

Braskem S.A.

Condensed Quarterly Information for the
period ended June 30, 2023 and
independent auditors' review report
(Free Translation into English from the Original
Previously Issued in Portuguese.)



KPMG Auditores Independentes Ltda.
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Report on the review of quarterly information – ITR

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities Commission - CVM, for the individual interim financial information prepared in accordance with the Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting, and for the consolidated interim financial information prepared in accordance with CPC 21 (R1) - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board - IASB)

To Shareholders, Members of the Board and Management
Braskem S.A.
Camaçari - Bahia

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Braskem S.A. (the “Company”) included in the Quarterly Information Form – ITR for the quarter ended June 30, 2023, which comprises the statement of interim financial position as of June 30, 2023, and the respective statements of profit or loss and comprehensive income for the three and six-month periods then ended, and the changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with CPC 21 (R1) - Interim Financial Reporting and the consolidated interim financial information in accordance with CPC 21 (R1) and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, such as for the presentation of these information in accordance with the standards issued by CVM - Brazilian Securities Commission, applicable to the preparation of quarterly information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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



Conclusion on the individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial information included in the Quarterly Information referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of Quarterly Information (ITR) and presented in accordance with the standards issued by CVM - Brazilian Securities Commission.

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the Quarterly Information referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, applicable to the preparation of Quarterly Information (ITR) and presented in accordance with the standards issued by CVM - Brazilian Securities Commission.

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of added value (DVA) for the six-month period ended at June 30, 2023, prepared under responsibility of Company's management, and presented as supplementary information for IAS 34 purposes. These statements were submitted to review procedures carried out together with the review of the Company's interim financial information to conclude that they are reconciled with interim financial information and accounting records, as applicable, and its form and content are in accordance with the criteria defined in CPC 09 Technical Pronouncement - Statement of Added Value. Based on our review, nothing has come to our attention that causes us to believe that those statements were not prepared, in all material respects, in accordance with the criteria set forth in this Standard with respect to the individual and consolidated interim financial information taken as a whole.

Corresponding amounts

The corresponding balances, individual and consolidated, related to the statement of financial position as of December 31, 2022 and to the interim financial information related to the statements of profit or loss and comprehensive income for the three and six-month periods ended June 30, 2022, and the changes in equity, cash flows and value added (supplementary information) for the six-month period ended June 30, 2022, presented as corresponding amounts, were audited and reviewed, respectively, by another independent auditors who issued an unqualified reports dated March 22, 2023 and August 10, 2022, respectively.

São Paulo, August 8, 2023

KPMG Auditores Independentes Ltda. CRC 2SP-014428/O-6

Original report in Portuguese signed by
Carla Bellangero
Accountant CRC 1SP196751/O-4

Braskem S.A.

Statement of interim financial position

Base date: June 30, 2023

All amounts in thousands of reais

Assets	Note	Consolidated		Parent company	
		Jun/23	Dec/22	Jun/23	Dec/22
Current assets					
Cash and cash equivalents	4	13,240,168	12,466,474	4,834,799	4,186,996
Financial investments	5	2,340,064	2,295,497	2,184,644	2,128,929
Trade accounts receivable	6	3,056,711	3,231,934	3,272,125	2,978,194
Inventories	7	12,984,562	14,030,064	9,801,541	10,136,541
Taxes recoverable	9	1,249,818	1,156,355	846,357	862,594
Income tax and social contribution		494,186	392,062	392,188	315,168
Derivatives	18.2	269,543	157,906	141,303	57,404
Other receivables		704,022	727,364	492,288	573,562
		34,339,074	34,457,656	21,965,245	21,239,388
Non-current assets					
Taxes recoverable	9	1,548,902	1,617,669	1,130,819	1,181,751
Income tax and social contribution		263,960	252,995	263,960	252,995
Deferred income tax and social contribution	20(c)	6,303,369	6,358,601	5,661,040	5,771,440
Judicial deposits		209,068	215,274	199,905	205,939
Derivatives	18.2	148,087	71,544	148,087	71,544
Other receivables		372,118	187,670	172,192	114,528
Investments	10	155,250	149,023	23,390,294	22,761,453
Property, plant and equipment	11	37,927,139	37,763,295	16,954,706	16,867,502
Intangible assets	12	3,078,757	3,022,144	2,554,411	2,561,424
Right of use of assets	13	3,663,526	3,952,987	1,994,467	2,225,483
		53,670,176	53,591,202	52,469,881	52,014,059
Total assets		88,009,250	88,048,858	74,435,126	73,253,447

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of interim financial position

Base date: June 30, 2023

All amounts in thousands of reais

Liabilities and shareholders' equity	Note	Consolidated		Parent company	
		Jun/23	Dec/22	Jun/23	Dec/22
Current liabilities					
Trade payables	14	11,963,272	12,246,782	11,561,670	11,487,230
Borrowings	15	1,919,585	1,382,351	1,430,183	207,992
Braskem Idesa borrowings	16	740,493	868,635		
Derivatives	18.2	134,873	195,169	328	110,663
Payroll and related charges		609,049	827,826	446,528	580,035
Taxes payable	19	521,432	491,051	440,501	407,213
Income tax and social contribution		192,728	381,117		
Leniency agreement	23	415,534	392,486	415,534	392,486
Sundry provisions	21	441,177	530,814	388,980	451,070
Accounts payable to related parties	8(b)			1,091,974	1,103,328
Provision - geological event in Alagoas	24	3,815,599	4,247,609	3,815,599	4,247,609
Lease	13(b)	845,422	1,039,706	510,160	506,946
Other payables		1,513,005	1,581,701	989,819	822,012
		23,112,169	24,185,247	21,091,276	20,316,584
Non-current liabilities					
Borrowings	15	35,614,331	34,334,384	7,547,695	8,100,229
Braskem Idesa borrowings	16	9,744,668	10,501,683		
Derivatives	18.2	212	81,917	212	81,917
Taxes payable	19	268,647	298,026		1,507
Accounts payable to related parties	8(b)			31,750,333	29,219,068
Loan to non-controlling shareholders of Braskem Idesa	8(a)	2,356,310	2,498,093		
Deferred income tax and social contribution	20(c)	1,708,734	1,153,481		
Post-employment benefits		491,505	493,743	324,287	325,431
Provision for losses on subsidiaries	10(b)				902,884
Legal provisions	22.1	1,098,208	1,171,498	1,091,947	1,164,334
Leniency agreement	23	166,135	510,654	166,135	510,654
Sundry provisions	21	763,278	846,133	700,276	776,019
Provision - geological event in Alagoas	24	2,716,100	2,378,949	2,716,100	2,378,949
Lease	13(b)	2,870,497	3,200,824	1,618,128	1,944,930
Other payables		355,393	286,009	196,175	209,142
		58,154,018	57,755,394	46,111,288	45,615,064
Shareholders' equity					
Capital	25	8,043,222	8,043,222	8,043,222	8,043,222
Capital reserve and treasury shares		17,650	17,415	17,650	17,415
Profit reserves		1,825,616	1,825,616	1,825,616	1,825,616
Additional paid in capital		(488,388)	(488,388)	(488,388)	(488,388)
Other comprehensive income		(1,588,867)	(2,076,066)	(1,588,867)	(2,076,066)
Accumulated losses		(576,671)		(576,671)	
Total attributable to the Company's shareholders		7,232,562	7,321,799	7,232,562	7,321,799
Non-controlling interest in subsidiaries		(489,499)	(1,213,582)		
		6,743,063	6,108,217	7,232,562	7,321,799
Total liabilities and shareholders' equity		88,009,250	88,048,858	74,435,126	73,253,447

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of profit or loss

Base date: June 30, 2023

All amounts in thousands of reais, except earnings (loss) per share

	Note	2Q2023	2Q2022	Jun/23	Consolidated Jun/22
Net revenue	27	17,756,177	25,411,299	37,202,225	52,142,743
Cost of products sold	28	(17,297,601)	(21,332,798)	(35,758,817)	(42,934,227)
Gross (loss) profit		458,576	4,078,501	1,443,408	9,208,516
Income (expenses)					
Selling and distribution	28	(495,191)	(509,858)	(972,562)	(1,057,565)
Loss for impairment of trade accounts receivable and others from clients	28	(35,206)	(12,615)	(47,721)	(21,771)
General and administrative	28	(557,516)	(665,720)	(1,173,784)	(1,279,267)
Research and development	28	(81,429)	(78,174)	(175,074)	(151,094)
Results from equity-accounted investees		(1,848)	9,930	11,101	26,524
Other income	28	272,711	71,337	1,145,051	109,994
Other expenses	28	(1,200,308)	(1,238,817)	(1,374,561)	(1,410,469)
Profit (loss) before net financial expenses and taxes		(1,640,211)	1,654,584	(1,144,142)	5,424,868
Financial results	29				
Financial expenses		(1,411,926)	(1,429,363)	(2,989,643)	(2,782,545)
Financial income		553,501	436,787	1,038,285	789,381
Exchange rate variations, net		1,019,078	(2,400,029)	1,760,097	(152,042)
		160,653	(3,392,605)	(191,261)	(2,145,206)
Profit (loss) before income tax and social contribution		(1,479,558)	(1,738,021)	(1,335,403)	3,279,662
Current and deferred income tax and social contribution	20(a)	656,210	275,322	754,503	(794,982)
Net profit (loss) for the period		(823,348)	(1,462,699)	(580,900)	2,484,680
Attributable to:					
Company's shareholders		(770,600)	(1,406,079)	(586,158)	2,477,785
Non-controlling interest in subsidiaries		(52,748)	(56,620)	5,258	6,895
Net profit (loss) for the period		(823,348)	(1,462,699)	(580,900)	2,484,680
Earnings per share - basic and diluted - R\$	26				
Basic					
Common				(0.7358)	3.1126
Preferred shares class "A"				(0.7358)	3.1128
Preferred shares class "B"				(0.7358)	0.6057
Diluted					
Common				(0.7358)	3.1126
Preferred shares class "A"				(0.7358)	3.1056
Preferred shares class "B"				(0.7358)	0.6057

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of profit or loss

Base date: June 30, 2023

All amounts in thousands of reais, except earnings (loss) per share

	Note	Parent company			
		2Q2023	2Q2022	Jun/23	Jun/22
Net revenue	27	12,336,507	18,405,588	25,968,508	36,376,182
Cost of products sold	28	(12,803,707)	(16,634,701)	(26,506,138)	(32,311,805)
Gross (loss) profit		(467,200)	1,770,887	(537,630)	4,064,377
Income (expenses)					
Selling and distribution	28	(255,353)	(307,555)	(535,994)	(594,454)
Loss for impairment of trade accounts receivable and others from clients	28	(38,611)	1,399	(55,745)	(3,518)
General and administrative	28	(374,954)	(449,762)	(815,419)	(856,265)
Research and development	28	(43,371)	(44,818)	(89,246)	(82,396)
Results from equity-accounted investees	10(c)	859,723	1,038,113	1,809,448	3,037,373
Other income	28	164,647	41,968	1,008,383	75,207
Other expenses	28	(1,130,709)	(1,239,997)	(1,324,903)	(1,435,452)
Profit (loss) before net financial expenses and taxes		(1,285,828)	810,235	(541,106)	4,204,872
Financial results	29				
Financial expenses		(1,179,395)	(1,138,617)	(2,440,869)	(2,260,022)
Financial income		302,574	349,493	537,062	527,388
Exchange rate variations, net		732,007	(2,152,407)	971,110	(211,873)
		(144,814)	(2,941,531)	(932,697)	(1,944,507)
Profit (loss) before income tax and social contribution		(1,430,642)	(2,131,296)	(1,473,803)	2,260,365
Current and deferred income tax and social contribution	20(a)	660,042	725,217	887,645	217,420
Net profit (loss) for the period		(770,600)	(1,406,079)	(586,158)	2,477,785
Earnings per share - basic and diluted - R\$	26				
Basic					
Common				(0.7358)	3.1126
Preferred shares class "A"				(0.7358)	3.1128
Preferred shares class "B"				(0.7358)	0.6057
Diluted					
Common				(0.7358)	3.1126
Preferred shares class "A"				(0.7358)	3.1056
Preferred shares class "B"				(0.7358)	0.6057

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of comprehensive income

Base date: June 30, 2023

All amounts in thousands of reais, except earnings (loss) per share

	Note	Consolidated			
		2Q2023	2Q2022	Jun/23	Jun/22
Net profit (loss) for the period		(823,348)	(1,462,699)	(580,900)	2,484,680
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Fair value of cash flow hedge, net of taxes		123,029	(256,831)	226,825	247,978
Fair value of cash flow hedge from jointly-controlled, net of taxes		2,755	2,464	(1,012)	1,660
		125,784	(254,367)	225,813	249,638
Exchange variation of foreign, net of taxes	18.3 (a.i)	1,044,743	(1,293,057)	1,711,465	1,570,940
Exchange variation of foreign sales hedge - Braskem Idesa, net of taxes	18.3 (a.ii)	553,204	90,942	1,199,286	344,741
		1,597,947	(1,202,115)	2,910,751	1,915,681
Foreign subsidiaries currency translation adjustment		(1,423,822)	1,951,417	(2,441,725)	(1,549,156)
Foreign subsidiaries currency translation adjustment		299,909	494,935	694,839	616,163
Total comprehensive income for the period		(523,439)	(967,764)	113,939	3,100,843
Attributable to:					
Company's shareholders		(609,729)	(795,278)	(113,371)	2,919,065
Non-controlling interest in subsidiaries		86,290	(172,486)	227,310	181,778
Total comprehensive income for the period		(523,439)	(967,764)	113,939	3,100,843

	Note	Parent company			
		2Q2023	2Q2022	Jun/23	Jun/22
Net profit (loss) for the period		(770,600)	(1,406,079)	(586,158)	2,477,785
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Fair value of cash flow hedge, net of taxes		123,029	(256,831)	226,825	247,978
Fair value of cash flow hedge from jointly-controlled, net of taxes		2,755	2,464	(1,012)	1,660
		125,784	(254,367)	225,813	249,638
Exchange variation of foreign, net of taxes	18.3 (a.i)	1,044,743	(1,293,057)	1,711,465	1,570,940
Exchange variation of foreign sales hedge - Braskem Idesa, net of taxes		414,903	68,206	899,464	258,555
		1,459,646	(1,224,851)	2,610,929	1,829,495
Foreign subsidiaries currency translation adjustment		(1,424,559)	2,090,019	(2,363,955)	(1,637,853)
Foreign subsidiaries currency translation adjustment		160,871	610,801	472,787	441,280
Total comprehensive income for the period		(609,729)	(795,278)	(113,371)	2,919,065

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of changes in equity All amounts in thousands of reais

Note	Parent company										Consolidated			
	Capital reserve and treasury shares				Profit reserves			Attributed to shareholders' interest			Total	Non-controlling interest in subsidiaries	Total shareholders' equity (net capital deficiency)	
	Capital	Treasury shares	Long-term incentive plans	Capital transactions	Legal reserve	Tax incentive	Retention of profits	Additional dividends proposed	Additional paid in comprehensive capital	Other income	Retained earnings			Braskem shareholders' interest
At January 1, 2022	8,043,222	(38,197)	31,932	3,473	472,770	1,017,546	643,619	1,350,000	(488,388)	(3,170,158)		7,865,819	(1,661,991)	6,203,828
Comprehensive income for the period:														
Net profit for the period											2,477,785	2,477,785	6,895	2,484,680
Exchange variation of foreign sales hedge, net of taxes												1,829,495	86,186	1,915,681
Fair value of cash flow hedge, net of taxes												249,638		249,638
Foreign subsidiaries currency translation adjustment												(1,637,853)	88,697	(1,549,156)
											441,280	2,477,785	181,778	3,100,843
Equity valuation adjustments:														
Realization of additional property, plant and equipment price-level restatement, net of taxes											(13,082)	13,082		
Realization of deemed cost of jointly-controlled investment, net of taxes											(358)	358		
Long term incentive plan			(8,703)									(8,703)		(8,703)
Fair value adjustments of trade accounts receivable, net of taxes											60	60		60
Exchange variation in hyperinflationary economy, net of taxes											30,701	30,701		30,701
			(8,703)								17,321	13,440		22,058
Contributions and distributions to shareholders:														
Incentive long term plan payments with treasury shares		10,024		2,702								12,726		12,726
Other											(400)	(400)		(400)
Additional dividends approved in the board meeting								(1,350,000)				(1,350,000)		(1,350,000)
Proposed dividends		10,024		2,702				(1,350,000)			(400)	(1,337,674)	(1,236)	(1,338,910)
Balances at June 30, 2022	8,043,222	(28,173)	23,229	6,175	472,770	1,017,546	643,619	(488,388)	(2,711,557)	2,490,825	9,469,268	(1,481,449)	7,987,819	
At January 1, 2023	8,043,222	(28,173)	39,413	6,175	472,770	1,126,521	226,325	(488,388)	(2,076,066)		7,321,799	(1,213,582)	6,108,217	
Comprehensive income for the period:														
Net profit (loss) for the period											(586,158)	(586,158)	5,258	(580,900)
Exchange variation of foreign sales hedge, net of taxes											2,610,929	2,610,929	299,822	2,910,751
Fair value of cash flow hedge, net of taxes											225,813	225,813		225,813
Foreign currency translation adjustment											(2,363,955)	(2,363,955)	(77,770)	(2,441,725)
											472,787	(586,158)	227,310	113,939
Equity valuation adjustments:														
Realization of additional property, plant and equipment price-level restatement, net of taxes											(9,123)	9,123		
Realization of deemed cost of jointly-controlled investment, net of taxes											(364)	364		
Long term incentive plan			(11,451)									(11,451)		(11,451)
Fair value adjustments of trade accounts receivable, net of taxes											(210)	(210)		(210)
Exchange variation in hyperinflationary economy, net of taxes											24,109	24,109		24,109
			(11,451)								14,412	9,487	12,448	12,448
Contributions to shareholders:														
Incentive long term plan payments with treasury shares		28,172		(16,486)								11,686		11,686
Sales of participation in subsidiary	1												316,027	316,027
Capital increase	1												128,780	128,780
Other													(5,002)	(5,002)
Addition by company acquisition													62,390	62,390
Proposed dividends													(5,422)	(5,422)
Balances at June 30, 2023	8,043,222	(1)	27,962	(10,311)	472,770	1,126,521	226,325	(488,388)	(1,588,867)	(576,671)	7,232,562	(489,499)	6,743,063	

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of cash flows

Base date: June 30, 2023

All amounts in thousands of reais

	Note	Consolidated		Parent company	
		Jun/23	Jun/22	Jun/23	Jun/22
Profit (loss) before income tax and social contribution		(1,335,403)	3,279,662	(1,473,803)	2,260,365
Adjustments for reconciliation of profit					
Depreciation and amortization	28	2,534,516	2,125,603	1,730,668	1,388,713
Results from equity-accounted investees	10(c)	(11,101)	(26,524)	(1,809,448)	(3,037,373)
Interest foreign exchange gain/losses		(437,365)	1,092,038	1,006,520	1,658,357
(Reversals) Provisions, net		(116,146)	32,016	(71,534)	31,937
Provision geological event in Alagoas	24	1,149,056	1,253,454	1,149,056	1,253,454
Loss for impairment of trade accounts receivable and others from clients	28	47,721	21,771	55,745	3,518
Provision (reversal) for losses and write-offs of long-lived assets		55,679	(5,869)	34,768	(7,934)
		1,886,957	7,772,151	621,972	3,551,037
Changes in operating working capital					
Financial investments		88,694	(194,869)	78,071	(219,586)
Trade accounts receivable		22,048	(227,039)	(314,571)	278,256
Inventories		1,084,511	(869,870)	410,679	63,105
Taxes recoverable		(152,349)	1,181,228	73,335	1,172,283
Other receivables		(266,910)	(183,198)	(11,198)	99,241
Trade payables		639,692	1,186,210	472,820	(356,368)
Taxes payable		264,122	(307,323)	31,313	(391,718)
Leniency agreement		(358,459)	(317,867)	(358,459)	(317,867)
Sundry provisions		(287,493)	(211,033)	(255,570)	(136,874)
Geological event in Alagoas	24	(1,308,433)	(1,308,374)	(1,308,433)	(1,308,374)
Other payables		(252,524)	(899,812)	56,106	(590,564)
Cash generated from operations		1,359,856	5,620,204	(503,935)	1,842,571
Interest paid		(1,697,686)	(1,401,546)	(492,989)	(201,086)
Income tax and social contribution paid		(484,637)	(513,442)	(92,297)	(408,374)
Net cash (used) generated from operating activities		(822,467)	3,705,216	(1,089,221)	1,233,111
Proceeds from the sale of fixed and intangible assets		35,140	572	1,376	584
Proceeds from the sale of investments	1	316,027			
Dividends received		6,041	2,947	15,409	2,239,485
Additions to investments in subsidiaries		(78,029)	(55,743)	(1,171,407)	(3,787)
Acquisitions to property, plant and equipment and intangible assets		(2,072,548)	(1,807,094)	(1,547,019)	(1,460,605)
Net cash (used) generated in investing activities		(1,793,369)	(1,859,318)	(2,701,641)	775,677
Short-term and Long-term debt					
Acquired		6,129,366	4,147,345	1,007,996	4,147,345
Payments		(1,851,817)	(2,902,902)	(50,039)	(570,503)
Braskem Idesa borrowings					
Payments		(64,098)	(46,818)		
Related parties					
Acquired				5,190,024	1,672,262
Payments				(1,403,930)	(3,156,114)
Loan payment to non-controlling shareholders of Braskem Idesa			(34,122)		
Lease	13(b)	(561,060)	(377,308)	(305,214)	(222,555)
Dividends paid		(2,794)	(1,350,220)	(172)	(1,349,261)
Other financial liabilities	1	128,780			
Net cash generated (used) in financing activities		3,778,377	(564,025)	4,438,665	521,174
Exchange variation on cash of foreign subsidiaries		(388,847)	(434,814)		
Increase in cash and cash equivalents		773,694	847,059	647,803	2,529,962
Represented by					
Cash and cash equivalents at the beginning of the period		12,466,474	8,680,686	4,186,996	2,298,344
Cash and cash equivalents at the end of the period		13,240,168	9,527,745	4,834,799	4,828,306
Increase in cash and cash equivalents		773,694	847,059	647,803	2,529,962

The notes are an integral part of the interim financial statements.

Braskem S.A.

Statement of value added

Base date: June 30, 2023

All amounts in thousands of reais

	Consolidated		Parent company	
	Jun/23	Jun/22	Jun/23	Jun/22
Revenue	43,720,514	60,524,477	32,289,373	44,641,322
Sale of goods, products and services	42,784,500	60,577,897	31,485,752	44,752,349
Other income, net	983,735	(31,649)	859,366	(93,236)
Loss for doubtful accounts	(47,721)	(21,771)	(55,745)	(17,791)
Inputs acquired from third parties	(38,497,730)	(43,786,546)	(29,618,862)	(39,146,144)
Cost of products, goods and services sold	(36,319,990)	(41,169,491)	(28,887,991)	(38,196,038)
Material, energy, outsourced services and others	(2,129,284)	(2,616,066)	(716,911)	(950,942)
Gain (impairment) of assets	(48,456)	(989)	(13,960)	836
Gross value added	5,222,784	16,737,931	2,670,511	5,495,178
Depreciation, amortization and depletion	(2,534,516)	(2,125,603)	(1,730,668)	(1,388,713)
Net value added produced by the Company	2,688,268	14,612,328	939,843	4,106,465
Value added received in transfer	3,655,461	1,249,658	3,571,292	3,662,408
Results from equity-accounted investees	11,101	26,524	1,809,448	3,037,373
Financial income	3,644,264	1,223,031	1,761,748	624,932
Other	96	103	96	103
Total value added to distribute	6,343,729	15,861,986	4,511,135	7,768,873
Personnel	1,176,878	1,019,052	692,274	640,197
Direct compensation	941,759	808,846	525,514	483,714
Benefits	189,010	172,360	120,043	117,611
FGTS (Government Severance Pay Fund)	46,109	37,846	46,717	38,872
Taxes, fees and contributions	1,739,460	8,887,976	1,552,956	1,947,990
Federal	(61,599)	6,346,358	(205,440)	674,695
State	1,739,459	2,483,767	1,739,459	1,257,672
Municipal	61,600	57,851	18,937	15,623
Remuneration on third parties' capital	4,008,291	3,470,278	2,852,063	2,702,901
Financial expenses	3,834,510	3,327,916	2,693,466	2,529,120
Rentals	173,781	142,362	158,597	173,781
Remuneration on own capital	(580,900)	2,484,680	(586,158)	2,477,785
Profit (loss) for the period	(586,158)	2,477,785	(586,158)	2,477,785
Non-controlling interest in subsidiaries	5,258	6,895		
Value added distributed	6,343,729	15,861,986	4,511,135	7,768,873

The notes are an integral part of the interim financial statements.

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Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

1 Operations

Braskem S.A. (“Parent Company” or Braskem) is a publicly held corporation headquartered in Camaçari, Bahia (“BA”), which, jointly with its subsidiaries (“Company”), is controlled by Novonor S.A. (“Novonor”), which directly and indirectly holds interests of 50.11% and 38.32% in its voting and total capital, respectively. The ultimate parent company of Braskem is Kieppe Patrimonial S.A.

The Braskem’s shares are traded on B3 S.A. Brasil, Bolsa, Balcão (“B3”), under the tickers BRKM3, BRKM5 and BRKM6, on the New York Stock Exchange (“NYSE”) under the ticker BAK and on the Madrid Stock Exchange (“LATIBEX”) under the ticker XBRK.

Braskem main activities are, among others, the manufacture, sale, import and export of chemicals, petrochemicals and fuels, the production, supply and sale of utilities such as steam, water, compressed air and industrial gases, as well as the provision of industrial services and the production, supply and sale of electric energy and natural gas for its own use as for third parties and equity interest in other companies.

The Company has industrial plants in Brazil, the United States, Germany, and Mexico. The units produce thermoplastic resins, such as polyethylene (“PE”), polypropylene (“PP”), polyvinyl chloride (“PVC”) and other basic petrochemicals.

Operations of subsidiary Braskem Idesa (“BI”)

On June 14, 2022, Braskem Idesa signed agreements with Advario B.V. (“Advario”) to sell 50% of the capital stock of Terminal Química Puerto México (“Terminal Química”), the subsidiary of Braskem Idesa responsible for developing and operating the ethane import terminal project in Mexico. In March 2023, the conditions for the conclusion of the agreement were met and Advario made the payment of R\$316 million to Braskem Idesa related to the contribution of a 50% ownership interest in Terminal Química. Pursuant to IFRS10/CPC36 pronouncements, Braskem Idesa maintains control of the Terminal Química due to its ability to influence the economic result of operations, whose purpose is to import ethane to supply Braskem Idesa. In addition, in the period ended June 30, 2023, Advario and Braskem Idesa made a capital contribution of R\$129 million each.

2 Basis of preparation

The parent company Quarterly Information (“Quarterly Information”) was prepared and is presented in accordance with the Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the consolidated Quarterly Information was prepared and is presented in accordance with the Technical Pronouncement CPC 21 (R1) – Interim Financial Reporting, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board. All relevant information specific to the Quarterly Information, and only it, is being highlighted, and has been used by the Company’s Management.

This Quarterly Information refers to the three-month period ended as of June 30, 2023 and should be read jointly with the financial statements of the Company for the year ended December 31, 2022, which comprise a complete set of the notes.

This Quarterly Information is presented in Brazilian Real, which is the Parent Company’s functional currency. All amounts have been rounded to the nearest thousand unless stated otherwise.

The same accounting policies and methods of computation were followed in this Quarterly Information as those followed in the preparation of the Company’s annual financial statements related to the year ended December 31, 2022.

The judgments and assumptions made by management in the use of estimates for preparing this Quarterly Information did not differ significantly from those described in the financial statements as of December 31, 2022, which were issued on March 22, 2023.

The issue of this quarterly information was authorized by the Executive Board on August 08, 2023.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

The consolidated Quarterly Information includes the Quarterly Information of the Parent Company and the following entities:

	Headquarter	Total and voting interest (%)	
		Jun/23	Dec/22
Direct subsidiaries			
BM Insurance Company Limited ("BM Insurance")	Bermuda	100	100
Braskem Argentina S.A. ("Braskem Argentina")	Argentina	100	100
Braskem Finance Limited ("Braskem Finance")	Cayman	100	100
Braskem Green S.A.	Brazil	100	100
Braskem Incorporated Limited ("Braskem Inc.")	(i) Cayman		-
Braskem Mexico, S. de RL de C.V. ("Braskem México")	Mexico	100	100
Braskem Netherlands B.V. ("Braskem Holanda")	Netherlands	100	100
Braskem Petroquímica Chile Ltda. ("Braskem Chile")	Chile	100	100
Braskem Ventures Ltda. ("Braskem Ventures")	Brazil	100	100
Cetrel S.A. ("Cetrel")	Brazil	63.7	63.7
Voqen Energia Ltda. ("Voqen")	Brazil	100	100
Wise Plásticos Ltda. ("Wise")	(ii) Brazil	61.1	
<i>Special Purpose Entities</i>			
Fundo de Investimento Caixa Júpiter Multimercado Crédito Privado	Brazil	100	100
Fundo de Investimento Santander Netuno Multimercado Crédito Privado	Brazil	100	100
Indirect subsidiaries			
AM Solutions Corporation ("AM Solutions")	(iii) EUA	100	
B&TC B.V. ("B&TC")	Netherlands	60	60
Babel Holding Ltda. ("Babel")	(iii) Brasil	100	
Braskem America Finance Company ("Braskem America Finance")	USA	100	100
Braskem America, Inc. ("Braskem America")	USA	100	100
Braskem Europe GmbH ("Braskem Alemanha")	Germany	100	100
Braskem Idesa S.A.P.I. ("Braskem Idesa")	Mexico	75	75
Braskem Idesa Servicios S.A. de C.V. ("Braskem Idesa Serviços")	Mexico	75	75
Braskem India Private Limited ("Braskem India")	India	100	100
Braskem Mexico Proyectos S.A. de C.V. SOFOM ("Braskem México Sofom")	Mexico	100	100
Braskem Mexico Servicios S. RL de C.V. ("Braskem México Serviços")	Mexico	100	100
Braskem Netherlands Finance B.V. ("Braskem Holanda Finance")	Netherlands	100	100
Braskem Netherlands Green B.V. ("Braskem Holanda Green")	Netherlands	100	100
Braskem Netherlands Inc. B.V. ("Braskem Holanda Inc.")	Netherlands	100	100
Builder Brasil Ltda. ("Builder Brasil")	Brazil	100	100
Builder USA LLC. ("Builder USA")	USA	100	100
Distribuidora de Água Camaçari S.A. ("DAC")	Brazil	63.7	63.7
ER Plastics B.V. ("ER Plastics")	Netherlands	60	60
LSK Tecnologia e Logística S.A. ("LSK Tecnologia")	(iii) Brasil	100	
Terminal Química Puerto México ("Terminal Química")	(iv) Mexico	37.5	75
Zaya Holding Ltda. ("Zaya Holding")	(iii) Brasil	100	

(i) Company dissolved in December 2022.

(ii) In February 2023, Braskem acquired a 61.1% ownership interest in Wise, a Brazilian company engaged in mechanical recycling.

(iii) Companies organized in 2023 as part of the Oxygea group, aiming to foster the conception and development of new corporate initiatives.

(iv) In March 2023, Braskem Idesa sold a 50% ownership interest in Terminal Química.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

The subsidiaries with a functional currency different from Brazilian Real (R\$) are listed below:

	<u>Functional currency</u>
Braskem Alemanha, B&TC e ER Plastics	Euro
Am Solutions Corporation, BM Insurance, Braskem America, Braskem America Finance, Braskem Holanda, Braskem Holanda Finance, Braskem Holanda Inc., Braskem México Proyectos, Braskem Holanda Green, Terminal Química and Builder USA.	U.S.dollar ("US\$")
Braskem Idesa, Braskem Idesa Serviços, Braskem México e Braskem México Serviços	Mexican peso
Braskem Argentina	Argentinean peso
Braskem Chile	Chilenean peso
Braskem Índia	Rupee

3 New accounting standards changes and amendments applicable in the current year:

The following changes and amendments of financial standards became effective on January 1, 2023:

- Definition of accounting estimates (amendments to CPC 23/IAS 8).
- Definition of materiality for disclosure of accounting policies (amendments to CPC 26/IAS1 and IFRS Practice Statement 2).
- Deferred taxes related to assets and liabilities arising from a single transaction (amendments to CPC 32/IAS 12).
- CPC 50/IFRS 17 Insurance Contracts
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12.

Adoption of the amendments did not have any material impact on the disclosures or amounts presented in this quarterly information.

4 Cash and cash equivalents

	<u>Consolidated</u>		<u>Parent company</u>	
	<u>Jun/23</u>	<u>Dec/22</u>	<u>Jun/23</u>	<u>Dec/22</u>
Cash				
Domestic market	1,333,213	517,236	1,330,919	515,065
Foreign market	(i) 5,111,969	5,556,972		
Cash equivalents				
Domestic market	3,550,697	3,684,999	3,503,880	3,671,931
Foreign market	(i) 3,244,289	2,707,267		
Total	<u>13,240,168</u>	<u>12,466,474</u>	<u>4,834,799</u>	<u>4,186,996</u>

(i) On June 30, 2023, it includes cash of R\$752,807 of cash and R\$725,674 of cash equivalents (2022: R\$931,991 of cash and R\$1,252,341 of cash equivalents) of Braskem Idesa and its subsidiaries, which cannot be used by other subsidiaries of the Company.

Cash equivalents are represented mainly by fixed-income instruments and time deposits, such as bank deposit certificates ("CDBs"), treasury bonds, financial bills, debentures, and shares of fixed income investment funds. These assets may be directly held by the Company or through its exclusive funds, FIM Júpiter and FIM Netuno. Average yield of cash equivalents is presented jointly with financial investments (see note 5).

The cash equivalents abroad consist of fixed income instruments (Time Deposit) and interest bearing accounts.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

5 Financial investments

		Consolidated		Parent company	
		Jun/23	Dec/22	Jun/23	Dec/22
Fair value through profit or loss					
LFT's and LF's	(i)	1,968,129	1,789,375	1,936,435	1,765,518
Restricted funds investments	(ii)	234,446	305,485	217,207	288,351
Other		159,228	217,771	31,002	75,060
Total		2,361,803	2,312,631	2,184,644	2,128,929
Current assets		2,340,064	2,295,497	2,184,644	2,128,929
Non-current assets	(iii)	21,739	17,134		
Total		2,361,803	2,312,631	2,184,644	2,128,929

(i) These refer to Brazilian floating-rate government bonds ("LFTs") issued by the Brazilian federal government and floating-rate bonds ("LFs") issued by financial institutions.

(ii) Includes the following amounts: R\$170,749 (2022: R\$175,153) in restricted funds used in the Program for Relocation of Residents in Alagoas (Note 24.1(i)); and R\$63,697 (2022: R\$130,332) of balance associated with compliance with the contractual obligations of the debentures and borrowings, see Note 15(e).

(iii) On the Statement of financial position, the balance of non-current assets is presented under Other assets.

In the year ended June 30, 2023, financial investments and cash equivalents (Note 4) in Brazilian R\$ registered average profitability of 100.45% of the CDI p.a. (2022: 102.59%) and financial investments and cash equivalents in foreign currency (Note 4) registered average yield of 5.11% p.a. (2022: 1.18% p.a.).

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

6 Trade accounts receivable

The Company's average receivables term is generally 30 days; therefore, the carrying value of the trade accounts receivable approximates their fair value. The Company realizes part of its trade accounts receivable through the sale of trade notes to funds and financial institutions that acquire receivables. These operations are not entitled to recourse and the risks and benefits over the receivables are transferred and the trade accounts receivable are derecognized.

As of June 30, 2023, the amount of trade accounts receivable transferred and derecognized maturing after June 30, 2023 was R\$4.4 billion in the Consolidated and R\$2.8 billion in the Parent Company (2022: R\$3.5 billion in the Consolidated and R\$2.9 billion in the Parent Company).

Expenses with Interest related to the transfer of trade accounts receivable mentioned above was R\$69 million in the Consolidated and R\$57 million in the Parent Company (2022: R\$73 million in the Consolidated and R\$66 million in the Parent Company), recorded under Financial Expenses.

	Note	Consolidated		Parent company	
		Jun/23	Dec/22	Jun/23	Dec/22
Customers					
Domestic market					
Third parties		1,572,438	1,533,675	1,445,388	1,418,461
Related parties	8	12,070	13,791	29,668	36,194
		<u>1,584,508</u>	<u>1,547,466</u>	<u>1,475,056</u>	<u>1,454,655</u>
Foreign market					
Third parties		1,594,426	1,796,559	319,098	277,995
Related parties	8			1,572,069	1,321,704
		<u>1,594,426</u>	<u>1,796,559</u>	<u>1,891,167</u>	<u>1,599,699</u>
Expected credit losses		(122,223)	(112,091)	(94,098)	(76,160)
Total		<u>3,056,711</u>	<u>3,231,934</u>	<u>3,272,125</u>	<u>2,978,194</u>

7 Inventories

	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Finished goods	7,632,873	8,558,025	5,442,514	5,685,387
Semi-finished goods	450,626	663,182	450,626	663,182
Raw materials, production inputs and packaging	2,625,019	2,747,525	2,173,204	2,179,671
Maintenance materials	919,974	869,953	469,753	437,959
Advances to suppliers	239,615	124,285	149,054	103,342
Imports in transit	1,116,455	1,067,094	1,116,390	1,067,000
Total	<u>12,984,562</u>	<u>14,030,064</u>	<u>9,801,541</u>	<u>10,136,541</u>

At June 30, 2023, the provision for loss in inventories is R\$351 million in the Consolidated and R\$301 million in the Parent Company (2022: R\$512 million in the Consolidated and R\$416 million in the Parent Company), mainly refers to the net realizable value of certain product lines, due to the reduction in the sale price compared to the value of inventories recorded in the statement of financial position (reduction of international spreads), resulting from the current economic environment.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

8 Related parties

(a) Consolidated

	Balances at June 30, 2023				Balances at December 31, 2022			
	Associates companies, Jointly-controlled investment and Related companies				Associates companies, Jointly-controlled investment and Related companies			
	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (i)	Total	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (i)	Total
Statement of financial position								
Assets								
Current								
Trade accounts receivable		3,954	8,116	12,070		11,924	1,867	13,791
Inventories (advance to suppliers)		62,285		62,285		61,428		61,428
Dividends and interest on capital							4,296	4,296
Other receivables - Related parties		287		287	11,348	287		11,635
Non-current								
Other receivables - Related parties			28,399	28,399		5,657		5,657
Total assets		66,526	36,515	103,041	11,348	79,296	6,163	96,807
Liabilities								
Current								
Trade payables	84,690	968,668	13,444	1,066,802	126,014	137,764	14,189	277,967
Other payables	3	242,327	314	242,644	4	233,133	314	233,451
Non-current								
Trade payables					3,069			3,069
Loan to non-controlling shareholders of Braskem Idesa			2,356,310	2,356,310			2,498,093	2,498,093
Total liabilities	84,693	1,210,995	2,370,068	3,665,756	129,087	370,897	2,512,596	3,012,580
Transactions								
Six-month period ended June 30, 2023								
Associates companies, Jointly-controlled investment and Related companies								
Six-month period ended June 30, 2022								
Associates companies, Jointly-controlled investment and Related companies								
	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (i)	Total	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (i)	Total
Sales of products		87,595	196,076	283,671		102,109	246,479	348,588
Purchases of raw materials, finished goods services and utilities	(153,004)	(8,260,130)	(59,011)	(8,472,145)	(137,274)	(13,999,409)	(16,652)	(14,153,335)
Financial income (expenses), net		(8)	(332,318)	(332,326)	(17)	(35)	(20,873)	(20,925)
General and administrative expenses			(38,516)	(38,516)			(22,142)	(22,142)
Other income (expenses)	(11,348)	(124)		(11,472)		(53,056)		(53,056)

(i) Borealis, Grupo Idesa, Refinaria de Petróleo Riograndense S.A and Vexty.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

(b) Parent Company

	Balances at June 30, 2023										
	Associates companies, Jointly-controlled investment and Associates companies						Related companies				Total
	Braskem Finance	Braskem Holanda	Braskem Holanda Inc	Braskem America	Braskem Argentina	FIM Júpiter and Netuno	Other (i)	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (ii)	
Statement of financial position											
Assets											
Current											
Cash and equivalents						2,290,946				2,290,946	
Financial investments						2,137,837				2,137,837	
Trade accounts receivable		1,514,986		20,768	36,315		17,598	3,954	8,116	1,601,737	
Inventories (advance to suppliers)								62,285		62,285	
Other receivables - Related parties		16,813		63	6		677	287		17,846	
Non-current											
Other receivables - Related parties									28,399	28,399	
Total assets	1,531,799	1,531,799	32,315,625	20,831	36,321	4,428,783	18,275	66,526	36,515	6,139,050	
Liabilities											
Current											
Trade payables		8,022,596					27,444	84,551	968,668	13,444	
Accounts payable to related parties											
Advance to export			968,509	13,111						981,620	
Other payables		110,243		111						110,354	
Other							3,112	3	242,327	314	
Non-current											
Accounts payable to related parties											
Advance to export		3,223	31,347,116	399,994						31,750,333	
Total liabilities	8,136,062	8,136,062	32,315,625	413,216			30,556	84,554	1,210,995	13,758	
	Associates companies, Jointly-controlled investment and Associates companies						Six-month period ended June 30, 2023				
	Associates companies, Jointly-controlled investment and Associates companies						Related companies				
	Braskem Finance	Braskem Holanda	Braskem Holanda Inc	Braskem America	Braskem Argentina	FIM Júpiter and Netuno	Other (i)	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (ii)	Total
Transactions											
Sales of products		2,589,511		38,828	87,978		71,022		87,595	196,076	
Purchases of raw materials, finished products services and utilities		(9,641,000)					(163,522)	(151,731)	(8,260,130)	(59,011)	
Financial income (expenses), net	254,492	450,718	1,006,864	16,446	(7,074)	214,184	(1,752)		(8)	(1,864)	
General and administrative expenses										(37,127)	
Other income (expenses)		(23,332)						(11,348)	(124)		

(i) Braskem Chile, Braskem Idesa, Braskem Netherlands Inc., Wise, Cetrel and Voqen.

(ii) Borealis, Refinaria de Petróleo Riograndense S.A and Vexty.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

Statement of financial position	Balances at December 31, 2022										
	Associates companies, Jointly-controlled investment and Associates companies						Related companies				Total
	Braskem Finance	Braskem Holanda	Braskem Holanda Inc	Braskem America	Braskem Argentina	FIM Júpiter and Netuno	Other (i)	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (ii)	
Assets											
Current											
Cash and equivalents						1,074,871					1,074,871
Financial investments						2,015,355					2,015,355
Trade accounts receivable		1,206,582		5,811	109,311		22,403		11,924	1,867	1,357,898
Inventories (advance to suppliers)									61,428		61,428
Dividends and interest on capital										4,296	4,296
Other receivables - Related parties		26,860	83	13,150	6		1,151	11,348	287		52,885
Non-current											
Other receivables - Related parties									5,657		5,657
Total assets		1,233,442	83	18,961	109,317	3,090,226	23,554	11,348	79,296	6,163	4,572,390
Liabilities											
Current											
Trade payables		8,488,570					22,437	125,828	137,764	14,189	8,788,788
Accounts payable to related parties											
Advance to export	24,404	5,860	877,745	14,461							922,470
Other payables		180,737		121							180,858
Other							3,073	4	233,133	314	236,524
Non-current											
Trade payables								3,069			3,069
Accounts payable to related parties											
Advance to export	652,613	9,880	28,123,506	433,069							29,219,068
Total liabilities	677,017	8,685,047	29,001,251	447,651			25,510	128,901	370,897	14,503	39,350,777
	Associates companies, Jointly-controlled investment and Associates companies						Six-month period ended June 30, 2022				Total
	Braskem Finance	Braskem Holanda	Braskem Holanda Inc	Braskem America	Braskem Argentina	FIM Júpiter and Netuno	Other (i)	Novonor and subsidiaries and associates	Petrobras and subsidiaries	Other (ii)	
Transactions											
Sales of products		3,050,357		42,200	319,464		117,660		102,109	246,479	3,878,269
Purchases of raw materials, finished products services and utilities		(14,153,584)		(4)			(104,701)	(137,218)	(13,999,409)	(16,652)	(28,411,568)
Financial income (expenses), net	82,820	282,642	629,526	9,410	(7,743)	230,817	(2,962)	(17)	(35)	(3,268)	1,221,190
General and administrative expenses										(21,519)	(21,519)
Other income (expenses)			6,998						(53,056)		(46,058)

(i) Braskem Alemanha, Braskem Chile, Braskem Idesa, Braskem Netherlands Finance, Cetrel, Lantana and Voqen.

(ii) Borealis, Grupo Idesa, Refinaria de Petróleo Riograndense S.A and Vexty.

Braskem S.A.

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All amounts in thousands Reais, except as otherwise stated

(c) Compensation of key managers

Statement of profit or loss transactions	Consolidated	
	Jun/23	Jun/22
Remuneration		
Wages and recurring benefits	27,683	25,236
Short-term variable compensation	10,886	20,208
Post-employment benefit	673	1,110
Long term incentive plan	7,617	4,795
Total	46,859	51,349

9 Taxes recoverable

	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Parent Company and subsidiaries in Brazil				
Value-added tax on sales and services (ICMS)	494,851	410,138	494,589	409,782
ICMS - credits from PP&E	310,818	302,940	309,116	302,771
Social integration program (PIS) and social contribution on revenue (Cofins)	470,388	560,002	468,337	552,110
PIS and Cofins - credits from PP&E	607,583	546,427	607,583	546,427
REINTEGRA program	14,705	20,504	14,705	20,504
Federal tax credits	17,778	153,960	17,778	153,960
Other	73,208	68,514	65,068	58,791
Foreign subsidiaries				
Value-added tax ("IVA")	682,236	579,672		
Other	127,153	131,867		
Total	2,798,720	2,774,024	1,977,176	2,044,345
Current assets	1,249,818	1,156,355	846,357	862,594
Non-current assets	1,548,902	1,617,669	1,130,819	1,181,751
Total	2,798,720	2,774,024	1,977,176	2,044,345

Braskem S.A.

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All amounts in thousands Reais, except as otherwise stated

10 Investments

(a) Information on investments

	Note	Net profit (loss) for the period		Equity	
		Jun/23	Jun/22	Jun/23	Dec/22
Direct subsidiaries					
BM Insurance		(2,916)	2,233	7,104	10,712
Braskem Argentina		6,563	(22,711)	64,084	59,060
Braskem Chile		2,612	2,274	58,867	57,375
Braskem Finance		(15,691)	(85,321)	50,292	(902,884)
Braskem Holanda		1,798,781	3,007,375	22,601,093	22,061,740
Braskem México		(23,797)	1,792	360,677	364,915
Braskem Ventures		(13,201)		48,277	18,340
Cetrel		36,879	28,073	360,851	338,907
Voqen		(59)	36	27,445	27,503
Wise	2 (i)	(1,653)		129,620	
Indirect subsidiaries					
B&TC	(i)	(600)		54,112	57,847
Braskem Alemanha		340,856	1,350,439	5,617,942	5,758,328
Braskem America		229,844	1,506,954	5,144,290	5,336,320
Braskem America Finance		(7,455)	(8,035)	(231,685)	(243,177)
Braskem Netherland Finance		(41,599)	(849)	380,083	559,639
Braskem Netherland Inc		(38,233)	35,083	196,357	146,606
Braskem Idesa		2,794	(13,185)	(4,564,821)	(5,459,379)
Braskem Idesa Serviços		1,568	722	46,520	42,640
Braskem Índia				2,107	2,266
Braskem México Proyectos		52,118	78,843	2,340,456	2,251,700
Braskem México Serviços		(16)	722	34	48
DAC		32,041	23,035	108,717	90,472
ER Plastics	(i)	(7,850)		(15,259)	(8,205)
Terminal Química		(10,578)	(430)	873,528	500,014
Jointly-controlled investment					
Refinaria de Petróleo Riograndense S.A.		23,821	59,381	130,810	110,040
Bioglycols LLC		(6,787)		69,122	80,757
Associate					
Borealis Brasil S.A.		33,433	17,944	277,506	252,053

- (i) In August 2022, Braskem Holanda acquired a 60% ownership interest in B&TC, which holds 100% of the shares of ER Plastics, which is engaged in mechanical recycling of mixed plastic waste into compression molded products (boards for use in construction and pallets).

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reals, except as otherwise stated

(b) Changes in investments and provision for losses in subsidiaries: Parent company

Investments	Note	Subsidiaries and jointly-controlled investment		Total
		Direct	Associate	
Balances at December 31, 2022		22,714,058	47,395	22,761,453
Results from equity-accounted investees		1,799,601	9,703	1,809,304
Acquisition of shares - subsidiary Wise	2(i)	159,402		159,402
Equity valuation adjustments		873,725		873,725
Currency translation adjustments		(2,311,598)		(2,311,598)
Capital increase		109,121		109,121
Dividends and interest on equity		(9,513)	(1,600)	(11,113)
Balances at June 30, 2023		23,334,796	55,498	23,390,294
Provision for loss in subsidiaries				
Balances at December 31, 2022		(902,884)		(902,884)
Reversal of provision with capital increase in subsidiary		902,884		902,884
Balances at June 30, 2023				

(c) Results from equity-accounted investees

	Parent company	
	Jun/23	Jun/22
Results from equity-accounted investees	1,809,304	3,122,824
Provision for loss		(85,451)
Others	144	
	1,809,448	3,037,373

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

(d) Impact on the consolidation of Braskem Idesa

The Company presents the financial information of the subsidiary Braskem Idesa, which holds a non-controlling interest with material effects on the Company's Quarterly Information. The amounts disclosed do not consider the eliminations between the Companies:

	Braskem Idesa Consolidated (i)	
	Jun/23	Dec/22
Statements of financial position		
Current assets	3,134,865	3,685,029
Non-current assets	15,962,982	16,107,512
Total assets	19,097,847	19,792,541
Current liabilities	1,777,181	2,427,490
Non-current liabilities	20,805,983	22,069,528
Total liabilities	22,583,164	24,497,018
Shareholders' equity	(3,485,317)	(4,704,477)
Total liabilities and shareholders' equity	19,097,847	19,792,541
Statement of profit or loss	Jun/23	Jun/22
Net revenue	2,394,531	3,453,293
Net profit for the period	(151,692)	79,332
Statement of cash flows		
Net cash (used) generated from operating activities	(587,309)	761,591
Net cash (used) generated in investing activities	(118,002)	(238,895)
Net cash generated (used) in financing activities	(83,769)	(105,984)
Exchange variation on cash of foreign subsidiaries	83,229	(70,252)
(Decrease) increase in cash and cash equivalents	(705,851)	346,460

(i) Consolidation of Braskem Idesa with its subsidiaries Braskem Idesa Serviços and Terminal Química.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

11 Property, plant and equipment

	Consolidated					
	Land	Buildings and Improvements	Machinery, Equipment and Facilities	Projects and Stoppage in Progress	Other	Total
Balance as of December 31, 2021	687,764	5,181,488	26,292,188	4,449,433	614,258	37,225,130
Acquisitions		1,709	296,719	4,643,953	7,603	4,949,985
Additions through acquisition of ER Plastics		20,868	56,288		362	77,518
Capitalized financial charges				203,135		203,135
Foreign currency translation adjustment	(19,916)	(122,233)	(656,255)	(38,966)	(8,323)	(845,693)
Transfers by concluded projects		86,609	2,688,220	(2,915,496)	140,667	
Transfers to intangible				(13,597)		(13,597)
Disposals	(3)	(7)	(111,724)	(20,665)	(2,975)	(135,373)
Depreciation		(203,358)	(3,347,376)		(147,074)	(3,697,809)
Balance as of December 31, 2022	667,845	4,965,077	25,218,058	6,307,797	604,518	37,763,295
Acquisitions		2,334	120,923	1,761,390	2,783	1,887,431
Additions through acquisition of Wise		8,921	34,029	566	3,934	47,450
Capitalized financial charges				150,314		150,314
Foreign currency translation adjustment	(11,157)	189,271	29,747	(7,250)	(5,352)	195,258
Transfers by concluded projects	1,544	89,001	1,305,674	(1,513,414)	117,194	
Disposals		(733)	(94,504)	(33,246)	(274)	(128,757)
Depreciation		(111,624)	(1,796,784)		(79,445)	(1,987,852)
Net book value	658,232	5,142,247	24,817,143	6,666,157	643,359	37,927,139
Cost	658,232	8,908,941	59,949,934	6,667,381	2,416,114	78,600,602
Accumulated depreciation		(3,766,694)	(35,132,791)	(1,224)	(1,772,755)	(40,673,463)
Balance as of June 31, 2023	658,232	5,142,247	24,817,143	6,666,157	643,359	37,927,139

	Parent company					
	Land	Buildings and Improvements	Machinery, Equipment and Facilities	Projects and Stoppage in Progress	Other	Total
Balance as of December 31, 2021	344,201	682,520	10,766,627	3,423,574	329,146	15,546,067
Acquisitions		6	228,246	3,518,032	909	3,747,193
Capitalized financial charges				175,848		175,848
Transfers by concluded projects		26,353	2,501,408	(2,700,684)	172,923	
Transfers to intangible				3,980		3,980
Disposals	(3)	(7)	(111,615)	(18,658)		(130,282)
Depreciation		(67,563)	(2,304,754)		(102,988)	(2,475,305)
Balance as of December 31, 2022	344,198	641,309	11,079,913	4,402,092	399,990	16,867,502
Acquisitions			98,129	1,231,580	726	1,330,435
Capitalized financial charges				136,447		136,447
Transfers by concluded projects	(354)	2,003	1,165,385	(1,248,360)	81,326	
			(39,794)	(195)	(44)	(40,033)
Depreciation		(29,386)	(1,254,784)		(55,476)	(1,339,645)
Net book value	343,844	613,926	11,048,849	4,521,565	426,522	16,954,706
Cost	343,844	2,004,044	37,768,942	4,521,565	1,707,139	46,345,535
Accumulated depreciation		(1,390,118)	(26,720,093)		(1,280,617)	(29,390,829)
Balance as of June 31, 2023	343,844	613,926	11,048,849	4,521,565	426,522	16,954,706

At June 30, 2023, the acquisitions of property, plant and equipment with payment installments is R\$363,690 in the Consolidated and R\$393,360 in the Parent Company (at June 30, 2022, R\$278,667 in the Consolidated and R\$254,232 in the Parent Company).

Based on Management's analysis, the carrying amount does not exceed its recoverable amount on June 30, 2023.

Braskem S.A.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

12 Intangible assets

	Consolidated				
	Goodwill	Brands and Patents	Software licenses	Customers and Suppliers Agreements	Total
Balance as of December 31, 2021	2,058,874	313,789	368,520	136,117	2,877,299
Acquisitions		1,307	144,930	913	147,150
Additions and goodwill through acquisition of ER Plastics	28,402	21,162		66,571	116,135
Foreign currency translation adjustment		(4,697)	(5,323)		(10,019)
Transfers from property, plant and equipment			13,597		13,597
Other write-offs			(10,011)		(10,011)
Amortization		(10,575)	(79,774)	(21,659)	(112,008)
Balance as of December 31, 2022	2,087,276	320,986	431,939	181,943	3,022,144
Acquisitions			35,610		35,610
Additions through acquisition of Wise	61,405		320	8,381	70,106
Foreign currency translation adjustment	(663)	11,322	722	(3,667)	7,714
Other write-offs		(69)			(69)
Amortization		(6,121)	(38,611)	(12,015)	(56,748)
Balance as of June 31, 2023	2,148,018	326,118	429,980	174,642	3,078,757
	Parent company				
	Goodwill	Brands and Patents	Software licenses	Customers and Suppliers Agreements	Total
Balance as of December 31, 2021	2,058,873	67,948	263,791	135,632	2,526,244
Acquisitions			130,816		130,816
Transfers to property, plant and equipment			(3,980)		(3,980)
Amortization		(4,576)	(55,409)	(21,660)	(81,645)
Balance as of December 31, 2022	2,058,873	63,372	325,207	113,972	2,561,424
Acquisitions			25,815		25,815
Amortization		(2,288)	(21,670)	(8,870)	(32,828)
Balance as of June 31, 2023	2,058,873	61,084	329,352	105,102	2,554,411

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

13 Right-of-use assets and lease liability

(a) Right-of-use assets

	Balance as of				Foreign currency	Consolidated
	31/12/2022	Additions	Depreciation	Disposal	translation adjustment	Balance as of 30/06/2023
Rail cars	826,196	95,138	(63,079)		(47,432)	810,823
Machinery and equipment	1,602,654	16,754	(197,108)	(5,191)	5,772	1,422,881
Vessels	1,120,272	142,184	(176,541)		(30,314)	1,055,601
Buildings and constructions	291,820	36,771	(41,966)		(10,194)	276,431
Vehicles	105,998	1,544	(17,980)		(118)	89,444
Computer equipment and goods	6,047	4,575	(2,267)		(9)	8,346
Total	3,952,987	296,966	(498,941)	(5,191)	(82,295)	3,663,526

	Balance as of				Foreign currency	Consolidated
	31/12/2021	Additions	Depreciation	Disposal	translation adjustment	Balance as of 31/12/2022
Rail cars	986,061	72,506	(173,272)	(5,359)	(53,740)	826,196
Machinery and equipment	793,254	1,147,145	(330,971)	(5,970)	(804)	1,602,654
Vessels	696,661	811,372	(385,968)		(1,793)	1,120,272
Buildings and constructions	265,312	102,040	(75,319)		(213)	291,820
Vehicles	29,449	102,827	(26,158)		(120)	105,998
Computer equipment and goods	9,300	417	(3,590)		(80)	6,047
Total	2,780,037	2,236,307	(995,278)	(11,329)	(56,750)	3,952,987

	Balance as of				Parent company	
	31/12/2022	Additions	Depreciation	Disposal	Transfers	Balance as of 30/06/2023
Machinery and equipment	1,562,231	16,754	(175,781)			1,403,204
Vessels	428,861	48,259	(93,107)			384,013
Buildings and constructions	125,235	17,997	(31,105)			112,127
Vehicles	104,045	304	(17,021)			87,328
Computer equipment and goods	5,111	4,575	(1,891)			7,795
Total	2,225,483	87,889	(318,905)			1,994,467

	Balance as of				Parent company	
	31/12/2021	Additions	Depreciation	Disposal	Transfers	Balance as of 31/12/2022
Machinery and equipment	781,045	1,069,283	(288,130)		33	1,562,231
Vessels	497,917	152,171	(221,227)			428,861
Buildings and constructions	85,046	98,820	(58,662)		31	125,235
Vehicles	27,332	100,909	(24,224)		28	104,045
Computer equipment and goods	7,958	417	(3,264)			5,111
Total	1,399,298	1,421,600	(595,507)		92	2,225,483

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

(b) Lease liability

	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Balance at the beginning of the period	4,240,530	3,156,414	2,451,876	1,678,122
New contracts	296,966	2,232,043	87,889	1,427,570
Additions through acquisition of ER Plastics		4,264		
Disposals	(6,755)	(12,568)		(7,359)
Interests and monetary and exchange variations, net	(38,223)	83,871	(27,271)	51,529
Currency translation adjustments	(97,019)	(73,585)		
Payments	(561,060)	(928,890)	(305,214)	(558,342)
Interest paid	(118,520)	(221,019)	(78,992)	(139,644)
Balance at the end of the period	3,715,919	4,240,530	2,128,288	2,451,876
Current liability	845,422	1,039,706	510,160	506,946
Non-current liability	2,870,497	3,200,824	1,618,128	1,944,930
Total	3,715,919	4,240,530	2,128,288	2,451,876

The net effect of additions and disposals of leasing that did not affect the cash flow in the period ended June 30, 2023 was: R\$174,316 in the Consolidated (R\$848,930 in the period ended June 30, 2022) and R\$55,723 in the Parent Company (R\$837,435 in the period ended June 30, 2022).

14 Trade payables

	Note	Consolidated		Parent company	
		Jun/23	Dec/22	Jun/23	Dec/22
Trade payables:					
Domestic market					
Third parties		1,111,278	1,748,853	1,373,923	1,723,226
Third parties (forfait)	(i)	814,104	682,396	540,375	682,396
<i>Total Third parties</i>		<i>1,925,382</i>	<i>2,431,249</i>	<i>1,914,298</i>	<i>2,405,622</i>
Related parties		323,944	196,440	351,249	218,691
Related parties (forfait)	(i)	742,858	81,527	742,858	81,527
<i>Total Related parties</i>	8	<i>1,066,802</i>	<i>277,967</i>	<i>1,094,107</i>	<i>300,218</i>
Foreign market	(ii)				
Third parties		8,971,088	9,540,635	530,669	428,465
Related parties	8			8,022,596	8,355,994
		11,963,272	12,249,851	11,561,670	11,490,299
Current liabilities		11,963,272	12,246,782	11,561,670	11,487,230
Non-current liabilities	(iii)		3,069		3,069
Total		11,963,272	12,249,851	11,561,670	11,490,299

(i) The Company has payment agreements with financial institutions that allow certain suppliers to opt for granting their receivables from the Company upon accepting of financial institutions by acquiring or not the related receivables, without the Company's interference. The grant operation does not imply any change in the instruments issued by suppliers, with the same conditions of the original amount and the payment term maintained.

(ii) Includes R\$6.0 billion (2022: R\$5.8 billion) in raw material purchases due in up to 360 days for which the Company provides letters of credit issued by financial institutions that indicate the suppliers as beneficiaries.

(iii) On the Statement of financial position, the balance of non-current liabilities is presented under Other liabilities.

Management notes to the parent company and consolidated Quarterly Information as of June 30, 2023

All amounts in thousands Reais, except as otherwise stated

15 Borrowings

(a) Borrowings

		<u>Consolidated</u>	
		<u>Jun/23</u>	<u>Dec/22</u>
Foreign currency			
Annual financial charges (%)			
Bonds	Note 15 (b)	27,623,938	26,124,158
Export prepayment and export credit notes	(i) US\$ exchange variation + quartely Term SOFR + 1.78	1,398,968	1,514,651
Export prepayments	(ii) US\$ exchange variation + monthly Term SOFR + 0.80	483,587	
Other	Note 15 (c)	3,319,525	3,880,165
Transactions costs		(424,042)	(453,532)
		32,401,976	31,065,442
Current liabilities		1,688,674	1,177,144
Non-current liabilities		30,713,302	29,888,298
Total		32,401,976	31,065,442
Local currency			
Debentures	Note 15 (d)	3,943,301	3,925,673
BNDES	IPCA + 6.04	362,303	386,534
Export credit notes	100% of CDI + 1.30	348,172	348,885
Rural Product Note	(iii) 100% of CDI + 1.60	482,747	
Other fixed interest loans	Interest between 3.5 and 11.32	20,437	18,671
Other variable interest loans - IPCA	IPCA + interest between 2.39 and 2.78	2,976	3,525
Other variable interest loans - CDI	100% do CDI + interest between 3.10 and 4.50	3,001	
Transactions costs		(30,997)	(31,995)
		5,131,940	4,651,293
Current liabilities		230,911	205,207
Non-current liabilities		4,901,029	4,446,086
Total		5,131,940	4,651,293
Foreign currency and local currency			
Current liabilities		1,919,585	1,382,351
Non-current liabilities		35,614,331	34,334,384
Total		37,533,916	35,716,735
		Parent company	
		Jun/23	Dec/22
Foreign currency			
Current liabilities		1,269,142	67,083
Non-current liabilities		2,704,766	3,738,706
		3,973,908	3,805,789
Local currency			
Current liabilities		161,041	140,909
Non-current liabilities		4,842,929	4,361,523
		5,003,970	4,502,432
Foreign currency and local currency			
Current liabilities		1,430,183	207,992
Non-current liabilities		7,547,695	8,100,229
Total		8,977,878	8,308,221

(i) Maturity in January 2027.

(ii) Maturity in January 2024.

(iii) Maturity in June 2026.

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(b) Payment schedule

The maturity profile of the long-term borrowings is as follows:

	Consolidated	
	Jun/23	Dec/22
2024	307,104	2,202,174
2025	579,308	627,802
2026	1,014,247	581,625
2027	2,198,508	2,356,678
2028	6,791,597	7,281,841
2029	2,878,249	2,888,176
2030	7,502,609	8,109,018
2031	212,825	220,021
2032	104,311	113,416
2033	4,814,296	
2034 and thereafter	9,211,277	9,953,633
Total	35,614,331	34,334,384

(c) Bonds

Issue date		Maturity	Interest (% per year)	Consolidated	
				Jun/23	Dec/22
Jul-2011 and jul-2012		Jul-2041	7.125	2,812,357	3,044,911
Feb-2014 and may-2014	(i)	Feb-2024	6.450		1,588,729
Oct-2017		Jan-2028	4.500	5,772,042	6,249,333
Nov-2019		Jan-2030	4.500	7,329,973	7,936,089
Nov-2019		Jan-2050	5.875	3,702,877	4,009,069
Jul-2020	(ii)	Jan-2081	8.500	3,053,555	3,296,027
Feb-2023		Feb-2033	7.250	4,953,134	
Total				27,623,938	26,124,158

(i) Prepayment made in February 2023.

(j) The bond can be repaid by the Company at par value, with the first payment in January 2026 and the other payments after each period of 5 years as from the first payment.

Braskem has fully, unconditionally and irrevocably, guaranteed the bonds. The guarantees for issued carried out between 2011 and 2019 and in 2023 are senior unsecured obligations, ranking equal in right of payment with all of its other existing and future senior unsecured debt. As for the issuance carried out in 2020, in case of nonpayment, the guarantee includes obligation subordinated to all Braskem's current or future senior debts.

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(d) Others

Issue date	Maturity	Charges (% per year)	Consolidated	
			Jun/23	Dec/22
set-2017 a ago-2020	(i) mar-2027 to feb-2031	Us dollar exchange variation + semianual Term SOFR - 1.17 to 1.97	2,443,672	2,843,277
apr-2019	(ii) apr-2026	Us dollar exchange variation + semianual Term SOFR (-) 0.65	157,372	197,209
jul-2018	(iii) dec-2028	Us dollar exchange variation + semianual Term SOFR + 0.92	641,371	757,832
aug-2020	(iv) aug-2028 to jun-2029	Euro exchange variation + interest between 2.40 and 7.41	74,569	79,698
nov-2020	(iv) no maturity	Euro exchange variation + monthly Euribor + 4.10	2,003	2,149
jul-2022	no maturity	Euro exchange variation + 4.0	538	
Total			3,319,525	3,880,165

- (i) Credit facility contracted by the subsidiaries Braskem Holanda Finance and Braskem Holanda, with insurance from SACE and NEXI, Italian and Japanese export credit agencies, respectively, and guarantee from Braskem.
- (ii) Credit facility contracted by Braskem S.A. with a term of 7 years and guarantee of its own assets.
- (iii) Credit facility contracted by the subsidiary Braskem America, secured by Euler Hermes, the German export credit agency.
- (iv) Credit facility contracted by the indirect subsidiary ER Plastics B.V., with guarantee of its own assets and of Braskem in the proportion of its ownership interest.

In late June 2023, the semiannual LIBOR rate was discontinued. Therefore, Braskem and its subsidiaries renegotiated the debts pegged to such rate, replacing it with the semiannual Term SOFR rate, which is based on the daily Secured Overnight Financing Rate ("SOFR", with spread adjustments for equivalence of transaction costs.

The Company does not expect any material impact on the cash flows of these transactions, and the rates presented in this document already reflect the cost of the transactions whose negotiations were concluded by June 30, 2023.

(e) Debentures

Issue date	Issuer	Series	Maturity	Annual financial charges (%)	Consolidated	
					Jun/23	Dec/22
mar-2013	(i) DAC	Only	mar-2025	IPCA + 6.00	88,426	109,877
sep-2013	(i) Cetrel	Only	sep-2025	126.5% of CDI	28,314	34,604
jan-2022	(ii) Braskem	1 ^a	dec-2028	IPCA + 5.54	637,524	616,025
jan-2022	(ii) Braskem	2 ^a	dec-2031	IPCA + 5.57	152,514	147,371
may-2022	Braskem	1 ^a	may-2029	CDI + 1.75	771,355	770,910
may-2022	Braskem	2 ^a	may-2032	CDI + 2.00	249,116	248,970
aug-2022	(iii) Braskem	Only	aug-2029	CDI + 1.75	789,523	786,770
nov-2022	Braskem	1 ^a	nov-2029	CDI + 1.70	1,128,117	1,113,987
nov-2022	Braskem	2 ^a	nov-2032	CDI + 1.95	98,412	97,159
					3,943,301	3,925,673

- (i) These debentures were secured by mandatory deposits as disclosed in Note 5.
- (ii) Private debentures issued by Braskem, used as guarantee for the issue of Agribusiness Receivables Certificate ("CRA") by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A.
- (iii) Debentures converted into unsecured in March 2023, as provided for in the issue documents.

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16 Braskem Idesa Financing

Identification	Maturity	Charges (% per year)	Consolidated	
			Jun/23	Dec/22
<u>Bonds</u>				
Bond I	nov-2029	Us dollar exchange variation + 7.45	(a) 4,359,266	4,690,619
Bond II	(i) feb-2032	Us dollar exchange variation +6.99	(a) 5,904,087	6,352,864
			10,263,353	11,043,483
<u>Others</u>	(ii) Oct-2026	Us dollar exchange variation + quarterly Term SOFR + 4.25	(b) 620,585	734,837
Transactions costs			(398,777)	(408,002)
Total			10,485,161	11,370,318
Current liabilities			740,493	868,635
Non-current liabilities			9,744,668	10,501,683
Total			10,485,161	11,370,318

(a) The Braskem Idesa pledged as guarantee property, plant and equipment assets in the same value as the bond.

(b) Braskem Idesa granted fixed assets and other rights (such as shares and receivables) as collateral.

(i) Sustainability-linked bonds. The bonds due in 10 years have an interest rate of 6.99% p.a., which may be increased by up to 0.37% p.a. if certain conditions are not met.

(ii) Regarding this financing, on June 29, 2023 Braskem Idesa obtained an extension of the waiver related to a leverage ratio (covenant) until March 31, 2024. In this sense, even though Braskem Idesa is not in default and creditors did not request to accelerate this debt, because the waiver did not cover at least 12 months, the entire balance, in the amount of R\$551,444, was reclassified from non-current liabilities to current liabilities on June 30, 2023 (2022: R\$649,560).

Braskem Idesa is in full compliance with its debt service obligation defined in the financing agreement and maintains a position of cash and cash equivalents of R\$1,478,481 as of June 30, 2023 (2022: R\$2,184,332).

The amount of the financings with maturities in the long term are as follows:

	Consolidated	
	Jun/23	Dec/22
2029	4,020,026	4,337,567
2032	5,724,642	6,164,116
Total	9,744,668	10,501,683

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17 Reconciliation of borrowing activities in the statement of cash flow

	Consolidated				
	Borrowings	Braskem Idesa financing	Loan to non-controlling shareholders of Braskem Idesa	Lease	Dividends
Balances at December 31, 2022	35,716,735	11,370,318	2,498,093	4,240,530	11,007
Acquired	6,129,366				
Payments	(1,851,817)	(64,098)		(561,060)	(2,794)
Cash used in financing activities	4,277,549	(64,098)		(561,060)	(2,794)
Other changes					
Interest paid	(1,162,698)	(416,468)		(118,520)	
Interest and monetary and exchange variations, net	964,249	(1,005,420)	(252,713)	(38,223)	
VAT on loan			(12,383)		
Lease contracts				296,966	
Disposal				(6,755)	
Addition by company acquisition	28,117				
Currency translation adjustments	(2,290,036)	600,829	123,313	(97,019)	
Additional dividends of subsidiary					5,422
	(2,460,368)	(821,059)	(141,783)	36,449	5,422
Balances at June 30, 2023	37,533,916	10,485,161	2,356,310	3,715,919	13,635
Current	1,919,585	740,493		845,422	13,635
Non Current	35,614,331	9,744,668	2,356,310	2,870,497	
Total	37,533,916	10,485,161	2,356,310	3,715,919	13,635

	Parent company			
	Current and non-current			
	Borrowings	Related parties	Lease	Dividends
Balances at December 31, 2022	8,308,221	30,322,396	2,451,876	9,911
Acquired	1,007,996	5,190,024		
Payments	(50,039)	(1,403,930)	(305,214)	(172)
Cash used in financing activities	957,957	3,786,094	(305,214)	(172)
Other changes				
Interest paid	(413,997)		(78,992)	
Interest and monetary and exchange variations, net	125,697	(1,266,183)	(27,271)	
Lease contracts			87,889	
	(288,300)	(1,266,183)	(18,374)	
Balances at June 30, 2023	8,977,878	32,842,307	2,128,288	9,739
Current	1,430,183	1,091,974	510,160	9,739
Non Current	7,547,695	31,750,333	1,618,128	
Total	8,977,878	32,842,307	2,128,288	9,739

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18 Financial instruments

18.1 Non-derivative financial instruments and other liabilities: consolidated

	Note	Classification by category	Fair value hierarchy	Book value		Fair value	
				Jun/23	Dec/22	Jun/23	Dec/22
Cash and banks		Amortized cost		6,445,182	6,074,208	6,445,182	6,074,208
Financial investments		Fair value through profit or loss	Level 2	6,794,986	6,392,266	6,794,986	6,392,266
Cash and cash equivalents	4			13,240,168	12,466,474	13,240,168	12,466,474
LFT's and LF's		Fair value through profit or loss	Level 2	1,968,129	1,789,375	1,968,129	1,789,375
Other		Fair value through profit or loss	Level 2	393,674	523,256	393,674	523,256
Financial investments	5			2,361,803	2,312,631	2,361,803	2,312,631
Trade accounts receivable	6	Amortized cost		3,007,500	3,199,223	3,007,500	3,199,223
Trade accounts receivable	6	Fair value through other comprehensive income	Level 2	49,211	32,711	49,211	32,711
Trade payables	14	Amortized cost		11,963,272	12,249,851	11,963,272	12,249,851
Foreign currency - Bond		Amortized cost	Level 1	27,623,938	26,124,158	25,271,655	23,165,942
Foreign currency - other borrowings		Amortized cost	Level 2	5,202,080	5,394,816	5,715,088	5,329,174
Local currency		Amortized cost	Level 2	5,162,937	4,683,288	6,901,501	5,127,672
Borrowings	15			37,988,955	36,202,262	37,888,244	33,622,788
Bond	16	Amortized cost	Level 1	10,263,353	11,043,483	6,790,000	8,301,948
Others	16	Amortized cost	Level 2	620,585	734,837	825,745	796,510
Braskem Idesa borrowings	16			10,883,938	11,778,320	7,615,745	9,098,458
Loan ton non-controlling shareholder of Braskem Idesa	8(a)	Amortized cost	Level 2	2,356,310	2,498,093	2,208,606	2,290,108
Leniency agreement	23	Amortized cost		581,669	903,140	581,669	903,140

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18.2 Derivative financial instruments

Identification	Operation characteristics		Net	Change in fair value	Financial settlement	Net
	Principal exposure	Derivatives	(Asset)/Liability Dec/22			(Asset)/Liability Jun/23
Non-hedge accounting transactions						
Braskem Holanda - Swap Naphtha/Gasoline	Gasoline	Naphtha	(15,995)	40,434	(18,132)	6,307
			<u>(15,995)</u>	<u>40,434</u>	<u>(18,132)</u>	<u>6,307</u>
Hedge accounting transactions						
Braskem S.A. - Dollar call and put options	Real	Dollar	(65,370)	(55,982)	1,859	(119,493)
Braskem S.A. - Dollar swap CDI	Real	Dollar+Fixed rates	151,713	(80,754)	(96,501)	(25,542)
Braskem S.A. - Swap CRA	Real	Fixed rates	(22,712)	(129,711)	8,606	(143,817)
			<u>63,631</u>	<u>(266,447)</u>	<u>(86,036)</u>	<u>(288,852)</u>
Derivatives						
Assets						
Current assets			157,906			269,543
Non-current assets			71,544			148,087
Total			<u>229,450</u>			<u>417,630</u>
Liabilities						
Current liabilities			195,169			134,873
Non-current liabilities			81,917			212
Non-current liabilities			<u>277,086</u>			<u>135,085</u>
Balance - Liabilities (-) assets			<u>47,636</u>			<u>(282,545)</u>

The fair value hierarchy of derivative financial instruments is level 2.

(a) Hedge accounting transactions

(a.i) Dollar call and put options

On June 30, 2023, the Company holds a total notional amount of put options of R\$1.87 billion (R\$9 billion), with an average strike price of 4.65 R\$/US\$ and notional amount of call options of US\$1.26 billion, with an average strike price of 6.90 R\$/US\$. The operations have a maximum term of 18 months.

Dollar-denominated future sales in Brazilian Real were designated for hedge accounting, with the months of revenue recognition always coinciding with the months of the options. The future elements of forward exchange contracts are excluded from the designation of hedge instrument and are separately recorded as hedging cost, recognized in the other comprehensive income ("OCI").

(a.ii) Dollar swaps

In 2018, the Company contracted foreign exchange derivative operations ("swaps") in the aggregate amount of R\$1.27 billion, with annual maturities over the following 6 years starting January 2019. The amount payable in January 2020 was subject to the variation in the IPCA index. The remaining maturities are subject to the variation in the CDI. These operations were designated to cash flow hedge accounting, where the hedging instruments are foreign exchange derivatives and the hedged objects are highly probable future revenues in the domestic market subject to fluctuations in Brazilian R\$/US\$ price.

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Accordingly, the fair value adjustment of the effective portion of the hedge is recognized under shareholders equity in OCI and is recognized in the financial result only upon the maturity of each installment.

18.3 Non-derivative financial liabilities designated to hedge accounting

(a.i) Future exports in dollar – Braskem S.A.

On June 30, 2023, the exports that were designated not yet realized and not discontinued, and the maturities of designated financial liabilities, on a consolidated basis, are shown below:

	<u>Total nominal value US\$</u>
2024	175,000
2025	800,000
2028	1,250,000
2029	500,000
2030	800,000
2031	800,000
2032	600,000
	<u><u>4,925,000</u></u>

In the period ended June 30, 2023, there were the following discontinuations:

	<u>US\$</u>		
	<u>Dec/22</u>	<u>Hedge discontinued</u>	<u>Jun/23</u>
Designated balance	5,238,854	(313,854)	4,925,000

The following table provides the accumulated balance of discontinued hedge accounting As of June 30, 2023, which is recorded in OCI and will be transferred to financial income (expenses) in accordance with the schedule of future hedged sales:

	<u>Total nominal value US\$</u>	<u>Conversion rate at Inception RS/US\$</u>	<u>Closing rate RS/US\$</u>	<u>Gross nominal value</u>
Hedge discontinued - From third to fourth quarter 2023	400,000	2.0017	4.5610	1,023,700
Hedge discontinued - From first to fourth quarter 2024	513,854	2.0017	5.5466	1,821,547
Hedge discontinued - From fourth quarter 2032	200,000	4.0213	5.2177	239,280
	<u><u>1,113,854</u></u>			<u><u>3,084,527</u></u>

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The following table provides the balances of exchange variation recognized in the Company's financial income (expenses) due to the realization of exports designated for this hedge in the six-month period ended June 30, 2023:

	Total nominal value US\$	Conversion rate at Inception R\$/US\$	Closing rate R\$/US\$	Gross nominal value
First quarter	168,372	2.0017	3.9786	332,855
Second quarter	150,000	2.0017	3.9786	296,534
	<u>318,372</u>			<u>629,389</u>

The changes in foreign exchange variation and Income Tax and Social Contribution under other comprehensive income of this hedge are as follows:

	Exchange variation	IR and CSL	Net effect
Balances at December 31, 2022	(9,981,261)	3,393,628	(6,587,633)
Exchange variation for the period, net of taxes	1,963,740	(667,672)	1,296,068
Exchange variation transferred to income, net of taxes	629,389	(213,992)	415,397
Balances at June 30, 2023	<u>(7,388,132)</u>	<u>2,511,964</u>	<u>(4,876,168)</u>

(a.ii) Future sales in USD – Braskem Idesa

As of June 30, 2023, designated and unrealized sales and financial liabilities designated to hedge them were as follows:

	Nominal value US\$
2024	22,000
2025	22,500
2026	307,500
2027	225,000
2028	525,000
2029	525,000
2030	300,000
2031	300,000
	<u>2,227,000</u>

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The following table provides the accumulated amounts of hedge accounting previously discontinued As of June 30, 2023, still recorded in Braskem Idesa's other comprehensive income, which will be transferred to financial income (expenses) according to the schedule of future hedged sales as they occur:

Discontinuation in:	Total nominal value US\$	Conversion rate at Inception MXN/US\$	Closing rate MXN/US\$	Total nominal value MXN	Gross nominal value
Hedge discontinued in May, 2016	9,132	13.4541	17.9915	41,436	11,648
Hedge discontinued in December, 2019	511,152	13.6666	19.6113	3,038,646	854,163
Hedge discontinued in December, 2019	19,311	13.4541	19.3247	113,367	31,868
Hedge discontinued in February, 2020	546	13.4541	18.5712	2,794	785
Hedge discontinued in October ,2021	968,136	13.6608	20.3587	6,484,499	1,822,793
Hedge discontinued in May ,2022	10,000	20.3587	20.3172	(415)	(117)
Hedge discontinued in January ,2023	13,000	20.3587	18.7493	(20,922)	(5,881)
	1,531,277			9,659,404	2,715,259

The following table provides the balances of exchange variation recognized in Braskem Idesa's financial income (expenses) due to the realization of sales designated and discontinued for hedge accounting over the course of the six-month period ended June 30, 2023:

	Total nominal value US\$	Conversion rate at Inception MXN/US\$	Closing rate MXN/US\$	Total nominal value MXN	Gross nominal value
First quarter	80,594	13.6512	20.1269	521,903	150,854
Second quarter	78,844	13.6521	20.1222	510,129	143,333
	159,438			1,032,031	294,187

The changes in foreign exchange variation and Income Tax under other comprehensive income are as follows:

	Exchange variation	IR	Net effect
Balances at December 31, 2022	(1,107,831)	333,088	(774,743)
Exchange variation for the period, net of taxes	1,419,078	(425,723)	993,355
Exchange variation transferred to income, net of taxes	294,187	(88,256)	205,931
Balances at June 30, 2023	605,434	(180,891)	424,543

18.4 Credit quality of financial assets

(a) Trade accounts receivable

The Company's clients do not have risk ratings assigned by credit rating agencies. For this reason, the Company developed its own credit rating system for all accounts receivable from clients in Brazil and abroad.

Considering the expected credit losses, the percentage of trade accounts receivable by risk ratings was as follows:

	(%)	
	Jun/2023	Dec/2022
Minimal Risk	68.88	72.15
Low Risk	22.92	21.65
Medium Risk	3.58	3.36
High Risk	4.41	2.56
Very High Risk (i)	0.21	0.28

(i) Clients in this group that are still active buy from Braskem and pay in advance.

For the export market, around 91% of the portfolio has guarantees, consisting primarily of credit insurance. For the domestic market, around 34% of the portfolio has guarantees, mainly suretyships by the partners of counterparties, complemented by credit insurance.

(b) Cash and cash equivalents and financial investments

In order to determine the credit ratings of counterparties of financial assets classified under cash and cash equivalents, and financial investments, the Company uses the risk rating of agencies Standard & Poor's, Moody's and Fitch Ratings, within the limits established in its financial policy:

	Jun/23			Dec/22		
	Domestic market	Foreign market	Total	Domestic market	Foreign market	Total
Financial assets with risk assessment						
AAA	5,341,402	4,156,604	9,498,006	5,130,140	2,420,741	7,550,881
AA+	102,706		102,706	162,650		162,650
AA	286,951	425,651	712,602	289,574	107,545	397,119
AA-	33,065		33,065	149,178		149,178
A+		2,805,758	2,805,758	3,423	4,459,700	4,463,123
A	4,676	1,328,843	1,333,519	92,535	1,357,969	1,450,504
A-	780	996,102	996,882		387,478	387,478
BBB+		347	347	118	375	493
BBB		50	50	788	52,389	53,177
BB-		60	60		7	7
	<u>5,769,580</u>	<u>9,713,415</u>	<u>15,482,995</u>	<u>5,828,406</u>	<u>8,786,204</u>	<u>14,614,610</u>
Financial assets without risk assessment						
Other financial assets with no risk assessment (i)	72,266	46,710	118,976	83,070	81,425	164,495
	<u>72,266</u>	<u>46,710</u>	<u>118,976</u>	<u>83,070</u>	<u>81,425</u>	<u>164,495</u>
Total	<u>5,841,846</u>	<u>9,760,125</u>	<u>15,601,971</u>	<u>5,911,476</u>	<u>8,867,629</u>	<u>14,779,105</u>

(i) Investments approved by the Management, in accordance with the Financial Policy.

18.5 Sensitivity analysis

Financial instruments, including derivatives, may be subject to changes in their fair value as a result of the variation in commodity prices, foreign exchange rates, interest rates, shares and share indexes, price indexes and other variables. The sensitivity of the derivative and non-derivative financial instruments to these variables are presented below:

(a) Selection of risks

On June 30, 2023, the main risks that can affect the value of Company's financial instruments are:

- U.S. dollar/Brazilian Real exchange rate;
- IPCA inflation rate;
- Selic interest rate and CDI rate;
- SOFR interest rate;
- Euro / Brazilian Real exchange rate.

For the purposes of the risk sensitivity analysis, the Company presents the exposures to currencies as if they were independent, that is, without reflecting in the exposure to a foreign exchange rate the risks of the variation in other foreign exchange rates that could be directly influenced by it.

(b) Value at risk

The value at risk of the derivatives held by the Company which is defined as the impact on fair value adjustment that could result in one month as from June 30, 2023, with a probability of 5%, and under normal market conditions, was estimated by the Company at R\$122.7 million (US\$25.4 million) for put options and call options (Note 18.2(a.i)), R\$33.4 million (US\$7 million) for the U.S. dollar swap (Note 18.2(a.ii)) and R\$42.7 million (US\$8.9 million) for the CRA swap.

(c) Selection of scenarios

The Focus Market Readout published by the Central Bank of Brazil ("BACEN") was used to create the probable scenario for the U.S. dollar-Brazilian real exchange rate, the Selic interest rate and the CDI interest rate as at June 30, 2023.

According to the Market Readout, at the end of 2023, the U.S. dollar will remain at approximately R\$5.00, while the Selic rate should reach 12.00% p.a. at the end of the period. The Selic rate is used as benchmark for sensitivity analysis of the CDI rate.

Since the Market Readout survey does not include consensus forecasts for the SOFR rate, the projection of the U.S. Federal Reserve for the Federal Funds rate at the end of the year was used, the most recent version of which published in June 2023, in comparison with the current level of the Federal Funds rate on June 30, 2023.

For each variable analyzed in the sensitivity analysis, the Company has considered estimating annualized variations corresponding to 1 and 3 standard deviations of monthly averages of the last five years. They are equivalent to approximately 15.866% and a 0.135% probability of occurrence for the reasonably possible and possible scenarios, respectively. Then, these changes are applied to the current market levels of each variable.

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Uncertainties of the current context

The assumptions of the future value adopted in the construction of the probable scenario and the current value of each variable in this analysis are referenced to the reporting date June 30, 2023. Given the instability in the current economic scenario resulting from the conflict in Ukraine, interest rates and foreign exchange rates are affected daily. The Company's gains and losses in these probable stress scenarios are analyzed by increasing each variable at the end of June 2023, according to the aforementioned.

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The sensitivity values in the table below are the changes in the value of the financial instruments in each scenario:

Instrument / Sensitivity	Exposure value as June 30, 2023	Additional variation to the book value		
		Probable (USDBRL 5)	Reasonably possible (USDBRL 5,44)	Gain (losses) Possible (USDBRL 6,69)
Brazilian real/U.S. dollar exchange rate				
Bonds	(37,887,292)	(1,421,402)	(4,908,961)	(14,726,882)
Export prepayments	(1,429,867)	(53,644)	(185,264)	(555,793)
Investments	(1,707,980)	(64,078)	(221,299)	(663,896)
SACE	(1,258,551)	(47,217)	(163,067)	(489,202)
Dollar call and put options	(i) 119,493	(85,075)	(164,304)	(594,142)
Dollar swap x CDI	25,542	(14,939)	(62,446)	(196,005)
MONFORTE	(157,372)	(5,904)	(20,390)	(61,171)
Nexi	(89,091)	(3,342)	(11,543)	(34,630)
Other	(621,122)	(23,302)	(80,477)	(241,432)
Financial investments abroad	8,281,644	310,699	1,073,032	3,219,095
Dollar swap x IPCA	143,816	(24,942)	(70,059)	(198,230)
Gain (losses)				
Exposure value as June 30, 2023				
Probable (12%)				
Reasonably possible (17,37%)				
Possible (24,62%)				
CDI interest rate				
Debentures	(3,064,837)	326,147	(771,602)	(2,775,597)
Financial investments in local currency	5,841,847	(93,059)	192,899	579,330
Gain (losses)				
Exposure value as June 30, 2023				
Probable (4,98%)				
Reasonably possible (3,6%)				
Possible (4,48%)				
IPCA interest rate				
Debêntures	(88,426)	(2,895)	(698)	(2,100)
BNDES	(362,303)	(77,853)	(18,063)	(55,706)
BNB/ FINEP/ FUNDES/FINISA/FINAME/FNE	(2,976)	(131)	(31)	(95)
CRA	(790,038)	(146,284)	(34,067)	(104,812)
Dollar swap x IPCA	143,816	18,734	(20,625)	7,391
Gain (losses)				
Exposure value as June 30, 2023				
Probable (5,27%)				
Reasonably possible (11,48%)				
Possible (23,9%)				
SOFR interest rate				
Export prepayments	(1,429,867)	(16,179)	(195,459)	(586,377)
Export credit notes	(482,110)	(6,373)	(76,995)	(230,986)
Transactions costs	344,056	5,701	68,872	206,615
Nexi	(89,091)	(1,735)	(20,959)	(62,876)
SACE	(1,258,551)	(21,161)	(255,635)	(766,906)
MONFORTE	(157,372)	(1,662)	(20,074)	(60,221)
Investments	(1,707,980)	(27,660)	(334,151)	(1,002,454)
Outros	(620,584)	(7,317)	(88,395)	(265,186)
Gain (losses)				
Exposure value as June 30, 2023				
Probable (12%)				
Reasonably possible (17,37%)				
Possible (24,62%)				
Selic interest rate				
Leniency agreement	(543,840)	13,645	(28,688)	(87,772)

(i) The Company is in the short position of counterparty call.

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19 Taxes payable

	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Brazil				
IPI	75,675	74,219	75,504	74,219
ICMS	252,932	218,179	248,855	216,892
PIS and Cofins	18,293	20,406	13,965	17,991
Other	123,170	103,549	102,177	99,618
Other countries				
Value-added tax	129,416	150,260		
Tax on financial income	190,593	222,464		
Total	790,079	789,077	440,501	408,720
Current liabilities	521,432	491,051	440,501	407,213
Non-current liabilities	268,647	298,026		1,507
Total	790,079	789,077	440,501	408,720

20 Income tax ("IR") and social contribution ("CSL")

(a) Amounts recognized in profit and loss

	Consolidated		Parent company	
	Jun/23	Jun/22	Jun/23	Jun/22
Profit (loss) before IR and CSL	(1,335,403)	3,279,662	(1,473,803)	2,260,365
IR and CSL at the rate of 34%	454,037	(1,115,085)	501,093	(768,524)
Permanent adjustments to the IR and CSL calculation basis				
Equity in results of investees	3,774	9,018	615,212	1,032,377
Thin capitalization (i)	(270,183)	(94,828)	(270,183)	(94,828)
Tax regime – abroad companies (ii)	63,756			
Different jurisdictional taxes rates for companies abroad and tax basis	447,881	552,019		
Tax on dividends distribution		(125,413)		
Other permanent adjustments	55,238	(20,693)	41,523	48,395
Effect of IR and CSL on results of operations	754,503	(794,982)	887,645	217,420
Current IR and CSL expense	(185,081)	(931,406)	(590)	(802)
Deferred IR and CSL expense	939,584	136,424	888,235	218,222
Total	754,503	(794,982)	887,645	217,420
Effective rate	56.5%	24%	60.2%	-10%

(i) Includes the amount from the adjustment of interest rates in financial operations with subsidiaries in accordance with sub-capitalization tax rules;

(ii) Effect arising from the Dutch tax regime on maritime charter activities.

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(b) Income tax and social contribution on deferred income

Asset	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Tax losses	3,038,417	2,397,532	1,662,625	180,820
Exchange variations	1,994,660	3,342,880	1,994,660	3,342,880
Temporary adjustments	4,261,705	4,566,758	3,788,060	3,955,521
Lease	1,239,237	1,197,080	931,471	833,638
Tax credits	697,662	697,662	697,662	697,662
Other	131,659	118,787	102,425	102,545
	11,363,340	12,320,699	9,176,903	9,113,066
Liability				
Amortization of goodwill based on future profitability	721,910	722,433	715,568	715,568
Tax depreciation	4,084,522	4,051,462	1,207,316	1,164,501
PIS/Cofins credit - exclusion of ICMS from the calculation basis	189,649	189,649	189,649	189,649
Temporary adjustments	135,739	420,315		
Right of use of assets	1,033,859	1,116,306	885,468	756,664
Present value adjustment and amortized cost	275,832	423,951	346,498	317,663
Amortization of fair value adjustments on	166,546	186,637	166,546	192,763
Other	160,648	4,826	4,818	4,818
	6,768,705	7,115,579	3,515,863	3,341,626

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(c) Offset for the purpose of presentation in the consolidated statement of financial position

	Jun/23			Dec/22		
	Tax calculation	Offsetting	Balance	Tax calculation	Offsetting	Balance
Ativo						
Braskem	9,176,903	(3,515,863)	5,661,040	9,113,066	(3,341,626)	5,771,440
Braskem Argentina	16,024	(9,732)	6,292	21,339	(16,174)	5,165
Braskem America				525,258	(525,258)	
Braskem Alemanha	18,159		18,159	23,038		23,038
Braskem Chile				47		47
Braskem Holanda	108,411	(7,005)	101,406	386,024	(230,678)	155,346
Braskem Idesa	1,517,207	(1,517,207)		2,078,206	(1,840,669)	237,537
Braskem México Serviços	26,640		26,640	13,628		13,628
Braskem México	393,069		393,069	86,368		86,368
Cetrel	37,800	(4,448)	33,352	39,387	(5,405)	33,982
DAC	29,294	(1,894)	27,400	32,617	(2,262)	30,355
Terminal Química	5,962		5,962	1,618		1,618
Voqen	3,952		3,952	103	(26)	77
Wise	29,919	(3,822)	26,097			
	11,363,340	(5,059,971)	6,303,369	12,320,699	(5,962,098)	6,358,601
Passivo						
Braskem	3,515,863	(3,515,863)		3,341,626	(3,341,626)	
Braskem America	1,017,058		1,017,058	1,662,131	(525,258)	1,136,873
Braskem Argentina	9,732	(9,732)		16,174	(16,174)	
Braskem Holanda	7,005	(7,005)		230,678	(230,678)	
Braskem Idesa	2,192,420	(1,517,207)	675,213	1,840,669	(1,840,669)	
B&TC	16,463		16,463	16,608		16,608
Cetrel	4,448	(4,448)		5,405	(5,405)	
DAC	1,894	(1,894)		2,262	(2,262)	
Voqen				26	(26)	
Wise	3,822	(3,822)				
	6,768,705	(5,059,971)	1,708,734	7,115,579	(5,962,098)	1,153,481

(d) Realization of deferred tax assets

In the period ended June 30, 2023, the Company did not identify that the book value of these deferred taxes exceeds the recoverable amount.

21 Sundry provisions

	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Provision for environmental damages	981,273	1,120,188	939,004	1,073,099
Provision for customers rebates	98,830	126,754	62,900	62,023
Other	124,352	130,005	87,352	91,967
Total	1,204,455	1,376,947	1,089,256	1,227,089
Current liabilities	441,177	530,814	388,980	451,070
Non-current liabilities	763,278	846,133	700,276	776,019
Total	1,204,455	1,376,947	1,089,256	1,227,089

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22 Provisions for legal proceedings

22.1 Claims with probable chance of loss

	Consolidated		Parent company	
	Jun/23	Dec/22	Jun/23	Dec/22
Labor claims	197,928	212,657	195,303	209,475
Tax claims				
IR and CSL	50,603	51,756	50,603	51,756
PIS and Cofins	232,672	311,433	232,672	311,433
ICMS	355,305	348,544	355,305	348,544
Other tax claims	54,184	24,160	50,548	20,386
	692,764	735,893	689,128	732,119
Corporate claims	108,607	103,387	108,607	103,387
Civil claims and other	98,909	119,561	98,909	119,353
	1,098,208	1,171,498	1,091,947	1,164,334

22.2 Contingent liabilities

The contingent liabilities whose loss is assessed as possible (possibility of loss greater than remote and less than probable) by the Company's Management, based on its evaluation and that of its external legal advisors, are disclosed as follows:

	Note	Consolidated	
		Jun/23	Dec/22
Tax claims	(a)	23,381,029	18,270,680
Civil claims - Alagoas	24.1	5,631,307	5,489,479
Civil claims - Other		703,312	786,441
Labor claims		622,960	605,546
Environmental claims		665,406	639,880
Social security claims		727,145	515,506
Other lawsuits		401,777	380,862
Total		32,132,936	26,688,394

(a) Tax contingencies

Income Tax and Social Contribution: Profits earned abroad and sub-capitalization – Braskem Holanda

In 2020, the Company received a deficiency notice from Brazil's Federal Revenue Service, referring to fiscal years 2015 and 2016, stating its disagreement with the application of the Agreement between Brazil and the Netherlands to avoid double taxation, which establishes that profits earned by Dutch companies cannot be taxed in Brazil by the end of each fiscal year.

In July 2023, a new deficiency notice was received, referring to fiscal years 2018 and 2019. It also involved the nondeductibility of interest due to a divergent understanding of the limit of thin capitalization and its tax effects.

The value of the uncertain tax treatment of these matters is R\$15,6 billion (2022: R\$10.6 billion) and includes periods that were and were not the subject of deficiency notices.

23 Leniency agreement with authorities

In the context of allegations of undue payments in connection with Operation Car Wash in Brazil, the Company hired external experts in investigation to conduct an independent investigation into such allegations (“Investigation”) and to report their findings.

In December 2016, the Company entered into Leniency Agreements with the Federal Prosecution Office (“MPF Agreement”) and with U.S. and Swiss authorities (“Global Settlement”), in the amount of US\$957 million (R\$3.1 billion, at the time), which were duly ratified. Further, the Company engaged in a process of cooperation and negotiation with the Ministry of Transparency and the Office of The Federal Controller General (“CGU”) and the Office of the Attorney General (“AGU”), which culminated in the execution of the leniency agreement with such authorities on May 31, 2019 (“CGU/AGU Agreement” and, jointly with the Global Settlement, “Agreements”), which addresses the same facts that are the subject of the Global Settlement and provides for an additional disbursement of R\$409,877 million due to the calculations and parameters adopted by CGU/AGU. In addition, in 2019, the State Prosecution Office of Bahia and the State Prosecution Office Rio Grande do Sul adhered to the MPF Agreement, and no additional payments by the Company are estimated.

The Company already has paid R\$3,429,037, distributed as shown below:

Agreements signed with:	CGU and MPF	DoJ (i)	OAG (i)	MPF	SEC (i)	Total
Amounts paid	1,236,222	296,591	407,300	1,282,464	206,460	3,429,037

(i) U.S. Department of Justice (“DoJ”); Swiss Office of the Attorney General (“OAG”) and U.S. Securities Exchange Commission (“SEC”).

Braskem’s activities related to the monitoring by the CGU of the Company were successfully concluded, the CGU will present the Final Monitoring Report and closing the monitorship. Moreover, the Company is in compliance with all of its obligations under the Agreements and continues to cooperate with government authorities.

24 Geological event - Alagoas

The Company operated, since its formation and subsequently as the successor of the company Salgema, salt mining wells located in Maceió city, with the purpose of supplying raw material to its chlor-alkali and dichloroethane plant. In March 2018, an earthquake hit certain districts of Maceió, Alagoas, where the wells are located, and cracks were found in buildings and public streets of Pinheiro, Bebedouro, Mutange and Bom Parto districts.

In May 2019, the Geological Survey of Brazil (“CPRM”) issued a report indicating that the geological phenomenon observed in the region, could be related to the rock salt exploration activities developed by Braskem. In view of these events, on May 9, 2019, Braskem decided to suspend its salt mining activities and the operation of its chlor-alkali and dichloroethane plant.

Since then, the Company has been devoting its best efforts to understand the geological event: (i) possible surface effects; and (ii) the analyses of stability of salt cavities. The results are being shared with the Brazilian National Mining Agency (“ANM”) and other pertinent authorities, which the Company has been maintaining constant dialogue.

Braskem presented to ANM the measures for shutting down its salt mining fronts in Maceió, with measures for the closure of its cavities, and, on November 14, 2019, it proposed the creation of a protective area surrounding certain cavities as a precautionary measure to ensure public safety. These measures are based on a study conducted by the Institute of Geomechanics of Leipzig (IFG), in Germany, an international reference in the geomechanical analysis of areas of salt extraction by dissolution, and are being adopted in coordination with the Civil Defense of Maceió and other authorities.

As a result of the geological phenomenon, negotiations were conducted with public and regulatory authorities that resulted in the Agreements executed, including:

i) Agreement to Support the Relocation of People in Risk Areas (“Agreement for Compensation of Residents”), entered into with State Prosecution Office (“MPE”), the State Public Defender’s Office (“DPE”), the Federal Prosecution Office (“MPF”) and the Federal Public Defender’s Office (“DPU”), which was ratified by the court on January 3, 2020, adjusted by its resolutions and subsequent amendments, , which establish cooperative actions for relocating residents from risk areas, defined in the Map of Sectors of Damages and Priority Action Lines by the Civil Defense of Maceió (“Civil Defense Map”), as updated in December 2020 (version 4), and guaranteed their safety, which provides support, under the Financial Compensation and Support for Relocation Program (“PCF”) implemented by Braskem to the population in the areas of the Civil Defense Map, as well as the dismissal of the Public-Interest Civil Action (Reparations for Residents), as detailed in Note 24.1 (i).

ii) Agreement to Dismiss the Public-Interest Civil Action on Socio-Environmental Reparation and the Agreement to define the measures to be adopted regarding the preliminary injunctions of the Public-Interest Civil Action on Socio-Environmental Reparation (jointly referred to as “Agreement for Socio-Environmental Reparation”), signed with the MPF with the MPE as the intervening party, on December 30, 2020, in which the Company mainly undertook to: (i) adopt measures to stabilize and monitor the subsidence phenomenon arising from salt mining; (ii) repair, mitigate or compensate possible environmental impacts and damages arising from salt mining in the Municipality of Maceió; and (iii) repair, mitigate or compensate possible socio-environmental impacts and damages arising from salt mining in the Municipality of Maceió, as well as the termination of the Public-Interest Civil Action (Socio-environmental Reparation) related to the Company, as detailed in Note 24.1 (ii). Moreover, the Agreement for Socio-Environmental Reparation envisages the inclusion of other parties, which depends on specific negotiation with such potential parties.

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iii) Instrument of Global Agreement with the Municipality of Maceió (“Instrument of Global Agreement”) ratified on July 21, 2023 by the 3rd Federal Court of Maceió, which establishes, among other things: (a) payment of R\$1.7 billion as indemnity, compensation and full reimbursement for any property and non-property damages caused to the Municipality of Maceió; (b) adherence of the Municipality of Maceió to the terms of the Socio-environmental Agreement, including the Social Actions Plan (PAS).

Thus, the Company has been meeting all obligations assumed with the authorities and acting proactively on all fronts to resolve the issues arising from the geological event. Highlights: (i) PCF significant advances on assisting public authorities to vacate properties located in the risk areas and submitting full financial compensation offers with a high level of acceptance; (ii) the actions for closing and monitoring the salt cavities, which are following the plan to close mining areas approved by the ANM, seeking to stabilize the subsidence phenomenon resulting from salt mining; and (iii) the social and environmental diagnoses conducted in connection with the Socio-Environmental Reparation Agreement.

As assessed by the Company and its external advisors, considering the measures recommended on technical studies in the short and long-term and the existing information and refined estimates of expenses for implementing several measures connected with the geological event in Alagoas, the provision recorded on June 30, 2023 shows the following changes in the period:

	<u>Jun/23</u>	<u>Consolidated Dec/22</u>
Balance at the beginning of the period	6,626,558	7,661,259
Provisions (*)	1,149,056	1,520,019
Payments and reclassifications (**)	(1,308,433)	(2,742,791)
Realization of present value adjustment	64,518	188,071
Balance at the end of the period	6,531,699	6,626,558

(*) In 2023, refers mainly to the complementary provision of approximately R\$1 billion (R\$920 million net of adjustment to present value) of the Instrument of Global Agreement of R\$1.7 billion disclosed above, of which approximately R\$700 million were already provisioned.

(**) Of this amount, R\$1,097,397 (2022: R\$2,532,138) refers to payments made and R\$211,036 (2022: R\$210,653) was reclassified to other accounts payable.

The current provision can be segregated into the following action fronts:

a. Support for relocating and compensating for the residents, business and real state owners of properties located in the Civil Defense Map (version 4) updated in December 2020, including establishments that requires special measures for their relocation, such as hospitals, schools and public equipment.

This action has a provision of R\$1,546,730 (2022: R\$2,087,142) that comprises expenses related to relocation actions, such as relocation allowance, rent allowance, household goods transportation and negotiation of individual agreements for financial compensation.

b. Actions for closing and monitoring the salt cavities, environmental actions and other technical matters. Based on the findings of sonar and technical studies, stabilization and monitoring actions were defined for all 35 existing salt mining areas. Based on studies of the specialists, the recommendation was to fill 9 salt cavities with solid material, a process that should take a total of 4 years. For the remaining 26, the recommended actions are: closure using the tamponade technique, which consists of promoting the cavity pressurization, applied worldwide for post-operation cavities; confirmation of natural filling status; and, for some cavities, sonar monitoring.

The provisioned balance amount of R\$1,127,754 (2022: R\$1,367,269) to implement the measures described in this item was calculated based on existing techniques and the solutions planned for the current conditions of the cavities, including expenses with technical studies and monitoring, as well as environmental actions already identified. The provision amount may be changed in the future, in accordance with the results of the monitoring of the cavities, the progress of implementing the plans to close mining areas, the possible changes to be made to the environmental plan, the monitoring of the ongoing measures and other possible natural alterations.

The monitoring system implemented by Braskem envisages actions developed during and after the closure of mining areas, focusing on safety and monitoring of region's stability.

The Company's actions are based on technical studies conducted by outsourced specialists, with the recommendations presented to the competent authorities. The Company is implementing the actions approved by the ANM.

In June 2022, in compliance with the Agreement for Socio-environmental Reparation, Braskem submitted to the MPF the environmental diagnosis containing the assessment of the potential environmental impacts and damages arising from salt mining activities and the environmental plan with proposals of the measures required. As established in the agreement, the parties jointly defined the specialized company that will evaluate and monitor the environmental plan. In December 2022, an additional report on the environmental plan was filed with the MPF. In February 2023, this environmental plan was approved, incorporating the suggestions provided in the additional report. Braskem initiated the actions foreseen by the plan, implementing the commitments established in the agreement and sharing the results of its actions with the authorities. Also agreed was that the environmental diagnosis will be updated in December 2025.

c. Social and urban measures, under the Agreement for Socio-environmental Reparation signed on December 30, 2020, allocating R\$1,580,000 for the adoption of actions and measures in vacated areas, urban mobility and social compensation actions, of which R\$300 million going to indemnification for social damages and collective pain and suffering and possible contingencies related to the actions in the vacated areas and urban mobility actions. The balance of this provision is R\$1,497,729 (2022: R\$1,567,842).

d. Additional measures, for which the balance of provision is R\$2,359,486 (2022: R\$1,604,305), for expenses with: (i) Instrument of Global Agreement with the Municipality of Maceió; (ii) actions related to the Technical Cooperation Agreements entered into by the Company; (iii) expenses with managing the geological event in Alagoas relating to communication, compliance, legal services, etc.; (iv) additional measures to assist the region and maintenance of areas, including actions for requalification and indemnification directed to Flexais region; and (v) other matters classified as a present obligation for the Company, even if not yet formalized.

The provisions of the Company are based on current estimates and assumptions and may be updated in the future due to new facts and circumstances, including, but not limited to: changes in the execution time, scope and method; the success of action plans; new repercussions or developments arising from the geological event, including possible revision of the Civil Defense map; studies that indicate recommendations from specialists, including the Technical Monitoring Committee, according to Agreement for Compensation of Residents, and other new developments in the matter.

The measures related to the plans to close mining areas are also subject to the analysis and approval by the ANM, the monitoring of results of the measures under implementation as well as changes related to the dynamic nature of the geological event.

Continuous monitoring is essential for confirming the results of the current recommendations. Accordingly, the plan to close mining areas may be updated based on the need to adopt technical alternatives to stabilize the subsidence phenomena arising from the extraction of salt. In addition, the assessment of the future behavior of

cavities to be monitored using sonar and piezometers could indicate the need for certain additional measures to stabilize them.

The actions to repair, mitigate or offset potential environmental impacts and damages, as provided for in the Socio-environmental Reparation Agreement, will be defined considering the environmental diagnosis prepared by a specialized and independent company. After the conclusion of all discussions with authorities and regulatory agencies, as per the process established in the agreement, an action plan will be agreed to be part of the measures for a Plan to Recover Degraded Areas ("PRAD").

Also in the context of understandings with the authorities to address claims related to the event in Alagoas, on October 26, 2022, the 3rd Federal Court of Alagoas ratified the Term of Agreement for Implementation of Socioeconomic Measures for the Requalification of the Flexal Area ("Flexais Agreement"), entered into by Braskem and the MPF, the MPE, the DPU, and Municipality of Maceió for the adoption of action for requalification in the Flexais region, compensation to the Municipality of Maceió and indemnities to the residents of this location. The expected disbursement amounts to the execution of the obligations defined in the Flexais Agreement are part of the provision under (d) Additional Measures.

The Company has been making progress in negotiations with government authorities about other indemnification requests to understand them better. Although future disbursements may occur as a result of said negotiations, as of the reporting date, the Company is unable to predict the results and timeframe for concluding these negotiations or its possible scope and the total associated costs in addition to those already provisioned for.

It is not possible to anticipate all new claims, related to damages or other nature, that may be brought by individuals or groups, including public or private entities, that understand they suffered impacts or damages somehow related to the geological phenomenon and the relocation of people from risk areas, as well as new notices of violation or administrative penalties of diverse natures. Braskem continues to face and could still face administrative procedures and various lawsuits filed by individuals or legal entities not included in the PCF or that disagree with the financial compensation offer for individual settlement, as well as new collective actions and new lawsuits filed by public utility concessionaires, entities of the direct or indirect administration of the State, Municipality or Federal level. Therefore, the number of such actions, their nature or the amounts involved cannot be estimated at this moment.

Consequently, the Company cannot eliminate the possibility of future developments related to the geological event in Alagoas, the relocation process and actions in vacated and adjacent areas, so the expenses to be incurred may differ from its estimates and provisions.

In February 2023, the Company signed a settlement agreement with the insurance companies, closing the claim for the geological event in Alagoas.

24.1 Lawsuits pending

In the context of this event, the following lawsuits were filed against the Company:

(i) Public-Interest Civil Action (“ACP”) filed by the Alagoas State Prosecution Office and the Alagoas State Public Defender’s Office – Reparation for Residents

Public-Interest Civil Action claiming the payment of indemnification for damages caused to the buildings and the residents of areas affected in the Pinheiro district and surrounding areas, in the total minimum amount of R\$6.7 billion, with initial request for provisional measure to freeze the Company’s financial and other assets in the same amount. Successive orders to freeze funds resulted in the court blocking of R\$3.7 billion in assets in 2019, and the unfreezing occurred in January 2020. Once the case was sent to the Federal Courts, the Federal Prosecution Office started to participate in the action.

The first agreement under this Public-Interest Civil Action (Reparation for Residents) was approved on January 3, 2020. The Agreement to Support the Relocation of People in Risk Areas (“Agreement for Compensation of Residents”), entered into by Braskem and the Alagoas State Prosecutors’ Office (“MPE”), the Alagoas State Public Defenders’ Office (“DPE”), the Federal Prosecutors’ Office (“MPF”) and the Federal Public Defenders’ Office (“DPU”, and jointly with the MPE, DPE and MPF, the “Authorities”), establishes cooperative actions for relocating people in risk areas and guaranteeing their safety, which provides support under the Financial Compensation and Support for Relocation Program implemented by Braskem, for the population in specified risk areas.

After updates of the Civil Defense Map, two legal instruments were entered into with the Authorities, in July and October 2020, to include properties in the PCF.

On December 30, 2020, the Company and the Authorities executed a second amendment to the Agreement for Compensation of Residents to terminate the Public-Interest Civil Action, through which the parties agreed to include in PCF the relocation of additional properties defined in the updated version of the Civil Defense Map, of December 2020, and in the independent technical and specialized studies engaged by the Company (“Studies”) on the potential impact of the geological event on the surface of the region. The Agreement for Compensation of Residents includes the area currently affected by the geological event, according to the Civil Defense, and the areas with potential future impacts indicated in the Studies.

To implement the actions envisaged in the Public-Interest Civil Action, the Company undertook to maintain R\$2.7 billion in a checking account (R\$1.7 billion under the Agreement for Compensation of Residents and an additional R\$1 billion under the second amendment), with minimum working capital of R\$100 million, whose transactions will be verified by an external audit company. On June 30, 2023, arising from the costs incurred related to the PCF, the balance of this checking account corresponded to R\$170,749 under current assets (2022: R\$175,153). In addition, the Company and the Authorities agreed to: (i) create a technical group (Technical Monitoring Committee) to monitor the geological event and study the areas adjacent to the Civil Defense Map for a period of five years; and (ii) maintain a performance bond, currently in the amount of R\$750 million (down from the R\$2 billion performance bond envisaged in the Agreement for Compensation of Residents).

With the judicial ratification by the courts of the Agreement for Compensation of Residents on January 6, 2021, this Public-Interest Civil Action was terminated.

(ii) Public-Interest Civil Action filed by the Alagoas State Federal Prosecution Office – Social-environmental reparation

Public-Interest Civil Action claiming the payment by the Company of indemnification for socio-environmental damages and other collective damages, as well as the adoption of corrective and environmental compliance measures, with preliminary injunction requiring the freezing of assets, suspension of borrowings with the BNDES,

formation of an own private fund in the initial amount of R\$3.1 billion and the pledging of guarantees in the amount of R\$20.5 billion. The amount of the action was R\$27.6 billion.

On December 30, 2020, the Agreement for Socio-environmental Reparation was executed, with the Company mainly undertaking to: (i) adopt measures to stabilize and monitor the subsidence phenomenon resulting from salt mining; (ii) repair, mitigate or compensate potential impacts and environmental damages arising from salt mining in the Municipality of Maceió; and (iii) repair, mitigate or compensate potential impacts and social and urban damages arising from salt mining in the Municipality of Maceió, as detailed below:

(i) To stabilize the cavities and monitor the soil, the Company continues to implement the action plans involving the closure of mining fronts prepared by Braskem and approved by the ANM, whose measures can be adjusted until the stability of the subsidence phenomenon resulting from salt mining is verified.

(ii) Regarding the potential environmental impacts and damages resulting from salt mining in the Municipality of Maceió: as agreed with the MPF, the Company hired a specialized independent company to identify and recommend measures for recovering, mitigating or compensating any environmental impacts identified as the result of salt mining activities in Maceió. The study and the second opinion report on the environmental planning were delivered to the MPF on June 30, 2022 and December 7, 2022, respectively, and will follow the procedures as per the agreement for final consolidation of the actions to be adopted in the mutual agreement between the Company and the MPF, but it is not possible to predict the outcome or if it will result in additional amounts other than those already recorded in the provision.

(iii) Regarding potential impacts and social and urban damages arising from salt mining in the city of Maceió: to allocate the maximum amount of R\$1,280 million for adopting actions and measures in vacated areas, urban mobility actions and social compensation actions. For these social compensation actions and measures, on June 30, 2022, the Company filed with the MPF the report and the respective plan of social action that will be used as base to define the measures to be adopted. Braskem also will allocate the amount of R\$300 million for indemnification for social and collective pain and suffering and possible contingencies related to actions in vacated areas and in urban mobility actions.

The Company and the Federal Prosecution Office also agreed to hire a specialized consultancy to evaluate the Company's Social and Environmental Management Program and on the pledging of security interest involving certain assets of the Company in the amount of R\$2.8 billion to substitute the performance bond of R\$1 billion.

The Agreement for Socio-environmental Reparation was ratified by Court on January 6, 2021, with the termination of the Public-Interest Civil Action for Socio-environmental Reparation with regard to Braskem.

Finally, under the Agreement for Socio-environmental Reparation, on January 21, 2021 the Civil Investigation launched in June 2020 by the MPE was closed. It aimed to: (i) calculate the extent of the urban damages caused by the geological event that occurred in Maceió; (ii) seek, jointly with those entitled, necessary and adequate architectural solutions for the destination, restoration and/or use of the cited empty spaces left in the districts impacted; (iii) calculate, if applicable, potential compensatory liabilities for the damages caused to the urban order.

On July 21, 2023, the 3rd Federal Court of Maceió ratified the full adherence of the Municipality of Maceió to the terms of the Socio-environmental Agreement, including the Social Actions Plan (PAS), also ratifying adherence in connection with the Instrument of Partial Adhesion on Urban Mobility.

(iii) Public-Interest Civil Action filed by the Federal Public Defender's Office: Refusal of insurance within the scope of Housing Financial System ("SFH")

Public-interest civil action filed by DPU to question the denial of necessary insurance for contracts under the SFH to acquire properties located within a radius of 1 km outside the risk area defined by the version 4 map of Civil Defense authorities, which is the subject matter of the Residents PCA agreement – See item (i).

Insurers linked to SFH, financial agents, the regulatory agency and Braskem are the defendants. The main claim is only against the insurers, financial agents and the regulatory agency on the grounds that the refusal to contract the insurance is abusive and has no technical or legal grounds. There is a secondary and eventual claim to sentence Braskem to pay indemnification in an amount to be settled in the future, if the judge understands that the refusal somehow has grounds in the subsidence phenomenon.

It is not possible to estimate the indemnification amount, which will depend on the evidence of damages submitted by people whose insurance was denied.

(iv) Public-Interest Civil Action filed by the Alagoas State Public Defender's Office – Review of terms of the Flexais Agreement

Public-interest civil action filed by DPE against the Company, the Federal Government, the State of Alagoas and the Municipality of Maceió seeking, among other claims, the revision of terms of the Flexais Agreement, signed amongst Braskem, the MPF, the MPE, the DPU, and Municipality of Maceió, ratified on October 26, 2022, by the 3rd Federal Court of Alagoas.

Through of this lawsuit, the DPE seeks, among other claims, the inclusion of residents of Flexais region, who choose to adhere the PCF, program created under the agreement in ACP (Reparation for Residents), with consequent reallocation of these residents and compensation for moral and material damages in parameters specified in the ACP.

As injunction relief, DPE also requested, that the Municipality of Maceió and Braskem initiated the registration of all residents who requested to be relocated and their concomitant inclusion in the PCF, or, alternatively, requested the freeze of Braskem bank accounts in the amount of R\$ 1.7 billion, to guarantee the compensation for moral and material damages to residents of the Flexais region, this being the amount attributed to the lawsuit. The injunction relief requests were rejected by the trial and appellate courts, and such decisions may be appealed against by DPE. On June 30, 2023, the amount of this action is R\$1.8 billion.

The Management, supported by the opinion of the external legal advisor, classifies the probability of loss in this lawsuit as possible.

(v) Indemnifying action: Companhia Brasileira de Trens Urbanos ("CBTU")

On February 2, 2021, the Company was notified of the filing of an action by Companhia Brasileira de Trens Urbanos, formulating initially only a preliminary injunction for maintaining the terms of the cooperation agreement signed previously by the parties. The request was denied in lower and appellate courts, given the fulfillment of the obligations undertaken by Braskem. On February 24, 2021, CBTU filed an amendment to the initial request claiming the payment of compensation for losses and damages in the amount of R\$222 million and for moral damages in the amount of R\$500 thousand, as well as the imposition of obligations, including the construction of a new rail line to substitute the stretch that passed through the risk area.

On June 30, 2023, the inflation-adjusted amount of this lawsuit was R\$1.45 billion (2022: R\$1.43 billion). Braskem entered into a memorandum of understanding with CBTU to reach a mutual solution and suspend the lawsuit

during the negotiation period, and has made progress in the technical understanding about the topic. As a result of a joint petition filed by the parties, the lawsuit was suspended until January 2024.

Braskem's Management, based on its evaluation and that of its external legal advisors, classifies the probability of loss in this case as possible.

(vi) Action for Damages: Pinheiro District Property

Action for Damages filed by Construtora H. Lobo (under court-supervised reorganization), a Contractor that claimed it suffered damages and loss of profits due to an agreement to purchase from Braskem a property in the District of Pinheiro. Said agreement was terminated by Braskem due to lack of payment by the Contractor. Nevertheless, the Contractor claims that Braskem omitted information on the existence of structural problems in the deactivated salt mining wells located on said property. As of June 30, 2023, the amount of this action is R\$330 million (2022: R\$306 million). On July 05, 2023, a decision was rendered in favor of Braskem. It did not recognize the existence of the alleged loss of profits and alleged damage to the contractor's image, only ordering the return of R\$3 million by Braskem to the plaintiff, plus inflation adjustment, to be deducted from the amounts already received by Humberto Lobo during the lawsuit, amounting to R\$4.5 million. The lawsuit is ongoing, and Management, supported by the opinion of the external legal advisors, classifies the probability of loss in this case as possible.

(vii) Indemnity Claim: State of Alagoas

Indemnity claim filed by the State of Alagoas, requesting compensation for alleged damages resulting, among others claims, from the loss of properties within the risk area defined by the Civil Defense of Maceió, alleged investments initiated by the State of Alagoas and that would have become void unusable due to the evacuation of the risk area and alleged loss of tax revenue, with a request that such damages to be determined by a court appraiser.

As injunction relief, the State of Alagoas requested the blocking of R\$ 1.1 billion from Braskem bank accounts, as a guarantee to repair material and non-material damages allegedly suffered by the State Public Administration, this being the amount attributed to the lawsuit. On April 19, 2023, this injunction relief request was accepted by the court, which determined the cautionary blocking of approximately R\$ 1.1 billion from Company bank accounts. Upon presentation of a performance bond by the Company, on April 23, 2023, the Appellate Court of the State of Alagoas suspended the effectiveness of the decision to block Braskem bank accounts, as previously issued by the lower court. The performance bond in force for this claim amounts to R\$1.4 billion. On June 30, 2023, the amount attributed to the lawsuit is R\$1.3 billion.

The Management, supported by the opinion of its external legal advisor, classifies the probability of loss in this lawsuit as possible.

(viii) Other individual actions: Indemnifications related to the impacts of subsidence and relocation of areas affected

On June 30, 2023, Braskem was defendant in several other actions, that, in aggregate, involve the amount of R\$1.2 billion (2022: R\$1 billion), filed by individuals in Brazil and abroad, seeking the payment of indemnifications directly or indirectly related to the geological event in Maceió.

The Management, supported by the opinion of its external legal advisor, classifies the probability of loss of the other individual lawsuits, in the total amount mentioned above, as possible.

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All amounts in thousands Reais, except as otherwise stated

25 Equity

25.1 Capital

On June 30, 2023, the Company's subscribed and paid up capital stock amounted to R\$8,043,222 and comprised 797,207,834 shares with no par value, distributed as follows:

	Common shares		Preferred shares class A		Preferred shares class B		Amount of shares	
	shares	%	shares	%	shares	%	Total	%
Novonor	226,334,623	50.11	79,182,498	22.95			305,517,121	38.32
Petrobras	212,426,952	47.03	75,761,739	21.96			288,188,691	36.15
ADR			56,204,352	16.29			56,204,352	7.05
Other	12,907,077	2.86	133,911,776	38.81	478,790	100.00	147,297,643	18.49
Total	451,668,652	100.00	345,060,365	100.01	478,790	100.00	797,207,807	100.01
Treasury shares			27				27	
Total	451,668,652	100.00	345,060,392	100.01	478,790	100.00	797,207,834	100.01
Authorised	535,661,731		616,682,421		593,818		1,152,937,970	

(i) American Depository Receipt ("ADR") on the New York Stock Exchange – NYSE (USA).

25.2 Rights to shares

Preferred shares carry no voting rights, but they ensure priority, non-cumulative annual dividend of 6% of their unit value, according to profits available for distribution. The unit value of the shares is obtained through the division of capital by the total number of outstanding shares. As common shares, only class "A" preferred shares will have the same claim on the remaining profit that exceeds the minimum mandatory dividend of 6% and will be entitled to dividends only after the priority dividend is paid to preferred shareholders. Only class "A" preferred shares also have the same claim as common shares on the distribution of shares resulting from capitalization of other reserves. Class "A" preferred shares can be converted into common shares upon resolution of majority voting shareholders present at a General Meeting. Class "B" preferred shares can be converted into class "A" preferred shares at any time, at the ratio of two class "B" preferred shares for one class "A" preferred share, upon a simple written request to the Company, provided that the non-transferability period provided for in specific legislation that allowed for the issue and payment of such shares with tax incentive funds has elapsed.

In the period ended June 30, 2023, 665,381 shares held in treasury were granted as payment to the participants of the 2020 long-term incentive (ILP) program. At June 30, 2022, 236,758 shares were granted as payment of the 2019 long-term incentive (ILP) program.

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26 Earnings per share

The table below shows the reconciliation of profit or loss for the period adjusted for the amounts used to calculate basic and diluted earnings per share.

	Note	Jun/23	Jun/22	
		Basic and diluted	Basic	Diluted
Profit (loss) for the period attributed to Company's shareholders		(586,158)	2,477,785	2,477,785
Distribution of priority dividends attributable to:				
Preferred shares class "A"			208,655	208,655
Preferred shares class "B"			290	290
			<u>208,945</u>	<u>208,945</u>
Distribution of 6% of unit price of common shares	25.2		273,648	273,648
Distribution of excess profits, by class:				
Common shares			1,132,215	1,132,215
Preferred shares class "A"			862,977	862,977
			<u>1,995,192</u>	<u>1,995,192</u>
Reconciliation of income available for distribution, by class (numerator):				
Common shares		(332,318)	1,405,863	1,405,863
Preferred shares class "A"		(253,488)	1,071,632	1,071,632
Preferred shares class "B"		(352)	290	290
		<u>(586,158)</u>	<u>2,477,785</u>	<u>2,477,785</u>
Weighted average number of shares, by class (denominator):				
Common shares		451,668,652	451,668,652	451,668,652
Preferred shares class "A"		344,527,325	344,262,870	345,060,392
Preferred shares class "B"		478,790	478,790	478,790
		<u>796,674,767</u>	<u>796,410,312</u>	<u>797,207,834</u>
Profit per share (in R\$)				
Common shares		(0.7358)	3.1126	3.1126
Preferred shares class "A"		(0.7358)	3.1128	3.1056
Preferred shares class "B"		(0.7358)	0.6057	0.6057

Weighting of shares

	Nota	Jun/23		Jun/22	
		Basic and diluted	Preferred shares	Basic	Preferred shares
		Class "A"		Class "A"	
		Outstanding shares	Weighted average	Outstanding shares	Weighted average
Amount at beginning of the period		344,394,984	344,394,984	344,158,226	344,158,226
Incentive long term plan payments with treasury shares	25.2	665,381	132,341	236,758	104,644
Amount at the end of the period		<u>345,060,365</u>	<u>344,527,325</u>	<u>344,394,984</u>	<u>344,262,870</u>

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27 Net revenues

	Consolidated		Parent company	
	Jun/23	Jun/22	Jun/23	Jun/22
Sales revenue				
Domestic market	27,168,490	38,635,758	26,852,306	38,525,980
Foreign market	15,788,312	22,106,466	4,725,619	6,322,957
	<u>42,956,802</u>	<u>60,742,224</u>	<u>31,577,925</u>	<u>44,848,937</u>
Sales and services deductions				
Taxes				
Domestic market	(5,567,327)	(8,401,864)	(5,517,244)	(8,376,167)
Foreign market	(14,948)	(33,290)		
Sales returns				
Domestic market	(86,843)	(85,413)	(85,940)	(85,413)
Foreign market	(85,459)	(78,914)	(6,233)	(11,175)
	<u>(5,754,577)</u>	<u>(8,599,481)</u>	<u>(5,609,417)</u>	<u>(8,472,755)</u>
Net sales and services revenue	<u>37,202,225</u>	<u>52,142,743</u>	<u>25,968,508</u>	<u>36,376,182</u>

28 Expenses by nature and function

	Consolidated		Parent company	
	Jun/23	Jun/22	Jun/23	Jun/22
Classification by nature:				
Raw materials other inputs	(29,407,654)	(37,322,431)	(22,833,809)	(29,131,047)
Personnel expenses	(1,765,897)	(1,604,989)	(1,086,753)	(1,054,914)
Outsourced services	(1,509,391)	(1,620,489)	(974,197)	(1,098,605)
Depreciation and amortization	(2,534,516)	(2,125,603)	(1,730,668)	(1,388,713)
Freights	(1,961,457)	(1,895,253)	(719,494)	(701,542)
Idle industrial plants	(195,394)	(184,214)	(184,628)	(112,266)
Alagoas geological event (Note 24)	(1,149,056)	(1,253,454)	(1,149,056)	(1,253,454)
Other income	1,145,051	109,994	1,008,383	75,207
Other expenses	(979,154)	(847,959)	(648,840)	(543,349)
Total	<u>(38,357,468)</u>	<u>(46,744,399)</u>	<u>(28,319,062)</u>	<u>(35,208,683)</u>
Classification by function:				
Cost of products sold	(35,758,817)	(42,934,227)	(26,506,138)	(32,311,805)
Selling and distribution	(972,562)	(1,057,565)	(535,994)	(594,454)
(Loss) reversals for impairment of trade accounts receivable	(47,721)	(21,771)	(55,745)	(3,518)
General and administrative	(1,173,784)	(1,279,267)	(815,419)	(856,265)
Research and development	(175,074)	(151,094)	(89,246)	(82,396)
Other income (i)	1,145,051	109,994	1,008,383	75,207
Other expenses (ii)	(1,374,561)	(1,410,469)	(1,324,903)	(1,435,452)
Total	<u>(38,357,468)</u>	<u>(46,744,399)</u>	<u>(28,319,062)</u>	<u>(35,208,683)</u>

- (i) In 2023, refers mainly to settlement of claim agreement signed with insurance companies and the final and unappealable decision on the unconstitutionality of the surcharge in the PIS and COFINS rates incurred on operations involving the sale of gasoline and diesel oil.
- (ii) Refers mainly to expenses incurred with the geological event in Alagoas.

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29 Financial results

	Consolidated		Parent company	
	Jun/23	Jun/22	Jun/23	Jun/22
Financial income				
Interest income	625,723	387,017	413,625	358,798
Update of tax credits	19,385	13,649	19,636	13,647
Gain on derivatives	287,725	321,924	19,271	92,513
Other	105,452	66,791	84,530	62,430
	1,038,285	789,381	537,062	527,388
Financial expenses				
Interest expenses	(1,868,187)	(1,457,318)	(1,852,984)	(1,523,817)
Discounts granted	(7,414)	(71,159)	(6,537)	(67,977)
Loans transaction costs - amortization	(103,726)	(171,249)	(8,613)	(6,301)
Adjustment to present value - appropriation	(289,014)	(215,741)	(324,345)	(205,388)
Interest expense on leases	(119,113)	(86,062)	(78,998)	(58,075)
Losses on derivatives	(406,567)	(426,487)	(96,501)	(168,763)
Other	(195,622)	(354,529)	(72,891)	(229,701)
	(2,989,643)	(2,782,545)	(2,440,869)	(2,260,022)
Exchange rate variations, net				
On financial assets	(845,882)	(504,163)	(253,575)	(309,416)
On financial liabilities	2,605,979	352,121	1,224,685	97,543
	1,760,097	(152,042)	971,110	(211,873)
Total	(191,261)	(2,145,206)	(932,697)	(1,944,507)

The effects from exchange variation on the Company's transactions are mainly due to the variations in the following currencies:

	End of period rate			Average rate		
	Jun/23	Dec/22	Variation	Jun/23	Jun/22	Variation
U.S. dollar - Brazilian real	4.8192	5.2177	-7.64%	5.0744	5.0782	-0.08%
Euro - Brazilian real	5.2626	5.5694	-5.51%	5.4831	5.5568	-1.33%
Mexican peso - Brazilian real	0.2811	0.2667	5.40%	0.2793	0.2505	11.48%
U.S. dollar - Mexican peso	17.1530	19.5720	-12.36%	18.1863	20.2791	-10.32%
U.S. dollar - Euro	0.9157	0.9416	-2.75%	0.9533	0.9155	4.13%

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30 Segment information

	Jun/23						
	Net sales revenue	Cost of products sold	Gross profit	Selling, general and distribution expenses	Results from equity investments	Operating expenses	
						Other operating income (expenses), net	
Reporting segments							
Brazil	26,280,175	(25,747,087)	533,088	(879,065)		(347,250)	(693,227)
USA and Europe	8,821,485	(8,080,015)	741,470	(379,390)		77,002	439,082
Mexico	2,406,740	(2,284,311)	122,429	(197,972)		(5,535)	(81,078)
Total	37,508,400	(36,111,413)	1,396,987	(1,456,427)		(275,783)	(335,223)
Other segments	405,539	(335,923)	69,616	101,815	11,101	7,766	190,298
Corporate unit				(1,014,657)		51,525	(963,132)
Braskem consolidated before eliminations and reclassifications	37,913,939	(36,447,336)	1,466,603	(2,369,269)	11,101	(216,492)	(1,108,057)
Eliminations and reclassifications	(711,714)	688,519	(23,195)	128		(13,018)	(36,085)
Total	37,202,225	(35,758,817)	1,443,408	(2,369,141)	11,101	(229,510)	(1,144,142)

	Jun/22						
	Net sales revenue	Cost of products sold	Gross profit	Selling, general and distribution expenses	Results from equity investments	Operating expenses	
						Other operating income (expenses), net	
Reporting segments							
Brazil	37,077,194	(32,409,495)	4,667,699	(881,298)		(1,394,310)	2,392,091
USA and Europe	13,851,934	(11,006,724)	2,845,210	(404,191)		37,675	2,478,694
Mexico	3,386,659	(2,361,072)	1,025,587	(234,446)		4,476	795,617
Total	54,315,787	(45,777,291)	8,538,496	(1,519,935)		(1,352,159)	5,666,402
Other segments	196,770	(127,659)	69,111	42,500	26,524	1,796	139,931
Corporate unit				(1,031,083)		59,590	(971,493)
Braskem consolidated before eliminations and reclassifications	54,512,557	(45,904,950)	8,607,607	(2,508,518)	26,524	(1,290,773)	4,834,840
Eliminations and reclassifications	(2,369,814)	2,970,723	600,909	(1,179)		(9,702)	590,028
Total	52,142,743	(42,934,227)	9,208,516	(2,509,697)	26,524	(1,300,475)	5,424,868

31 Commitments

The Company has long-term commitments for the purchase of energy. As of June 30, 2023, these obligations amounted to R\$8,053,437 and will be settled by 2044.

32 Subsequent events

As disclosed on Note 24, the Instrument of Global Agreement with the Municipality of Maceió was ratified on July 21, 2023, establishing the payment of R\$1.7 billion as indemnity, compensation and full reimbursement for any property and non-property damages caused to the Municipality of Maceió, of which R\$600 million has been disbursed on August 04, 2023.