

Hypera Pharma reports growth of 13.7% in Net Revenue and 16.2% in EBITDA from Continuing Operations in 1Q23

São Paulo, April 27, 2023 – Hypera S.A. (“Hypera Pharma” or “Company”; B3: HYPE3; Bloomberg: HYPE3 BZ; ISIN: BRHYEACNOR0; Reuters: HYPE3.SA; ADR: HYPMY) announces its financial results for the 1st quarter of 2023. Financial data disclosed here are taken from the consolidated financial statements of Hypera S.A., prepared in accordance with the Brazilian Accounting Pronouncement Committee (CPC) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

1Q23 Highlights

- Net Revenue of R\$1,698.2 million, up 13.7% versus 1Q22
- Non-Retail Net Revenue growth of 34.8% in 1Q23, when compared to 1Q22
- EBITDA from Continuing Operations (excl. Others) of R\$580.3 million, or 16.1% higher 1Q22
- Interest on Equity approval of R\$194.8 million in 1Q23

Table 1

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
Gross Revenue, net of Returns and Unconditional Discounts	1,709.4	114.4%	1,940.2	114.3%	13.5%
Net Revenue	1,493.6	100.0%	1,698.2	100.0%	13.7%
Gross Profit	939.2	62.9%	1,086.1	64.0%	15.6%
SG&A (excl. Marketing and R&D)	(206.7)	-13.8%	(249.1)	-14.7%	20.5%
Marketing	(233.1)	-15.6%	(268.3)	-15.8%	15.1%
EBITDA from Continuing Operations (excl. Others)	500.0	33.5%	580.3	34.2%	16.1%
Net Income from Continuing Operations	349.5	23.4%	339.4	20.0%	-2.9%
Cash Flow from Operations	311.8	20.9%	301.5	17.8%	-3.3%

EARNINGS CONFERENCE CALL – PORTUGUESE: 04/28/2023, 11am (Brasília) / 10am (New York)

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Operating Scenario

Hypera Pharma's Net Revenue grew 13.7% in 1Q23, when compared to the same period of 2022, and reached R\$1,698.2 million. This growth is mainly a result of: (i) the organic growth of 9.9% in the pharmaceutical retail market, mainly driven by the recent sell-out performance; (ii) the additional contribution to Net Revenue in the quarter of R\$43.9 million from the portfolio of brands acquired from Sanofi in 2022; and (iii) the Non-Retail Market Net Revenue growth of 34.8%.

The organic sell-out growth in 1Q23 was 5.9%¹, and was negatively affected by the performance recorded in January and February, a consequence of the strong year-on-year growth recorded in this same period in 2022, when the Company grew organically 28.0% over the first two months of 2021, or 6.9 percentage points above the market, a result of the significant growth in sales of anti-flu medicines due to the increase in cases of influenza (H3N2) observed in Brazil in early 2022. **In March, the organic sell-out growth was 19.1%, a similar level recorded by the Company in 2022.**

In 1Q23, the market growth was 10.7%. **It is important to mention that the organic sell-out compound annual growth rate in the last 2 years (CAGR 1Q23 vs. 1Q21) was 14.1% in the quarter, or 0.7 percentage point higher than the market growth, mainly reflecting the acceleration in the pace of launches in the last years, the increase in production capacity and the investments in the Company's leading retail pharmaceutical brands.**

Organic sell-out growth in this quarter was benefited mainly by: (i) the Power Brands³ **Buscopan, Torsilax, Dramin, Epocler and Engov**; (ii) the line extensions of the **Vitasay and Vitaminas Neo Química** brands; (iii) the Skincare growth, boosted by the line extensions of the **Mantecorp Skincare** brand; and (iv) the performance of the recent launches **Ammy, Ondif, Curc and Picbam (Apixabana)**.

Non-Retail contributed with R\$70.9 million to Net Revenue in 1Q23, reaching a growth of 34.8% over 1Q22, with an important EBITDA margin expansion, resulting from the initiatives implemented by the new structure created in 2021 to increase Hypera Pharma's growth and profitability in this segment.

The Net Revenue performance contributed to the EBITDA from Continuing Operations growth, when excluding the contribution of Other Operating Revenues, of R\$580.3 million, or 16.1% higher than in 1Q22, with a margin of 34.2%, or 0.7 percentage point higher than the same period of the previous year.

The EBITDA Margin expansion in the quarter was mainly due to the 1.1 percentage point expansion in Gross Margin. It is worth mentioning that the Medicines Market Regulation Chamber (*Câmara de Regulação do Mercado de Medicamentos - CMED*) approved the price adjustment of medicines by up to 5.6%, with effect from 2Q23, which will help Hypera Pharma to offset part of the inflationary pressures registered in the last 12 months on its operating costs and expenses.

The Operating Cash Flow was R\$301.5 million, and was negatively impacted by the higher working capital investments, mainly due to the increase in inventories. This increase is a consequence of: (i) the strategy adopted by Hypera Pharma since the beginning of the Covid-19 pandemic to increase the internal inventories of raw materials and finished products to ensure the supply of its main products in periods of lower availability of raw materials for the production of medicines, which contributed to the Company's expansion of its market share in 2022; and (ii) the increase in the safety inventories of finished products due to the collective vacation in the manufacturing complex of Anápolis in April 2023.

With the normalization of the availability of raw materials for the production of medicines, the Company started in the end of 2022 a process to reduce the purchase of raw materials that, combined with the expected growth in sell-out and the expected launches of new products, should reduce the level of inventories in the next 12 months.

Also this quarter, the Board of Directors approved the payment of Interest on Equity of R\$194.8 million (R\$0.31/share).

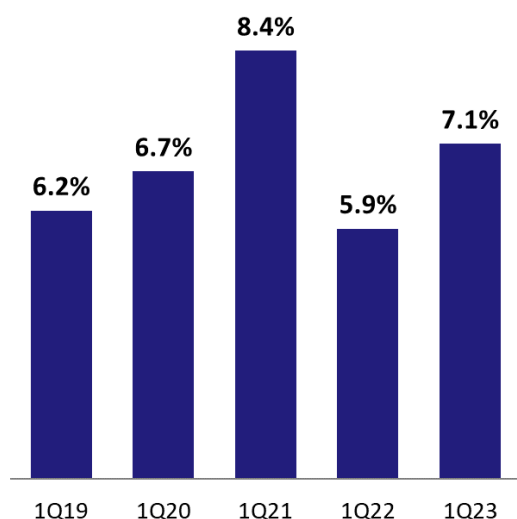
The performance presented in the first three months of the year, the strength and resilience of the Company's portfolio of leading brands and the contribution of recent launches and acquisitions reinforce Hypera Pharma's confidence in achieving the financial targets and projections set for 2023.

Note: (1) Sell-out PPP (Pharmacy Purchase Price), as informed by IQVIA, considers the average purchase price by pharmacies and chains. Does not consider the sell-out of the brands acquired from Sanofi in 2022; (2) As informed by IQVIA, excludes the infant formula segment; (3) Power Brands are brands with +R\$100 million sell-out.

Innovation & Launches

Graph 1

R&D Investments on Net Revenue (LTM)¹



Total R&D investments, including the amount capitalized as intangible assets, totaled R\$158.1 million in 1Q23, or 28.1% higher than 1Q22, evidencing the Company's commitment to the constant innovation of its portfolio of products.

The Freshness Index, corresponding to the percentage of Net Revenue from products launched in the last five years, was 24% in the 1Q23, compared to 21% in 1Q22.

It should be noted that the Freshness Index calculation includes the contribution of the portfolio of medicines acquired from Takeda, Sanofi and the Buscopan family.

In 1Q23, the Company launched several new products in all its business units.

In Prescription Products, the main highlights were **Ecoxe**, an etoricoxib-based product for pain relief and acute and chronic treatment of the signs and symptoms of osteoarthritis and rheumatoid arthritis, and **Lisador Cólica**. In addition, Hypera Pharma launched its 3rd full spectrum cannabidiol-based product.

In Consumer Health, the main highlights were the **Benetosse** syrup, for cough relief, and **Tamarine Fibras Max**, line extension of the Tamarine brand. In Skincare, the main highlights were the line extensions of the **Episol**, **Urby Men**, **Epidrat** and **Glycare** brands.

In Similar and Generics, the highlights were the launches of **Vitamina D3 Colecalciferol**, **Tramadol Hydrochloride with Paracetamol** and **Olanzapine**. In the Non-Retail Market, the highlight was the launching of the bactericide **Meropenem**.



Note: (1) Considers the R&D expenses and the amount capitalized as intangible assets. Excludes the effect of the Lei do Bem and the R&D amortization

Earnings Discussion

Income Statement

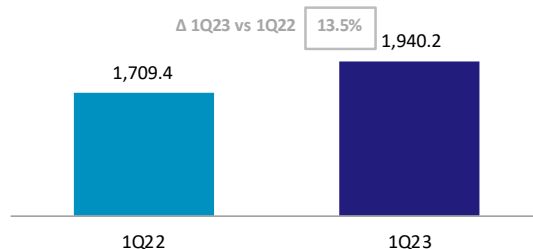
Table 2

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
Net Revenue	1,493.6	100.0%	1,698.2	100.0%	13.7%
Gross Profit	939.2	62.9%	1,086.1	64.0%	15.6%
Marketing Expenses	(233.1)	-15.6%	(268.3)	-15.8%	15.1%
Selling Expenses	(183.7)	-12.3%	(209.4)	-12.3%	14.0%
General and Administrative Expenses	(65.5)	-4.4%	(80.8)	-4.8%	23.3%
Other Operating Revenues (Expenses)	5.6	0.4%	7.2	0.4%	28.6%
Equity in Subsidiaries	5.5	0.4%	0.9	0.1%	-84.0%
EBIT from Continuing Operations	468.1	31.3%	535.8	31.6%	14.5%
Net Financial Expenses	(173.6)	-11.6%	(265.8)	-15.7%	53.1%
Income Tax and CSLL	55.1	3.7%	69.4	4.1%	26.0%
Net Income (Loss) from Continuing Operations	349.5	23.4%	339.4	20.0%	-2.9%
Net Income from Discontinued Operations	(2.6)	-0.2%	(0.2)	0.0%	-93.9%
Net Income (Loss)	346.9	23.2%	339.3	20.0%	-2.2%
EBITDA from Continuing Operations	505.7	33.9%	587.5	34.6%	16.2%

Net Revenue

Graph 2

Gross Revenue, net of Returns and Unconditional Discounts (R\$ mm)



Graph 3

Net Revenue (R\$ mm)

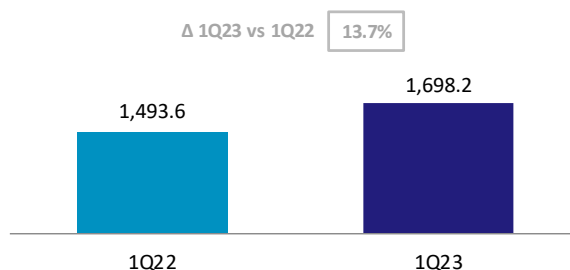


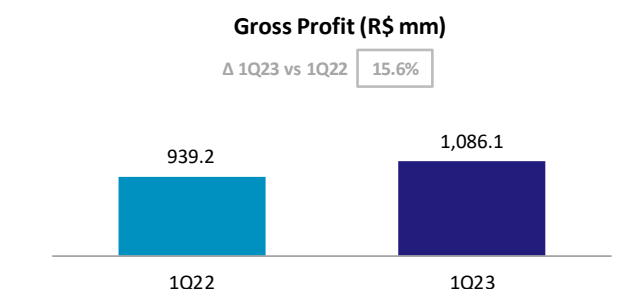
Table 3

(R\$ million)	1Q22	1Q23	Δ %
Gross Revenue, net of Returns and Unconditional Discounts	1,709.4	1,940.2	13.5%
Promotional Discounts	(94.0)	(102.5)	9.1%
Taxes	(121.9)	(139.5)	14.5%
Net Revenue	1,493.6	1,698.2	13.7%

The growth in Net Revenue was 13.7% in 1Q23, when compared to the same period of the previous year, and reached R\$1,698.2 million. This growth is mainly a result of: (i) the organic growth of 9.9% in Pharmaceutical Retail Net Revenue, mainly driven by the recent sell-out performance; (ii) the additional contribution to Net Revenue of R\$43.9 million from the brands acquired from Sanofi in 2022; and (iii) the Non-Retail Market Net Revenue growth of 34.8%, which increased from R\$52.6 million in 1Q22 to R\$70.9 million in 1Q23.

Gross Profit

Graph 4



Graph 5

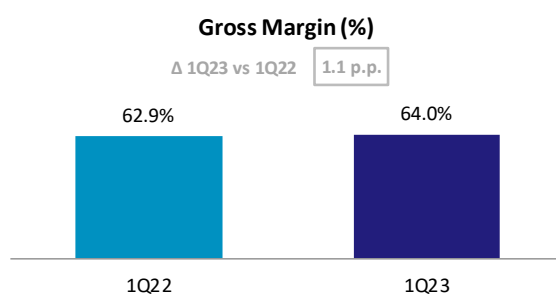


Table 4

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %	Δ p.p.
Gross Profit	939.2	62.9%	1,086.1	64.0%	15.6%	1.1 p.p.

Gross Profit reached R\$1,086.1 million in 1Q23, with Gross Margin of 64.0%, or 1.1 percentage point higher than the same period of the previous year.

The Gross Margin growth when compared with 1Q22 is mainly a consequence of: (i) the price increase in a higher level than the cost increase in the period, which more than offset the increase in the Non-Retail Market share in the mix of products sold; (ii) the valuation of the Real against the US Dollar that affected the Cost of Goods Sold; and (iii) the lower level of growth of promotional discounts when compared to the Net Revenue growth.

Marketing Expenses

Table 5

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
Marketing Expenses	(233.1)	-15.6%	(268.3)	-15.8%	15.1%
Advertisement and Consumer Promotion	(66.1)	-4.4%	(74.0)	-4.4%	12.1%
Trade Deals	(35.9)	-2.4%	(26.6)	-1.6%	-25.9%
Medical Visits, Promotions and Others	(131.2)	-8.8%	(167.7)	-9.9%	27.8%

In 1Q23, **Marketing Expenses** grew 15.1%, when compared to the same period of the last year, and increased their share of Net Revenue by 0.2 percentage point, mainly due to the increase in the Medical Visits, Promotions and Others expenses, due to the higher expenses with free samples in the period, essential to drive the sell-out growth among the medical community, especially when related to recent launches.

Selling Expenses

Table 6

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
Selling Expenses	(183.7)	-12.3%	(209.4)	-12.3%	14.0%
Commercial Expenses	(108.5)	-7.3%	(125.8)	-7.4%	15.9%
Freight and Logistics Expenses	(32.6)	-2.2%	(42.5)	-2.5%	30.2%
Research & Development	(42.5)	-2.8%	(41.1)	-2.4%	-3.3%

Selling Expenses represented 12.3% of Net Revenue in 1Q23, the same level registered in 1Q22. Research and Development expenses reduced their share of Net Revenue by 0.4 percentage point, mainly as a result of accounting for the benefit of the Lei do Bem of R\$11.3 million in this quarter. In 1Q22, the Company did not book this benefit.

General and Administrative Expenses & Other Operating Revenues / Expenses, Net

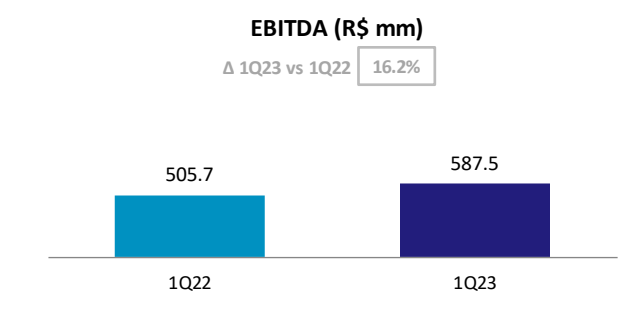
Table 7

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
General & Administrative Expenses	(65.5)	-4.4%	(80.8)	-4.8%	23.3%
Other Operating Revenues (Expenses)	5.6	0.4%	7.2	0.4%	28.6%

General and Administrative Expenses increased its share of Net Revenue by 0.4 percentage point in 1Q23, when compared to 1Q22, mainly reflecting the increase in the administrative teams and in the technology and infrastructure expenses.

EBITDA from Continuing Operations

Graph 6



Graph 7

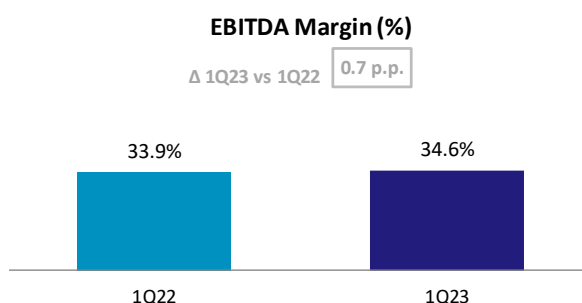


Table 8 – EBITDA from Continuing Operations

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
EBITDA from Continuing Operations	505.7	33.9%	587.5	34.6%	16.2%
EBITDA from Continuing Operations (excl. Others)	500.0	33.5%	580.3	34.2%	16.1%

EBITDA from Continuing Operations was R\$587.5 million in 1Q23, with 34.6% margin, or 0.7 percentage point higher than 1Q22. **When excluding the contribution of Other Operating Revenues, EBITDA From Continuing Operations presented growth of 16.1% and margin of 34.2%, compared to 33.5% in 1Q22. The EBITDA Margin expansion in the quarter was mainly due to the 1.1 percentage point growth in Gross Margin.**

Net Financial Expenses

Table 9

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ R\$
Financial Result	(173.6)	-11.6%	(265.8)	-15.7%	(92.2)
Net Interest Expenses	(134.7)	-9.0%	(225.8)	-13.3%	(91.0)
Cost of Hedge and FX Gains (Losses)	(15.1)	-1.0%	(11.8)	-0.7%	3.4
Other	(23.7)	-1.6%	(28.3)	-1.7%	(4.6)

Financial Result presented negative balance of R\$265.8 million in 1Q23, compared to R\$173.6 million in 1Q22. This variation is a consequence of the increase in interest expenses in the period, as a result of the higher gross debt of the Company since the acquisition of the brands from Sanofi and the increase in the Selic rate.

Net Income

Table 10

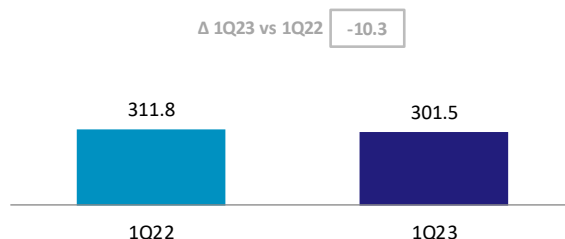
(R\$ million)	1Q22	1Q23	Δ %
EBIT from Continuing Operations	468.1	535.8	14.5%
(-) Net Financial Expenses	(173.6)	(265.8)	53.1%
(-) Income Tax and Social Contribution	55.1	69.4	26.0%
Net Income from Continuing Operations	349.5	339.4	-2.9%
(+) Net Income from Discontinued Operations	(2.6)	(0.2)	-93.9%
Net Income	346.9	339.3	-2.2%
EPS	0.55	0.53	-3.0%
EPS from Continuing Operations	0.55	0.54	-2.8%

Net Income from Continuing Operations totaled R\$339.4 million in the quarter, compared to R\$349.5 million in 1Q22. The variation in Net Income from Continuing Operations is mainly a consequence of the 14.5% growth in EBIT from Continuing Operations and the R\$92.2 million increase in Net Financial Expenses.

Cash Flow (Continuing and Discontinued Operations)

Graph 8

Cash Flow from Operations (R\$ mm)



Graph 9

Free Cash Flow (R\$ mm)

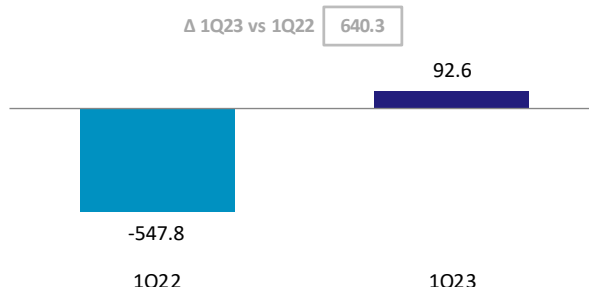


Table 11

(R\$ million)	1Q22	1Q23
Cash Flow from Operations	311.8	301.5
Capital increase in subsidiaries/associates	(4.2)	(4.3)
Purchase of Property, Plant and Equipment	(102.5)	(118.6)
Purchase of Intangible Assets	(729.9)	(85.2)
Acquisitions of Subsidiaries, Net of Cash Acquired	(10.0)	(0.2)
Sale of Property, Plant and Equipment	(13.0)	(0.8)
(=) Free Cash Flow	(547.8)	92.6

Cash Flow from Operations was R\$301.5 million in 1Q23, compared to R\$311.8 million in 1Q22. Operating cash generation for the quarter was negatively impacted by increased investments in working capital, mainly due to higher inventories.

This increase is a consequence of: (i) the strategy adopted by Hypera Pharma since the beginning of the Covid-19 pandemic to increase the internal inventories of raw materials and finished products to ensure the supply of its main products in periods of lower availability of raw materials for the production of medicines, which contributed to the Company's expansion of its market share in 2022; and (ii) the increase in the safety inventories of finished products due to the collective vacation in the manufacturing complex of Anápolis in April 2023.

Free Cash Flow was R\$92.6 million positive in 1Q23, or R\$640.4 million higher than in 1Q22. This variation is mainly due to the payment for the brands acquired from Sanofi made in 1Q22, net of the sale of the ex-Brazil portfolio.

Net Debt

Table 12

(R\$ million)	4Q22	1Q23
Loans and Financing	(9,607.6)	(8,776.8)
Notes Payable	(73.4)	(29.2)
Gross Debt	(9,681.0)	(8,806.0)
Cash and Cash Equivalents	2,862.5	1,087.4
Net Cash / (Debt)	(6,818.5)	(7,718.6)
Unrealized Gain/Loss on Debt Hedge	(17.3)	9.4
Net Cash / (Debt) After Hedge	(6,835.8)	(7,709.2)

The Company ended 1Q23 with a Net Debt After Hedge position of R\$7,709.2 million, compared to R\$6,835.8 million at the end of 4Q22. The increase in Net Debt after Hedge is mainly a consequence of the payment of the Interest on Equity declared in 2022, in the amount of R\$1.23/share, in January 2023.

Other Information

Cash Conversion Cycle – Continuing Operations

Table 13

						(R\$ million)	1Q22	2Q22	3Q22	4Q22	1Q23
(Days)	1Q22	2Q22	3Q22	4Q22	1Q23						
Receivables ⁽¹⁾	104	94	90	98	112	Receivables	1,887	2,160	2,238	2,532	2,320
Inventories ⁽²⁾	249	223	243	247	352	Inventories	1,531	1,701	2,009	2,196	2,394
Payables ⁽²⁾⁽³⁾	(139)	(129)	(143)	(147)	(184)	Payables ⁽³⁾	(854)	(983)	(1,181)	(1,310)	(1,248)
Cash Conversion Cycle	214	188	190	198	281	Working Capital	2,564	2,878	3,066	3,418	3,466
						% of Annualized Net Revenue ⁽⁴⁾	43%	38%	38%	40%	51%

(1) Calculated based on Continuing Operations Gross Revenue, Net of Discounts

(2) Calculated based on Continuing Operations COGS

(3) Includes Suppliers' Assignment of Receivables

(4) Annualized Net Revenue for the last 3 months

Tax Credits to offset Income Tax payment

- i) Federal Recoverable Taxes: R\$663.8 million (please refer to Explanatory Note 13 of the Financial Statements);
- ii) Cash effect of Income Tax and Social Contribution Losses Carryforward: R\$2,698.9 million (please refer to Explanatory Note 22(a) of the Financial Statements).

Reconciliation of Adjusted EBITDA, or EBITDA from Continuing Operations

Table 14

(R\$ million)	1Q22	% NR	1Q23	% NR	Δ %
Net Income	346.9	23.2%	339.3	20.0%	-2.2%
(+) Income Tax and CSLL	(56.4)	-3.8%	(69.5)	-4.1%	23.2%
(+) Net Interest Expenses	173.6	11.6%	265.8	15.7%	53.1%
(+) Depreciations / Amortizations	37.6	2.5%	51.7	3.0%	37.6%
EBITDA	501.7	33.6%	587.3	34.6%	17.1%
(-) EBITDA from Discontinued Operations	4.0	0.3%	0.2	0.0%	-94.0%
Adjusted EBITDA (EBITDA from Continuing Operations)	505.7	33.9%	587.5	34.6%	16.2%

EBITDA is a non-accounting measure prepared by the Company and it is calculated based on net income, added by income taxes, financial expenses net of financial income, depreciation and amortization. The Adjusted EBITDA, or EBITDA from Continuing Operations, represents the EBITDA, excluding the effects related to discontinued operations that affected the Company's EBITDA. The Company uses Adjusted EBITDA, or EBITDA from Continuing Operations, as a non-accounting measure, in order to present its performance in a way that better translates the operating cash generation potential of its business.

Disclaimer

This release contains forward-looking statements that are exclusively related to the prospects of the business, its operating and financial results, and prospects for growth. These data are merely projections and, as such, based exclusively on our management's expectations for the future of the business and its continued access to capital to fund its business plan. These forward-looking statements substantially depend on changing market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, as well as the risks shown in our filed disclosure documents, and are therefore subject to change without prior notice.

Additional unaudited information herein reflects management's interpretation of information taken from its financial information and their respective adjustments, which were prepared in accordance with market practices and for the sole purpose of a more detailed and specific analysis of our results. Therefore, these additional data must also be analyzed and interpreted independently by shareholders and market agents, who should carry out their own analysis and draw their own conclusions from the results reported herein. No data or interpretative analysis provided by our management should be treated as a guarantee of future performance or results and are merely illustrative of our directors' vision of our results.

Our management is not responsible for compliance or accuracy of the management financial data discussed in this report, which must be considered as for informational purposes only, and should not override the analysis of our audited consolidated financial statements or our reviewed quarterly information for purposes of a decision to invest in our stock, or for any other purpose.

Consolidated Income Statement (R\$ thousand)

Table 15

	1Q22	1Q23
Net Revenue	1,493,550	1,698,195
Cost of Goods Sold	(554,360)	(612,086)
Gross Profit	939,190	1,086,109
Selling and Marketing Expenses	(416,766)	(477,671)
General and Administrative Expenses	(65,474)	(80,757)
Other Operating Revenues (Expenses)	5,636	7,247
Equity in Subsidiaries	5,469	875
Operating Income Before Equity Income and Financial Result	468,055	535,803
Net Financial Expenses	(173,593)	(265,785)
Financial Expenses	(229,470)	(330,510)
Financial Income	55,877	64,725
Profit Before Income Tax and Social Contribution	294,462	270,018
Income Tax and Social Contribution	55,059	69,399
Net Income from Continuing Operations	349,521	339,417
Net Income from Discontinued Operations	(2,633)	(161)
Income for the Period	346,888	339,256
Earnings per Share – R\$	0.55	0.53

Consolidated Balance Sheet (R\$ thousand)

Table 16

Assets	12/31/2022	03/31/2023	Liabilities and Shareholders' Equity	12/31/2022	03/31/2023
Current Assets	8,530,120	6,906,370	Current Liabilities	5,225,194	3,522,836
Cash and Cash Equivalents	2,862,473	1,087,387	Suppliers	421,501	406,649
Accounts Receivables	2,531,789	2,320,039	Suppliers' Assignment of Receivables	888,150	841,800
Inventories	2,195,982	2,394,481	Loans and Financing	2,230,678	1,170,052
Recoverable Taxes	532,564	536,700	Salaries Payable	378,933	302,351
Financial Derivatives	10,303	1,696	Income Tax and Social Contribution	6,389	5,807
Other Assets	391,058	560,116	Taxes Payable	70,861	81,739
Dividends and IOC receivables	5,951	5,951	Accounts Payable	431,239	454,582
			Dividends and IOC Payable	677,773	195,039
			Notes Payable	68,079	23,707
			Financial Derivatives	51,591	41,110
Non-Current Assets	15,225,513	15,611,619	Non-Current Liabilities	7,874,998	8,177,966
Long Term Assets	1,159,417	1,250,343	Loans and Financing	7,376,881	7,606,703
Deferred Income Tax and Social Contribution	603,170	720,703	Deferred Income Tax and Social Contribution	206,378	228,700
Recoverable Taxes	344,013	321,628	Taxes Payable	4,179	4,065
Other Assets	188,109	196,407	Accounts Payable	128,966	179,179
Financial Derivatives	24,125	11,605	Provisions for Contingencies	153,256	153,756
			Notes Payable	5,331	5,519
			Financial Derivatives	7	44
Fixed Assets and Investments	14,066,096	14,361,276	Shareholders' Equity	10,655,441	10,817,187
Investments	131,717	137,363	Capital	4,478,126	4,478,126
Investment Properties	19,568	19,391	Capital Reserve	1,232,710	1,207,708
Biological Assets	4,799	4,961	Equity Valuation Adjustments	(244,191)	(260,962)
Property, Plants and Equipments	2,814,540	3,000,847	Profit Reserves	5,266,249	5,266,249
Intangible Assets	11,095,472	11,198,714	Treasury Stock	(87,134)	(29,508)
			Attributed to non-controlling shareholders	9,681	11,904
			Income for the Period	0	143,670
Total Assets	23,755,633	22,517,989	Total Liabilities and Shareholders' Equity	23,755,633	22,517,989

Consolidated Cash Flow Statement (R\$ thousand)

Table 17

	1Q22	1Q23
Cash Flows from Operating Activities		
Income (Loss) Before Income Taxes including Discontinued Operations	290,504	269,781
Depreciation and Amortization	37,606	51,746
Asset Impairment	365	0
Gain on Permanent Asset Disposals	412	180
Equity Method	(5,469)	(875)
Foreign Exchange (Gains) Losses	15,139	11,752
Net Interest and Related Revenue/Expenses	158,454	254,033
Expenses Related to Share Based Remuneration	5,679	6,522
Provisions	(7,583)	(13,128)
Adjusted Results	495,107	580,011
Decrease (Increase) in Assets	(165,561)	(160,907)
Trade Accounts Receivable	157,793	197,953
Inventories	(184,316)	(230,491)
Recoverable Taxes	42,303	36,799
Judicial Deposits and Others	(7,865)	(1,190)
Other Accounts Receivable	(173,476)	(163,978)
Increase (Decrease) in Liabilities	(17,772)	(117,587)
Suppliers	63,748	12,938
Suppliers' Assignment of Receivables	(12,220)	(44,392)
Financial Derivatives	(41,685)	(4,094)
Income Tax and Social Contribution Paid	(471)	(154)
Taxes Payable	(12,428)	4,621
Salaries and Payroll Charges	(30,545)	(76,563)
Accounts Payable	19,739	5,957
Operations Interest Paid	(4,287)	(11,958)
Other Accounts Payable	377	(3,942)
Net Cash Provided by Operating Activities	311,774	301,517
Cash Flows from Investing Activities		
Capital Increase/Decrease in Subsidiaries/Affiliates	(4,228)	(4,250)
Acquisitions of Subsidiaries, Net of Cash Acquired	(9,990)	(157)
Acquisitions of Property, Plant and Equipment	(102,483)	(118,555)
Intangible Assets	(729,879)	(85,155)
Proceeds from the Sale of Assets with Permanent Nature	(12,958)	(817)
Interest and Others	29,820	38,316
Investment Hedge	(140,366)	0
Net Cash From Investing Activities	(970,084)	(170,618)
Cash Flows from Financing Activities		
Borrowings	813,075	250,000
Treasury Stock Purchase / Sale	21,613	(18,321)
Repayment of Loans - Principal	(20,365)	(1,042,352)
Repayment of Loans - Interest	(129,147)	(363,658)
Dividends and IOC Paid	(704,799)	(677,503)
Loan Derivatives	(13,963)	(54,151)
Net Cash From Financing Activities	(33,586)	(1,905,985)
Net Increase (Decrease) in Cash and Cash Equivalents	(691,896)	(1,775,086)
Statement of Increase in Cash and Cash Equivalents, Net		
Cash and Cash Equivalents at the Beginning of the Period	2,287,062	2,862,473
Cash and Cash Equivalents at the End of the Period	1,595,166	1,087,387
Change in Cash and Cash Equivalent	(691,896)	(1,775,086)