artificially maintained at a lower value in 1991 in comparison with other independent agencies' inflation indexes. The Company reappraised its assets with a higher index in 1991, thereby generating a higher annual depreciation for the future fiscal years. The corresponding tax law determined that said supplementary contributions on the depreciation arising from the difference among the indexes shall be considered deductible expenses only to collect income tax for six years beginning in 1992. However, the Company decided to consider the amount related to this difference as a deductible expense of income tax and social contribution in the first year. As a result, the tax authorities later issued a notice to the Company.

On March 31, 2023, the claim totaled R\$43,455 (R\$43,391 on December 31, 2022). Based on the

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Company's legal counsel's opinion, the claim was classified according to its likelihood of loss as probable and possible. The amount assessed as probable loss was R\$2,103 (R\$2,103 on December 31, 2022), and the amount assessed as possible loss was R\$41,352 (R\$41,287 on December 31, 2022).

### *ii. Other tax lawsuits (probable loss)*

On March 31, 2023, the Company's disputes totaled R\$616 (R\$64 on December 31, 2022). These refer to lawsuits related to municipal taxes.

### *iii. Other tax lawsuits (possible loss)*

In addition to the lawsuit described in item "i", the Company is engaged in disputes over the offsetting of taxes and contributions not ratified by the Federal Revenue Office, totaling R\$43,355 (R\$44,894 on December 31, 2022), and other lawsuits amounting to R\$4,331 (R\$4,214 on December 31, 2022).

As a result, Management considered the likelihood of loss possible totaling R\$89,038 on March 31, 2023 (R\$90,396 on December 31, 2022), based on the legal counsel's appraisal; moreover, it does not maintain any provision for these contingencies.

### *iv. Success fees*

The Company records a provision for payment of attorney fees for lawsuits involving success fees. On March 31, 2023, this provision totaled R\$2,375 (R\$3,307 on December 31, 2022).

## **b) Labor and social security lawsuits**

### *i. Labor and social security lawsuits*

This item consists mainly of labor lawsuits generally referring to claims filed by former employees primarily questioning the right to receive indemnification for pecuniary damage/pain and suffering, occupational diseases, outsourcing, performance bonuses and salary equalization. Based on the appraisal prepared by the legal advisors, the Company considered the likelihood of loss as probable, in the total amount of R\$12,414 on December 31, 2022 (R\$12,865 on December 31, 2022) and considered the likelihood of loss as possible, in the amount of R\$2,446 (R\$4,436 on December 31, 2022).

The Company is a party to one of the labor lawsuits deemed as a possible loss, in which one of its former customers, who filed for bankruptcy, claims the recognition that it would be part of its economic group. The Company was granted an unfavorable decision in the appellate court and understands that it has strong arguments to reverse such decision.

## **c) Civil lawsuits**

### *i. Civil lawsuits (probable loss)*

Refers basically to fees for loss of suit for credit recovery proceedings from defaulting customers and compensation lawsuits.



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Based on its legal counsel's opinion, the Company considered the likelihood of loss as probable in the total amount of R\$8,219 on March 31, 2023 (R\$8,174 on December 31, 2022) and considered the likelihood of loss as possible in the amount of R\$40,803 on March 31, 2023 (R\$40,500 on December 31, 2022).

### d) Environmental lawsuits (*possible loss*)

Based on its legal counsel's opinion, the Company considered the likelihood of loss possible in the total amount of R\$108 on March 31, 2023 (R\$108 on December 31, 2022 for CETESB's deficiency notice).

### Subsidiary Indupa Argentina

#### a) Labor and social security lawsuits

##### i. Labor and social security lawsuits (*probable loss*)

Labor lawsuits generally refer to former employee claims primarily questioning the right to receive indemnification differences and indemnification for occupational diseases, for which the subsidiary, based on the appraisal prepared by its legal advisors, maintains a provision of R\$2,546 on March 31, 2023 (R\$3,257 on December 31, 2022).

## 19. Environmental liabilities

The Company and its subsidiaries are exposed to environmental risks arising from the leakage of chemicals, equipment failure, transport accidents, or failures in the production process. Management considers environmental protection to be a key aspect of the Company's activities, implementing policies to prevent and control these risks across production units and complying, many times, with more than the required legal standards.

"CETESB" (Environmental Company of the São Paulo State) monitors the lawsuits based on the appraisal of reports and other documents related to the Management of Contaminated Areas issued by specialized consulting firms that work as responsible technicians. These documents are digitally filed in Cetesb's e-environment system. Additionally, periodic technical visits are carried out to monitor the environmental liabilities management actions.

In compliance with these policies, the Company regularly prepares reports to identify areas that have been potentially impacted and, according to its best cost estimate, records the estimated amounts required to investigate, treat, and clean the areas potentially impacted. The measurement of the provision takes into consideration all the activities necessary to manage environmental liabilities (investigation stage, monitoring, operation and maintenance of remediation systems, execution of pilot tests, and implementation of intervention plans), including the estimates prepared by the consulting firms that work as responsible technicians of the processes with "CETESB", and are reassessed every quarter. The provision balances are as follows:

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Environmental liabilities	5,836	5,660	58,905	59,959
Current	700	699	20,312	23,095

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Non-current	<u>5,136</u>	<u>4,961</u>	<u>38,593</u>	<u>36,864</u>
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### Changes in provisions for environmental liabilities

<b>Parent Company</b>	<b>December 31, 2021</b>	<b>Additions</b>	<b>Utilization</b>	<b>December 31, 2022</b>	<b>Additions</b>	<b>Utilization</b>	<b>March 31, 2023</b>
Environmental liabilities	2,765	3,387	(492)	5,660	267	(91)	5,836

<b>Consolidated</b>	<b>December 31, 2021</b>	<b>Additions</b>	<b>Utilization</b>	<b>Translation adjustments</b>	<b>December 31, 2022</b>
Environmental liabilities	48,316	32,781	(1) (17,970)	(3,168)	59,959

<b>Consolidated</b>	<b>December 31, 2022</b>	<b>Additions</b>	<b>Utilization</b>	<b>Translation adjustments</b>	<b>March 31, 2023</b>
Environmental liabilities	59,959	4,576	(3,304)	(2,326)	58,905

(1) In 2021, the Company, based on in-depth technical studies through the monitoring of the quality of groundwater, studies of alternative remediation technologies, pilot tests of the selected alternatives, as well as the implementation of intervention plans, reassessed its estimate for the expenses required for the next 5 years regarding the management of environmental liabilities."

As agreed between the parties, the Company requested "CETESB" to provide the new version of the risk spreadsheets to proceed with the implementation of the definitive intervention plan.

On March 31, 2023, the estimate of annual expenditures is as follows:

	<b>Parent Company</b>	<b>Consolidated</b>
	<b>March 31, 2023</b>	<b>March 31, 2023</b>
2023	608	19,851
2024	339	9,693
2025	306	7,347
2026	2,171	7,559
2027	1,941	12,902
2028 onwards	471	1,553
	<u>5,836</u>	<u>58,905</u>

## 20. Income tax and social contribution

### a) Effective rate reconciliation

	<b>Parent Company</b>		<b>Consolidated</b>
	<b>1Q23</b>	<b>1Q22</b>	<b>1Q23</b>
Earnings before taxes	330,595	517,315	457,779
Combined nominal rate of IRPJ and CSLL	34%	34%	34%
Tax calculated based on the combined nominal rate	(112,402)	(175,887)	(155,645)
<b>Permanent differences</b>			
Equity pickup	33,550	101,218	90
Nominal rate difference for the subsidiary in Argentina	-	-	(352)
Effect of the application of IAS 29 (hyperinflation) (1)	-	-	(39,754)
Exclusion of the inflation adjustment of SELIC on PIS and COFINS credits (2)	83	675	3,744
Non-deductible interest on financial operations (3)	-	-	(10,927)

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Tax inflation adjustment - Law 20628 art. 105.	-	-	(2,219)	(1,337)
Others	(57)	2,075	245	3,207
Total credit from permanent differences	33,576	103,968	(49,173)	(14,455)
<b>Total IRPJ and CSLL expenses recorded in profit/loss</b>	<b>(78,826)</b>	<b>(71,919)</b>	<b>(204,818)</b>	<b>(253,220)</b>
<b>Combined effective rate of IRPJ and CSLL</b>	<b>23.84%</b>	<b>13.90%</b>	<b>44.74%</b>	<b>36.06%</b>
Current IRPJ and CSLL	(76,354)	(94,963)	(136,280)	(232,339)
Deferred IRPJ and CSLL	(2,472)	23,044	(68,538)	(20,881)
<b>Total IR and CSLL income/(expenses)</b>	<b>(78,826)</b>	<b>(71,919)</b>	<b>(204,818)</b>	<b>(253,220)</b>

- (1) Refers to the effects on the effective tax rate caused by hyperinflation effects, according to IAS 29, recorded by Indupa Argentina.
- (2) Refers to the application of the rate of 34% on the monetary adjustment amount, based on the Selic rate, as informed in Note 6.
- (3) Corresponds to the non-deductible portion of interest incurred in the loan with Unipar Indupa SAIC, calculated based on the transfer price parameters.

#### b) Deferred income tax and social contribution

Deferred income tax and social contribution are calculated on tax-loss carryforward and temporary differences are calculated between accounting profit and taxable income. To determine deferred taxes, the rates of 25% for IRPJ and 9% for CSLL were considered.

Deferred IRPJ and CSLL assets are recognized to the extent that it is probable that future taxable income will be available to be used to offset tax-loss carryforward and temporary differences. The Company uses CPC 32 as a parameter for this recognition. This rule establishes that the recoverable amounts shall be based on the projections of future taxable income. Similar to any estimate, these projections are prepared and based on internal assumptions and hypotheses for future economic scenarios that may change over time.

#### Breakdown of deferred income tax and social contribution:

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<b>Deferred tax assets</b>				
Legal claims	13,572	12,536	22,431	21,459
Goodwill to be amortized	1,988	2,982	1,988	2,982
Tax loss carryforwards	-	39	28,983	37,442
Environmental liabilities	1,984	1,924	15,878	15,929
Employee benefit obligations (IAS 19) (6)	2,082	2,059	9,317	8,923
Provision for electricity charges	28,645	28,769	45,319	45,512
Provision for depreciation of inventory	889	5,957	1,840	13,723
Corporate pro rata payment	-	-	21,197	19,311
Borrowing costs to be amortized	4,906	8,531	4,906	8,531
Others	20,253	23,021	29,433	41,318
<b>Total deferred tax assets</b>	<b>74,319</b>	<b>85,818</b>	<b>181,292</b>	<b>215,130</b>
<b>Deferred tax liabilities</b>				
Effect on business combination (1)	(393,037)	(394,967)	(393,037)	(394,967)
Depreciation effect (accounting/tax) (2)	(98,794)	(99,186)	(182,458)	(180,342)
Effect of the application of IAS 29 (hyperinflation) (3)	-	-	(173,236)	(165,571)
Tax inflation adjustment - Law 20628 art. 105.	-	-	(1,920)	(3,543)
Monetary adjustments	(865)	(865)	(865)	(865)

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Capitalized charges	(2,742)	(2,797)	(5,025)	(5,166)
Tax effect on the gain from equity pickup	(6,074)	(6,074)	(6,074)	(6,074)
Accumulated conversion adjustments of the surplus of Indupa Argentina	22,424	22,421	22,424	22,421
Unrealized financial gain	-	-	(7,726)	(2,124)
Exclusion of ICMS from the PIS/COFINS tax base (5)	-	(5,819)	(114,680)	(123,696)
Exchange variation - Cash basis (4)	(14,878)	(15,588)	(47,925)	(15,588)
<b>Total deferred tax liabilities</b>	<b>(493,966)</b>	<b>(502,875)</b>	<b>(910,522)</b>	<b>(875,515)</b>
<b>(Liabilities) net of deferred tax</b>	<b>(419,647)</b>	<b>(417,057)</b>	<b>(729,230)</b>	<b>(660,385)</b>
<b>Deferred tax assets, net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities, net</b>	<b>(419,647)</b>	<b>(417,057)</b>	<b>(729,230)</b>	<b>(660,385)</b>
<b>Changes in deferred IR and CSLL</b>				

- (1) The Business combination includes revenue from the bargain purchase related to the acquisition of Unipar Indupa S.A.I.C. in 2016. On March 31, 2023, the tax base of revenue from bargain purchase totaled R\$991,212 (R\$995,132 on December 31, 2022). Moreover, the business combination line includes the net value of the surplus of assets related to the acquisition of Carbocloro in 2013. On March 31, 2023, the tax base of the surplus value totaled R\$164,778 (R\$166,537 on December 31, 2022).
- (2) The difference in depreciation was because the accounting useful life considered in the appraisal report was higher than the fiscal useful life.
- (3) Corresponds to deferred income tax on the difference between the accounting base, adjusted for the hyperinflation effects, and the tax base of the subsidiary Unipar Indupa SAIC.
- (4) Corresponds to the result of FX variation (gain or loss) calculated, for tax purposes, when actually realized, according to the cash basis.
- (5) On March 31, 2023, the balance of the credits from the exclusion of ICMS from the PIS/COFINS tax base was fully offset in the parent company (R\$17,116 on December 31, 2022). The indirect subsidiary Indupa do Brasil recorded a deferred liability related to the same matter totaling R\$337,295 (R\$346,698 on December 31, 2022).

Every year the Company carries out a technical feasibility study on the expectation of generation of future taxable income. The deferred IRPJ and CSLL realization schedule is as follows:

	<b>Parent Company</b>	<b>Consolidated</b>
2023	24,571	65,870
2024	9,950	19,353
2025	9,950	19,353
2026	9,950	19,353
2027	19,898	57,363
	<u>74,319</u>	<u>181,292</u>

The Company still has a portion of non-operating tax losses from the sale of equity interests in 2010, for which no deferred tax asset was recorded. These non-operating tax losses totaled R\$525,257 on March 31, 2023 and December 31, 2022.

The indirect subsidiary Indupa Brasil has no operating tax-loss carryforward for which deferred tax assets have not yet been recorded on March 31, 2023.

The Company's corporate structure includes subsidiaries located in Argentina, whose profits are taxed by income tax in that country at rates higher than those prevailing in Brazil.

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The change of deferred IRPJ/CSLL between profit (loss) and other comprehensive income in equity are as follows:

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
<b>Opening balance</b>	<b>(417,057)</b>	(470,289)	<b>(660,385)</b>	(632,582)
In profit/loss	(2,472)	23,044	<b>(94,193)</b>	(35,619)
In equity (Other comprehensive income)	<b>(118)</b>	858	<b>25,348</b>	25,881
<b>Closing balance</b>	<b>(419,647)</b>	(446,387)	<b>(729,230)</b>	(642,320)

Changes in the provision for IRPJ and CSLL payable (recoverable)

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
<b>Opening balance</b>	<b>254,800</b>	93,265	<b>290,319</b>	325,519
Offsets (credits from other taxes)	-	(41,456)	<b>(8,091)</b>	(51,833)
Payment of previous year's IRPJ and CSLL balance	<b>(253,716)</b>	(51,809)	<b>(290,244)</b>	(75,965)
Previous year's balance paid in installments	<b>(5,282)</b>	-	<b>(5,282)</b>	-
Provision for IRPJ and CSLL in the year	<b>76,354</b>	94,963	<b>134,271</b>	227,612
Early payments of IRPJ and CSLL in the year	<b>(16,773)</b>	(16,724)	<b>(38,001)</b>	(43,984)
Reclassification of early overpayments in the year for taxes recoverable	<b>7,125</b>	-	<b>7,125</b>	-
Translation adjustments	-	-	<b>178</b>	(44,606)
<b>Final balance of IR/CS payable</b>	<b>62,508</b>	78,239	<b>108,163</b>	336,743
<b>Final balance of IR/CS recoverable</b>	-	-	<b>(17,888)</b>	-

## 21. Other taxes and contributions payable

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
ICMS payable	<b>20,563</b>	26,495	<b>30,208</b>	27,200
ICMS payable - installment	<b>17,606</b>	20,041	<b>32,239</b>	35,802
PIS payable	<b>1,182</b>	1,541	<b>1,182</b>	1,541
COFINS payable	<b>5,525</b>	7,183	<b>5,525</b>	7,183
Withholding taxes, state and municipal taxes and fees	<b>9,273</b>	6,327	<b>28,872</b>	22,694
Investment tax - Argentina	-	-	<b>16,165</b>	13,940
Value added tax payable - Argentina	-	-	<b>1,105</b>	-
	<b>54,149</b>	61,587	<b>115,296</b>	108,360
Current	<b>45,434</b>	51,315	<b>98,194</b>	88,406
Non-current	<b>8,715</b>	10,272	<b>17,102</b>	19,954

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### 22. Employee benefit obligations

The Company and its subsidiaries offer their employees supplementary retirement plans and other benefits. These plans were described in Note 24 to the annual financial statements of December 31, 2022.

The summary of the breakdown of the net actuarial liability recorded in non-current liabilities on March 31, 2023, and December 31, 2022 is as follows:

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Private pension plan	1	-	1	-
Health insurance	6,123	6,056	18,184	17,781
Termination benefits	-	-	6,865	7,228
Length of service bonus	-	-	979	1,012
Total	6,124	6,056	26,029	26,021

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Parent Company	December 31, 2021	Use	Provision - Result	Provision (Reversal) – OCI	December 31, 2022	Use	Provision - Result	March 31, 2023
Healthcare Plan <sup>(1)</sup>	4,180	(511)	841	1,546	-	-	-	-
Health insurance	-	-	-	-	6,056	(175)	243	6,124
Private Pension	-	-	7,437	(7,437)	-	-	-	-
<b>Total</b>	<b>4,180</b>	<b>(511)</b>	<b>8,278</b>	<b>(5,891)</b>	<b>6,056</b>	<b>(175)</b>	<b>243</b>	<b>6,124</b>

Consolidated	December 31, 2021	Use	Amount received	Provision - Result	Provision (Reversal) – OCI	End of the plan	Translation adjustments	December 31, 2022	Use	Provision - Result	Translation adjustments	March 31, 2023
Healthcare Plan <sup>(1)</sup>	42,334	(2,720)	445	4,213	(26,491)	(17,781)	-	-	-	-	-	-
Health insurance	-	-	-	-	-	17,781	-	17,781	(176)	580	-	18,185
Private Pension	-	-	-	7,437	(7,437)	-	-	-	-	-	-	-
Termination benefits	7,801	(2,111)	-	2,723	1,082	-	(2,267)	7,228	(250)	678	(791)	6,865
Length of service bonus	1,139	(383)	-	221	35	-	-	1,012	(83)	50	-	979
<b>Total</b>	<b>51,274</b>	<b>(5,214)</b>	<b>445</b>	<b>14,594</b>	<b>(32,811)</b>	<b>-</b>	<b>(2,267)</b>	<b>26,021</b>	<b>(509)</b>	<b>1,308</b>	<b>(791)</b>	<b>26,029</b>

<sup>(1)</sup> The variation refers to the change in the health plan to health insurance, with a reduction in the actuarial liability. Due to this change, the obligation decreased by R\$1,554 in the parent company and by R\$26,484 in the consolidated, with a corresponding entry in other comprehensive income.

On February 01, 2022, the Company's Management executed a new contract for Corporate Collective Health Insurance and General Conditions, which significantly changed its actuarial liability. Consequently, the sponsorship to the health plan effective until that moment ended and the participants had the option to join the health insurance benefit offered to the other employees.

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### 23. Capital stock

#### a) Authorized capital

The Company is authorized to increase its capital stock, regardless of any amendments to the Bylaws, by resolution of its Board of Directors, up to the limit of R\$1,200,000 (R\$1,200,000 on December 31, 2022).

#### b) Subscribed and paid-in capital

The subscribed and paid-in capital totaled R\$927,877 on March 31, 2023 and December 31, 2022, composed of registered and book-entry shares as follows:

	Number of shares	
	March 31, 2023	December 31, 2022
Common shares	36,308,767	36,308,767
Class A preferred shares	2,245,812	2,245,812
Class B preferred shares	65,321,579	65,321,579
<b>Total</b>	<b>103,876,158</b>	<b>103,876,158</b>

#### c) Stock rights

Common shares are entitled to a vote on corporate resolutions. Class A preferred shares are entitled to a priority minimum dividend of 10% per year over the portion of the capital stock consisting of this class of share, to be equally distributed among them, and shall not be less than 110% of each common share value.

Class B preferred shares have priority in the distribution of capital, with no premium if the Company is liquidated, and to receive dividends 10% higher than what is attributed to each common share.

All shares have equal conditions in the distribution of share bonuses arising from the capitalization of reserves and/or profits.

#### d) Treasury shares

The Company had 377,092 treasury shares on March 31, 2023 and December 31, 2022, at a book value of R\$31,039 on the same dates. The market value of these shares was R\$25,770 on March 31, 2023 (R\$31,415 on December 31, 2022).

The detailed changes in treasury shares are as follows:

Treasury shares	Number of shares on December 31, 2021	Buyback	Bonus	Share granting	Number of shares on December 31, 2022 and March 31, 2023
	2021				31, 2023
Common shares	-	318,900	-	-	318,900
Class A preferred shares	25,100	-	2,510	-	27,610
Class B preferred shares	5,000	181,660	500	156,578	30,582
<b>Total</b>	<b>30,100</b>	<b>500,560</b>	<b>3,010</b>	<b>156,578</b>	<b>377,092</b>



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### e) Transactions with share-based payments - Restricted stock option plan

On July 13, 2022, the Extraordinary Shareholders' Meeting approved the Restricted Stock Option Plan ("Stock Option Plan"), which consists of the delivery of Company preferred shares to those eligible, as defined by the Board of Directors, which manages the Stock Option Plan.

The Option Plan is carried out through the execution of a contract between the Company and each participant. The Plan was created as part of the compensation structure and to encourage the performance and continuity of the participants at the Company, as well as the recognition of the services provided by the Participants to the Company, since the Participants will be entitled to receive Restricted Shares, subject to compliance with specific conditions established by the Board of Directors.

According to the Option Plan, in July 2022, 365,350 restricted shares were granted to the participants approved by the Company's Board of Directors. That month, 156,578 restricted shares were exercised/delivered, which were not subject to any condition or vesting period by using treasury shares, at R\$15,000, recognized in the parent company under "Administrative Expenses". Changes occurred as follows:

	December 31, 2022		
	Restricted shares		
	Fair Value (in R\$)	Exercise price (in R\$)	Number of shares (in units)
Balance at the beginning of the year	-	-	-
Changes			
Granted	35,001	95.80	365,350
Exercised	(15,000)	95.80	(156,578)
Balance at the end of the period	20,001	-	208,772

The remaining balance of 208,772 restricted shares will be delivered to the participant in four annual installments, from July 2023 to July 2026. The fair value of the remaining balance will be accrued to profit or loss, under "Administrative Expenses", proportionally to each annual installment. On March 31, 2023, R\$2,462 was accrued to profit/ loss and the Company recorded an obligation of R\$6,565 (net of IRRF), presented in "Other reserves".

## 24. Profit reserves

	Profit reserves		
	Legal reserve	Special dividend reserve	Investment reserve
On December 31, 2021	139,801	139,801	867,964
Reversal of time-barred unclaimed dividends	-	-	532
Interim dividends	-	-	-
Cancellation of shares held in treasury	-	-	-
Share granting	-	-	-
Capital increase	-	-	(228,875)
Creation of reserves	45,775	45,775	-
Realization of Reserves	-	-	-
On December 31, 2022	185,576	185,576	639,621
			1,010,773

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### a) Legal reserve

Created at 5% of the net income for each fiscal year up to the limit of 20% of the capital stock, according to Brazilian Corporation Law.

### b) Special dividend reserve - statutory

Created based on the Company's Bylaws, at 5% of the net income for each fiscal year, which cannot exceed 20% of the capital stock, the purpose of the reserve is to ensure a regular flow of dividends and enable, where applicable, the early payment of mandatory dividends. Reversals due to the early payment of mandatory dividends must be recomposed.

### c) Investment reserve - statutory

Created in 2014, the investment reserve is provided for in the Bylaws to ensure the realization of investments of interest of the Company and to reinforce its working capital.

The Company proposed additional dividends for the fiscal year ended December 31, 2022, totaling R\$82,896, approved at the Annual Shareholders' Meeting held on April 20, 2023. The purpose of this decision, along with the proposal for remuneration of shares, is to distribute the surplus of the profit reserves that is higher than the capital stock.

## 25. Net operating income

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
<b>Gross revenue from sales</b>				
Domestic market	713,342	721,571	1,821,338	2,128,653
Foreign market	1,179	22,556	86,741	204,409
	<u>714,521</u>	<u>744,127</u>	<u>1,908,079</u>	<u>2,333,062</u>
Taxes and other sales discounts	(151,698)	(160,618)	(338,780)	(440,107)
Discounts on exports - Argentina	-	-	(1,545)	(2,486)
<b>Net revenue from sales</b>	<u>562,823</u>	<u>583,509</u>	<u>1,567,754</u>	<u>1,890,469</u>

## 26. Costs and expenses by nature

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
Raw materials, inputs, and materials for use and consumption	(143,180)	(166,705)	(730,436)	(750,787)
Expenses with payroll, fees, benefits, and charges to employees and management	(54,867)	(46,933)	(159,172)	(131,782)
Depreciation and amortization charges	(23,032)	(23,756)	(56,771)	(55,572)
Third-party services	(25,088)	(19,941)	(66,571)	(54,292)
Selling freight expenses	(24,521)	(22,746)	(56,724)	(63,819)
Other	(10,902)	(7,627)	(51,665)	(47,040)
	<u>(281,590)</u>	<u>(287,708)</u>	<u>(1,121,339)</u>	<u>(1,103,292)</u>
<b>Costs and expenses by function:</b>				
Cost of goods sold	(202,735)	(222,495)	(955,304)	(947,967)
Selling expenses	(24,521)	(22,746)	(61,217)	(67,711)
Administrative expenses	(54,334)	(42,467)	(104,818)	(87,614)
	<u>(281,590)</u>	<u>(287,708)</u>	<u>(1,121,339)</u>	<u>(1,103,292)</u>

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### 27. Other operating expenses, net

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
Reversal (creation) of provision for lawsuits	(122)	138	(3,978)	(9,276)
Reversal (creation) of provision for environmental liabilities	(267)	(539)	(2,680)	(1,850)
Reversal (creation) of the provision for expected credit losses	-	10	34	(905)
Other costs of goods and rights sold	-	-	(458)	(1,819)
Revenues (expenses) related to the process for the exclusion of ICMS from the PIS/COFINS tax base <sup>(2)</sup>	-	-	-	(725)
Other investment expenses	(4,691)	-	(4,691)	(43)
Other operating income (expenses)	115	(666)	(1,590)	45
Total of other operating income (expenses)	(4,965)	(1,057)	(13,363)	(14,573)

### 28. Financial result

	Parent Company		Consolidated	
	1Q23	1Q22	1Q23	1Q22
<b>Financial income</b>				
Income from cash and cash equivalents and financial investments	19,302	16,927	61,772	60,187
Interest on receivables from related companies	1,744	1,727	-	-
Monetary adjustment gains	531	525	683	525
Monetary adjustment on credit from the exclusion of ICMS from the PIS/COFINS tax base <sup>(1)</sup>	-	2,078	10,768	10,314
Effect of the application of IAS 29 (hyperinflation)	-	-	-	13,028
Other financial income	1,477	102	1,573	(490)
	23,054	21,359	74,796	83,564
<b>Financial expense</b>				
Interest and other charges on loans	(60,778)	(45,312)	(42,496)	(50,258)
Monetary adjustment losses	(226)	(61)	(226)	(61)
PIS and COFINS on financial income	(1,074)	(993)	(3,359)	(1,753)
Effect of the application of IAS 29 (hyperinflation)	-	-	(37,094)	-
Other financial expenses	(3,409)	(688)	(9,578)	(7,068)
	(65,487)	(47,054)	(92,753)	(59,140)
<b>Exchange variations, net</b>				
FX gain (loss) with financial assets	(6,987)	(51,509)	5,493	(60,561)
FX gain (loss) with financial liabilities	5,070	2,075	36,932	(31,973)
	(1,917)	(49,434)	42,425	(92,534)
<b>Net financial result</b>	(44,350)	(75,129)	24,468	(68,110)

Parent Company and Consolidated

<sup>(1)</sup> Monetary adjustment on PIS and COFINS credits arising from the exclusion of ICMS from their tax bases.

### 29. Basic earnings per share

Basic earnings per share are calculated by dividing the income attributable to shareholders and the weighted average number of shares over the period, excluding treasury shares, as provided in Note 25 (d). There is no dilutive effect on the income attributable to shareholders.

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			1Q23
Type of share	Income attributable to shareholders	Average number of outstanding shares	Earnings per share (R\$ per share)
Common shares	82,187	35,990	2.2836
Class A preferred shares	5,572	2,218	2.5120
Class B preferred shares	164,010	65,291	2.5120
<b>Total</b>	<b>251,769</b>	<b>103,499</b>	

			1Q22
Type of share	Income attributable to shareholders	Average number of outstanding shares	Earnings per share (R\$ per share)
Common shares	146,223	33,008	4.4299
Class A preferred shares	9,893	2,030	4.8729
Class B preferred shares	289,280	59,365	4.8729
<b>Total</b>	<b>445,396</b>	<b>94,403</b>	

## 30. Dividends

According to article 34 of the Bylaws, the Company will distribute for every fiscal year, as a minimum mandatory dividend, 25% (twenty-five percent) of the net income for the year, adjusted under article 202 of Law 6,404/76.

Details on the calculation of net income and dividends are disclosed on the annual financial statements for December 31, 2022, disclosed on March 20, 2023.

## 31. Insurance

The Company has a policy of contracting insurance for the assets subject to risks at amounts considered sufficient to cover possible claims, considering the nature of its activities.

		Consolidated March 31, 2023
	Insured amount	Term
Property	3,048,240	December 27, 2022 to December 27, 2023
Transportation	3,750,338	June 30, 2022 to June 30, 2023

## 32. Risk management and financial instruments

### 32.1. Financial risk factors

The activities of the Company and its subsidiaries expose them to several financial risks, such as market risk (including exchange risk and interest rate), credit risk, and liquidity risk. Unipar's risk management program focuses on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the financial performance of the Company and its subsidiaries.

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The financial risk management is carried out by the Company's treasury department, and the policies must be approved by the Board of Directors. Any hedge operation or other type of operation involving the contracting of derivative instruments, identified by the treasury department, to protect the Company and its subsidiaries against any financial risks must be approved by the Board of Directors.

### 32.2. Market risk

The Company and its subsidiaries are exposed to market risks arising from their activities and businesses. Market risks mainly involve the possibility of FX fluctuations and changes in interest rates.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will significantly fluctuate due to variations in market interest rates. The exposure of the Company and its subsidiaries to the risk of changes in market interest rates mainly refers to the interest rates of their financial investments, loans, and financing.

Financing with interest indexed to long-term interest rates (TJLP) raised with BNDES to increase production capacity, improve facilities, and acquire machinery and equipment is deemed as a low volatility risk by the Company.

The other indexes that Management believes to have the highest interest rate exposure on March 31, 2023 and December 31, 2022, comply with the financial risk management policy and are shown below in their net amounts:

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<b>Asset and liability net exposure to the CDI rate</b>				
Cash and cash equivalents	497,690	62,307	1,009,781	357,329
Financial investments	151,724	569,306	121,090	775,241
Loans and financing	(2,076,159)	(2,015,449)	(1,393,302)	(1,356,546)
<b>Total</b>	<b>(1,426,745)</b>	<b>(1,383,836)</b>	<b>(262,431)</b>	<b>(223,976)</b>
<b>Asset and liability net exposure to the IPCA rate</b>				
Loans and financing	-	-	(21,193)	(20,490)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(21,193)</b>	<b>(20,490)</b>

#### Interest rate sensitivity analysis

To analyze interest rate risk sensitivity, the Company used the rates from the FOCUS report of April 06, 2023, for probable scenarios in indexed transactions.

The analysis was carried out for a three-month period and is exposed to the variation in the result considering the above-mentioned net exposures.

The scenarios were estimated at 25% and 50%, respectively, regarding the probable expectation.

Parent Company		Rate	Probable Scenario		Scenario I - 25% variation		Scenario II - 50% variation	
Contract exposure	Risk		Rate	Net effect in the result	Rate	Net effect in the result	Rate	Net effect in the result

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CDI	Increase/(Decrease)	13.65%	12.75%	3,122	15.94%	(11,011)	19.13%	(21,704)
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Consolidated		Rate	Probable Scenario		Scenario I - 25% variation		Scenario II - 50% variation	
Contract exposure	Risk	Current Scenario	Rate	Net effect in the result	Rate	Net effect in the result	Rate	Net effect in the result
CDI	Increase/(Decrease)	13.65%	12.75%	864	9.56%	(3,143)	6.38%	(5,948)
IPCA	Increase/(Decrease)	4.65%	5.98%	(68)	7.48%	(76)	8.97%	(151)
				<u>796</u>		<u>(3,219)</u>		<u>(6,099)</u>

### b) Exchange risk

The Company and its subsidiaries are exposed to this risk due to the effects of the FX volatility on assets and liabilities linked to foreign currencies. Exchange risks mainly refer to variations in the U.S. dollar.

As an internal control, the treasury department periodically informs the Executive Board about the positions and exposures to foreign exchange, both for assets and liabilities pegged and indexed to foreign currencies and contracted derivative instruments. The Company manages exchange risk by monitoring exchange rates and market curves.

The Company understands that quantitative data referring to exchange risk exposure on March 31, 2023 and December 31, 2022 below comply with the financial risk management policy and are representative of the exposure incurred in the year.

### Exchange rate sensitivity analysis

	Parent Company		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<b>Asset and liability net exposure to US\$</b>				
Cash and cash equivalents	-	-	(4)	573
Trade receivables	817	-	172,692	184,616
Receivables from affiliates	236,924	247,186	-	-
Other receivables	-	13,312	-	13,312
Advances of PP&E	23,982	11,767	32,098	20,565
Other current assets	-	-	2,339	3,010
Suppliers	(23,212)	(413)	(112,100)	(106,631)
Other current liabilities	(3)	(4)	(19,454)	(16,071)
Other non-current liabilities	-	-	(7)	(181)
<b>Total</b>	<u>238,508</u>	<u>271,848</u>	<u>75,564</u>	<u>99,193</u>

To analyze sensitivity in transactions involving FX exposure, the Company used the PTAX sale rate valid for January 12, 2023, disclosed by the Central Bank of Brazil for the probable scenario.

The analysis was carried out for a three-month period on the net balances, assuming they remain constant, calculating the interest and exchange rate differentials for each projected scenario.

Scenarios I and II were estimated at 25% and 50%, respectively, regarding the probable expectation, as shown below:

### **Asset and liability net exposure to US\$**

Parent Company	Probable Scenario	Scenario I - 25% variation	Scenario II - 50% variation
----------------	-------------------	----------------------------	-----------------------------

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements

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(In thousands of reais)

Exposure - R\$	Risk	Current exchange rate	Exchange rate	Net effect in the result	Exchange rate	Net effect in the result	Exchange rate	Net effect in the result
Net exposure	Increase/(Decrease)	5.0804	4.9496	(6,141)	3.7122	(59,627)	2.4748	(119,254)

Consolidated		Probable Scenario			Scenario I - 25% variation		Scenario II - 50% variation	
Exposure - R\$	Risk	Current exchange rate	Exchange rate	Net effect in the result	Exchange rate	Net effect in the result	Exchange rate	Net effect in the result
Net exposure	Increase/(Decrease)	5.0804	4.9496	(1,945)	3.7122	(18,891)	2.4748	(37,782)

### 32.3. Credit risk

Credit risk refers to the risk of a counterparty not meeting an obligation provided for in a financial instrument or contract, thus causing a financial loss.

Trade receivables refer to amounts due by the customers of the Company and its subsidiaries, related to the sale of their products. The risk of such amounts is determined by applying the Company's internal policies. When the credit risk is high, a provision for expected credit losses is created.

The Company and its subsidiaries are exposed to credit risk regarding the trade receivables, whose balance, at the end of March 31, 2023 totaled R\$583,246 (R\$541,716 on December 31, 2022). The provision for expected credit losses totaled R\$46,045 on March 31, 2023 (R\$48,336 on December 31, 2021). Furthermore, there are no customers accounting for more than 10% of the balance of trade receivables on March 31, 2023.

Regarding credit risk, all financial assets of the Company and its subsidiaries are contracted with top-tier entities.

### 32.4. Liquidity risk

Refers to the risk of the Company not having sufficient liquid funds to meet its financial obligations, due to a mismatch of terms or volumes between expected receipts and payments.

Future payment and receipt assumptions are established to manage local and foreign cash liquidity, which are daily monitored by the treasury department.

The table below analyses the derivative and non-derivative financial liabilities to be settled by the Company by maturity,

corresponding to the remaining period in the statement of financial position until the contractual maturity date.

Derivative financial liabilities are included in the analysis if their contractual maturities are important to understand cash outflows for the periods indicated.

The amounts disclosed below show the fair value of the Company's financial liabilities by maturity:

	Less than a year	Between one and two years	Between two and five years	More than five years
<b>Parent Company</b>				
<b>March 31, 2023</b>				
Loans	241,340	285,167	650,017	899,636

## Unipar Carbocloro S.A.

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On March 31, 2023 and December 31, 2022.

(In thousands of reais)

Suppliers	<u>73,594</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>December 31, 2022</b>				
Loans	<u>168,988</u>	<u>296,807</u>	<u>650,017</u>	<u>899,637</u>
Suppliers	<u>58,698</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Consolidated</b>				
<b>March 31, 2023</b>				
Loans	<u>219,452</u>	<u>295,388</u>	<u>663,453</u>	<u>249,967</u>
Suppliers	<u>332,625</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>December 31, 2022</b>				
Loans	<u>171,206</u>	<u>307,087</u>	<u>663,453</u>	<u>250,000</u>
Suppliers	<u>365,714</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 32.5. Capital management

The Company monitors capital based on the financial leverage ratio related to equity.

Net debt corresponds to total loans, financing, and debentures, less cash, cash equivalents, and financial investments. The Company and its subsidiaries are not subject to any external requirement on capital.

The financial leverage ratios on December 31, 2022 and December 31, 2021 were as follows:

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Total loans (Note 15)	<b>2,076,160</b>	2,015,449	<b>1,428,260</b>	1,391,746
(-) Cash and cash equivalents (Note 3)	<b>(497,690)</b>	(62,709)	<b>(1,101,464)</b>	(402,122)
(-) Financial investments (Note 4)	<b>(151,724)</b>	(569,306)	<b>(307,141)</b>	(1,011,847)
Net debt - Net financial (assets)	<b>1,426,746</b>	1,383,434	<b>19,655</b>	(22,223)
Total equity (1)	<b>2,557,636</b>	2,317,404	<b>2,596,076</b>	2,355,553
<b>Financial leverage ratio - %</b>	<b>55.78</b>	59.70	<b>0.76</b>	(0.94)
(-) Receivables from affiliates (Note 9)	<b>(236,924)</b>	(247,186)	-	-
Net debt with receivables from affiliates	<b>1,189,822</b>	1,136,248	<b>19,655</b>	(22,223)
<b>Financial leverage ratio - receivables from affiliates - %</b>	<b>46.52</b>	49.03	<b>0.76</b>	(0.94)

(1) Equity attributable to the Company's controlling shareholders.

### 32.6. Fair value estimate

The carrying amounts of trade receivables (less the provision for expected credit losses) and trade payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the prevailing market interest rate, which is available to the Company for similar financial instruments.

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are classified within the fair value hierarchy described below, based on the lowest level information that remains significant for the measurement of fair value as a whole:

- Level 1 - quoted (unadjusted) prices in active markets for identical assets or liabilities that the entity may have access to at the measurement date.



## Unipar Carbocloro S.A.

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- Level 2 - valuation techniques in which the smallest and most significant information for calculating fair value can be directly or indirectly identified; and
- Level 3 - valuation techniques in which the smallest and most significant information for calculating fair value is not available.

All financial instrument transactions are recorded in the financial statements of the Company and, on Management's evaluation, their book values approximate their fair value.

	<u>Notes</u>	<u>Parent Company</u>		<u>Consolidated</u>	
		<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>					
<b>Amortized cost</b>					
Cash and cash equivalents	3	497,690	62,709	1,101,464	402,122
Financial investments	4	151,724	569,306	307,162	1,011,847
Accounts receivable	5	256,389	259,003	583,246	541,716
Receivables from affiliates	9	236,924	247,186	778,424	840,507
<b>Total</b>		<b>1,142,727</b>	<b>1,138,204</b>	<b>2,770,296</b>	<b>2,796,192</b>
<b>Liabilities</b>					
<b>Amortized cost</b>					
Loans	15	(2,076,160)	(2,015,449)	(1,428,260)	(1,391,746)
Suppliers	14	(73,594)	(58,698)	(332,625)	(365,714)
<b>Total</b>		<b>(2,149,754)</b>	<b>(2,074,147)</b>	<b>(1,760,885)</b>	<b>(1,757,460)</b>

### Financial instruments - Swap

To eliminate the U.S. dollar FX risk in a loan transaction, the Company entered a swap operation to change the index to CDI, where the fair value of this financial instrument is presented as part of the "Loans, Financing, and Debentures" balance, according to Note 17.

<u>December 31, 2022</u>								<u>Parent Company</u>
<u>Type of investment</u>	<u>Start date</u>	<u>Maturity date</u>	<u>Notional</u>	<u>Floating rate</u>	<u>Fixed rate</u>	<u>Fair value</u>		<u>R\$</u>
						<u>Long position</u>	<u>Short position</u>	
Swap	March 29, 2019	April 3, 2023	109,172	US\$	CDI	16,492	12,175	4,317

<u>March 31, 2023</u>								<u>Parent Company</u>
<u>Type of investment</u>	<u>Start date</u>	<u>Maturity date</u>	<u>Notional</u>	<u>Floating rate</u>	<u>Fixed rate</u>	<u>Fair value</u>		<u>R\$</u>
						<u>Long position</u>	<u>Short position</u>	
Swap	March 29, 2019	April 3, 2023	109,172	US\$	CDI	16,068	12,571	3,497

## 33. Supplemental information to the statements of cash flows

Transactions with no cash disbursement

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Transactions during the purchase of PP&E	4,215	10,781	13,392	37,419

## Unipar Carbocloro S.A.

Notes to the parent company and consolidated financial statements  
On March 31, 2023 and December 31, 2022.  
(In thousands of reais)

Acquisition of investment in joint venture	804	804	804	804
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### 34. Segment reporting

The Company's Management is responsible for making operational decisions, allocating resources, evaluating performance, taking strategic decisions, and analyzing the Company as a single operating entity, mainly considering that production processes and the nature of the products are similar.

For purposes of analysis and management of operations, the Company's structure includes the following geographical areas:

Brazil: includes the activities related to the production and sale of chlorine, soda, sodium hypochlorite, hydrochloric acid, and PVC (polyvinyl chloride), in the production units located in Cubatão/SP and Santo André/SP.

Argentina: includes the activities related to the production and sale of the same products described above in the production unit located in Bahia Blanca/Buenos Aires.

The breakdown per segment is generated based on accounting records that are reflected in the financial statements. The eliminations and reclassifications column is mainly represented by inter-country purchase and sale transactions and the effect of the elimination of the investment of the Parent Company and in the subsidiary Unipar Argentina.

	Geographical areas							
	Operation in Brazil		Operation in Argentina		Eliminations and reclassifications		Consolidated	
	1Q23	1Q22	1Q23	1Q22	1Q23	1Q22	1Q23	1Q22
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Net operating income	1,137,140	1,450,336	465,193	533,194	(34,579)	(93,061)	1,567,754	1,890,469
Total assets	8,654,016	8,497,294	3,840,085	3,793,075	(6,456,019)	(6,295,924)	6,038,082	5,994,445

### 35. Events after the reporting period

#### Share Buyback Program

The Board of Directors approved, at a meeting held on May 11, 2023, the 4th Share Buyback Program without reducing the capital stock to maximize shareholder value. Considering the number of outstanding and treasury shares, the Company may, at its sole discretion and under the Share Buyback Program, acquire, at market value, on B3 S.A. – Brasil, Bolsa, Balcão: (i) up to 674,144 (six hundred

## **Unipar Carbocloro S.A.**

Notes to the parent company and consolidated financial statements

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(In thousands of reais)

and seventy-four thousand, one hundred and forty-four) common shares, (ii) up to 110,851 (one hundred and ten thousand, eight hundred and fifty-one) class “A” preferred shares, and (iii) up to 4,551,674 (four million, five hundred fifty-one, six hundred seventy-four) class “B” preferred shares issued by the Company. The term of the program is 18 (eighteen) months, starting on May 15, 2023 and ending on November 15, 2024.

## Comments on the Company's performance

Unipar\*, the leader in chlorine and caustic soda production, and one of the largest PVC producer in South America, recorded net revenue of R\$ 1.6 billion in 1Q23 and EBITDA of R\$ 490 million

\*(B3: UNIP3, UNIP5 and UNIP6), (Fitch Ratings: AA+(bra)) (Unipar Carbocloro S.A) ("Unipar", "Company")

## Operational and Financial Highlights

↑	<b>Consolidated NET REVENUE</b> of R\$1.6 billion in 1Q23, up by 9.2% over 4Q22, led by higher sales volumes and PVC price recovery
↔	<b>Consolidated EBITDA</b> of R\$490.1 million in 1Q23, up by 70.8% over 4Q22, mainly due to the better operating results in the period
📄	<b>Consolidated NET INCOME</b> of R\$253.0 million in 1Q23, up by 70.5% over 4Q22, reflecting aspects of sales volume and international prices
%	The average utilization rate of the <b>INSTALLED PRODUCTION CAPACITY</b> of the three plants was 84% in 1Q23, up by 79% over 4Q22
💧	The <b>RENEWABLE ENERGY GENERATION</b> Lar do Sol Complex in Minas Gerais has been fully operating since April 2023 and the wind turbines of the Tucano Wind Farm Complex are fully operational and supplying energy to the Cubatão plant
🔧	The <b>EXPANSION</b> of the Santo André plant is in the final stage and is expected to become operational in the second half of 2023.
↔	The <b>NEW PLANT</b> in Camaçari/BA, Unipar's first greenfield geographic expansion project, is already negotiating the contracting of equipment, and the implementation is expected to be concluded in the second half of 2024
🍃	Approval of the 4 <sup>th</sup> <b>SHARE BUYBACK</b> Program, due to the end of the previous program

Financial Highlights (R\$ thousand)	1Q23 (A)	4Q22 (B)	1Q22 (C)	Chg. (A)/(B)	Chg. (A)/(C)
Net Revenue	1,567,754	1,435,972	1,890,469	9.2%	-17.1%
EBITDA <sup>1</sup>	490,082	286,955	825,932	70.8%	-40.7%
Net Income (Loss)	252,961	148,330	449,030	70.5%	-43.7%
Net Debt	19,655	(22,225)	(432,940)	-	-

<sup>1</sup> calculated pursuant to CVM Resolution 156/22

## Economic Scenario

The first quarter of 2023 was still marked, similar to the full year of 2022, by an international scenario of uncertainty with high inflation, high interest rates in the United States and Europe, and the war between Russia and Ukraine. In this scenario, the International Monetary Fund (IMF) estimates global economic growth of 2.8% in 2023 and 3.0% in 2024, below the levels observed in 2022.

Commodity prices continued falling, but some items remain above pre-pandemic levels. The Brent oil price remained above US\$80/bbl in 1Q23, close to the values reported at the end of 2022.

### Brazil

The growth forecast of the Gross Domestic Product (GDP) in Brazil for 2023 is around 1.0% to 1.2%, according to the Focus Report and analyses from the National Confederation of Industry (CNI), more moderate when compared to 2022, with interest rates remaining at high levels throughout the year. Regarding inflation, both analyses forecast an IPCA of 6.0% in 2023, a slowdown compared to 2022.

The average R\$/US\$ exchange rate was R\$5.19 in 1Q23, down by 1.3% from 4Q22. According to the Focus Report, this value is expected to be maintained until the end of 2023.

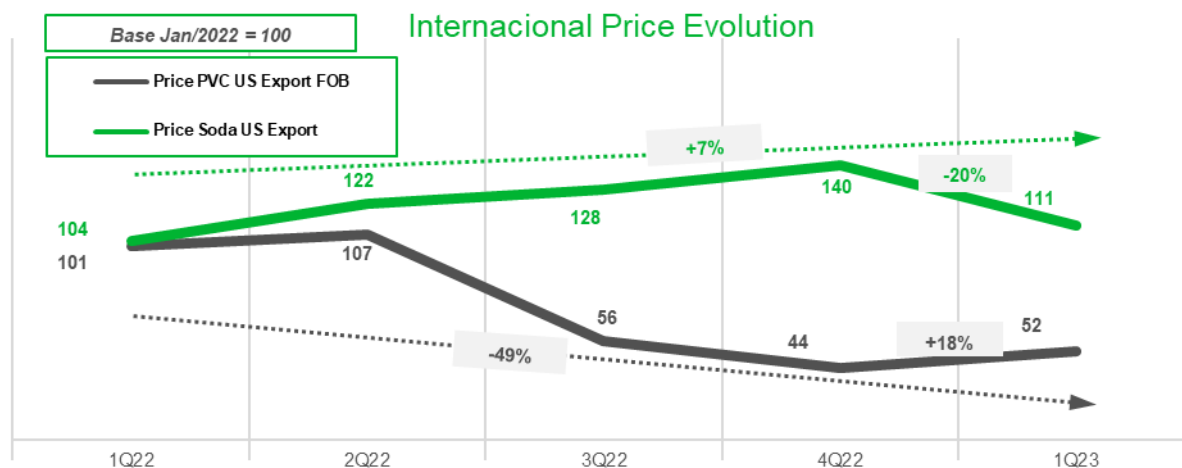
### Argentina

In Argentina, economic activity in 4Q22 interrupted the expansionary trend that was being observed throughout 2022, falling by 1.5% from the previous quarter. The country's economic activity in the next few months will be subject to global and local economic uncertainties, taking into account also the typical uncertainties related to election periods. In the first months of the year, the local Central Bank decided to increase interest rates to contain inflation and indicates that it will intensify its actions to preserve currency and financial stability and facilitate financing for productive sectors. According to the IMF, the projections for 2023 indicate a growth of 0.2% in GDP (compared to a 5.2% growth in 2022) and an inflation rate of 98.6%.

## Operating Market

According to a report from Abiclor (Brazilian Association of Chlor-Alkali and Derivatives Industry), the production of chlorine in January and February 2023 was 4.3% lower than the same period in 2022, with the utilization of installed capacity at 74%.

Regarding international prices, the average export price of liquid soda (US Gulf Coast, spot, export) fell by 20% in 1Q23 from 4Q22, with international demand showing clear signs of retreat. Compared to 1Q22, growth was 7%. As for PVC (US Gulf Coast, spot, export), the international price reversed its downward trend, recording a growth of 18% over 4Q22, due to the normalization of supply and demand. However, part of this recovery in demand is credited to the rebuilding of stocks in the market at the beginning of the year, which does not guarantee the beginning of a sustainable trajectory of growth in margins, mainly due to the high level of raw materials, mainly ethylene, whose price follows the price of oil. Compared to the same quarter in 2022, the decrease was 49%.



## Operating Performance

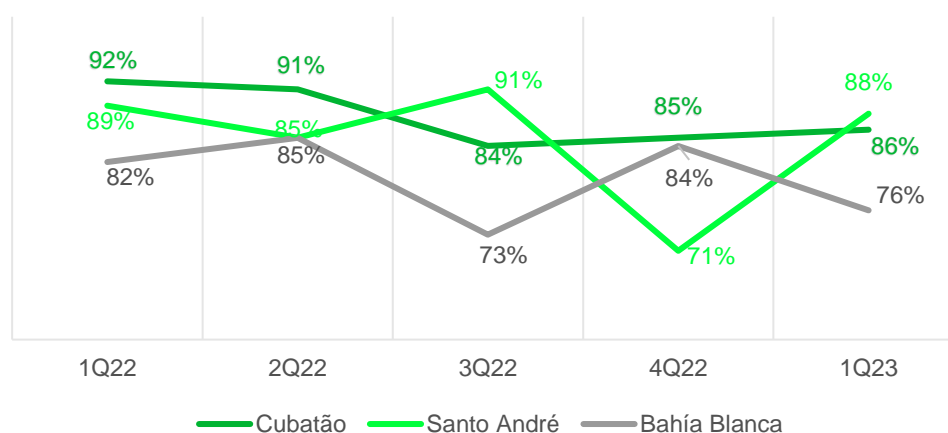
### Installed Capacity

Products / Services (Thousand t/year)	Cubatão	Santo André	Bahía Blanca	Total
Liquid Chlorine	355	160	165	680
Liquid and Scale Caustic Soda	400	180	186	766
PVC (Polyvinyl Chloride)	-	300	240	540
VCM (MVC - Vinyl Chloride)	-	317	248	565
EDC Ethylene Dichloride	140	406	431	977
Hydrochloric Acid	630	37	-	667
Sodium Hypochlorite	400	60	12	472

### Utilization Rate of the Installed Capacity

The average utilization rate of the three plants stood at 84% in 1Q23, 5 p.p. above 4Q22, with the main highlight being the Santo André plant, which recorded an average capacity utilization of 88% in the quarter, with a sharp increase compared to 4Q22 due to customer demand/inventory replenishment and the scheduled shutdown in October 2022.

### Utilization Rate of the Installed Capacity

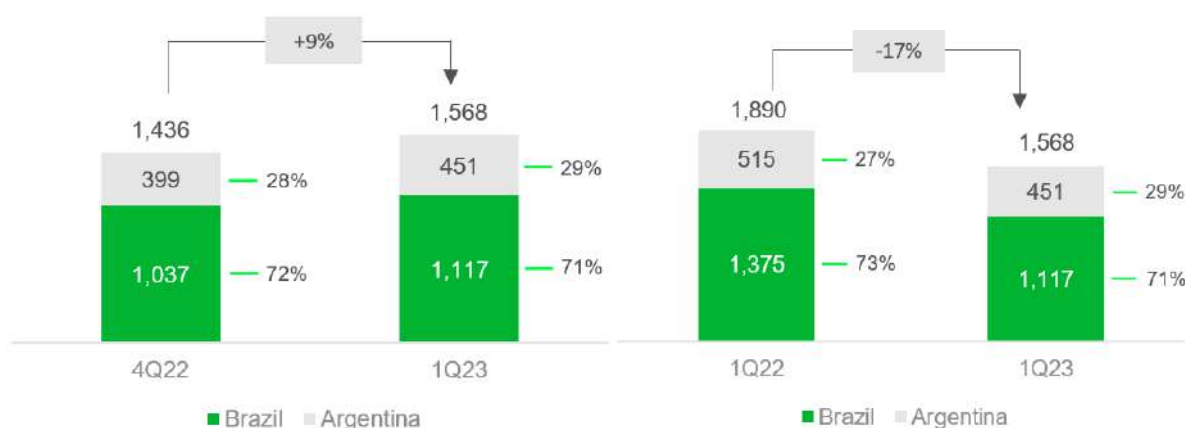


## Financial Performance

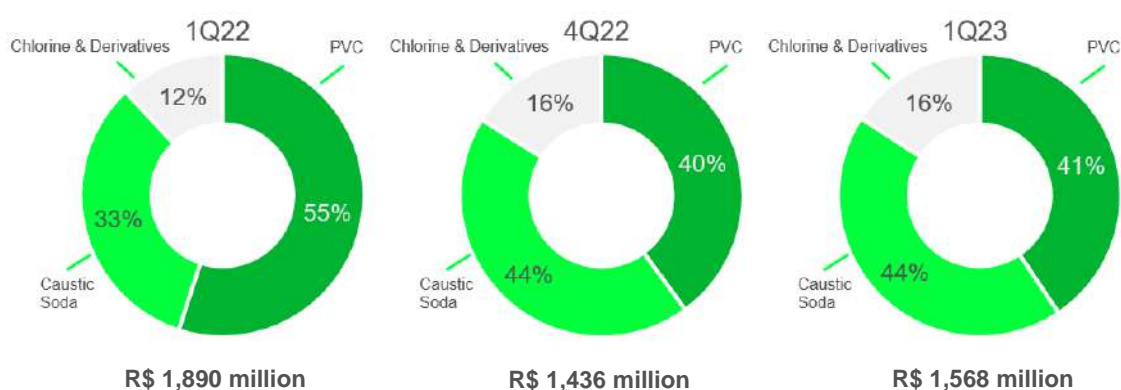
### Net Operating Income

The Consolidated Net Operating Revenue totaled R\$1,567.8 million in 1Q23, up by 9.2% over 4Q22, mainly led by higher sales. Compared to 1Q22, net revenue fell by 17.1%, mainly due to the drop in PVC prices in the international market.

#### Consolidated Net Operating Revenue (R\$ million)



#### Consolidated Net Operating Revenue By Product

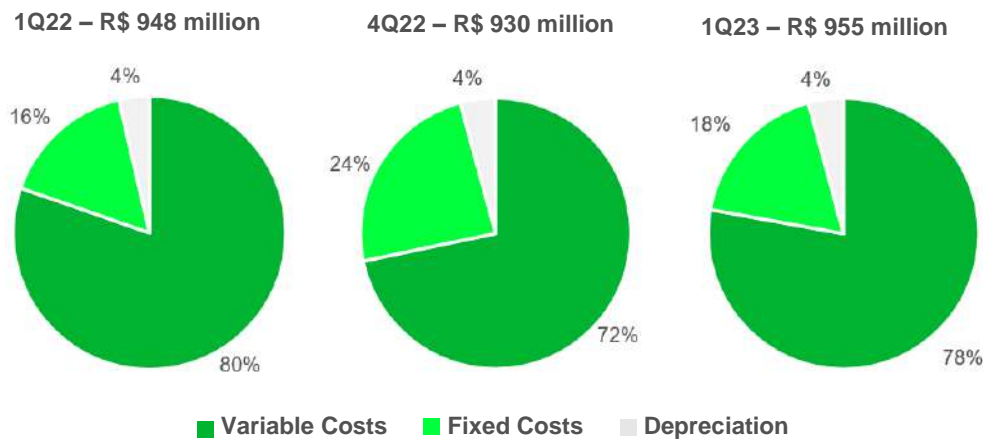


### COGS (Cost of Goods Sold)

Consolidated COGS totaled R\$955.3 million in 1Q23, up by 2.7% over 4Q22, mainly due to higher sales in the period, and 0.8% higher than in 1Q22, because of the increase in input prices compared to 1Q22.

Gross Profit and Gross Margin (R\$ thousand)	1Q23 (A)	4Q22 (B)	1Q22 (C)	Chg. (A)/(B)	Chg. (A)/(C)
Net Revenue	1,567,754	1,435,972	1,890,469	9.2%	-17.1%
COGS	(955,304)	(930,279)	(947,967)	2.7%	0.8%
Gross Profit	612,450	505,693	942,502	21.1%	-35.0%
Gross Margin	39.1%	35.2%	49.9%	3.9 p.p.	-10.8 p.p.

## COGS Consolidated



## Expenses and Equity Pick-Up

### Selling Expenses

Consolidated Selling Expenses totaled R\$61.2 million in 1Q23, in line with the previous quarters.

### General and Administrative Expenses

The Consolidated General and Administrative Expenses totaled R\$104.8 million in 1Q23, down by 32.5% over 4Q22 when the Company recorded expenses with strategic consulting services for new projects with no correspondence in 4Q22 and grew by 19.6% over 1Q22 due to adjustments annual salaries and consulting services.

### Equity Pick-Up

Consolidated Equity Pick-Up, referring to the result of the stake held in the energy companies Solalban, Tucano Holdings III, Lar do Sol, and Veleiros was a positive R\$259 thousand in 1Q23.

### Other Operating Income (Expenses), Net

The Consolidated Other Net Operating Income (Expenses) corresponded to expenses of R\$13.4 million in 1Q23, down by 77.2% from 4Q22, which included expenses with social projects and the provision of the research incentive fund. Compared to 1Q22, the decrease was 8.3%.

## Net Financial Result

The Consolidated Net Financial Result was a positive R\$24.5 million in 1Q23, down by 6.3% over 4Q22, mainly due to the effects of the application of IAS 29 for hyperinflationary markets (Argentina) in subsidiary Unipar Indupa SAIC and of foreign exchange gains and losses on financial assets and liabilities, mainly in the indirect subsidiary Unipar Indupa do Brasil.

Net Financial Result (R\$ thousand)	1Q23 (A)	4Q22 (B)	1Q22 (C)	Chg. (A)/(B)	Chg. (A)/(C)
<b>Net Financial Result</b>	<b>24,468</b>	26,103	(68,109)	-6.3%	-
Financial Revenue	<b>80,289</b>	38,954	9,975	106.1%	704.9%
Financial Expense	<b>(55,821)</b>	(12,851)	(78,084)	334.4%	-28.5%

The Company believes that its operations are backed by foreign currency, mainly the US dollar since around 85% of its operating income is referenced to prices in the international market, as well as 34% of COGS in 1Q23. Any fast and significant fluctuations in the exchange rate on foreign currency liabilities are usually offset by the result of operations.

## Net Income

In 1Q23, Unipar reported a Consolidated Net Income of R\$253.0 million, up by 70.5% over 4Q22, due to higher sales. Compared to 1Q22, net income fell by 43.7%, mainly because of the lower revenue reported between the periods.



## EBITDA (calculated according to CVM Resolution 156/22)

Consolidated EBITDA totaled R\$490.1 million in 1Q23, up by 70.8% over 4Q22, due to better operating results, and fell by 40.7% from 1Q22.

In this quarter, the application of IAS 29 on the financial information of Unipar Indupa SAIC generated a negative effect on Consolidated EBITDA of R\$ 35.4 million. The effect of applying IAS 29 - Accounting and Disclosure in a Highly Inflationary Economy results from the combination of inflation indexation in income accounts, with a contra entry in financial income, and the difference between the translation of income into Reais at the closing exchange rate of the reported period and the conversion by the average rate accumulated in the period.

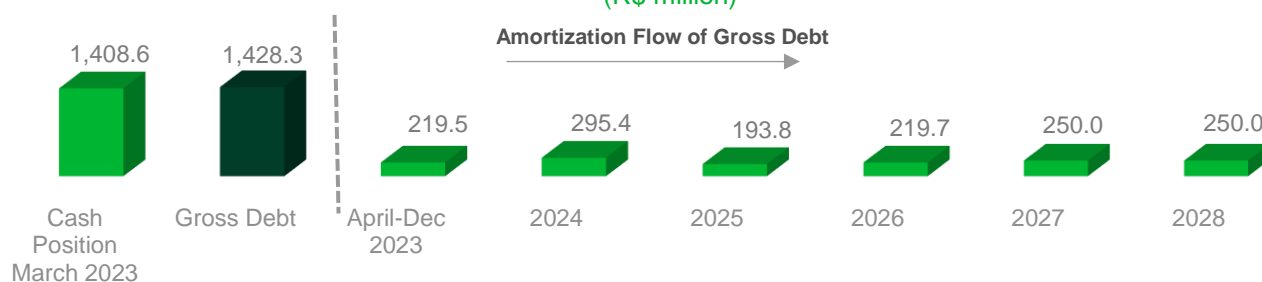
EBITDA - Consolidated (R\$ thousand)	1Q23 (A)	4Q22 (B)	1Q22 (C)	Chg. (A)/(B)	Chg. (A)/(C)
<b>Net Income</b>	<b>252,961</b>	<b>148,330</b>	<b>449,030</b>	<b>70.5%</b>	<b>-43.7%</b>
Income Tax and Social Contribution	204,818	101,309	253,220	102.2%	-19.1%
Net Financial Result	(24,468)	(26,103)	68,109	-6.3%	-
Depreciation and Amortization	56,771	63,419	55,573	-10.5%	2.2%
<b>EBITDA</b>	<b>490,082</b>	<b>286,955</b>	<b>825,932</b>	<b>70.8%</b>	<b>-40.7%</b>
<i>EBITDA Margin</i>	<i>31.3%</i>	<i>20.0%</i>	<i>43.7%</i>	<i>11.3 p.p</i>	<i>-12.4 p.p</i>

## Indebtedness and Amortization Flow

On March 31, 2023, the Company had Consolidated Net Debt by R\$19.7 million. The gross debt increased by 2.6% compared to December 2022. In this period, no capital was allocated to the share buyback program.

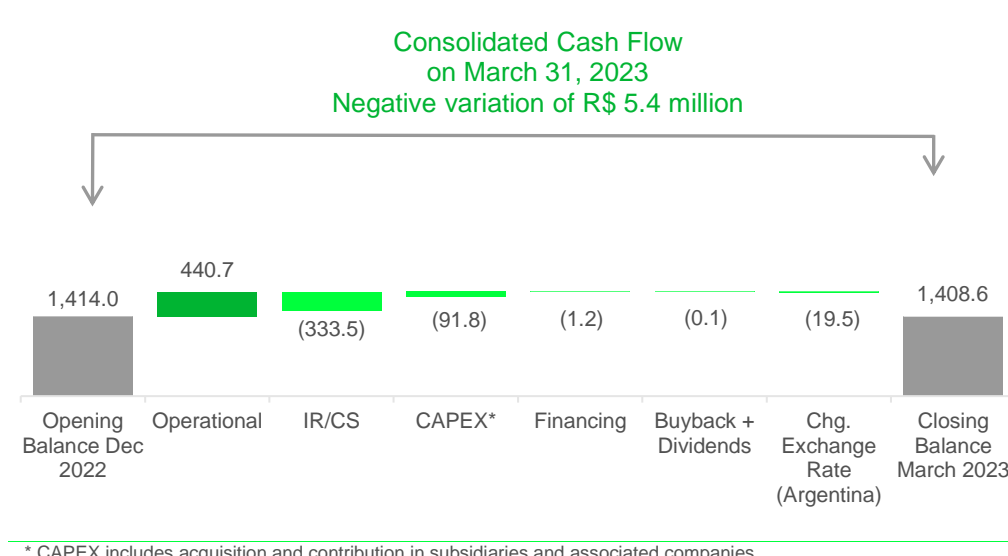
Indebtedness (R\$ thousand)	Currency	March 31,2022	Dec. 31,2022	Chg.
Debentures	R\$	1,131,625	1,102,149	2.7%
Promissoty Note	R\$	249,664	242,631	2.9%
Working Capital	R\$	12,570	12,347	1.8%
Working Capital	AR\$	2	2	-
BNDES	R\$	34,399	34,617	-0.6%
<b>Gross Debt</b>		<b>1,428,260</b>	<b>1,391,746</b>	<b>2.6%</b>
<b>Cash, Cash Equivalents and Financial Investments</b>		<b>1,408,605</b>	<b>1,413,969</b>	<b>-0.4%</b>
<b>Net Debt</b>		<b>19,655</b>	<b>(22,223)</b>	<b>-</b>
<b>Net Debt/EBITDA ltm</b>		<b>0.01x</b>	<b>-</b>	<b>-</b>

## Cash Position vs. Amortization Flow of Gross Debt - March/2023 (R\$ million)



## Cash Flow

The balance of Cash and Cash Equivalents and Financial Investments totaled R\$1,408.6 million on March 31, 2023, and the changes from December 31, 2022, are shown in the chart below.



## Share Performance

On March 31, 2023, the common shares (UNIP3), class A preferred shares (UNIP5), and class B preferred shares (UNIP6) were priced at R\$66.30, R\$89.99, and R\$70.05, respectively, down by -19.1%, -3.9%, and -20.4%, respectively, over December 31, 2022, while the Ibovespa varied by -7.2% in the same period.

Share Performance	1T23	2022	Chg.
<b>Closing Share Price<sup>1</sup></b>			
UNIP3 ON	R\$66.30	R\$81.96	-19.1%
UNIP5 Pref "A"	R\$89.99	R\$93.67	-3.9%
UNIP6 Pref "B"	R\$70.05	R\$88.01	-20.4%
<b>Average Daily Traded Volume (R\$ thousand)</b>			
UNIP3 ON	1,865	2,711	-31.2%
UNIP5 Pref "A"	25	34	-28.0%
UNIP6 Pref "B"	19,483	27,937	-30.3%
<b>Market Cap (R\$ thousand) <sup>2</sup></b>			
	<b>7,159,379</b>	<b>8,903,769</b>	<b>-19.6%</b>

<sup>1</sup> adjusted by earnings; <sup>2</sup> ex-treasury; Source: Bloomberg and B3

## Sustainability Initiatives

Below are some of the Company's most recent actions that are part of its Sustainability context.

### Clean energy

- Veleiros Holdings (partnership with AES Brasil for the generation of wind power in Rio Grande do Norte) raised R\$400.0 million through its 1st debenture issue.
- In April/2023, the Lar do Sol Complex (JV with Atlas Renewable Energy) for photovoltaic energy generation in Pirapora-MG obtained the certification of its definitive entry into commercial operation, through dispatch from ANEEL

### Certifications

- In April 2023, another successful Halal audit was concluded to offer products such as hydrochloric acid, liquid caustic soda, solid caustic soda, sodium hypochlorite, and liquid chlorine to markets that seek products that are proven to be healthy and traceable, with a focus on credibility of products and competitive advantage

### Social

- SP-Arte, inaugurated in April 2023, is one of the more than 40 projects sponsored by Unipar and Instituto Unipar through incentive laws or their own resources. The event mobilizes over 100 thousand people and promotes a vast cultural system, proving that art is an important element as it can connect people and transform their perceptions, in addition to encouraging creativity and innovation.
- In April 2023, the classes for the 4th group of the Pescar Project started. The project aims at improving the skills of young adults who are joining the job market.

### Governance

- On April 20, 2023, Unipar's Annual Shareholders' Meeting installed the Fiscal Council with a term of office until the next ASM and elected its five members, two of whom are elected by minority shareholders.

### Sustainability Guidelines and Commitments

Unipar's Sustainability guidelines and medium- and long-term commitments may be found on the **SUSTAINABILITY REPORT**. To access the report, click [here](#).



## **Executive Board's Statement on the Financial Statements**

According to item V of article 25 of CVM Instruction 480, of December 7, 2009, Management declares that it has reviewed, discussed, and agreed on these financial statements.

São Paulo, May 11, 2023.

Maurício Parolin Russomanno  
CEO

Antonio Marco Campos Rabello  
Chief Financial and Investor Relations Officer

Rodrigo Cannaval  
Executive Officer

## **Executive Board's Statement on the Independent Auditors' Report**

According to item V of article 25 of CVM Instruction 480, of December 7, 2009, Management declares that it has reviewed, discussed, and agreed on the Company's Financial Statements on the Independent Auditors' Report regarding these documents.

São Paulo, May 11, 2023.

Maurício Parolin Russomanno  
CEO

Antonio Marco Campos Rabello  
Chief Financial and Investor Relations Officer

Rodrigo Cannaval  
Executive Officer