



# ORIZON

VALORIZAÇÃO DE RESÍDUOS

## EARNINGS RELEASE 2Q23

### Teleconference

August 15th, 2023  
11h00 (BRT) | 10h00 (EDT)

**Webcast** - [click here](#)

### Capital Markets

ORVR3 (06.30): R\$37,29 per share  
Market Value: R\$3.1 billion  
Average trading daily volume 2Q23: 18.1 million

São Paulo, August 14th, 2023: Orizon Valorização de Resíduos S.A. (B3: ORVR3) hereby informs its shareholders and other market participants about the results for the second quarter of 2023 (2Q23) and the accumulated results for the six months of 2023 (1H23). The operational and financial information presented below, unless otherwise indicated, is provided in thousands of nominal Brazilian reais, prepared in accordance with Brazilian accounting standards, notably Law No. 6,404/76, the pronouncements issued by the Accounting Pronouncements Committee ("CPC"), and approved by the Brazilian Securities and Exchange Commission ("CVM"). These results should be read in conjunction with the report on interim financial information and explanatory notes for the period ended on June 30th, 2023.

## Summary

<b>MESSAGE FROM MANAGEMENT</b> .....	<b>3</b>
<b>HIGHLIGHTS OF THE PERIOD</b> .....	<b>5</b>
<b>INORGANIC GROWTH</b> .....	<b>5</b>
<b>JOÃO PESSOA ECOPARK – AMENDMENT FOR CONCESSION EXTENSION</b> .....	<b>6</b>
<b>FINANCING CONTRACT - IFC</b> .....	<b>6</b>
<b>ORGANIC FERTILIZERS</b> .....	<b>6</b>
<b>JOINT VENTURE FOR PRODUCTION OF BIOMETHANE</b> .....	<b>6</b>
<b>FOLLOW ON CONCLUSION</b> .....	<b>7</b>
<b>CONSOLIDATED OPERATIONAL PERFORMANCE</b> .....	<b>8</b>
<b>FINAL DISPOSAL OF SOLID WASTE</b> .....	<b>8</b>
<b>ENERGY, BIOGAS, BIOMETHANE AND CARBON CREDITS</b> .....	<b>9</b>
<b>WASTE PROCESSING AND WASTE-TO-ENERGY (WTE)</b> .....	<b>11</b>
<b>CONSOLIDATED FINANCIAL RESULTS</b> .....	<b>12</b>
<b>NET REVENUE</b> .....	<b>12</b>
<b>OPERATING COSTS AND EXPENSES</b> .....	<b>13</b>
<b>EBITDA</b> .....	<b>13</b>
<b>GROSS PROFIT</b> .....	<b>14</b>
<b>NET FINANCIAL RESULT</b> .....	<b>15</b>
<b>NET RESULT</b> .....	<b>15</b>
<b>INDEBTNESS</b> .....	<b>16</b>
<b>CAPEX</b> .....	<b>17</b>
<b>CAPITAL MARKETS</b> .....	<b>17</b>
<b>ESG in 2Q23</b> .....	<b>18</b>
<b>ATTACHMENTS</b> .....	<b>19</b>



## MESSAGE FROM MANAGEMENT

The second quarter was marked by strong results, both in revenue and EBITDA, in line with the perspectives disclosed by OrizonVR in its latest releases, demonstrating our capacity for robust and perennial organic growth on top of its already acquired asset base.

Comparing 2Q23 with 1Q23, we grew revenue by 30%, gross margin by 5 p.p. reaching 54% and we had a variation in “EBITDA Running” of approximately 10% (from R\$102 million to R\$111 million). Leverage, considering Running EBITDA, reduced to 1.9x and once again demonstrates the strong robustness of our assets and that we are ready to capture new opportunities.

Furthermore, the two acquisitions announced in the first half of this year confirm the geographic expansion and the quest to increase the volume of waste managed by the Company. These operations will be important for us to continue in the medium and long term with the exploration of possible optionalities, to remember: the exploitation of biogas, carbon credits, generation of electricity, biomethane, recovery of recyclables, among others. Regarding the acquisition of CTR Santa Luzia S.A., in May 2023, after approval by the Administrative Council for Economic Defense (“CADE”), the operation was completed with the entry of OrizonVR into the company's capital. Thus, we ended the semester with 15 (fifteen) Ecoparks in 10 (ten) Brazilian states.

Also, regarding the final destination business, in June, an amendment was signed with the government to extend the term of Ecoparque de João Pessoa concession contract for another 20 (twenty) years.

In relation to new projects, we made progress in biomethane initiatives, obtaining licenses, defining equipment suppliers, financing investment and negotiating supply contracts for the molecule. In line with the strategy of valuing our renewable molecule, we entered into a joint venture with Compass Comercialização S.A., for the production of biomethane from biogas from Paulínia, which has not yet been explored in our thermoelectric project.

In the development of new options for exploring the waste received at our Ecoparques, we obtained approval from CADE regarding the contract for the constitution of the Orizon Tera Consortium, which will mark the entry into the organic fertilizers segment, which will have its first operation at Ecoparque Paulínia started in the second half.

On the capital structure agenda, it is worth highlighting the conclusion of the follow-up of OrizonVR, one of the first offerings of the year in the Brazilian capital market and whose main purpose was the sale of the participation of Jive Investments funds, which had become a shareholder in the scope of the acquisition of the assets of UPI Aterros.

## EARNINGS RELEASE 2Q23

Additionally, the Company, through Orizon Meio Ambiente S.A. (“OMA”), entered into a loan agreement with International Finance Corporation (“IFC”), the financial division of the World Bank focused on the private sector, in the amount of R\$130 million, strengthening its capacity for growth even more and with a creditor that, like us, values social and environmental development.

With regard to ESG issues, it is important to highlight the publication of our 2022 Sustainability Report, which had the collaboration of several areas of the Company and brought important highlights such as the production of 296,685 MWh of renewable energy, generation of 2.3 million tons of credits of carbon and BioE as an international case in the energy transition agenda and in the fight against global warming, by recovering the methane emitted in landfills and converting it into gas and renewable energy. We also carry out a Greenhouse Gas (GHG) Inventory, in accordance with the guidelines of the GHG Protocol, at some of our units.

Finally, we would like to take this opportunity to thank all our employees, shareholders and directors for their contribution and support in the process of positive transformation the Company is going through.

Yours sincerely,

**Milton Pilão Jr.**  
CEO

**Leonardo Santos**  
CFO and IRO

## HIGHLIGHTS OF THE PERIOD

### INORGANIC GROWTH

Since January 2023, the Company has announced 02 (two) acquisitions of landfills that confirm its strategy of geographical expansion and waste volume growth.

In May 2023, the entry into the capital of CTR Santa Luzia S.A. was approved by the Administrative Council for Economic Defense ("CADE") without any opposition or restrictions. The operation involves an investment of R\$25 million in CTR Santa Luzia, with the purpose of acquiring a 50% stake in this project. The remaining 50% is owned by SUMA Brasil – Serviços Urbanos e Meio Ambiente S.A., a company indirectly controlled by the Portuguese Mota-Engil – Ambiente e Serviços S.A. and the Spanish Urbaser S.A. This transaction is set to conclude in May 2023, pending the approval of the Administrative Council for Economic Defense ("CADE").

The approval of this operation reinforces the Company's strategic positioning, expanding its waste management volume and enhancing its growth potential through opportunities such as biogas exploration, carbon credits, electricity generation, biomethane, recyclable recovery, among others.

OrizonVR's waste bank comprises 15 ecoparks distributed across 10 Brazilian states:

Orizon operates 15 ecoparks across 10 Brazilian states



Ecoparks	State
Barra Mansa	RJ
João Pessoa	PB
Jaboatão dos Guararapes	PE
Nova Iguaçu	RJ
São Gonçalo	RJ
Paulínia	SP
Tremembé	SP
Itapevi	SP
Itaboraí	RJ
Sergipe	SE
Maceió	AL
Cuiabá	MT
Aparecida de Goiânia	GO
Porto Velho	RO
Santa Luzia	MG

## JOÃO PESSOA ECOPARK – AMENDMENT FOR CONCESSION EXTENSION

In June 2023, through its indirect subsidiary FOXX URE-JP AMBIENTAL S.A., the Company celebrated the 11th Amendment to Concession Contract No. 001/2003 with the Municipal Special Autarchy of João Pessoa. The amendment stipulated the extension of the concession contract period by 20 years, thereby extending its validity until May 29, 2043.

## FINANCING CONTRACT - IFC

In June 2023, Orizon Meio Ambiente ("OMA"), a direct subsidiary of Orizon Valorização de Resíduos S/A ("ORVR"), entered into a corporate financing agreement with the International Finance Corporation ("IFC"), the private sector arm of the World Bank, to bolster the growth strategy and positioning of the group.

The financing, in the amount of R\$130.0 million, is intended for the reimbursement of investments made in mechanized sorting and leachate treatment stations. It matures on April 15, 2031, with a 1-year principal grace period and semi-annual payments of interest and principal.

This transaction, disbursement of which is subject to certain precedent conditions, marks the first collaboration between the Company and IFC, strengthening the shared commitment to social and environmental development.

## ORGANIC FERTILIZERS

In June 2023, through its wholly-owned subsidiary Orizon Compostagem Ltda., the Company, together with Construtora Coveg Ltda., an affiliate of Tera Ambiental Ltda., a company with extensive experience in effluent treatment and the production of organic fertilizers under its own brand, entered into the Consortium Formation Agreement for the operation of organic sludge composting and the preparation of organic fertilizers using waste received at Ecoparque Paulínia.

Each of the consortium members holds a 50% stake in the Consortium, and this transaction has already obtained approval from the Administrative Council for Economic Defense ("CADE").

This marks OrizonVR's first initiative in valorizing the sludge received at its assets, representing a new milestone in the Company's strategy of maximizing the value of waste received at its ecoparks.

## JOINT VENTURE FOR PRODUCTION OF BIOMETHANE

## EARNINGS RELEASE 2Q23

On August 14, 2023, the Company and its wholly-owned subsidiary, Orizon Meio Ambiente S.A., released a material fact regarding the establishment of a joint venture for the production of biomethane at the Paulínia Ecopark in conjunction with Compass Comercialização S.A. ("Compass"), a company controlled by Compass Gás e Energia S.A.

In the context of the transaction, Compass will invest up to R\$355 million, with R\$235 million in the initial stage of the partnership, of which R\$100 million will be contributed to the joint venture and R\$135 million in a secondary investment for the Orizon Group. The additional amount of up to R\$120 million is contingent upon the delivery of a higher volume of biogas. In turn, Orizon commits to supplying the biogas for biomethane production for a period of 20 years.

The investment for the project in its initial phase is estimated at up to R\$450 million, and the company Biometano Verde Paulínia S.A. (the project's joint venture) will have a shareholding structure of 51% Compass and 49% Grupo Orizon. The commencement of operations is scheduled for 2025.

The Company also stated that the transaction is subject to approval from the relevant authorities.

## FOLLOW ON CONCLUSION

In April 2023, OrizonVR successfully concluded a primary (R\$91.1 million) and secondary (R\$278.2 million) share offering operation.

The operation's main purpose was to sell the stake held by Jive Investments funds, which had become shareholders through the acquisition of UPI Aterros assets. The completion of the operation contributed to a significant increase in the stock's liquidity, with the average daily trading volume of shares rising by 44% compared to 1Q23.

# CONSOLIDATED OPERATIONAL PERFORMANCE

## FINAL DISPOSAL OF SOLID WASTE



Ecopark	Waste Volume (k tons)					
	2Q23	2Q22	Δ	1H23	1H22	Δ
Ecopark Barra Mansa	55.1	108.0	-49%	175.2	196.6	-11%
Ecopark João Pessoa	189.6	184.8	3%	382.9	358.4	7%
Ecopark Jaboatão dos Guararapes	357.8	376.4	-5%	684.5	775.2	-12%
Ecopark Nova Iguaçu	351.2	372.9	-6%	706.4	739.8	-5%
Ecopark São Gonçalo	209.9	229.6	-9%	439.4	435.9	1%
Ecopark Pantanal	69.7	12.8	n.a.	126.7	17.0	n.a.
Ecopark Paulínia	337.6	416.5	-19%	687.1	814.4	-16%
Ecopark Tremembé	107.7	85.9	25%	208.3	167.5	24%
Ecopark Itapevi	61.7	59.7	3%	129.8	120.3	8%
Ecopark Itaboraí	0.0	38.2	n.a.	0.0	79.3	n.a.
Ecopark Maceió	158.0	219.0	n.a.	336.5	434.9	-23%
Ecopark Sergipe	109.4	136.8	-20%	217.5	266.5	-18%
Ecopark Aparecida de Goiânia	23.3	17.8	31%	46.2	36.5	26%
Ecopark Santa Luzia	7.0	0.0	n.a.	7.0	0.0	n.a.
Ecopark Porto Velho	0.6	0.0	n.a.	0.6	0.0	n.a.
<b>Total</b>	<b>2,038.6</b>	<b>2,258.4</b>	<b>-10%</b>	<b>4,148.1</b>	<b>4,442.3</b>	<b>-7%</b>

(1) Considers OrizonVR's current assets across all periods.

(2) The waste volume of consolidated assets during 2Q22 is taken into account in the full periods of 2Q22 and 1H22.



The total waste volume was a reduction of 10% in 2Q23, primarily due to decreases in waste intake at the Paulínia and Sergipe Ecoparks from public clients, Barra Mansa due to contract renegotiations with private clients, and the Maceió Ecopark owing to decreased construction waste volumes. These effects were partially offset by higher waste volumes received at the Ecoparks in their ramp-up phases.

In 2Q23, the revenue from treatment and final disposal exhibited a non-recurring positive impact of R\$4.7 million due to the recognition of revenues stemming from tariff adjustments from previous periods.

## ENERGY, BIOGAS, BIOMETHANE AND CARBON CREDITS



Biogas <sup>1</sup> (Nm <sup>3</sup> /hour) Average	2Q23	2Q22	Δ	1H23	1H22	Δ
Total	55,224	36,999	49%	107,285	75,614	42%

Energy Volume (MWh)	2Q23	2Q22	Δ	1H23	1H22	Δ
Total	100,744	66,835	51%	195,268	110,442	77%

Carbon Credit Generated <sup>2</sup> (tCO <sub>2</sub> e)	2Q23	2Q22	Δ	1H23	1H22	Δ
Total	702,923	508,816	38%	1,446,575	1,062,539	36%

- (1) Volume of biogas generated in Nova Iguaçu, São Gonçalo, Barra Mansa, Jaboatão dos Guararapes, João Pessoa, Itapevi, Paulínia, and Tremembé.
- (2) Volume of carbon credit generated in Nova Iguaçu, São Gonçalo, Jaboatão dos Guararapes, João Pessoa, Itapevi, and Paulínia.

OrizonVR's ecoparks capture biogas for energy generation or conversion into biomethane. They are also capable of generating carbon credits through methane combustion, renewable energy production, and displacement of fossil fuels. Methane, has a global warming potential of 28x higher than carbon dioxide, underscores the significance of OrizonVR's carbon projects in aligning with Brazil and the world's climate targets.

The **volumes of biogas (+49%), energy (+51%), and carbon credits (+38%)** demonstrated robust growth, primarily attributable to the commencement of operations at UTE Paulínia Verde S.A., a biomethane plant, and the implementation of biogas capture facilities at the Paulínia Ecopark by the end of June 2022 and the start of 3Q22.

The Company strives to maximize value generation by commercializing carbon credits produced through its activities via negotiations within voluntary and regulated markets.

In this context, we highlight below the stages at which our projects are positioned for registration in the voluntary trading environment:

- 1. Project Origination:** Ecoparque Aparecida de Goiânia, Ecoparque Porto Velho, and Ecoparque Santa Luzia;
- 2. Project Design Document (PDD);**
- 3. PDD Validation;**
- 4. Stakeholder Consultation;**
- 5. Preliminary Review:** Pantanal Ecopark, Sergipe Ecopark, and Maceió Ecopark
- 6. Project Validation:** Paulínia Ecopark, Barra Mansa Ecopark, and Tremembé Ecopark;
- 7. Design Review:** São Gonçalo Ecopark, Jaboaão dos Guararapes Ecopark, João Pessoa Ecopark
- 8. Registration.**

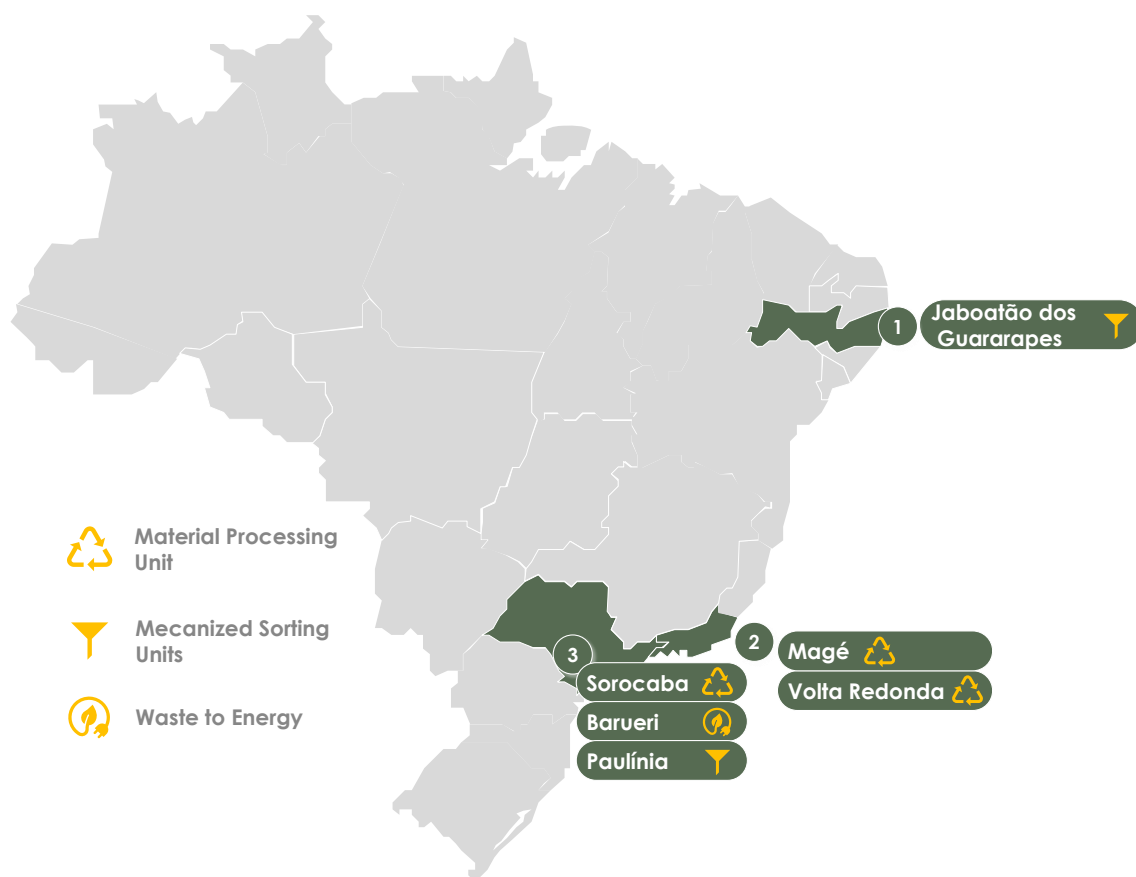
The Nova Iguaçu and Itapevi Ecoparks await the structuring of the Brazilian regulated market and the rules to be defined regarding Article 6 of the Paris Agreement in order to proceed with the corresponding registration.

In 2Q23, the Company did not sell carbon credit. However, we remain following the market conditions. During 2Q23, significant movements were observed both in the structuring of the Brazilian regulated market and in the definition of rules under Article 6 of the Paris Agreement, as reflected in the outcomes of the Bonn Climate Change Conference in June 2023. The consolidation of both mechanisms could potentially provide us with new and improved trading conditions for Orizon's generated credits. Additionally, within the voluntary markets, OrizonVR is actively working to showcase the high quality of carbon credits generated at its facilities. Attributes like traceability, transparency, integrity, permanence, among others inherent to Orizon's carbon credits, indeed stand as differentiators that should be increasingly valued by carbon credit buyers.

EARNINGS RELEASE 2Q23

The Company generated 2,344,938 tCO2e in 2022 and 1,446,575 tCO2e between January and June 2023, which have not yet been traded (and therefore not accounted for). This totals a "stock" volume of carbon credits of 3,791,512 tCO2e. It is also important to note that the variable portion of the sales price from 2021 has not yet been reflected in the Company's financial statements.

WASTE PROCESSING AND WASTE-TO-ENERGY (WTE)



Waste Volume (k tons)	2Q23	2Q22	Δ	1H23	1H22	Δ
Un. de Beneficiamento de Resíduos Magé	5.7	3.4	-10%	11.3	8.4	34.3%
Incinerador Belford Roxo	-	0.9	n.a.	0.5	0.9	-43.6%
Un. de Beneficiamento de Resíduos Finos Siderúrgicos	5.0	4.4	-11%	9.8	8.6	14.4%
Un. Beneficiamento de Sorocaba	17.8	15.8	40%	31.1	34.4	-9.5%
Sorocaba Oxil   Manufatura Reversa	0.0	0.0	n.a.	0.0	0.1	-68.5%
<b>Total of Waste Volume (ton)</b>	<b>28.5</b>	<b>24.4</b>	<b>16.6%</b>	<b>52.7</b>	<b>52.3</b>	<b>0.8%</b>

In 2Q23, the volume processed by waste processing units increased by 16.6% compared to 2Q22, primarily due to the higher volume received at the Magé unit.

## CONSOLIDATED FINANCIAL RESULTS

### NET REVENUE

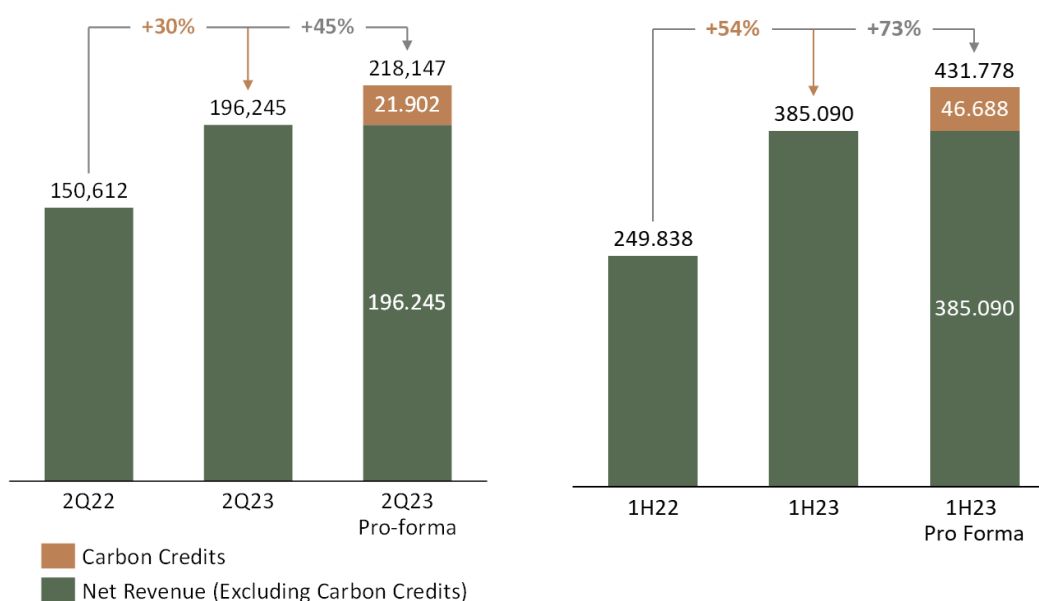
In 2Q23, net revenue reached R\$196.2 million, a 30% increase compared to 2Q22, primarily attributed to:

- I. **Entry of operation of new assets;**
- II. **Average price increment;**
- III. **Sale of energy and biogas;**

Partially offset by lower waste volume.

The following graphs demonstrate the net operating revenue for 2Q23 and 1H23 (with and without carbon credits) compared to the same period of the previous year. The pro-forma carbon credit revenues were calculated based on the product among the actual carbon credits generated in 2023<sup>1</sup> and the estimated prices derived from recent transactions conducted by OrizonVR<sup>2</sup>.

#### Total Net Revenue 2Q23 and 1H23 (R\$ 000)

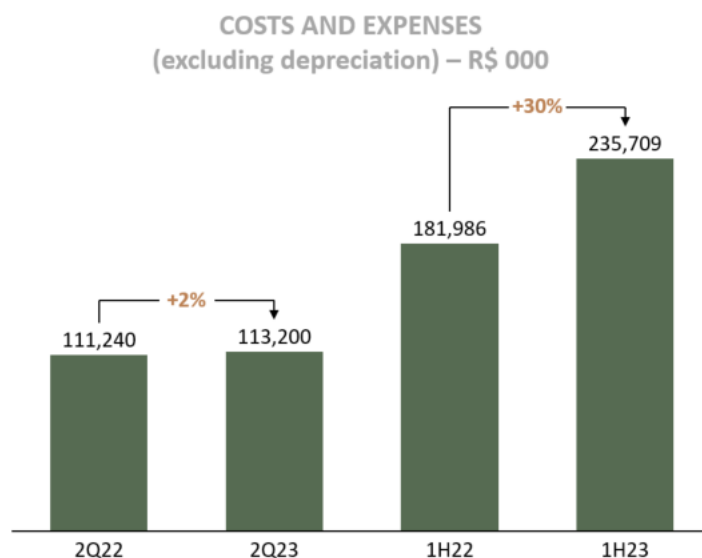


<sup>1</sup> Volume of carbon credits generated in: Nova Iguaçu, São Gonçalo, Jaboatão dos Guararapes, João Pessoa, Itapevi, and Paulínia.

<sup>2</sup> In 2022, OrizonVR entered into a sales contract for all carbon credits generated in São Gonçalo during the same year. However, this agreement did not impact its revenue as it was executed for delivery in the voluntary market.

## OPERATING COSTS AND EXPENSES

Operating costs and expenses (excluding depreciation) totaled R\$113.2 million in 2Q23, representing a 2% increase compared to 2Q22, which is lower than the inflation rate during the period. Comparing 1H23 with 1H22, there was a significant variation due to the incorporation of the new assets from acquisitions made last year. However, these effects were partially mitigated by reductions in fuel prices and the costs of materials used in waste disposal.



## EBITDA

EBITDA (R\$ thousand)	2Q23	2Q22	Δ	1H23	1H22	Δ
NET RESULT FOR THE PERIOD	(2,851)	(10,320)	-72%	(46,031)	(29,694)	n.a.
TAXES	9,890	18,959	-48%	17,103	23,190	-26%
FINANCIAL RESULTS	36,949	10,694	246%	84,745	37,729	125%
DEPRECIATION AND AMORTIZATION	41,106	30,096	37%	101,331	45,784	121%
<b>EBITDA</b>	<b>85,094</b>	<b>49,429</b>	<b>72%</b>	<b>157,148</b>	<b>77,009</b>	<b>104%</b>
NON-RECURRING (EXPENSES) REVENUES	-	(1,548)	n.a.	-	(352)	n.a.
<b>ADJUSTED EBITDA</b>	<b>85,094</b>	<b>47,881</b>	<b>78%</b>	<b>157,148</b>	<b>76,657</b>	<b>105%</b>

The figures for 2Q23: (i) do not reflect the revenue from carbon credits generated in the period that are not yet accounted for, and (ii) were influenced by the expected negative outcomes for the recycling recovery plants in their ramp-up stage.

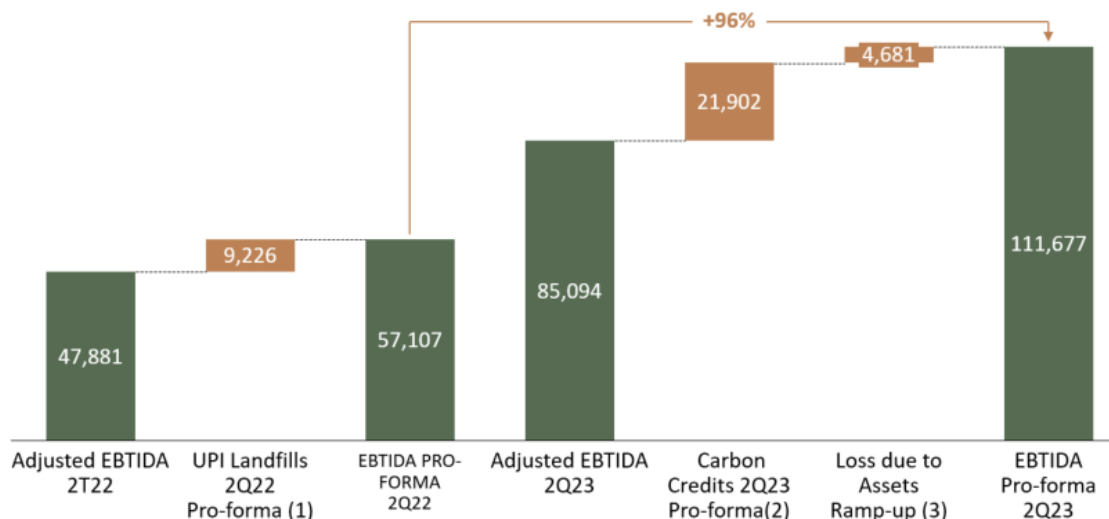
Several factors have enabled OrizonVR to sustain its growth agenda with profitability, among which can be highlighted: (i) the resilience of its business model, (ii) high entry barriers, (iii) the longevity of its assets, (iv) strategic differentiators, and (v) a continuous focus on operational efficiency, cost management, and capital allocation.



**EARNINGS RELEASE 2Q23**

The following graph illustrates the 2Q23 pro-forma EBITDA adjusted for the items described above. In 2Q23, OrizonVR achieved a pro-forma EBITDA that was 96% higher compared to the same period of the previous year.

**EBITDA Pro-Forma 2Q23 (R\$ 000)**



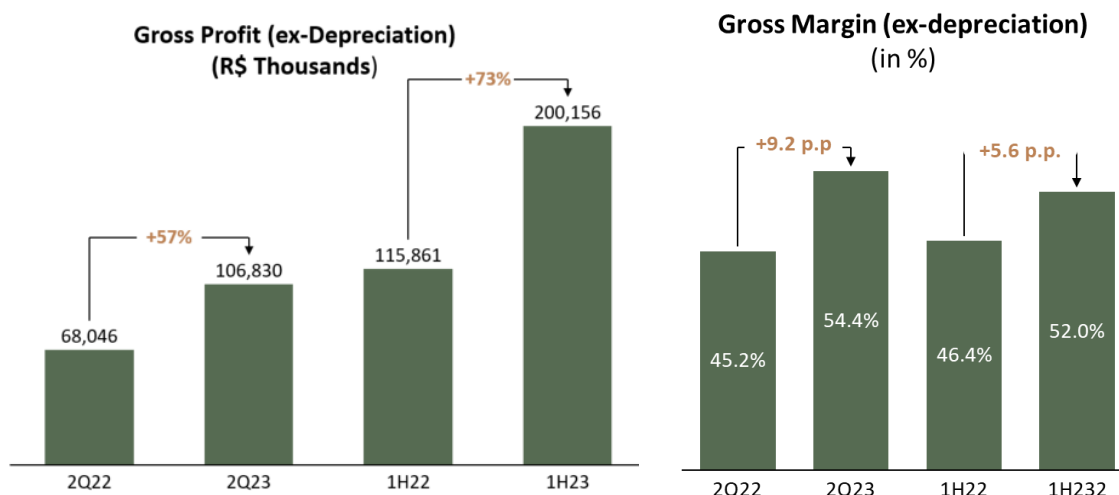
(1) Pro-Forma Carbon Credits: This considers the original asset base. Calculated as the product of the carbon credits generated during the period and the prices from recent transactions..

(2) Pro-Forma Carbon Credits: Calculated as the product of the carbon credits generated during the period and recent transaction prices.

(3) Loss Due to Asset Ramp-up: Negative result from UTM Jabotão dos Guararapes and UTM Paulínia.

**GROSS PROFIT**

In 2Q23, Gross Profit (excluding depreciation) reached R\$106.8 million, marking a 57% increase over 2Q22. The gross margin expanded in percentage terms (from 45.2% to 54.4%) due to the commencement of operations at UTE Paulínia Verde S.A., a biomethane plant, and the implementation of biogas capture facilities at the Paulínia Ecopark. The graphs below illustrate a comparison of Gross Profit for 2Q23 vs. 2Q22 and 1H23 vs. 1H22. Additionally, a comparison of consolidated gross margins is provided.

**EARNINGS RELEASE 2Q23**

**NET FINANCIAL RESULT**

FINANCIAL RESULT (R\$ thousands)	2Q23	2Q22	Δ	1H23	1H22	Δ
<b>FINANCIAL REVENUE</b>	<b>8,653</b>	<b>58,345</b>	<b>-85%</b>	<b>13,231</b>	<b>72,659</b>	<b>-82%</b>
<b>FINANCIAL EXPENSES</b>	<b>(45,602)</b>	<b>(69,039)</b>	<b>-34%</b>	<b>(97,976)</b>	<b>(110,388)</b>	<b>-11%</b>
LOANS AND FINANCING INTERESTS	(38,664)	(25,111)	54%	(80,624)	(47,568)	69%
OTHER FINANCIAL EXPENSES	(6,938)	(43,928)	-84%	(17,352)	(62,820)	-72%
<b>TOTAL FINANCIAL RESULT</b>	<b>(36,949)</b>	<b>(10,694)</b>	<b>246%</b>	<b>(84,745)</b>	<b>(37,729)</b>	<b>58%</b>

In the comparison between the same periods, the increase in loan interest rates during 2Q23 stems mainly from (i) increase of gross debt, primarily due to the issuance of debentures to address the acquisitions made (UPI Aterros, CGR Cuiabá, Santa Luzia, and Porto Velho); (ii) the recognition of the Net Present Value (NPV) related to the debt of the ecoparks acquired in 2Q22; and (iii) the increase in the baseline interest rate curve, impacting the CDI, the principal benchmark for the Company's debts.

**NET RESULT**

NET INCOME (R\$ thousands)	2Q23	2Q22	Δ	1H23	1H22	Δ
NET REVENUE	196,245	150,612	30%	385,090	249,838	54%
OPERATIONAL COSTS	(129,705)	(106,498)	22%	(276,276)	(171,711)	61%
<b>GROSS PROFIT</b>	<b>66,540</b>	<b>44,114</b>	<b>51%</b>	<b>108,814</b>	<b>78,127</b>	<b>39%</b>
GENERAL & ADM. EXPENSES	(24,601)	(34,838)	-29%	(60,764)	(56,059)	8%
OTHER NET REVENUE (EXPENSE)	(1,013)	15,694	-106%	1,732	14,795	-88%
FINANCIAL RESULT	(36,949)	(10,694)	n.d	(84,745)	(37,729)	125%
<b>EARNINGS BEFORE EQUITY PICKUP</b>	<b>3,977</b>	<b>14,276</b>	<b>-72%</b>	<b>(34,963)</b>	<b>(866)</b>	<b>n.d</b>
EQUITY PICKUP	3,062	(5,637)	-154%	6,035	(5,638)	-207%
TAXES	(9,890)	(18,959)	-48%	(17,103)	(23,190)	-26%
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>(2,851)</b>	<b>(10,320)</b>	<b>-72%</b>	<b>(46,031)</b>	<b>(29,694)</b>	<b>55%</b>

The negative net result of R\$2.8 million in 2Q23 was primarily impacted by the depreciation expense, which amounted to R\$41.1 million, without a cash effect.

**EARNINGS RELEASE 2Q23**

Other important factors:

- I. Absence of accounting for revenue from carbon credits generated in the period (pro-forma of R\$21.9 million); and
- II. Loan interest related to debts from recent acquisitions, which have not yet fully contributed to their potential earnings generation.

## INDEBTNESS

OrizonVR presented a leverage of 2.89x (net debt/adjusted EBITDA LTM), with the adjusted EBITDA for the past twelve months not fully reflecting the assets recently acquired and greenfields that have commenced operations (e.g., UTE Paulínia Verde and Biometano Paulínia SPE), nor it does not include carbon credit revenues.

Annualizing the Pro-Forma EBITDA for 2Q23 (R\$111,677 x 4), the leverage stands at 1.90x.

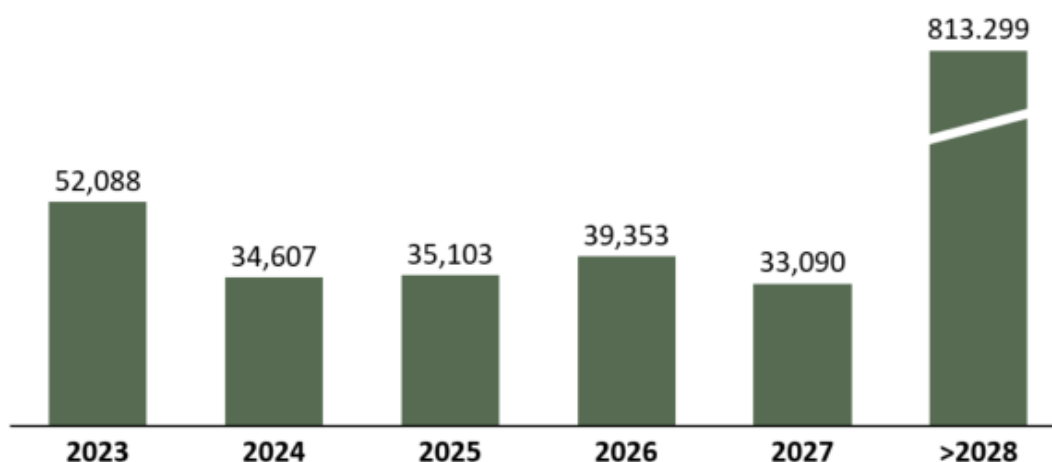
INDEBTEDNESS (R\$thousand)	2Q23	
	Pro forma	Running rate <sup>2</sup>
NET DEBT - BANK	789,807	789,807
AQUISITION TO PAY (ST+LT)	57,332	57,332
<b>NET DEBT</b>	<b>847,139</b>	<b>847,139</b>
EBITDA PRO FORMA LTM	292,820	446,709
<b>LEVERAGE (x)</b>	<b>2.89</b>	<b>1.90</b>

(1) It considers adjusted EBITDA for the last 12 months.

(2) It considers annualized Pro-Forma EBITDA for 2Q23.

As expected, the leverage is decreasing as the cash generation from the new assets is captured.

## LOANS AND FINANCING AMORTIZATION SCHEDULE (R\$ 000)



## CAPEX

CAPEX (R\$ thousands)	2Q23		
	Expansion	Maintenance	Total
Final disposal of solid waste	11,711	18,450	30,161
Energy, biogas and carbon credits	11,776	-	11,776
Waste processing and Waste-to-energy	7,351	-	7,351
Environmental Engineering	2	-	2
<b>Total</b>	<b>30,840</b>	<b>18,450</b>	<b>49,290</b>

Investments in 2Q23 amounted to R\$49.3 million, of which R\$18.5 million were allocated to the maintenance of the ecoparks, in line with our expectations.

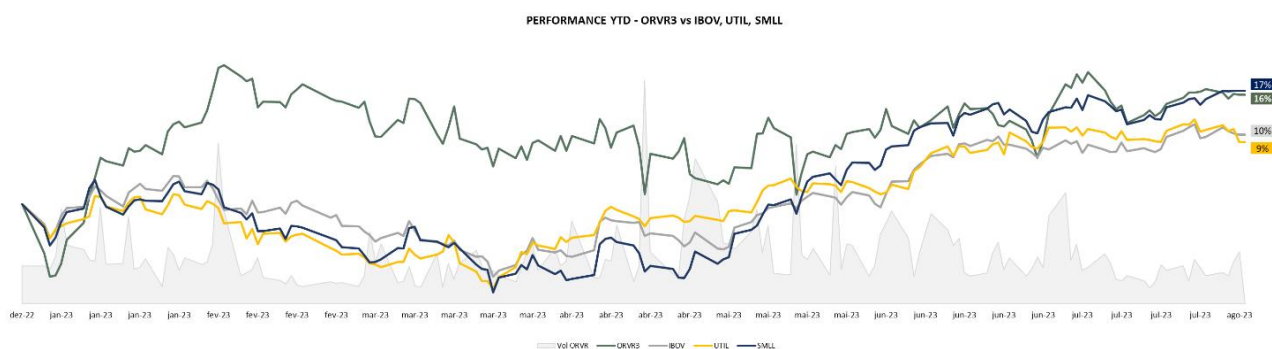
## CAPITAL MARKETS

The Company has common shares ("ORVR3") listed and traded on the São Paulo Stock Exchange ("B3") since February 17, 2021, and is part of the Novo Mercado, the highest level of corporate governance on the exchange, emphasizing ethics and transparency in its relationship with shareholders and other stakeholders of the Company.

Currently, the Company's stock, ORVR3, is part of 6 indices on B3, which include: IBRA (Broad Brazil Index), IGC-NM (Corporate Governance Index - Novo Mercado), IGCT (Corporate Governance Trade Index), ITAG (Differentiated Tag Along Shares Index), SMLL (Small Caps Index), and UTIL (Utilities Index).

The Company's common shares concluded the year at R\$37.29, marking a 1.7% increase in 2Q23. The Company's market capitalization as of June 30, 2023, stood at R\$3.1 billion.

### STOCK PERFORMANCE 2Q23 – ORVR3 vs IBOV, UTIL, SMLL



## ESG in 2Q23

2Q23 was primarily marked by the release of the 2022 Sustainability Report, which involved collaboration from various departments within the Company. The report highlights the production of 296,685 MWh of renewable energy and the generation of 2.3 million tons of carbon credits. It also features BioE as an international case in the fight against global warming by replacing fossil fuels, recovering emitted methane from landfills and converting it into natural gas and renewable energy.

We also conducted the Greenhouse Gas (GHG) Inventory following the guidelines of the GHG Protocol at the following units: Ecoparque Nova Iguaçu, Ecoparque Barra Mansa, Ecoparque São Gonçalo, Ecoparque Itaboraí, Ecoparque Paulínia, Ecoparque Itapevi, Ecoparque Tremembé, Ecoparque João Pessoa, Ecoparque Pantanal, Ecoparque Jaboatão, Ecoparque Sergipe, Magé Unit, Sorocaba Unit, Sergipe Transshipment Station, Duque de Caxias Transshipment Station, and the Company's headquarters. This effort provided relevant information for establishing the monitoring and reduction framework for our emissions.

In 2Q23, we also launched the Sustainable Community Challenge, an initiative by OrizonVR that aims to recognize, encourage, and support local sustainable development solutions implemented in the areas where we have ecoparks. Through this initiative, OrizonVR strengthens its ties with local communities, empowering local leaders so that partner territories can foster initiatives contributing to a more sustainable society.



## ATTACHMENTS

Assets	Consolidated	
	06/30/2023	12/31/2022
<b>Current Assets</b>		
Cash and Equivalents	134,757	168,875
Securities	82,976	71,922
Accounts receivables	216,240	258,897
Income tax and social contribu	26,090	13,907
Advance payment	59,864	66,610
<b>Total Current Assets</b>	<b>519,927</b>	<b>580,211</b>
<b>Non-current Assets</b>		
Accounts receivables	13,317	14,660
Related Parties	9,944	7,866
Judicial deposits and sureties	7,166	7,162
Income tax and social contribu	63,540	53,090
Investments	79,300	44,084
Immobilized	842,620	785,079
Intangible	511,514	525,522
Right of use	46,848	42,658
Advance payment	5,180	12,964
<b>Total Non-current Asset</b>	<b>1,579,429</b>	<b>1,493,085</b>
<b>Total Asset</b>	<b>2,099,356</b>	<b>2,073,296</b>

Liabilities	Consolidated	
	06/30/2023	12/31/2022
<b>Current Liabilities</b>		
Loans and financing	52,088	37,616
Leasing	26,872	15,211
Suppliers	50,980	65,821
Grants to pay	12,041	11,676
Payroll	31,021	24,849
Taxes and social contributions	36,996	48,673
Installment taxes	18,717	17,904
Advance payment	20,097	24,140
Related parties	-	32,255
Accounts payable	25,277	12,945
Others	13,376	31,792
<b>Total Current Liabilities</b>	<b>287,465</b>	<b>322,882</b>
<b>Non-current Liabilities</b>		
Loans and financing	955,452	977,538
Leasing	33,041	40,800
Installment taxes	70,818	56,406
Provision for estimated losses	158	0
Related parties	11,118	3,619
Provision for litigation	19,611	25,075
Deferred taxes	4,139	4,139
Accounts payable	30,730	40,021
Other accounts payable	26,661	21,191
<b>Total Non-current Liabilities</b>	<b>1,151,728</b>	<b>1,168,789</b>
<b>Shareholders' Equity</b>		
Equity	1,091,127	844,323
Special good will Reserve	453,262	566,649
Costs on stocks issue	10,359	10,359
Equity Instrument	(939,080)	(888,858)
Others results	-	18,018
Non-controlling shareholders' share	44,495	30,976
<b>Total Shareholders Equity</b>	<b>660,163</b>	<b>581,467</b>
<b>Total Liabilities and Shareholders Equity</b>	<b>2,099,356</b>	<b>2,073,138</b>

## EARNINGS RELEASE 2Q23

Income Statement (R\$ thousand)	2Q23	2Q22	Δ	1H23	1H22	Δ
<b>Net operating revenue</b>	<b>196,245</b>	<b>150,612</b>	<b>30.3%</b>	<b>385,090</b>	<b>249,838</b>	<b>54%</b>
<b>Cost of services provided - without depreciation</b>	<b>(89,415)</b>	<b>(82,566)</b>	<b>8.3%</b>	<b>(184,934)</b>	<b>(133,977)</b>	<b>38%</b>
<b>Gross profit before depreciation</b>	<b>106,830</b>	<b>68,046</b>	<b>57.0%</b>	<b>200,156</b>	<b>115,861</b>	<b>73%</b>
Depreciation costs	(40,290)	(23,932)	68.4%	(91,342)	(37,734)	142%
<b>Gross profit</b>	<b>66,540</b>	<b>44,114</b>	<b>50.8%</b>	<b>108,814</b>	<b>78,127</b>	<b>39%</b>
General and administrative expenses	(24,601)	(34,838)	-29.4%	(60,764)	(56,059)	8%
Other net income (expenses)	(1,013)	15,694	n.a.	1,732	14,795	-88%
<b>Profit before equity in financial results</b>	<b>40,926</b>	<b>24,970</b>	<b>63.9%</b>	<b>49,782</b>	<b>36,863</b>	<b>35%</b>
Financial income	8,653	58,345	-85.2%	13,231	72,659	-82%
Financial expenses	(45,602)	(69,039)	-33.9%	(97,976)	(110,388)	-11%
<b>Profit before equity income</b>	<b>3,977</b>	<b>14,276</b>	<b>-72.1%</b>	<b>(34,963)</b>	<b>(866)</b>	<b>n.a.</b>
Equity income	3,062	(5,637)	n.a.	6,035	(5,638)	n.a.
<b>Profit before income tax and social contribution</b>	<b>7,039</b>	<b>8,639</b>	<b>-18.5%</b>	<b>(28,928)</b>	<b>(6,504)</b>	<b>n.a.</b>
Current income tax	(10,457)	(12,123)	-13.7%	(18,271)	(16,302)	12%
Deferred income tax	567	(6,836)	n.a.	1,168	(6,888)	-117%
<b>Net income</b>	<b>(2,851)</b>	<b>(10,320)</b>	<b>-72.4%</b>	<b>(46,031)</b>	<b>(29,694)</b>	<b>55%</b>