



# **Cosan Corporate**

## Modeling Guide

Investor Relations  
November 2023

# Disclaimer

Eventual estimates and forward-looking statements made during this presentation regarding our strategy and opportunities for future growth is mainly based on our current expectations and estimates or projections of future events and trends, which affect or may affect our business and results of operations. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to us. Our estimates and forward-looking statements may be influenced by the following factors, among others: (1) general economic, political, demographic and business conditions in Brazil and particularly in the geographic markets we serve; (2) inflation, depreciation and devaluation of the real; (3) our ability to implement our capital expenditure plan, including our ability to arrange financing when required and on reasonable terms; (4) our ability to compete and conduct our businesses in the future; (5) changes in customer demand; (6) changes in our businesses; (7) government interventions resulting in changes in the economy, taxes, rates or regulatory environment; and (8) other factors that may affect our financial condition, liquidity and results of our operations.

The words "believe", "may", "will", "estimate", "continue", "anticipate", "intend", "expect" and similar words are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements speak only as of the date they were made and we undertake no obligation to update or to review any estimate and/or forward-looking statement because of new information, future events or other factors. Estimates and forward-looking statements involve risks and uncertainties and are not guarantees of future performance. Our future results may differ materially from those expressed in these estimates and forward-looking statements. In light of the risks and uncertainties described above the estimates and forward-looking statements discussed in this presentation might not occur and our future results and our performance may differ materially from those expressed in these forward-looking statements due to, inclusive, but not limited to the factors mentioned above. Because of these uncertainties you should not make any investment decision based on these estimates and forward-looking statements.

## Objective

To help investors project net cash generation and Cosan Corporate's capital allocation capacity in order to calculate the Company's value, based on a vision of **"cash in/sources"** and **"cash out/uses."**

The main **"sources"** are dividends from subsidiaries, potential divestments based on asset portfolio management and new funding, among others.

As for **"uses"**, after all the costs are paid, including organizational structure, debt etc., the balance funds will be allocated to maximize returns - acquisitions, share buyback, liability management, etc. and remunerate shareholders through dividends.



# Cosan Corporate: Strategic vision

Diversified portfolio bringing  
**growth** with **return**

**Liquidity** optimizing term and  
cost

Risk management focused on  
**flexibility** and **optionality**

Consistent **remuneration** to  
shareholders



## Definition of Cosan Corporate

### Sources

- a. Dividends and interest on equity from subsidiaries
- b. Portfolio management: divestments
- c. Liability management: funding transactions
- d. Funding for acquisition of interest in Vale

### Uses

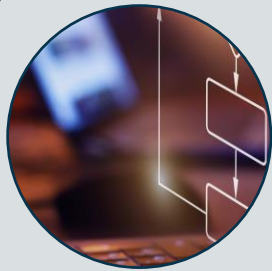
- e. Liability management: principal amortization
- f. Interest and other financial expenses
- g. Expenses (G&A, other expenses and taxes)
- h. Portfolio management: acquisitions, share buyback and CAPEX
  - *Structure for acquisition of interest in Vale*
- i. Distribution of dividends
  - *Equity pick-up*

## Direct cash flow

# Definition of Cosan Corporate

# Definition of Cosan Corporate

It represents the reconciliation of Cosan's corporate structure, consolidating the holding company Cosan S.A. and other companies that have debts, holding companies with interest in subsidiaries, among others. It reflects mainly: (i) top management (Boards and Executive Board) and corporate teams; (ii) cash and debts of the parent company and offshore financial companies; (iii) equity interest in subsidiaries; and (iv) contingencies.



## Parent Company

- Cosan S.A.



## Holding companies with interest in subsidiaries

- Cosan Nove Participações S.A.



## Offshores

- Cosan Luxembourg S.A.
- Cosan Overseas Ltd.



## Other companies

- Cosan Corretora de Seguros Ltda.
- Pasadena Empreendimentos e Participações S.A.
- Barrapar Participações Ltda.
- Aldwych Temple
- Cosan Limited Partners Brasil Consultoria Ltda.



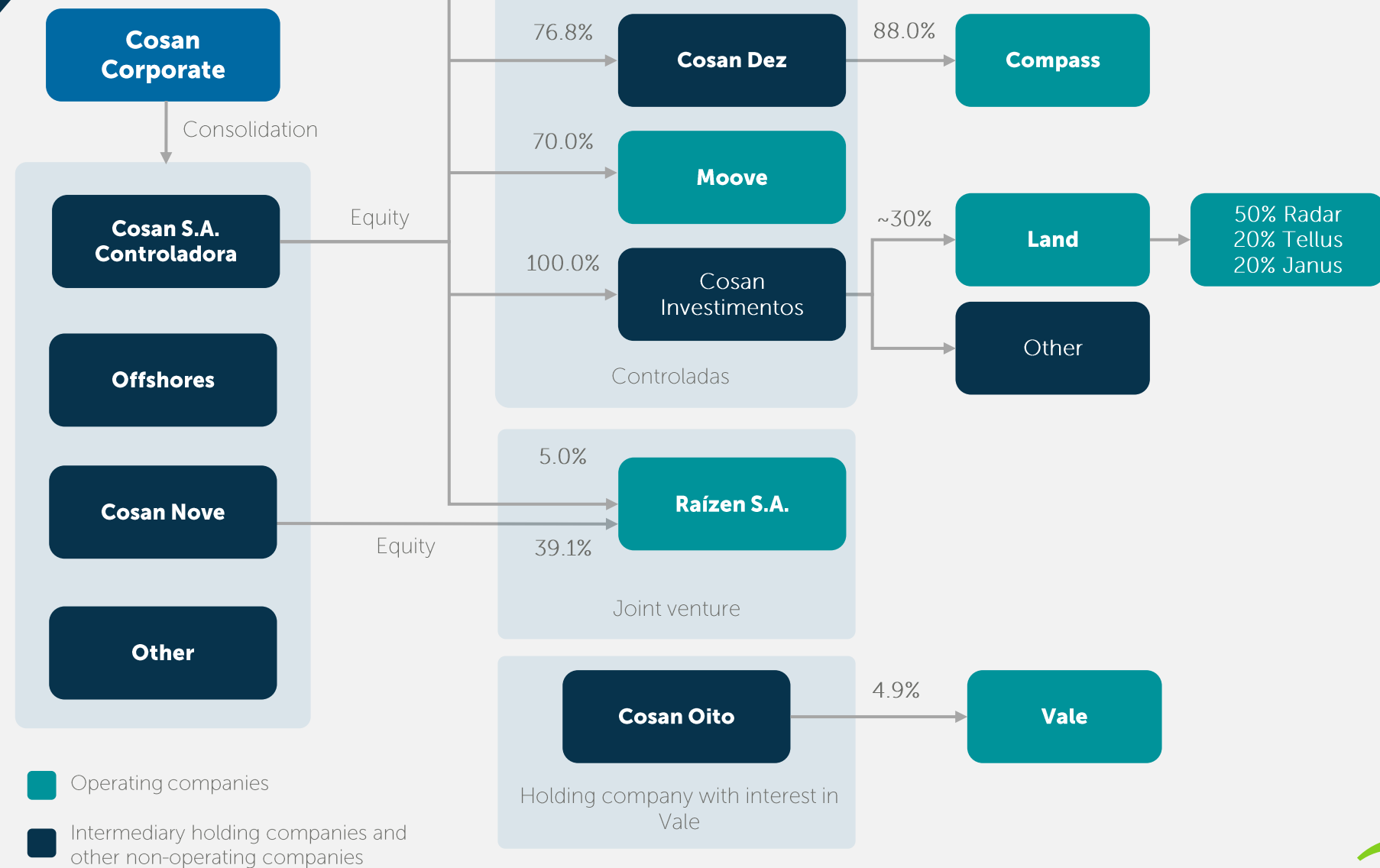
## Cosan Oito Vehicle for investment in Vale S.A.

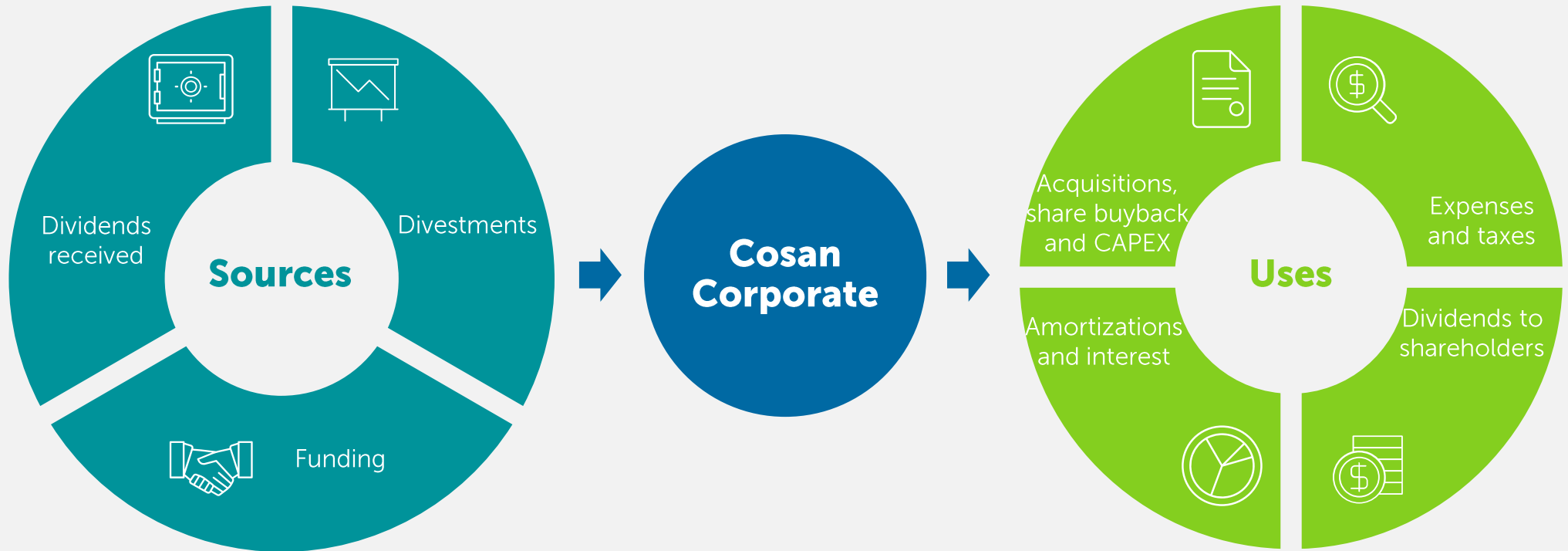
- Funding structure
- Dividend flow

*Note that Cosan Dez, an intermediary holding company controlled by the Company, with non-controlling interest of a preferred shareholder, which holds an 88% interest in Compass and therefore consolidates the results of its subsidiary, is included in the Gas and Energy segment, given its materiality. In addition, Cosan Oito, an intermediary holding company controlled by Cosan S.A., which holds 4.9% interest in Vale, is presented independently in order to provide greater transparency to our financial statements and improve comparability between the periods, since the accounting of the changes in investments could be highly volatile, but with no cash effect. The effects related to the funding and dividend structure are shown in this guide, to ensure the correct projection of Cash from Cosan Corporate.*

# Consolidation map

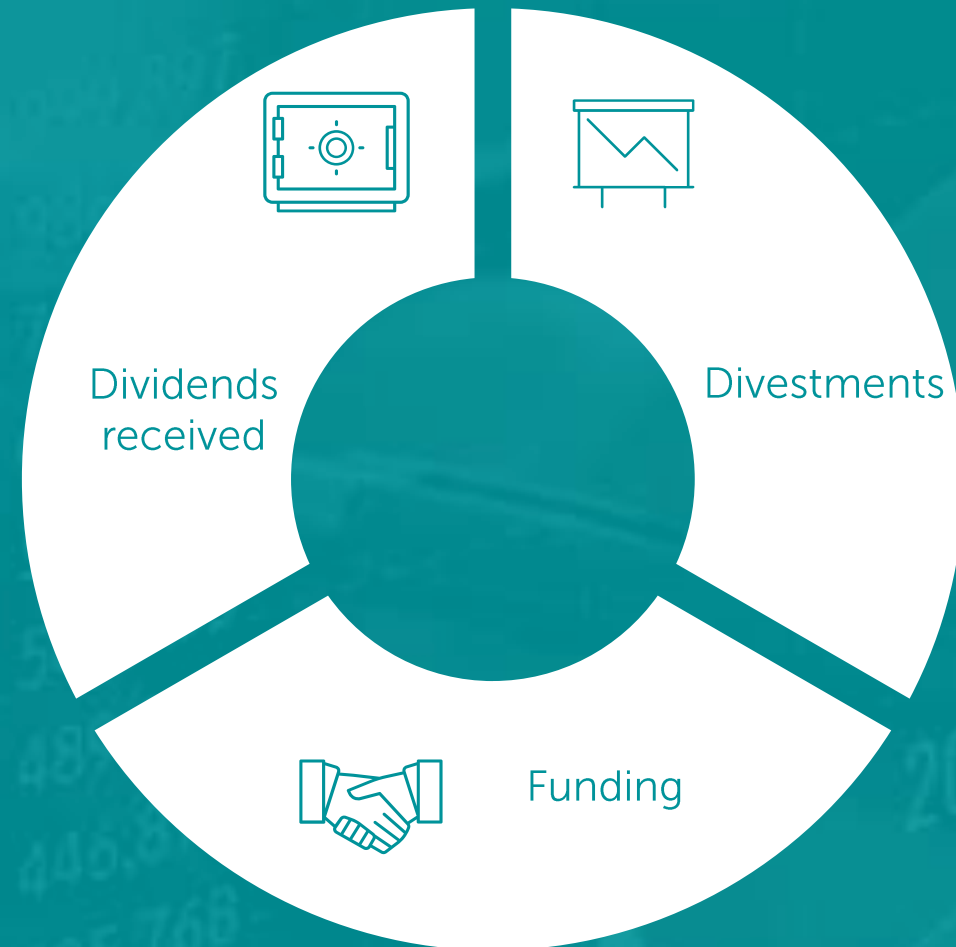
Structure reconciliation





Cosan Corporat

# Modeling Guide

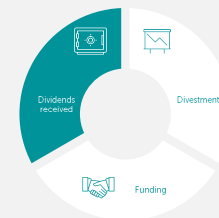


# Sources

## Sources

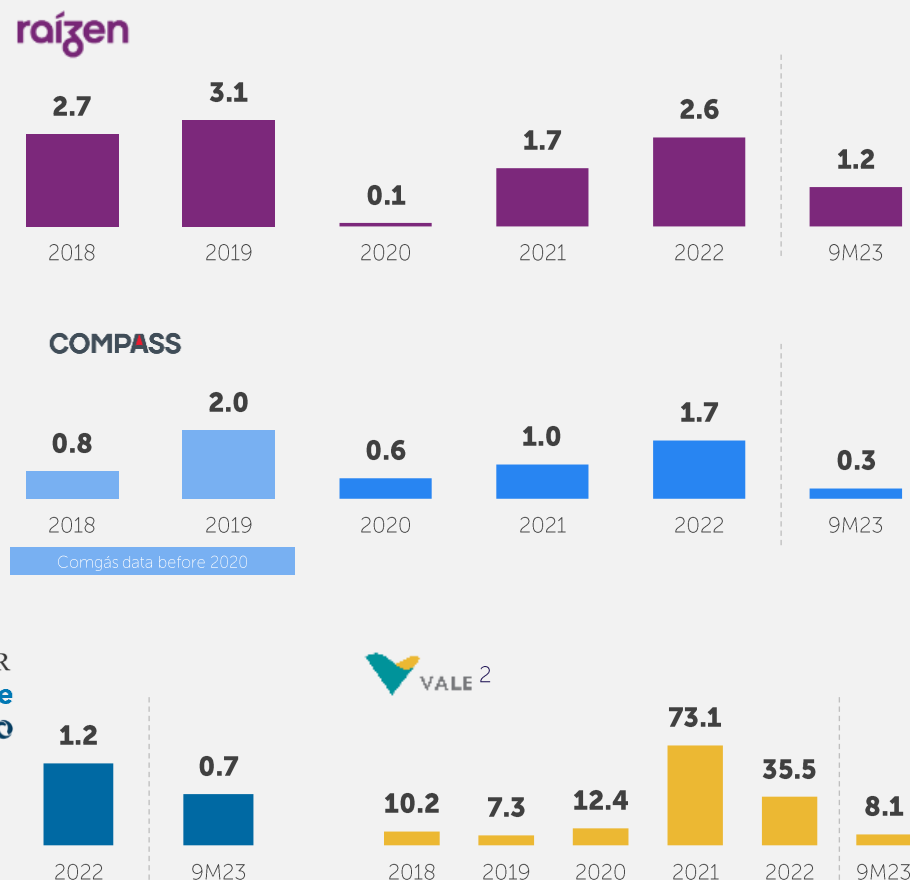
# (a) Dividends and interest on equity from subsidiaries

History of consistent dividends, from increasingly diversified sources, which guarantees liquidity for the Company.



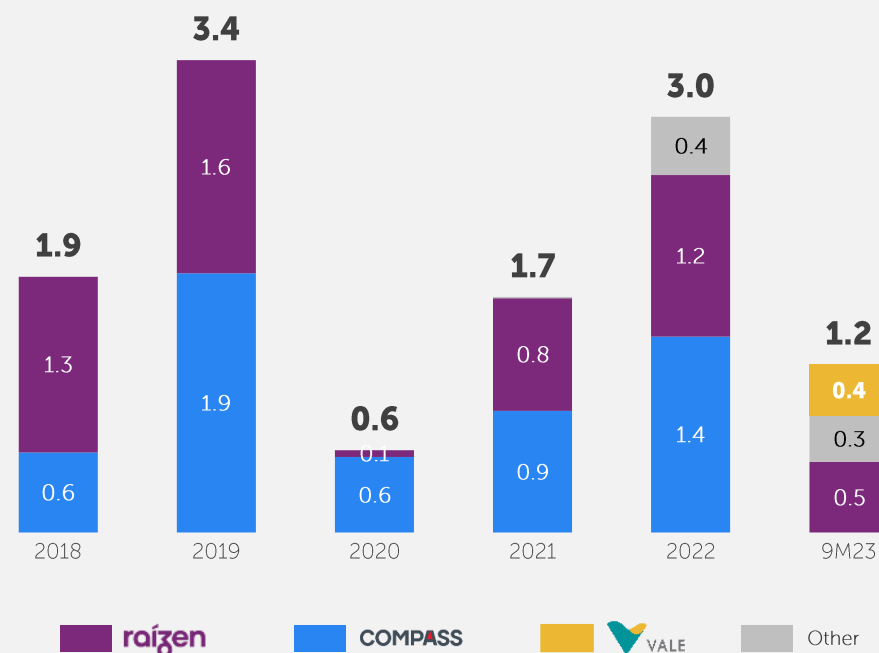
### Dividends and interest on equity paid by subsidiaries

(BRL Bln, @100%)



### Dividends and interest on equity received by Cosan<sup>1</sup>

(BRL Bln)



Notes: (1) Considering dividends received from "Cosan Corporate" per the Statement of Cash Flow for years prior to 2021. (2) Considering the total dividends and interest on equity announced in the period.

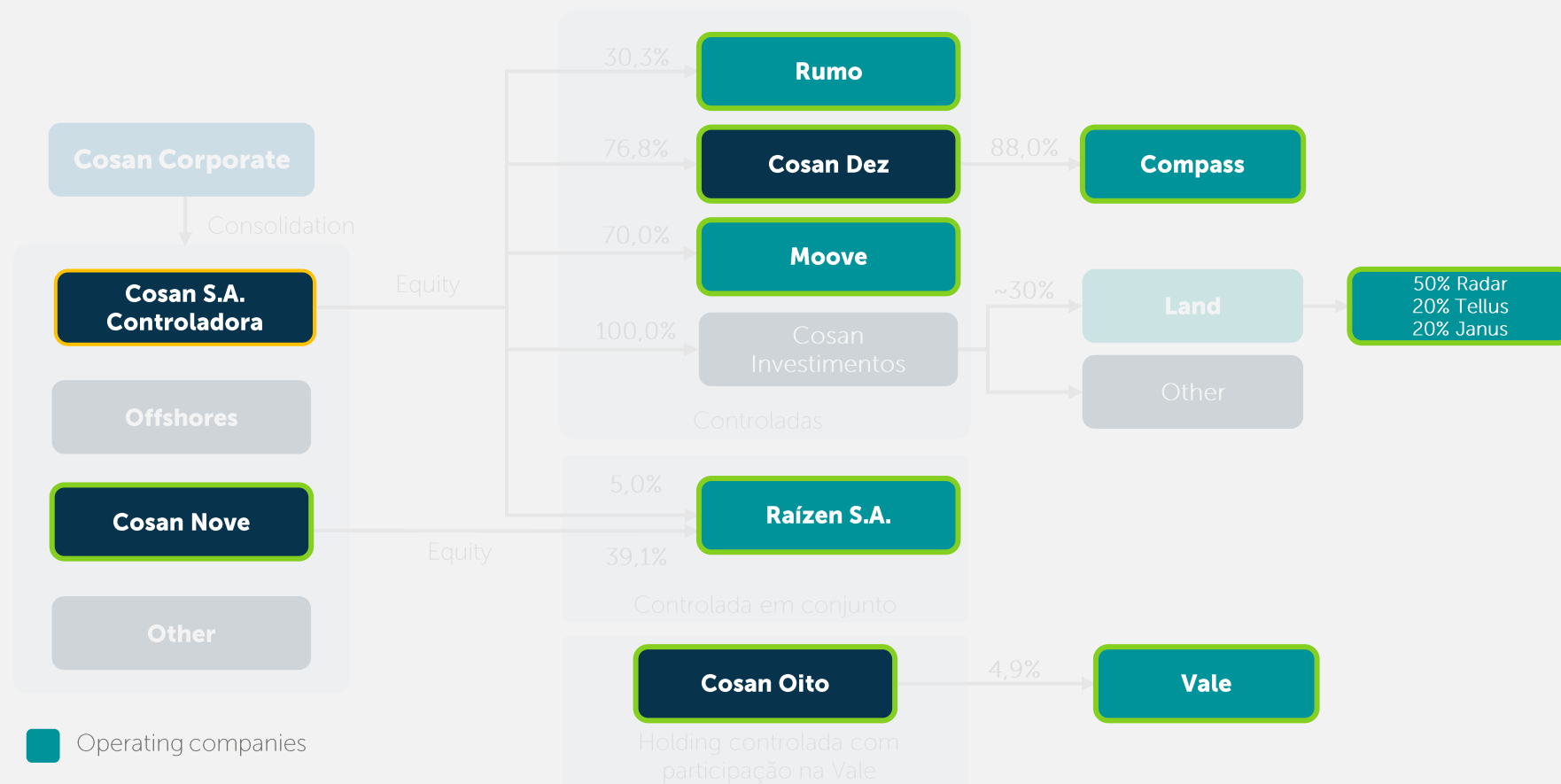
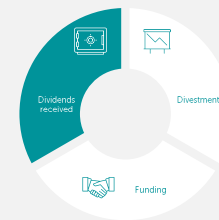
Sources: Cosan Spreadsheets by Segment and Vale Financial Statements



## Sources

### (a) Map of dividends

Portfolio of businesses balances growth and shareholder remuneration, enabling constant optimization of the group's capital structure



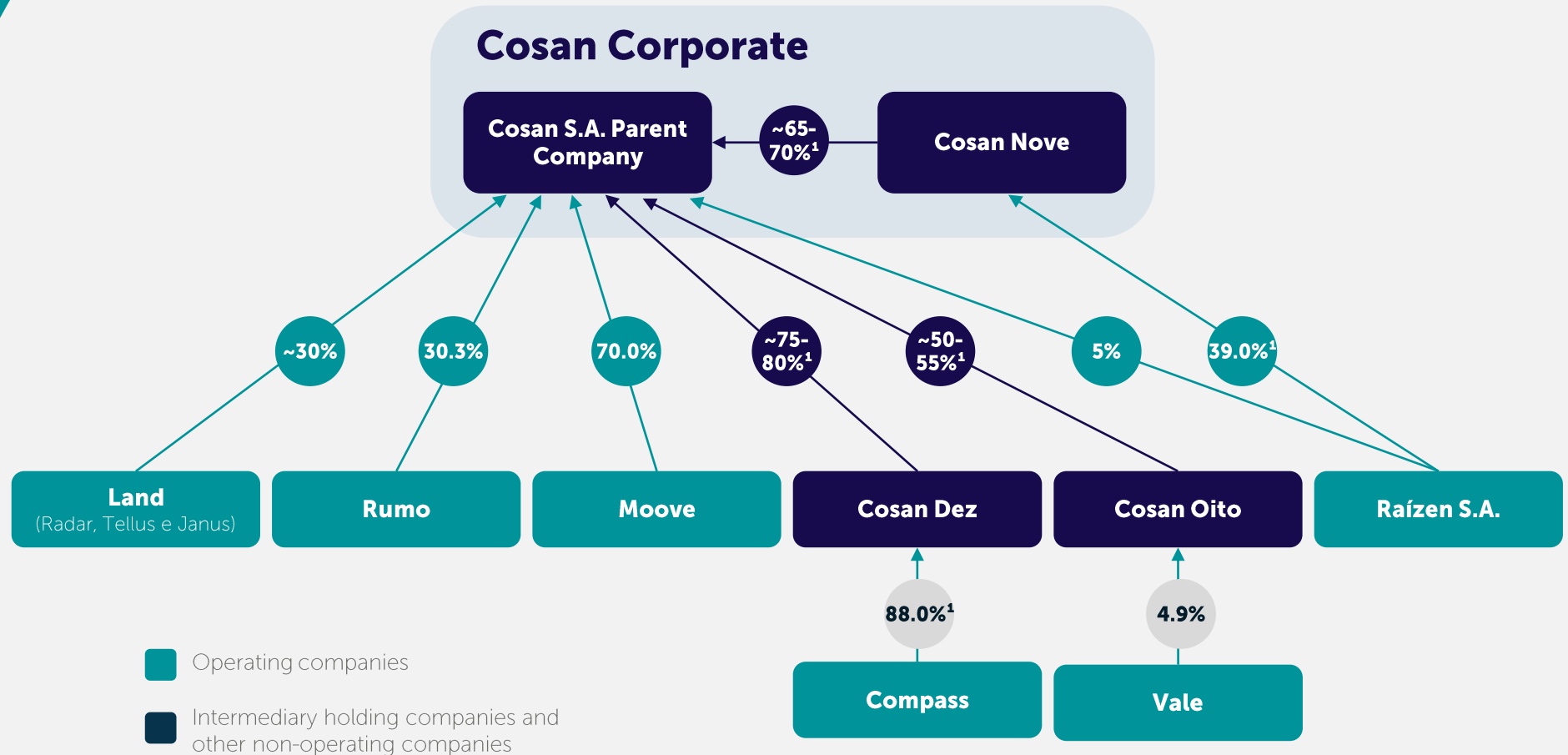
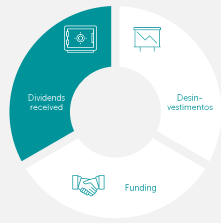
- Operating companies
- Intermediary holding companies and other non-operating companies

- Companies that **pay** dividends
- Company that **receives** dividends

## Sources

### (a) Map of dividends

Business portfolio balances growth and shareholder remuneration, enabling constant optimization of the group's capital structure



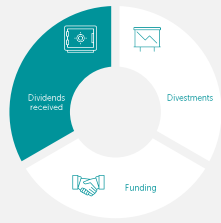
Note (1): Check slide 16 and 17 – Financing structure for acquisition of interest in Vale

Source: Interim Financial Statements on September 30, 2023 - Explanatory Note 1 Operations

Sources

## (b) Portfolio management: Divestments

Divestments concluded in 2022 and 6M23 to optimize resources and returns; greater focus on relevant assets with optionality



# Payly

Dec/22<sup>1</sup>

**BRL 87 mln**

# TRIZY

May/23<sup>2</sup>

**BRL 45 mln**

**installments subject to inflation adjustment**

BRL 15 million received in May/2023, balance to be received in two annual installments adjusted by 100% of CDI

Sources: 1) Individual and consolidated financial statements as of December 31, 2022 – Note 20 Other Operating Income, Net (page 127);  
2) Interim financial statements As of March 31, 2023 – Explanatory Note 8.1 Sale of Shares in Sinlog Tecnologia em Logística S.A. (page 50).

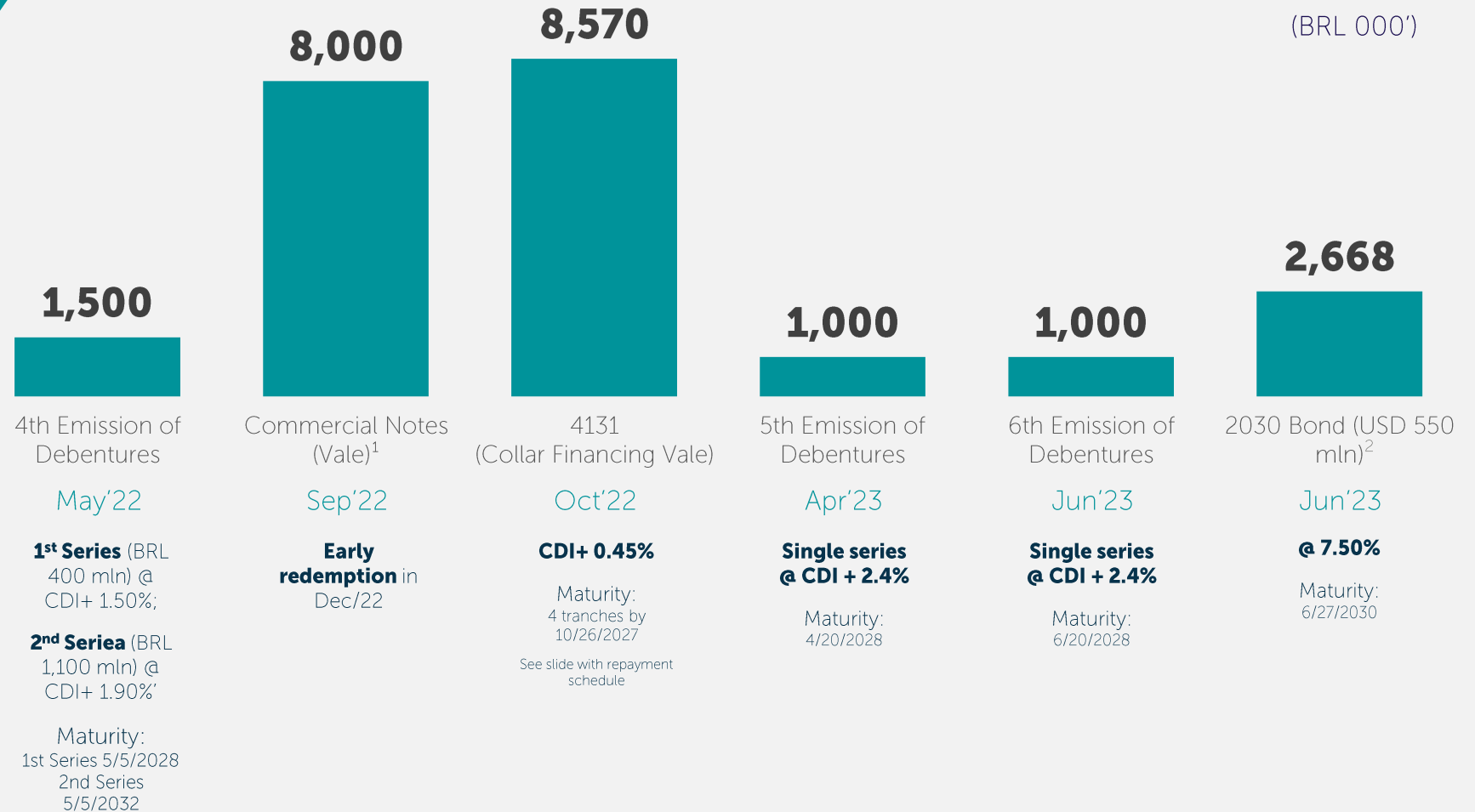
## Sources

# (c) Liability management: Funding

Optimization of term, cost and liquidity



(BRL 000')



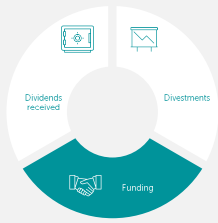
Note: (1) The commercial notes were settled in December 2022. (2) Offering of senior notes in the total amount of US\$550mln, equivalent to R\$2,668,380 thousand on June, 2023. On September, 2023, the Company internalized the remaining resources arising from this debt, through the issuance of debentures by Cosan S.A. For more information access Financial Statement as of September 30, 2023 – Note 5.4 Loans, Borrowings and Debentures.

Source: Interim financial statements as of March 31, 2022 - Explanatory Note 24 Subsequent events (page 98) and Interim financial statements as of June 30, 2023 - Explanatory Note 1.1. Shareholding in Vale S.A. and Explanatory Note 1.2.2. Debts incurred

Sources

## (d) Funding for acquisition of interest in Vale

Total sources  
**BRL  
17.4 bln**



### Collar Financing

**BRL 8.6 bln<sup>1</sup>**

@ CDI +0.45% (JPM + Citi)

- Financing in 4131 category, with this structure hedged by derivatives and converted to Brazilian real
- Fixed-interest debt in BRL, with installments to be paid annually (Oct/24, Oct/25, Oct/26 and Oct/27). The installments were hedged via NDFs for forex hedge in EUR and JPY and later with swap to CDI
- Installments include principal and interest. Interest is accrued on a daily basis and paid only upon maturity
- Debt has shares subject to fiduciary sale (overcollateralized) – Loan to Value (LTV) of 80% at the start of the operation. There is no margin call!
- A portion of the dividends received in connection with shares in the collar, approximately 70%-80% is transferred to banks for maintaining the fixed strike prices
- Upon maturity of each installment: 1) Self-liquidation against the collar structure (no extra funds required from Cosan) – debt is paid with the sale of shares; 2) Cosan pays the loan and retains the shares; 3) Flexibility to postpone, with renegotiation of strike prices

Source: 1) Interim financial statements on June 30, 2023 - Explanatory Note 1.1. Shareholding in Vale S.A.

# Sources

## (d) Funding for acquisition of interest in Vale

Total sources  
**BRL 17.4 bln**



### Preferred shares<sup>1</sup>

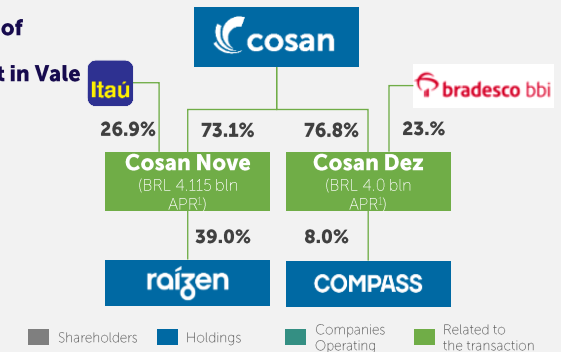
- Funding through preferred shares of intermediary holding companies that hold interest in Cosan's subsidiaries (Equity)
- Return on investment through a part of dividends paid by Raízen and Compass to shareholders, including the banks Itaú and Bradesco
- Preferred shareholders receive unproportional dividends to their ownership interest in Cosan Nove and Cosan Dez
- Flexible structure and without pre-established maturity
- Cosan has a call option, at its discretion, against banks holding the right to repurchase all preferred shares, after the third year of the operation
- Average implicit cost of the option is CDI + 1.25% (all-in)
- If Cosan does not exercise this option during the period, at the end of the transaction, the final dividend distribution to preferred shareholders is exactly the amount of the option

**BRL 8.1 bln<sup>2</sup>**

@ CDI +1.25% (Bradesco + Itaú)

Financial structure of acquisition of non-controlling interest in Vale

Structure Preferred Shares<sup>3</sup>



A SPV Raízen (Cosan Nove): percentage of Raízen's profits that will be paid as dividends to preferred shareholders. The percentage must be applied on the 39% interest held by Cosan Nove in Raízen:

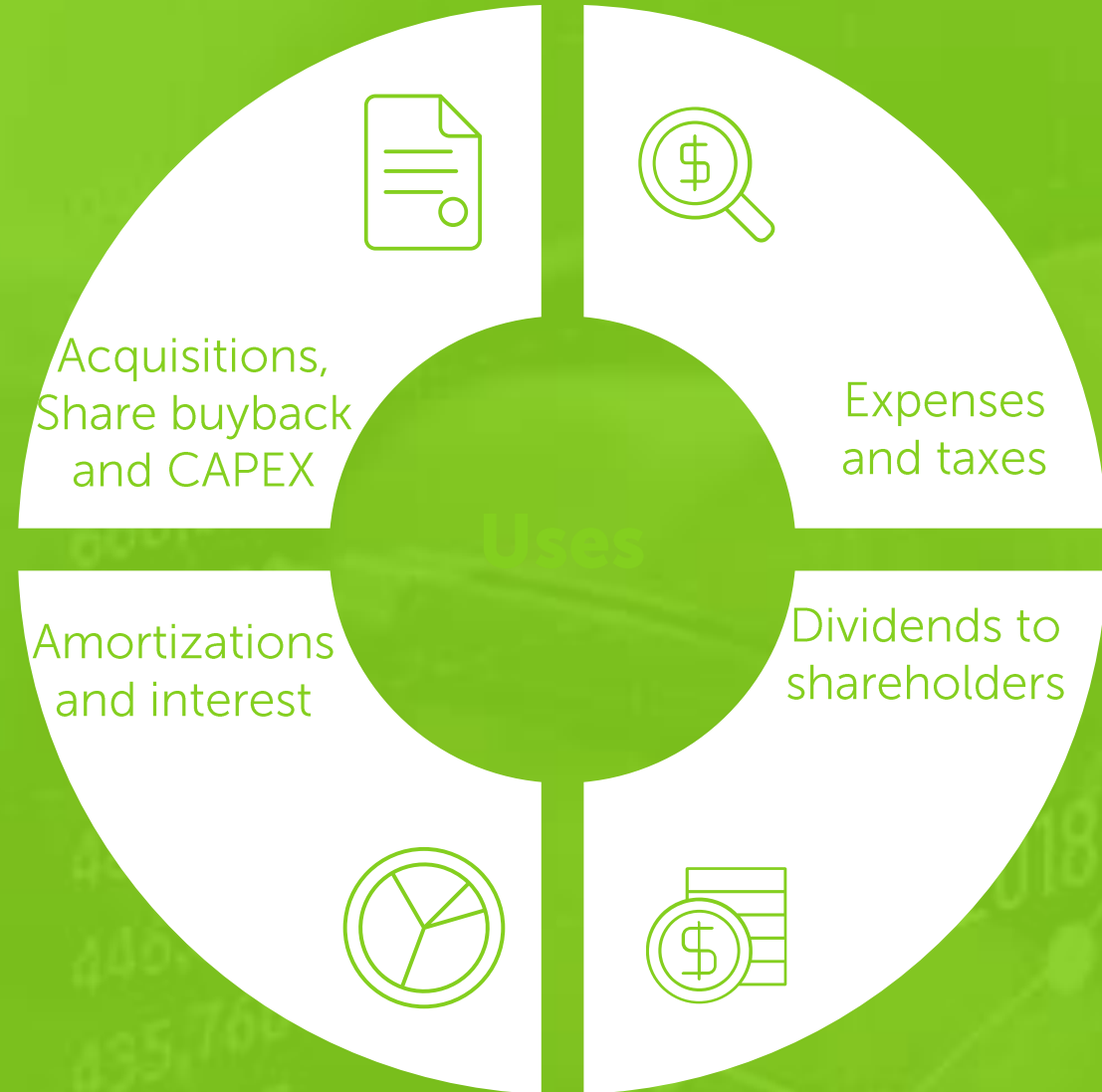
2023-2025: ~30-35%

B SPV Compass (Cosan Dez): percentual do lucro da Compass que será pago em forma de dividendos para os acionistas preferencialistas. O percentual abaixo deve ser aplicado sobre os 88% que a Cosan Dez tem na Compass:

2023-2025: ~25-30%

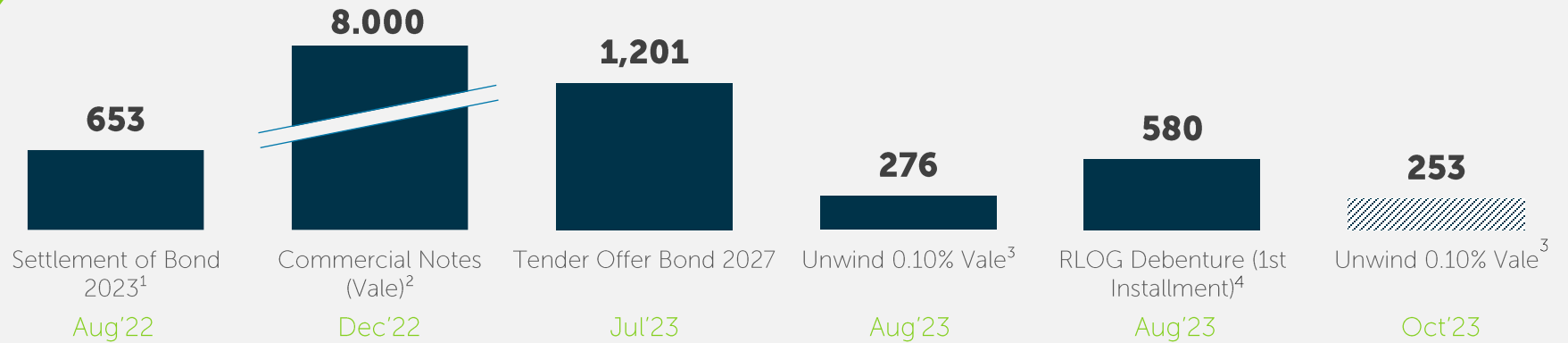
C Preferred share structures were formalized in December 2022

Cosan Corporate  
**Modeling  
Guide**



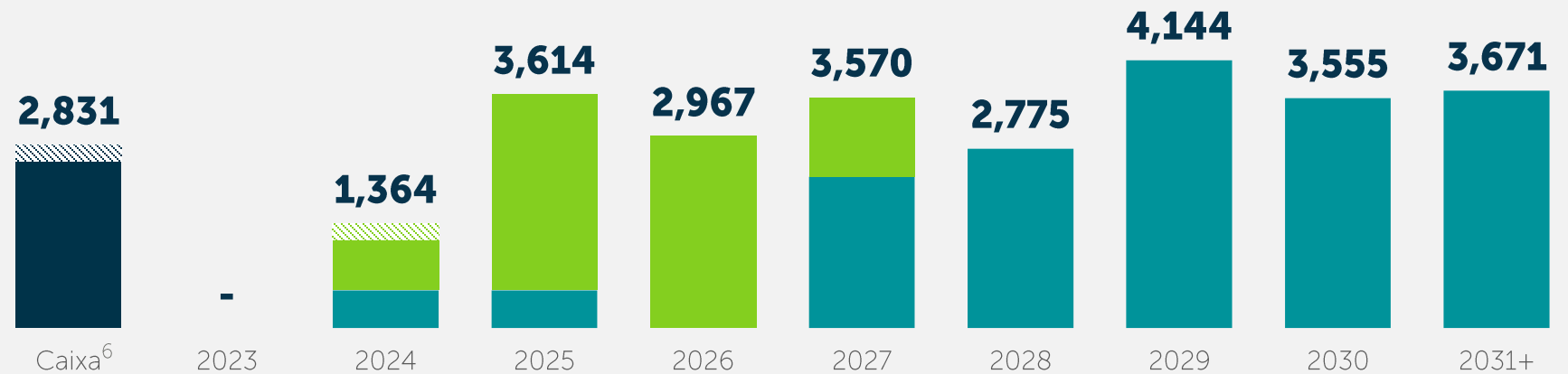
**Uses**

## Uses (e) Liability management: principal amortization



### 3Q23 Debt amortization profile<sup>5</sup>

■ Cosan Oito  
■ Cosan Corporate



All the loans were converted through derivatives to CDI, with interest and principal flows in Brazilian real, except for the perpetual bond whose flow conversion includes three years of interest. Average cost of debt at the end of 2Q23 was CDI + 1.50%. Perpetual bond is included in the 2031+ bar.

Sources: 1) Interim financial statements As of June 30, 2022 - Explanatory Note 24 Subsequent events; 2) Individual and consolidated financial statements on December 31, 2022 - Explanatory Note 1.2.6 Acquisition of Equity Interest in Vale ; 3) Interim financial statements as of June 30, 2023 - Explanatory Note 1.1. Shareholding in Vale S.A.; 4) Notice to Debenture Holders 08/24/2023; 5) 3Q23 Earnings Release – item C.1 Debt ; 6) Cash position does not include Securities

## Uses

# (f) Interest and other financial expenses

Reconciliation of net debt - Cosan Corporate and Cosan Oito<sup>1</sup>

(R\$ MM)	4T22 (Out-Dez)	3T23 (Jul-Set)
<b>Cosan Corporativo</b>		
<b>Debentures</b>	5,476	6,919
<b>Commercial Notes</b>	-	-
<b>Bond (Senior Notes 2023)</b>	-	-
<b>Bond (Senior Notes 2027)</b>	3,587	1,966
<b>Bond (Senior Notes 2029)</b>	3,954	3,697
<b>Bond (Senior Notes 2030)</b>	-	2,786
<b>Perpetual Bonds</b>	2,642	2,535
<b>MTM Derivatives</b>	(885)	(142)
<b>Gross Debt</b>	14,773	17,761
<b>Cash and Securities</b>	(2,230)	(3,309)
<b>Net Debt</b>	12,543	14,451
<b>Cosan 8</b>		
<b>Resolution 4131</b>	9,430	8,437
<b>MTM NDF Collar Financing</b>	(760)	1,156
<b>MTM Derivatives</b>	2,263	(1,276)
<b>Gross Debt</b>	10,933	8,317
<b>Cash and Securities</b>	(19,589)	(14,921)
<b>Net (Cash) Debt</b>	(8,657)	(6,604)

- Corporate debt guaranteed Cosan's relevant capital allocation movements
- Risk policy: Financial flow converted to Brazilian real (Company's functional currency)
- Average cost of debt on September 30, 2023, in Brazilian real, i.e., was **CDI + 1.33%**<sup>3</sup>

Source: 1) 3Q23 Earnings Release – item C.1 Debt; 2) Form Securities traded and held (art. 11 of CVM Instruction no. 44) - Individual Position - Company, Subsidiaries and Affiliates base date 09/30/2023; 3) 3Q23 Earnings Release – item A.3. Financial Result.



### TRS – Total Return Swap: Hedge strategy for share buyback

- Current balance of 96.2 million shares<sup>2</sup>, marked to market
- Cost of position is in line with Company's average cost of debt

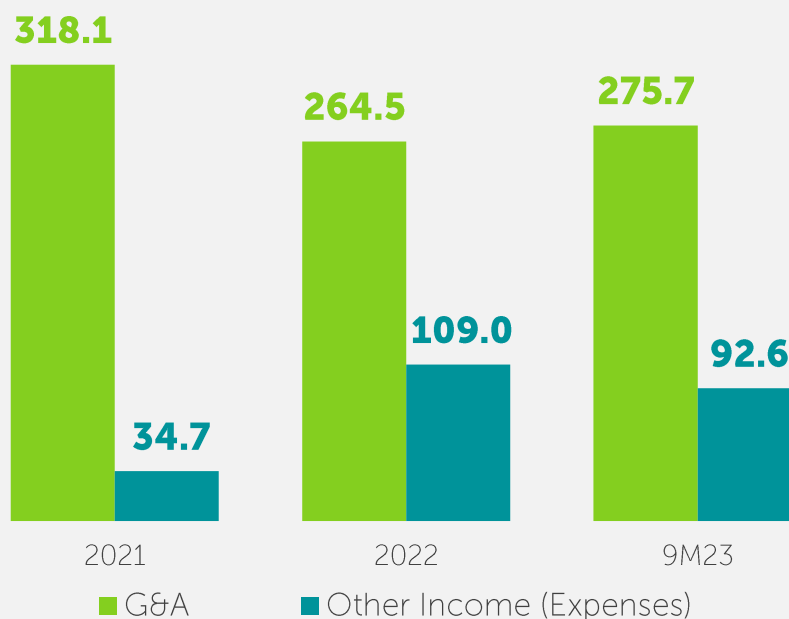
Uses

## (g) Expenses (G&A, other expenses and taxes)



### G&A & Other Income (Expenses)<sup>1</sup>

Reflects the cost of corporate structure, including personnel, consulting, contingencies and other expenses.



### Taxes

**PIS/COFINS:** Non-operating company, that is, these taxes, except on sale of assets or financial income in general;

#### IR/CS:

- Nominal rate of 34% on EBT to calculate current (payable) or deferred IR/CS (tax loss to be compensated)
- Corporate's Result consists of equity income from subsidiaries (already taxed and excluded from EBT) and expenses (G&A, contingencies and financial)
- Balance of tax losses can be used to offset the IR/CS payable in divestment operations, settlement of derivatives
- For more information, access explanatory note 15 of the September 30 Interim financial statements. Note that in the Cash Flow Statements of the same document there is complementary information on Cosan S.A.'s IR/CS cash expense.

Uses

## (h) Portfolio management: acquisitions, capital injection, share buyback and CAPEX



### Land



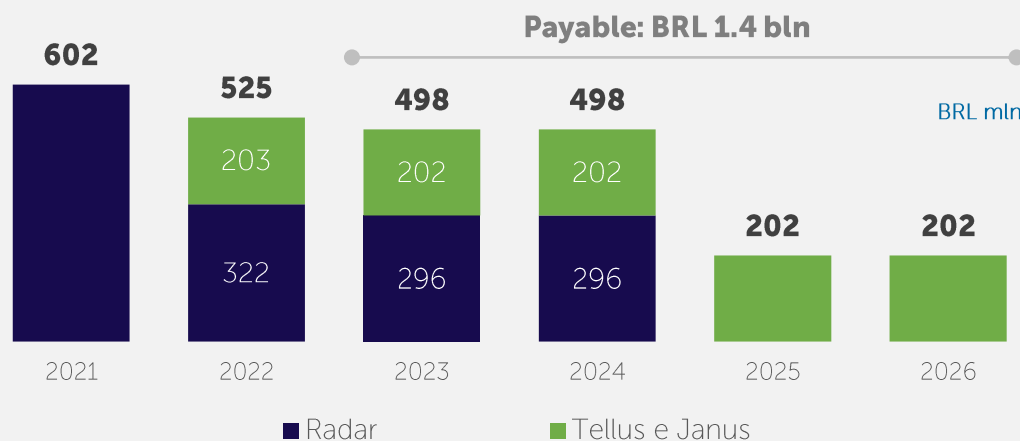
Increase in stake  
**Radar<sup>2</sup>**  
**Total: BRL 1.5 bln**

Sep/21

Increase in stake  
**Tellus & Janus<sup>1</sup>**  
**Total: BRL 1.0 bln**

Oct/22

Acquisition of interest  
BRL 17.4 bln



Oct/23

**Direct Participation**

**Interest<sup>3</sup>**

**Collar Participation**

**1.75%**

**Call Spread**

**3.11%**

**1.60%**

### CAPEX & Other

**Total: ~BRL 600 mln**

Corporate structure CAPEX;  
Cosan Investimentos; etc.

### Share buyback

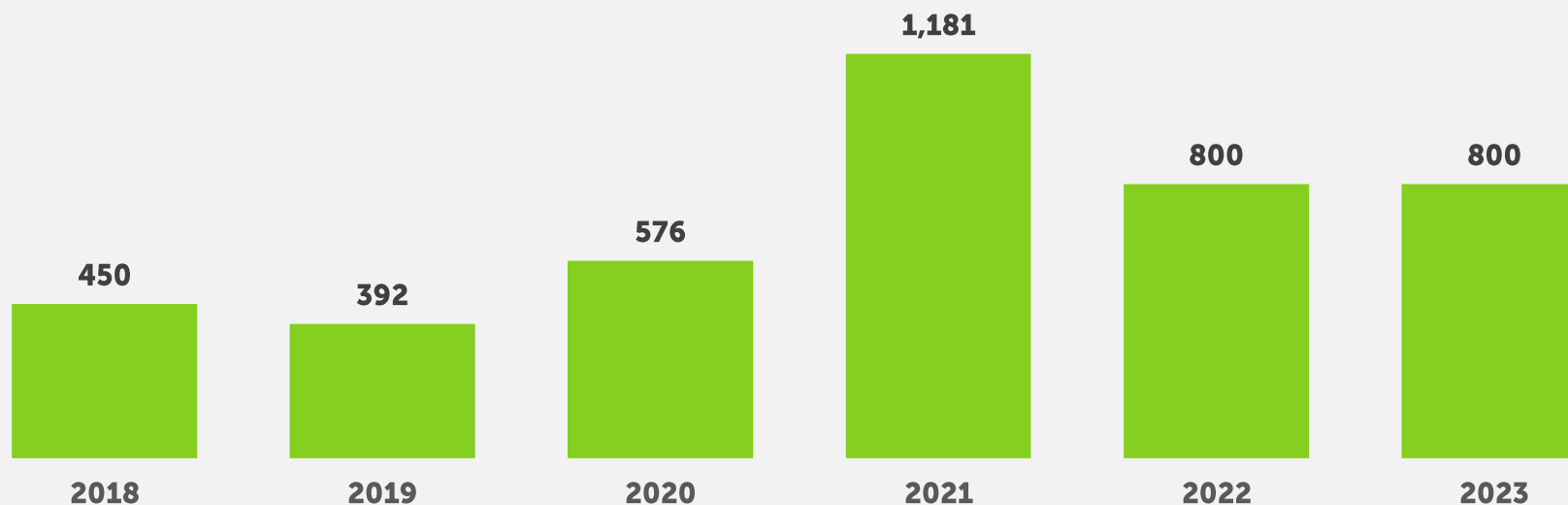
- Capital allocation alternative
- We invested **~BRL 60 million** between Jan/22 and Sep/23 in Company's own shares  
[Click here](#) to access the share repurchase plan in effect

Notes: (1) Interim financial statements as of September 30, 2022 – Explanatory Note Subsequent Events; (2) Interim financial statements on September 30, 2021 – Explanatory Note 1.2.8 Acquisition of additional interest in Radar Group; (3) Due to the early partial settlements of part of the Collar Financing structure, the interest percentages have varied since the stake acquisition. For more details, access the Financial statements as of September 30, 2023 – Explanatory Note 1.1 Shareholding in Vale.

## Uses

### (i) Distribution of dividends

Remuneration to shareholders (cash effect) as defined in the Company's Bylaws (minimum 25%)



### Distribution policy:

- As set forth in Cosan's Bylaws, at least 25% of adjusted net income should be distributed as mandatory annual dividends. Adjusted net income is the amount that can be distributed, before any deductions for statutory reserves and investment project reserves
- For more information, see [page](#) on dividends



Uses

## Equity pick-up

Calculation base for net income (loss)

BRL mln	2022 (jan-dec)	9M23 (jan-sep)
<b>Raízen<sup>1</sup></b>	<b>(334)</b>	<b>155</b>
<b>Cosan Nove<sup>1</sup></b>	<b>241</b>	<b>1,208</b>
<b>Joint Venture (a)</b>	<b>(92)</b>	<b>1,362</b>
<b>Rumo</b>	<b>156</b>	<b>219</b>
<b>Compass<sup>2</sup></b>	<b>1,573</b>	<b>-</b>
<b>Cosan Dez<sup>2</sup></b>	<b>-</b>	<b>(199)</b>
<b>Moove</b>	<b>341</b>	<b>48</b>
<b>Terras<sup>3</sup></b>	<b>1,006</b>	<b>205</b>
<b>Others<sup>4</sup></b>	<b>(25)</b>	<b>(15)</b>
<b>Subsidiaries (b)</b>	<b>3,051</b>	<b>258</b>
<b>Cosan Corporate Equity Pick-up(a+b)5</b>	<b>2,959</b>	<b>1,621</b>

Sources: 3Q23 Earnings Release (item A.1)

Notes: (1) The subsidiary Cosan Nove, which holds 39.1% of Raízen S.A., was created for the investment in Vale, and is included in the consolidated results of Corporate. The effect of the interest held by the preferred shareholder (Itaú S.A.) is shown under profit attributable to non-controlling shareholders; in addition, Cosan held a direct interest of 5% in Raízen; (2) In the same context, Compass began to be consolidated in Cosan Dez, with Cosan S.A. no longer holding a direct interest; Result composed of the interests held in Radar (50%), Tellus (20%) and Janus (20%); (4) Result from the interest held in other companies of Cosan Corporate, as per Note 9 in the 3Q23 ITR; (5) Excludes Cosan Oito and other nonrecurring effects

# Direct Cash Flow

# Direct Cash Flow

## Cosan Corporate and Cosan Oito

Cash flow statement	Cosan Corporate		Cosan Oito	
	2022	9M23	2022	9M23
BRL mln	(jan-dec)	(jan-sep)	(jan-dez)	(jan-sep)
<b>Sources</b>	<b>12.561,8</b>	<b>5.877,6</b>	<b>16.429,6</b>	<b>1.113,4</b>
Dividends/JCP received	3.024,4	1.213,3	-	816,9
Portfolio management: divestments	87,2	15,0	-	-
Debt management: funding	9.450,2	4.649,3	8.569,6	-
Capital payment	-	-	7.860,0	296,5
<b>Uses</b>	<b>(12.626,2)</b>	<b>(4.719,2)</b>	<b>(385,7)</b>	<b>(1.083,2)</b>
Debt management: principal repayment	(4.623,9)	(1.780,1)	-	(275,9)
Interest and other financial expenses	(2.100,7)	(1.569,7)	(389,5)	(403,8)
Expenses (G&A, other expenses and taxes)	(42,8)	(147,6)	3,8	(33,0)
Portfolio management: acquisitions, capital injection & repurchases	(1.312,0)	(296,5)	-	-
Portfolio management: capex	(2,5)	(4,1)	-	-
Capital payment	(3.745,0)	-	-	-
Dividend distribution	(799,3)	(798,2)	-	(370,5)
Preferential distribution	0,0	(123,0)	-	-
<b>Excess/Cash consumption</b>	<b>(64,4)</b>	<b>1.158,4</b>	<b>16.044,0</b>	<b>30,2</b>
Other cash effects <sup>1</sup>	(474,0)	(79,7)	(4,8)	(4,5)
<b>Cash generation/consumption</b>	<b>(538,4)</b>	<b>1.078,7</b>	<b>16.039,2</b>	<b>25,7</b>
<b>Initial cash and equivalents</b>	<b>2.991,5</b>	<b>2.230,4</b>	<b>-</b>	<b>19.589,3</b>
Cash generation/consumption	(538,4)	1.078,7	16.039,2	25,7
Vale investment value update	(222,7)	-	3.550,1	(4.693,8)
<b>Final cash and equivalents</b>	<b>2.230,4</b>	<b>3.309,1</b>	<b>19.589,3</b>	<b>14.921,2</b>

Sources: 3Q23 Earnings Report (item C.2 Cash Flow Statement). Notes: (1) Mainly composed of foreign exchange variation on offshore cash.



## Investor Relations

September 2023

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