



# raízen

*Reshaping  
the future of **energy***

## EARNINGS RELEASE

### 2<sup>nd</sup> QUARTER 22'23

**RAIZ**

B3 LISTED N2

**IBOVESPA B3**

**IBRX100 B3**





"In this quarter, we increased export volumes of ethanol and sugar and sales directly to destinations, while **strengthening our integrated platform**. We currently are the ideal partner of our clients in decarbonizing their energy matrices and aim to go even further by **consistently expanding our commercialized E2G portfolio** and **executing with excellence** the construction of our next **eight plants already announced**. We also adjusted to the new context and conjunctural challenges. High price volatility required a more intense **focus on execution** with **discipline** to seize market opportunities for **expanding our business volume**. We increased sales of fuels, sugar and ethanol and continued to consolidate our **unique position in the value chain**. We are rapidly developing our power generation and commercialization platform, with over 18,000 clients already connected to 100% renewable energy produced or originated by Raízen. Our over 42,000 employees are determined and committed to reshape the future of energy, working with a strong **focus on innovation and efficiency**."

Ricardo Mussa | CEO, Raízen

## Quarter Highlights

Net  
Revenue

**R\$64.2 bn**

+32% vs. 21'22

Adjusted  
EBITDA

**R\$2.8 bn**

-14% vs. 21'22

Cash  
Generation

(Adj. EBITDA – Recurring CAPEX)

**R\$1.3 bn**

-40% vs. 21'22

Adjusted Net  
Income

**R\$1.1 mm**

-99.9% vs. 21'22

Leverage

**2.3x**

(Net Debt/Adj. EBITDA)

In line with the crop's seasonality.

Investments

**R\$2.0 bn**

+58% vs. 21'22

Focus on expanding Renewables portfolio.

OPERATING  
EXCELLENCE

**E2G RECORD**

**+17** mm liters

Produced

+73% vs. 21'22

ROACE

**12%**

Return on Average  
Capital Employed

RiT/Stab

**88.9%**

High and optimized  
level of industrial  
production

## Another Quarter of Advances in New Business

Our integrated energy platform is key to driving our strategy and creating new businesses. We are reshaping the future of energy by offering a complete portfolio of renewable and client-centered solutions, maximizing business returns with scale, efficiency gains and market intelligence. Operating at the forefront of society's most complex energy needs, **we are the best partner in the energy transition with profitable low-carbon solutions.**

### Renewables

#### Largest E2G contract ever

We announced the trading of **record E2G volume** under agreements with maximum term of 15 years and minimum **revenue of over EUR3.0 billion**. **Five new plants will be built** to meet this demand.

#### E2G Production

We set a new production record **at the E2G plant of 17 mm liters** produced in year to date (+73% vs. 21'22), in line with the plan to reach 30 million liters in the full crop year.

#### Raízen's Unique Ethanol Chain

**Our ethanol sales in the export market and for industrial use continue to grow**, increasing our profitability and expanding our sales in Asia and USA, with **~40% of sales for non-combustible purposes and ~80% with a premium on the Esalq hydrous ethanol price.**

#### Power Commercialization

We reached the milestone of **18,000 clients** in the energy industry, serving large clients such as Burger King, *Supermercado Dia*, *Localiza*, among others, offering solutions and access to **100% renewable Energy**. Raízen currently has **capacity of 1.5 GW based on cogeneration**, which is sufficient to supply the city of Rio de Janeiro for one year. In **distributed generation**, **our installed capacity is 66 MW**, with 88 MWp, with potential to increase over the coming years, totaling 205 MWp in 2023.

We became **Brazil's largest power trading**, remaining among the five largest in the country during the year.

#### Partnership for conversion of ethanol into renewable hydrogen

We signed a cooperation agreement with Shell, Hytron, USP and SENAI for the **development of plants to produce renewable hydrogen (H2) from ethanol**. With operational startup estimated for 2023, the initiative offers a **low-carbon solution for heavy transportation**, including trucks and buses, with the first ethanol hydrogen fueling station in Brazil and the world.

#### Biomethane

We signed an agreement with Scania for the **supply of biomethane to be used in its industrial operation as from 2024**. The agreement establishes the average supply of 7,800 cubic meters of biomethane per day, which represents 100% of Scania's plant consumption.

### Sugar

#### Direct sales

Strong results with a higher percentage of direct sales to destinations, **advancing in the value chain (100% of the own sugar book and 60% of total book)**.

#### Traceable sugar

We entered into an agreement with Lantic Inc. for the **supply and marketing of 100%-traceable raw sugar**, produced from non-GMO sugarcane. This is another important step that differentiates us in the sugar value chain with dedicated logistics, direct access to clients and scale.

With this agreement, **27% of Raízen's Sugar production is already sold for the next 10 years.**

### Marketing & Services

#### Aviation fuel

We announced a **long-term agreement for aviation fuel supply with Azul**. Apart from becoming the main aviation fuel distributor for Azul, initially in 45 airports of Brazil, the partnership will roll out strategic initiatives involving Shell Box and the *Tudo Azul* loyalty program, as well as the supply of power and sustainable aviation fuel (SAF).

#### Raízen Financial Services Unit

We announced the **acquisition of Payly**, a payment institution integrated into our app Shell Box. This movement creates a **financial services unit for the Company**, with potential volume (GVM) of over R\$200 billion, considering Raízen's entire ecosystem. Payly brings a **well-developed operational and technology platform** to support the **convenience and loyalty journey to our clients and partners.**

#### V-Power

We launched the **new V-Power formula**, developed with advanced technology that helps in the performance and efficiency of engines, providing a more efficient burning of fuel and reduction of CO2 emissions.

During the quarter, we maintained a high penetration of V-Power products, accounting for **20% of gasoline sales in Brazil and 31% in naphtha and 35% in diesel in Argentina.**

#### Shell Box

Shell Box continues the pace of growth and **set new records in Brazil and Latam** with over 4,600 accredited service stations and **over R\$6 billion in financial volume transacted on the platform in the last 12 months in Brazil and USD 62 in Argentina.**

#### Nós Group continues its accelerated expansion.

At the end of the quarter, our network reached **1,426 stores, 176 of which being Oxxo.**



## A. Raízen Results – Consolidated

### ► Increase in Business Volume Despite Volatile Scenario

We ended the second quarter of 2022'23 crop year with **strong net revenue growth, to R\$64.2 billion (+32%)**. **Adjusted EBITDA totaled R\$2.8 billion (-14%)**, driven by adverse effects on fuel inventories in Brazil, reflecting the consistent decline in prices for all products. The results of the first half of the crop year, however, **reaffirm our expectations for growth in the year** and for maintaining the cycle of investments in projects to further accelerate our businesses. **Adjusted net income amounted to R\$1.1 million**, with cash generation (Adj. EBITDA – recurring Capex) of R\$1.3 billion. **We reached a net debt/EBITDA ratio of 2.3x** (vs. 1.5x in 2Q 21'22), while maintaining a debt profile in line with the seasonality of the crop year. **ROACE, our main return metric, reached 12%**.

### ► Highlights of Consolidated Results<sup>1</sup>

(R\$, Million)	2Q 22'23	2Q 21'22'	VAR %	YTD 22'23	YTD 21'22'	VAR %
<b>Net Operating Revenue</b>	<b>64,238.2</b>	<b>48,849.2</b>	<b>31.5%</b>	<b>130,496.1</b>	<b>87,408.8</b>	<b>49.3%</b>
Gross Profit	2,252.5	2,713.1	-17.0%	4,808.7	5,968.1	-19.4%
Income before financial result	(399.6)	1,358.5	n/a	1,190.0	3,228.3	-63.1%
<b>Adjusted Net Income <sup>2</sup></b>	<b>1.1</b>	<b>1,070.3</b>	<b>-99.9%</b>	<b>1,087.3</b>	<b>1,542.9</b>	<b>-29.5%</b>
EBITDA	2,438.1	3,533.8	-31.0%	6,277.4	7,221.2	-13.1%
<b>Adjusted EBITDA</b>	<b>2,756.8</b>	<b>3,207.6</b>	<b>-14.1%</b>	<b>6,408.1</b>	<b>5,563.9</b>	<b>15.2%</b>
Investments <sup>3</sup>	2,064.6	1,309.2	57.7%	3,927.4	2,457.8	59.8%
Net debt <sup>4</sup>	26,843.8	17,599.4	52.5%	-	-	n/a
<b>Leverage (Net debt/ Adjusted EBITDA 12M)</b>	<b>2.3x</b>	<b>1.5x</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>n/a</b>
<b>ROACE</b>	<b>12%</b>	<b>16%</b>	<b>-4 p.p</b>	<b>-</b>	<b>-</b>	<b>n/a</b>

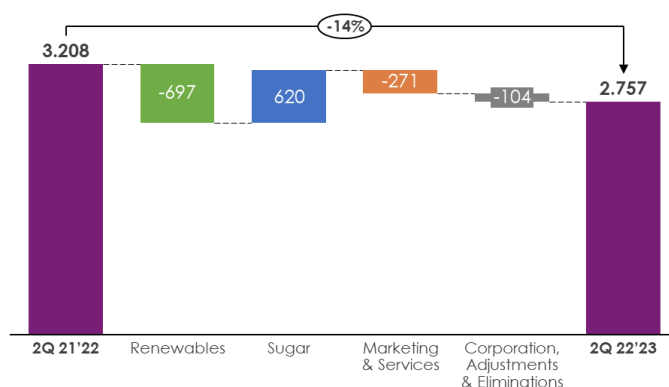
<sup>1</sup> Raízen's consolidated results in 2Q 21'22 include: (i) results of Raízen S.A. combined with (ii) results of Biosev in the period, excluding any eliminations between the businesses, while YTD 21'22 considers: (i) results of Raízen S.A. (formerly Raízen Combustíveis S.A.) and of its subsidiaries, including Raízen Energia S.A., combined with (ii) results of Biosev in the period, excluding any eliminations between the businesses.

<sup>2</sup> Net Income adjusted by the non-recurring items described on page 18.

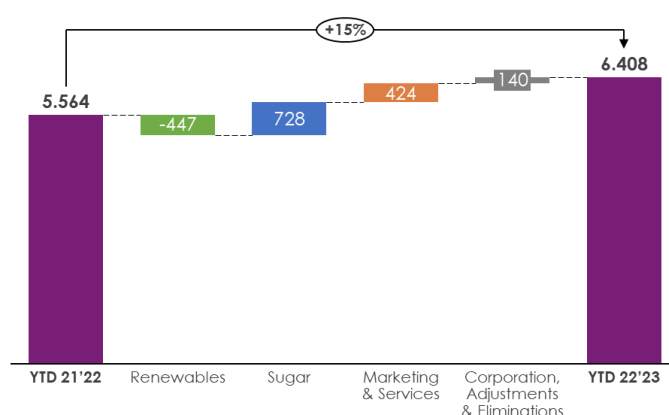
<sup>3</sup> Includes expenses with assets under client agreements and excludes business acquisitions and additions to investments in subsidiaries.

<sup>4</sup> Excludes PESA and CTN.

### Adjusted EBITDA contribution by segment (R\$ million | 2Q 21'22 vs. 2Q 22'23)



### Adjusted EBITDA contribution by segment (R\$ million | YTD 21'22 vs. YTD 22'23)





## ► Main Drivers of 2Q 22'23 Results

### Business Volume Growth

- ✓ **Sales growth of 32%**, driven by higher sales volumes in the quarter, as well as by robust expansion of 50% in the client base in the power segment (over 18,000 clients served);
- ✓ In **Shell Box**, **financial volume transacted** reached more than R\$ 6 billion in the last 12 months in Brazil and USD 62 million in Argentina, in the same period.

### Higher Profitability

- ✓ Increase in ethanol **volumes sold at a premium to local prices**, including exports and ethanol for industrial use, with higher added value and differentiated pricing;
- ✓ Increase in sales of **sugar directly to destination** (100% of own sugar book and 60% of total book).

### Better Sugar Prices

- ✓ Positioning considering cycles, **scale and sales capacity** translated into an 11% higher average sugar price in the quarter.

### Portfolio Expansion

- ✓ Conclusion of Shell rebranding of service stations in Paraguay (in a record time) and consolidation of the lubricants business in Brazil.

### Operating Efficiency Gains

- ✓ **Higher business volume** with operational optimization and maximized efficiency of our operations (+13% Ethanol, +82% Sugar and +2% Marketing & Services);
- ✓ **Expansion of the Integra Project**, which ensures recurring investments in innovation and technology to improve our fleet, with a focus on operating safety and excellence. The results of these initiatives translate into **more efficiency on a per-km basis** (-1.1 million km), **lower diesel consumption** (-25 million liters), **shorter cycle times** (reduction of 500 trucks in fleet) and lower emissions (-70 ktms of CO<sub>2</sub>);
- ✓ **Disciplined management in controlling costs**, with strategic assets location and shorter average distance between bases and our clients, reducing the logistics lead time.

### Agroindustrial Efficiency

- ✓ 1<sup>st</sup> cut sugarcane continued to deliver **above-average performance compared to the Center-South (+1%)**, confirming that we are on track to maximize efficiency and scale in our agricultural operations. In the 2<sup>nd</sup> cut sugarcane we closed the productivity gap to **Center South**;
- ✓ High and optimized RIT/Stab ratio for **industrial productivity (88.9%)**;
- ✓ Expansion of **SER+ Project**, executed at 23 of the 35 Bioenergy Parks as an integral part of **Raízen's strategy, focusing on optimizing processes, reducing waste and strengthening the culture of safety**. We have held over 800 training sessions with more than 50,000 hours. In addition, we implemented the 5S methodology at over 40 new areas, effectively transforming and standardizing workplaces.
- ✓ **Reduction of 9% in water consumption** in the comparison periods (-5.1 million m<sup>3</sup>) with Reduza Project, which encourages the use of water from sugarcane, reducing water withdrawals from external sources.

## B. Results by Segment

Below we present our results by segment, along with the respective quarterly comparisons and analyses. Note that the data for 2Q 21'22 are pro-forma, i.e. they include the results of Biosev of July and August 2021 (excluding any eliminations). For the YTD 21'22 period, the pro-forma data consider the results of April and May 2021 of Raízen Energia, due to the corporate restructuring concluded in June 2021, as well as the results of Biosev of April through August 2021 (excluding any eliminations).

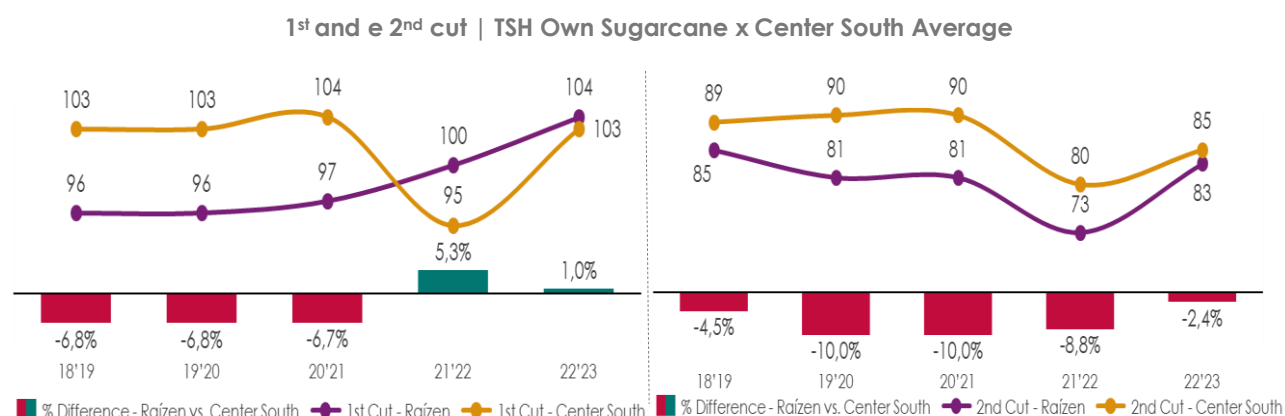
### ► Renewables and Sugar

Below we present information on the agricultural and industrial operations of Raízen's Bioenergy Parks, for the "Renewables" and "Sugar" segments.

Agroindustrial Operations Raízen's Bioenergy Parks (Pro forma)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
<b>Operational</b>						
Sugarcane crushed (MM ton)	33.0	37.3	-11.5%	59.3	68.5	-13.4%
Sugar Equivalent Production (000' ton)	4,684	5,212	-10.1%	7,789	9,097	-14.4%
TRS (kg/ton)	145.5	142.7	2.0%	134.2	136.4	-1.6%
TSH (ton/ha)	70.1	62.8	11.6%	69.8	69.0	1.2%
Agricultural Yield (TRS/ha)	10.2	9.0	13.3%	9.4	9.4	0.0%
Production Mix (% Sugar – Ethanol)	52%/48%	53%/47%	n/a	50%/50%	52%/48%	n/a
Production of Sugar (000' ton)	2,438	2,742	-11.1%	3,898	4,706	-17.2%
Production of Ethanol (000' cbm)	1,390	1,540	-9.7%	2,406	2,740	-12.2%
<b>Financial</b>						
Sugar Equivalent Unit Cash Cost (R\$/ton)	(1,209)	(1,030)	17.4%	(1,230)	(1,011)	21.7%
Sugar Equivalent Unit Cash Cost ex-COSECANA (R\$/ton)	(1,154)	(1,030)	12.0%	(1,175)	(1,011)	16.2%

**Raízen's Bioenergy Parks crushed 33 million tons of sugarcane in the quarter**, down 12% from the volume processed in the previous crop year. This reduction reflects the effects of the weather on part of our sugarcane fields, which led to lower sugarcane availability this year, which should have a total crushing of around 74 million tons of cane at the end of the crushing period. Agricultural productivity increased, with improvement in TRS content and TCH, which partially offset the lower crushing volume. The production mix was 52% for sugar (vs. 53% in 2Q 21'22), reflecting the better scenario for the commodity and the sales strategy for the crop year.

**We remain steadfast on our journey to recover agricultural productivity, seeking to maximize efficiency and scale gains in our operations. 1<sup>st</sup> Cane continued to outperform the average of the Center-South region**, which shows that we are on the right path on our journey to recover agricultural productivity supported by our robust investment plan and management **In the 2<sup>nd</sup> Cut sugarcane we closed the productivity gap in comparison to the Center South region**, as result of the destination of investments in our sugarcane fields and precision agriculture, including crop management and expansion of sugarcane satellite monitoring, and throughout implementing best operational practices in all our operations, as indicated in the table below.





**Unit cash cost (ex-CONSECANA)** increased 12% YoY due to: (i) effect from the lower dilution of fixed costs in the field and industry, due to the lower crushing volume; (ii) inflationary pressures, which led to higher prices for materials and inputs, especially diesel and labor. These increases were partially mitigated by gains from our management strategy guided by continually improving agricultural productivity and efficiency. We monitored the prices of the main agricultural inputs to ensure the continuity of operations and cost control, **supported by integrated management of the supply chain**.

**In terms of production process efficiency, we continued to significantly reduce water consumption in our industrial activities (-9%).** Water management in industrial operations is carried out within the Reduza Project, which encourages the reuse of water from sugarcane, reducing water withdrawals from external sources during the crushing period. It also involves the reuse of steam condensate in production phases, which optimizes the operation of high-pressure boilers and improves industrial productivity, especially in bagasse, which can be used in E2G production and energy cogeneration.

<b>Investments - Sugar and Renewables (R\$, Million)</b>	<b>2Q 22'23</b>	<b>2Q 21'22</b>	<b>VAR %</b>	<b>YTD 22'23</b>	<b>YTD 21'22</b>	<b>VAR %</b>
<b>Total CAPEX</b>	<b>1,524.8</b>	<b>890.3</b>	<b>71.3%</b>	<b>3,018.0</b>	<b>1,756.7</b>	<b>71.8%</b>
<b>Maintenance</b>	<b>934.0</b>	<b>685.8</b>	<b>36.2%</b>	<b>1,947.5</b>	<b>1,372.1</b>	<b>41.9%</b>
Biological Assets	904.9	639.7	41.5%	1,733.9	1,203.7	44.0%
Off-season Maintenance	29.1	46.1	-36.9%	213.6	168.4	26.8%
<b>Operational</b>	<b>107.1</b>	<b>123.2</b>	<b>-13.1%</b>	<b>232.3</b>	<b>230.9</b>	<b>0.6%</b>
SSMA e Sustaining	69.3	60.3	14.9%	165.4	119.1	38.9%
Agroindustrial	37.8	62.9	-39.9%	66.9	111.8	-40.2%
<b>Project</b>	<b>483.7</b>	<b>81.3</b>	<b>&gt;100%</b>	<b>838.2</b>	<b>153.7</b>	<b>&gt;100%</b>
E2G	271.5	4.6	>100%	503.1	4.6	>100%
Others	212.2	76.7	>100%	335.1	149.1	>100%

**CAPEX totaled R\$1.5 billion in the quarter (+71%),** with investments allocated mainly to planting and tilling, as part of our journey to maximize efficiency and scale in our operations. This year, **we will set a new planting record, with approximately 130,000 hectares of replanted area.** In addition, the higher CAPEX also results from the effect of inflation on the prices of agricultural inputs, steel, diesel and labor, which impacted the unit values of planting, tilling and costs with industrial maintenance.

**Operating investments** amounted to R\$107 million (-13%), mainly spent in the acquisition of agricultural equipment, initiatives for improving our operations, the safety of our teams and the environment. One example of these initiatives is our continuous improvement program (Raízen Excellence System - **SER+**), which aims to create more efficiency, safety and quality in the workplace, having achieved remarkable results. In 2022, SER+ was executed in 23 of our 31 Bioenergy Parks and implemented gradually, in modules and stages, in the entire industry and agricultural area.

**In Projects,** investments came to R\$484 million in the quarter, reflecting the Company's growth cycle and moving forward in our strategy for expanding the Renewables portfolio. **We advanced on the construction of the three E2G plants, with R\$272 million invested in the quarter.** Other projects include investments to build the Biogas plants (R\$89 million in the quarter) and in energy cogeneration, in addition to various projects to capture efficiency and productivity gains, including storage infrastructure, logistics, research, development and innovation. More information on our E2G can be found on page 17 of this report.



► Renewables

Operational Indicators - Pro forma	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
<b>Ethanol</b>						
<b>Ethanol Sales Volume (000' cbm)</b>	<b>1,451.1</b>	<b>1,290.0</b>	<b>12.5%</b>	<b>2,851.9</b>	<b>2,201.4</b>	<b>29.5%</b>
Own	857.1	901.9	-5.0%	1,574.8	1,601.4	-1.7%
Commercialization	594.0	388.1	53.1%	1,277.1	600.0	>100%
<i>Raízen Ethanol Average Price (R\$/cbm)<sup>1</sup></i>	<i>3,511</i>	<i>3,431</i>	<i>2.3%</i>	<i>3,460</i>	<i>3,364</i>	<i>2.9%</i>
<b>Power</b>						
<b>Power Sales Volume ('000 MWh)</b>	<b>11,206.5</b>	<b>7,148.7</b>	<b>56.8%</b>	<b>14,562.2</b>	<b>13,242.9</b>	<b>10.0%</b>
Own	<b>949.2</b>	<b>1,138.1</b>	<b>-16.6%</b>	<b>1,640.9</b>	<b>2,096.9</b>	<b>-21.7%</b>
Cogeneration	905.1	1,117.5	-19.0%	1,563.1	2,055.8	-24.0%
Solar <sup>2</sup> & Other Renewables Sources	44.1	20.6	>100%	77.8	41.1	89.3%
<b>Commercialization &amp; Trading</b>	<b>10,257.3</b>	<b>6,010.6</b>	<b>70.7%</b>	<b>12,921.3</b>	<b>11,146.0</b>	<b>15.9%</b>
<i>Own Energy Average Price (R\$/MWh)</i>	<i>236.2</i>	<i>272.3</i>	<i>-13.3%</i>	<i>238.3</i>	<i>258.0</i>	<i>-7.6%</i>
<b>Financial Indicators</b>						
<b>Pro forma (R\$, Million)</b>						
Renewables Net Revenue	7,424.7	6,823.9	8.8%	14,450.5	10,407.7	38.8%
Ethanol	5,936.7	4,726.6	25.6%	11,977.8	7,597.5	57.7%
Bioenergy	1,331.3	1,879.4	-29.2%	2,101.4	2,393.5	-12.2%
Other Revenues <sup>3</sup>	156.7	217.9	-28.1%	371.3	416.7	-10.9%
EBITDA	913.2	1,830.1	-50.1%	2,077.4	3,342.6	-37.9%
<b>Adjusted EBITDA</b>	<b>1,001.2</b>	<b>1,697.7</b>	<b>-41.0%</b>	<b>2,148.1</b>	<b>2,595.0</b>	<b>-17.2%</b>
Adjusted EBIT	139.4	896.1	-84.4%	604.2	1,202.1	-49.7%

<sup>1</sup> Raízen's average ethanol price is composed of the price of own ethanol and the margin of reselling and marketing operations.

<sup>2</sup> Reference of energy generation by Raízen's plants in the Distributed Generation model.

<sup>3</sup> Biogas, solar, small hydropower plants and other.

Ethanol Inventories	2Q 22'23	2Q 21'22	VAR %	1Q 22'23	VAR %
000' cbm	1,236	1,736	-29%	718	72%
R\$ Millions	3,439	4,677	-26%	2,306	49%

**Ethanol:** 2Q 22'23 was marked by revenue growth (+26%) due to higher sales volumes (+53%). The average selling price was in line with previous year (+2%), but **with higher premium on ethanol prices in the domestic market due to our unique sales portfolio, focusing on ethanol sales for industrial use and fuel to global clients (U.S., Japan, South Korea, Philippines, among others)**. At the moment, only 20% of the ethanol produced by Raízen is hydrous and sold at local prices. The other 80% produced is intended for industrial use (segments of beverages, bioplastics, cosmetics, among others), at differentiated prices, or applied as motor fuel, with low carbon premiums.

**For the second straight quarter, the volume of second-generation ethanol ("E2G") produced set a new record, of 9,500 m³ in the quarter and 17,000 m³ in the crop year to date (+73%),** all of which was exported to meet the rising demand for the biofuel. Our proprietary technology plays a key role as a global decarbonization platform, enabling the reduction of mobility emissions and exploring new value chains with higher margins. More information on our E2G can be found on page 19 of this report.

**Power:** As from this quarter, in line with the accelerated growth of the Power business, we are reporting new operational information. Net revenue came to R\$1.3 billion (-29%) in the quarter, reflecting the lower sales of own energy.

Bioenergy volume produced and sold in the quarter was 17% lower than in the prior-year period, affected by the lower cogeneration volume, in line with the lower bagasse supply. **Sales volume** was 71% higher, which made Raízen **Brazil's largest bioenergy trader** in August, according to the Electricity Trading Chamber (Câmara de Comercialização de Energia Elétrica).

Raízen has been investing and **accelerating the expansion of sales channels** and segments served through integrated, competitive and tailored solutions for each profile of energy consumer in Brazil. We sell our energy to companies from various sectors, including hospitals, fitness centers, retail stores and large service providers, having reached **the strong mark of over 18,000 clients** served. In addition, we commercialized over 3.6 million I-REC Standard certificates in the year, equivalent to 144,228 tons of CO2 emissions avoided.





**Selling expenses of the Renewables segment came to R\$168 million (+5%)**, reflecting higher volumes as well as freight and commercial expenses. **General and administrative expenses amounted to R\$153 million in the quarter, down 15%**, reflecting the integrations and synergies with Biosev, with the adoption of the best practices of each company, optimizing operating expenses.

**Adjusted EBITDA of the Renewables segment was R\$1.0 billion (-41%)** explained mainly by: (i) the lower volume sales of own ethanol and energy in the period; (ii) inflationary pressure on costs and expenses; and (iii) decrease in energy spot prices at the quarter.



► Sugar

Indicators Pro forma	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Sales Volume (000' ton)	3,430	1,888	81.7%	6,146	3,870	58.8%
Own	1,773	1,343	32.0%	2,941	2,562	14.8%
Commercialization	1,657	545	>100%	3,205	1,308	>100%
Realized Average Price (R\$/ton)	2,178	1,959	11.2%	2,162	1,849	16.9%
<b>Financial Indicators Pro forma (R\$, Million)</b>	<b>2Q 22'23</b>	<b>2Q 21'22</b>	<b>VAR %</b>	<b>YTD 22'23</b>	<b>YTD 21'22</b>	<b>VAR %</b>
Net Revenue	7,578.4	4,768.3	58.9%	16,664.6	8,222.4	>100%
Sugar	7,471.9	3,700.1	>100%	13,284.5	7,154.2	85.7%
Other Revenues <sup>1</sup>	106.5	1,068.2	-90.0%	3,380.1	1,068.2	>100%
EBITDA	1,193.9	748.1	59.6%	1,787.8	1,819.5	-1.7%
<b>Adjusted EBITDA</b>	<b>1,223.5</b>	<b>603.3</b>	<b>&gt;100%</b>	<b>1,792.3</b>	<b>1,064.7</b>	<b>68.3%</b>
Adjusted EBIT	429.5	43.5	>100%	452.4	11.0	>100%

<sup>1</sup> Net revenue from other products and services refers to commodity export performance transactions, associated with compliance with contractual covenants related to foreign-denominated debt issued by Biosev. Due to this transaction, Raízen started to recognize revenues and costs at similar amounts, causing a marginal impact on gross profit. Settlement of these transactions is expected by mid-2022 and there is no principal linked to these obligations.

Sugar Inventories	2Q 22'23	2Q 21'22	VAR %	1Q 22'23	VAR %
000' ton	1,512	2,412	-37%	771	96%
R\$ Millions	2,602	3,433	-24%	1,458	79%

**Total sugar sales volume came to 3,430 ktons in the quarter (+82%),** due to the higher sales of own product (+32%) and acceleration of trading operations. **The average price was R\$2,178/ton (+11%),** benefiting from the strategy to lock in prices in a more positive scenario for the commodity and from Raízen's increased share in direct sales to destinations. In the quarter, direct sales came to 60% of sugar's total book (100% of own sugar delivered directly to destinations), increasing our share in the value chain with scale. As a result, **net revenue grew significantly in the quarter,** to R\$7.4 billion.

**Selling expenses were R\$338 million (+36%),** reflecting the higher expenses with logistics and freight, due to the increase in direct sales to destinations. General and administrative expenses decreased to R\$150 million (-20%) in the quarter, reflecting mainly the optimization of expenses due to the asset combination with Biosev, which promoted operating efficiency and synergies.

**Adjusted EBITDA came to R\$1.2 billion in the quarter,** supported by strong sales growth, with a higher share of sales directly to destinations and higher prices. These effects were partially offset by the higher costs and selling expenses in the period.

**We have gone further on our strategy seeking an efficient hedge for the coming crop years, with prices up to 18% above those practiced in the current crop year** (R\$0.88/lb for the 22'23 crop year vs. R\$1.04/lb for the 24'25 crop year), for a consistent maximization of return. The following table summarizes the sugar volumes and prices hedged via trading or derivative instruments as of September 30, in U.S. dollars and translated into Brazilian real:

Summary of Sugar Hedge Operations	2022'23	2023'24	VAR.%	2024'25	VAR.%
Volume (000' ton)	3,844	2,075	-	13	-
Average price (¢R\$/lb)*	88	104	18%	106	20%
Average price (R\$/ton)*	1,940	2,292	18%	2,330	20%

\* Includes polarization premium.

► **Marketing & Services**

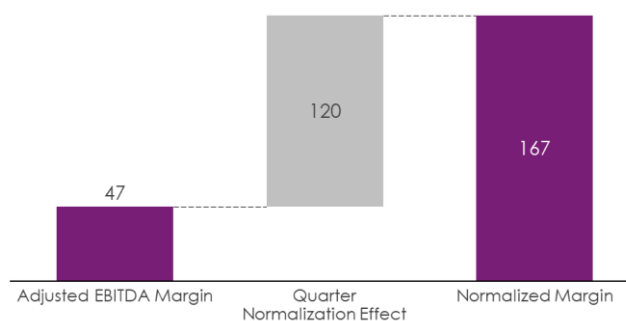
**Brazil**

Indicators	2Q 22'23	2Q 21'22	VAR %	1Q 22'23	VAR %	YTD 22'23	YTD 21'22	VAR %
Volume sold ('000cbm)	7,346	7,385	-0.5%	6,726	9.2%	14,071	14,044	0.2%
Otto cycle (Gasoline + Ethanol)	3,051	3,060	-0.3%	2,822	8.1%	5,872	5,861	0.2%
Diesel	3,983	4,085	-2.5%	3,624	9.9%	7,607	7,741	-1.7%
Aviation	218	184	18.5%	212	2.8%	430	344	25.0%
Others	94	56	67.9%	69	36.2%	162	98	65.3%
Gasoline Equivalent	2,845	2,829	0.6%	2,597	9.5%	5,442	5,370	1.3%
Financial (R\$, Millions)								
Gross profit (R\$, Millions)	1,506.8	956.7	57.5%	1,335.0	12.9%	2,841.8	1,837.4	54.7%
Gross Margin (R\$/cbm)	205	130	57.7%	198	3.5%	202	131	54.2%
EBITDA	60.9	568.4	-89.3%	1,423.2	-95.7%	1,484.1	1,177.9	26.0%
IFRS 15 - Assets from contracts	135.7	127.8	6.2%	131.4	3.3%	267.1	250.2	6.8%
Other Effects	146.4	(91.7)	n/a	(504.7)	n/a	(358.3)	(249.8)	43.4%
Adjusted EBITDA (R\$, Millions)	343	604.5	-43.3%	1,049.9	-67.3%	1,392.9	1,178.3	18.2%
Adjusted EBITDA Margin (R\$/cbm)	47	82	-42.7%	156	-69.9%	99	84	17.9%
Adjusted EBIT (R\$, Millions)	113	389.8	-71.0%	828.1	-86.4%	941.1	767.9	22.6%
Adjusted EBIT Margin (R\$/cbm)	15	53	-71.7%	123	-87.8%	67	55	21.8%
Investments (R\$, Millions)	270	190	42.1%	217	24.4%	487	343	42.0%
Service stations (Unit.)	6,806	6,602	3.1%	6,761	0.7%	-	-	-
Convenience (Unit.)	1,426	1,226	16.3%	1,374	3.8%	-	-	-

The **adverse macroeconomic scenario and volatility in oil and fuel prices in 2Q 22'23 resulted in a more challenging business environment**. We rapidly adjusted our operation, focusing on maintaining efficient working capital management, profitability of the operation and sales and supply strategy, which partially mitigated the effects on our results. Change in tax codes and successive and atypical declines in the prices of all products resulted in a more complex operational environment that posed major challenges to the industry in the quarter. The result was material pressure on margins due to the negative effect on inventories in the period.

**Adjusted EBITDA** amounted to R\$343 million in the quarter (-43%), mainly reflecting fuel market dynamics, with inventory losses due to the successive and atypical declines fuel prices and price of carbon credits – Cbios (these accounted as a financial asset and marked to market) which resulted in a negative effect of approximately R\$900 million (or R\$120/m<sup>3</sup>). For comparison purposes, if added this effect to the adjusted EBITDA per m<sup>3</sup> indicator, as indicated below, we reach R\$167/m<sup>3</sup>. As Raízen is Brazil's largest ethanol distributor, the effects on product inventories were more sensitive to our results, reflecting market dynamics in the period as a result of the distortion regarding parity between gasoline and ethanol. In addition, higher marketing expenses and inflationary pressures in the period also contributed to the lower results. **In year to date, adjusted EBITDA came to R\$1.4 billion (+18%)**. We expect a recovery in profitability and improvement in the business environment for the remainder of the year, reaffirming our expectation of growth in results.

2Q 22'23 Adjusted EBITDA Margin - Normalized R\$/m<sup>3</sup>



Sales volumes in the quarter were in line with the same period of the previous year, as highlighted below:

- **Equivalent Gasoline:** slight expansion of sales YoY, with reduction at the gasoline demand and increment in ethanol's reflecting the movement in prices and parity in the period.
- **Diesel:** sales volume decreased slightly (-2%) compared to last year, with high exposure to clients in the agribusiness and cargo and passenger transport industries.
- **Aviation:** increase in sales volume (+19%), reflecting a gradual recovery in sales. This growth should be accelerated in the coming years with the signing of the contract for the supply of aviation fuel to Azul Linhas Aéreas Brasileiras S.A, starting on January 1, 2023, which will generate an important effect of optimization and synergy with our logistics infrastructure in the business aviation segment. Azul is currently the largest Brazilian airline in terms of number of flights and destinations served.

**Gross profit** came to R\$1.5 billion (+58%), mainly due to the higher average sales margin and higher working capital consumption in the period.

**Selling expenses** amounted to R\$613 million in the quarter (+41%) reflecting: (i) sales volume and freight expenses; (ii) marketing initiatives primarily related to the expansion of Shell Box; and (iii) inflationary effects. **General and administrative expenses** came to R\$186 million in the quarter (+27%), pressured mainly by inflation and incorporation of the assets of the Lubricants operations, with an effect of R\$19 million.

**Investments** for network expansion and maintenance continue as planned, focusing on profitability with sustainable volume growth of our network.

## Latam (Argentina + Paraguay)

Indicators	2Q 22'23	2Q 21'22	VAR %	1Q 22'23	VAR %	YTD 22'23	YTD 21'22	VAR %
Volume sold ('000cbm)	1,754	1,467	19.6%	1,757	-0.2%	3,512	2,828	24.2%
Gasoline	657	524	25.4%	639	2.8%	1,296	986	31.4%
Diesel	683	561	21.7%	685	-0.3%	1,369	1,126	21.6%
Aviation	78	32	>100%	72	8.3%	150	63	>100%
Others	336	349	-3.7%	361	-6.9%	697	652	6.9%
<b>Financial (R\$, Millions)</b>								
Gross profit (USD, Millions)	93.7	91.5	2.4%	165.5	-43.4%	259.1	190.7	35.9%
Gross Margin (USD/cbm)	53	62	-14.5%	94	-43.6%	74	67	10.4%
EBITDA	58.7	76.1	-22.9%	131.6	-55.4%	190.3	164.5	15.7%
IFRS 15 - Assets from contracts	1.3	-	n/a	7.4	-82.4%	8.7	3.6	>100%
Other Effects	15	-	n/a	-	n/a	15	8.9	68.5%
Adjusted EBITDA (USD, Millions)	75.0	76.1	-1.4%	139.0	-46.0%	214.0	177.0	20.9%
Adjusted EBITDA Margin (R\$/cbm)	43	52	-17.3%	79	-45.6%	61	63	-3.2%
Adjusted EBITDA (R\$, Millions)	388.5	397.4	-2.2%	682.9	-43.1%	1,071.4	861.6	24.4%
Adjusted EBITDA Margin (R\$/cbm)	221	271	-18.3%	389	-43.0%	305	305	0.1%
Adjusted EBIT (USD, Millions)	24.8	40.6	-38.9%	97.0	-74.4%	121.8	88.0	38.4%
Adjusted EBIT Margin (R\$/cbm)	14	28	-50.0%	55	-74.5%	35	31	12.9%
Investments (USD, Millions)	52	44	18.2%	31	67.7%	70	68	2.9%
Investments (R\$, Millions)	269.8	229.3	17.7%	152.6	76.8%	422	358	17.9%
Service stations (Unit.)	1,193	802	48.8%	1,185	0.7%	-	-	-
Convenience (Unit.)	240	171	40.4%	236	1.7%	-	-	-

In the **Latam operations**, the growth of our network, with the addition of more than 390 new stations in the last 12 months, along with a strong marketing strategy and consistent differentiation, explains our sustained growth in market share and volume (+20%), with the expansion of B2B.

**Gross profit** reached USD 94 million (+2%), mainly due to the higher average sales margin in the period and the high percentage of sales of differentiated products (35%). **Selling expenses** totaled USD 60 million in the quarter (+26%) reflecting (i) the increase in sales volume and (ii) the effects of inflation. **General and administrative expenses** totaled USD 15 million in (+66%), mainly impacted by the incorporation of assets from operations in Paraguay, which totaled USD 5 million, and by inflationary pressure.

Despite the complexity of the macroeconomic scenario, **the quarter was marked by solid results**, dictated by operational efficiency, crude oil management purchase (*criollo* barrel), strong volume growth with gains of market share and the recompositing of profitability at the pump in Argentina, mitigating the effect of exchange rate devaluation and import costs. In Paraguay, we accelerate the integration with complete rebranding of the stations in record time and capture of efficiency and operational and logistical synergies. In Lubricants, we consolidated our growth trajectory with greater market share and support of strong unit margins.

**Adjusted EBITDA** from the Latam platform reached USD 75 million in the quarter (-1%), a similar result to the same period last year, reflecting the higher cost pressures (inflation and exchange rate) in the country. **In year to date, adjusted EBITDA totaled USD 214 million (+21%)**, driven by robust growth in demand generating greater operational efficiency, robust market share in distribution and in Lubricants and by the recovery of profitability at the end, despite the adverse macroeconomic and market conditions.

**Investments** continue as planned, totaling USD 52 million in the quarter (+18%), with a focus on profitability with sustainable growth in the volume of our network and automation and digitalization of our operation. In Argentina, we started the stoppage at the refinery to expand our refining capacity and asset maintenance. In addition, we advanced with strategic investments to maximize energy efficiency, yield and cogeneration, in addition to refining products with lower sulfur content and processing capacity for renewable products in the future (SAF, Bio Bunker, Biodiesel, among others).



## C. Other Financials – Consolidated Raízen

The following data refer to the book and pro forma figures for General and Administrative Expenses.

### ► General and Administrative Expenses

Description (R\$, Millions)	2Q 22'23 Accounting	2Q 21'22 Pro forma <sup>1</sup>	VAR%	YTD 22'23 Accounting	YTD 21'22 Pro forma <sup>1</sup>	VAR%
General and Administrative expenses	(566.3)	(562.2)	0.7%	(1,125.1)	(990.8)	13.6%
% of NOR	-0.9%	-1.2%	0.3 p,p	-0.9%	-1.1%	0.3 p,p
Other Revenues (Expenses)	(615.2)	315.4	n/a	205.4	318.1	-35.4%

**General and administrative** expenses amounted to R\$566 million in the period (+0.7%), in line with 2Q 21'22 and projections for the year and absorbing inflationary effects and the results of synergies captured in the Biosev merger. As a ratio of net revenue, general and administrative expenses delivered economies of sales in the comparison period, reflecting the Company's disciplined cost controls, which includes matrix management and the PDCA method. We continue to implement actions with strategic suppliers and partners, capturing gains through the Procurement area in a challenging macroeconomic scenario. Integrated management of the supply chain gives us greater visibility to anticipate supply risks and price hikes, resulting in efficient commercial actions to ensure the continuity of operations and control of expenses.

**Other operating income and expenses** fluctuated in comparison with previous periods, reflecting the fair value adjustment under the market approach method of financial assets not allocated in operational segments, with this effect partially offset by the recognition of tax credits from prior periods and reduction in negative goodwill from the acquisition of Neolubes.

### ► Financial Result <sup>2</sup>

**Total cost of net debt** was R\$652 million in the quarter, reflecting the higher balance of net debt and increase in Brazil's average basic interest rate Selic (from 5.2% to 13.5% on average) between periods. **Bank Expenses, Fees and Others** amounted to R\$101 million, due to costs with funding operations in the period, notably the new Debentures, Export Prepayment Agreements (PPEs) and Agribusiness Receivables Certificate (CRA). **Other charges and monetary variation** totaled R\$57 million (-58%) as a result of the exchange rate devaluation in Argentina. Interest on leases represents the increase in the number of lease agreements arising from the acquisition of Biosev.

Financial result (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Gross debt cost	(832.1)	(306.6)	>100%	(1,486.7)	(478.4)	>100%
Income from Financial Investments	179.7	86.5	>100%	240.5	126.1	90.7%
<b>(=) Net debt cost</b>	<b>(652.4)</b>	<b>(220.1)</b>	<b>&gt;100%</b>	<b>(1,246.2)</b>	<b>(352.3)</b>	<b>&gt;100%</b>
Other Charges and Monetary Variations	(57.4)	(137.9)	-58.4%	(83.3)	(141.3)	-41.0%
Bank Expenses, Fees and Others	(100.9)	(9.7)	>100%	(160.0)	(12.7)	>100%
<b>Net financial result</b>	<b>(810.7)</b>	<b>(367.7)</b>	<b>&gt;100%</b>	<b>(1,489.5)</b>	<b>(506.3)</b>	<b>&gt;100%</b>
Interests on leases (IFRS 16)	(262.0)	(193)	35.8%	(521.7)	(229.1)	>100%
<b>Total net financial result</b>	<b>(1,072.7)</b>	<b>(560.7)</b>	<b>91.3%</b>	<b>(2,011.2)</b>	<b>(735.4)</b>	<b>&gt;100%</b>

<sup>1</sup> The Proforma view of 2Q 21'22 considers: (i) Raízen S.A. result combined with (ii) Biosev result of the period, without possible eliminations between business and YTD 21'22 considers: (i) result of Raízen S.A. (formerly Raízen Combustíveis S.A.) and its subsidiaries, including Raízen Energia S.A., combined with (ii) biosev result of the period, without any eliminations between businesses.

<sup>2</sup> Similarly, the Financial Result is available on Note 26 to the Financial Statements.

## ► Income and Social Contribution Taxes <sup>3</sup>

A breakdown of income and social contribution taxes in 2Q 22'23 is presented below:

IR/CS (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Operating income before IR/CS	(1,472.3)	707.4	n/a	(821.2)	2,087.2	n/a
Nominal rate of IR/CS (%)	34.0%	34.0%		34.0%	34.0%	
Income tax and social contribution at nominal rates (34%)	500.6	(240.5)	n/a	279.2	(709.6)	n/a
Equity accounting	(12.0)	(4.4)	>100%	(23.5)	(5.9)	>100%
Permanent non-taxable differences (donations and contributions)	-	57.2	n/a	97.6	77.0	27%
Interest on equity	50.2	210.9	-76%	140.2	62.6	>100%
Subsidy for investments - ICMS	538.8	23.2	>100%	493.5	(575.9)	n/a
Others	-	-	n/a	-	27.6%	>100%
Effective IR/CS Revenue (Expense)						
Effective IR/CS Rate (%)	(144.7)	(265.7)	-46%	(751.1)	(661.1)	14%
Expense with IR/CS	683.5	288.9	>100%	1,244.6	85.2	>100%

## ► Adjusted Net Income

Raízen' **adjusted net income** in the quarter was R\$1.1 million, affected mainly by the changes in financial result explained above and the adverse effect on other operating income and expenses due to the mark-to-market adjustment of financial assets not allocated to business segments<sup>4</sup>.

Reconciliation Adjusted Net Income	2Q 22'23	2Q21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Consolidated Net Income (no adjustments)	(933.5)	730.6	n/a	(327.7)	1,511.3	n/a
Biological Assets Effects	575.3	289.0	99.1%	1,044.1	(162.3)	n/a
IFRS 16 - Leases	222.5	81.8	>100%	383.9	113.0	>100%
Other Effects	136.8	(31.1)	n/a	(13.0)	80.9	n/a
Adjusted Consolidated Net Income	1.1	1,070.3	-99.9%	1,087.3	1,542.9	-29.5%

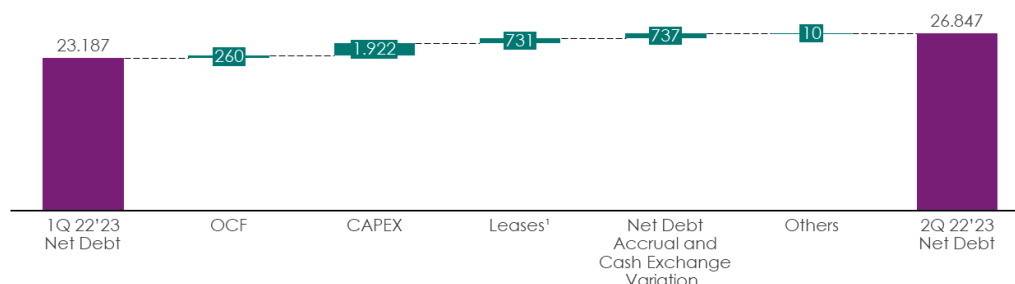
<sup>3</sup> See Note 17 to the Financial Statements.

<sup>4</sup> Result allocated under Corporation, with impact on Other Revenues, per Note 24 to the Financial Statements.

## ► Loans and Financing <sup>5</sup>

Net debt ended the quarter at R\$26.8 billion (+52%), reflecting the increase in CAPEX, to R\$1.9 billion, and in working capital (R\$3.4 billion), as well as the net proceeds raised in the period, of R\$3.7 billion, notably the long-term Debentures and short-term loans to fund the shutdown of the refinery in Argentina (R\$2.0 billion) in the quarter<sup>6</sup>. **Leverage, as measured by the ratio of Net Debt/LTM EBITDA, stood at 2.3x (vs. 1.5x in 2Q 21'22)**, in line with the historical seasonality of the crop year and inventory position. Excluding the current inventory of the Agribusiness operations<sup>7</sup>, the leverage was 1.5x. **Cash and cash equivalents ended the quarter at R\$6.7 billion.**

Net Debt in 1Q 22'23 vs. 2Q 22'23 | (R\$ million)



Debt by type (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	1Q 22'23	VAR %
<b>Foreign currency</b>	<b>20,765.5</b>	<b>19,166.7</b>	<b>8.3%</b>	<b>18,886.6</b>	<b>9.9%</b>
Export prepayment	13,391.4	10,418.6	28.5%	13,102.7	2.2%
Senior notes 2027	3,819.6	4,355.5	-12.3%	3,804.4	0.4%
Advance on foreign Exchange contract ("ACC")	492.1	1,998.8	-75.4%	473.1	4.0%
Term loan agreement	1,073.4	1,109.1	-3.2%	1,043.4	2.9%
Promissory Note (Schuldschein)	-	1,066.0	n/a	330.5	n/a
Others	1,989.0	218.7	>100%	132.5	>100%
<b>Local Currency</b>	<b>13,841.9</b>	<b>8,514.8</b>	<b>62.6%</b>	<b>11,087.5</b>	<b>24.8%</b>
CRA	7,612.1	5,912.7	28.7%	5,579.0	36.4%
Debentures	2,419.3	1,147.9	>100%	2,395.2	1.0%
CPR-F	1,051.1	1,018.1	3.2%	1,012.7	3.8%
BNDES	303.4	391.9	-22.6%	323.5	-6.2%
PESA	36.2	33.5	8.1%	36.4	-0.5%
Finame	20.5	34.3	-40.2%	25.7	-20.2%
Others	2,399.3	(23.6)	n/a	1,715.0	39.9%
<b>Gross Debt</b>	<b>34,607.4</b>	<b>27,681.5</b>	<b>25.0%</b>	<b>29,974.1</b>	<b>15.5%</b>
Cash and cash equivalent (Includes TVM)	6,656.5	7,023.4	-5.2%	5,737.6	16.0%
Financial instruments – MtM¹	1,069.3	3,005.7	-64.4%	1,014.8	5.4%
Brazilian Treasury Bills – CTN	33.3	27.5	21.1%	32.8	1.5%
Financial investments linked to financings	1.6	19.5	-91.8%	1.6	0.0%
<b>Cash and equivalents</b>	<b>7,760.7</b>	<b>10,076.1</b>	<b>-23.0%</b>	<b>6,786.8</b>	<b>14.3%</b>
<b>Net Debt</b>	<b>26,846.7</b>	<b>17,605.4</b>	<b>52.5%</b>	<b>23,187.3</b>	<b>15.8%</b>
<b>Net Debt (ex. PESA and CTN)</b>	<b>26,843.8</b>	<b>17,599.4</b>	<b>52.5%</b>	<b>23,183.7</b>	<b>15.8%</b>
<b>Adjusted EBITDA LTM</b>	<b>11,548.0</b>	<b>11,548.4</b>	<b>0.0%</b>	<b>11,999.0</b>	<b>-3.8%</b>
<b>Leverage²</b>	<b>2.3x</b>	<b>1.5x</b>	<b>0.8</b>	<b>1.9x</b>	<b>0.4</b>

<sup>1</sup> Currency and interest financial instruments.

<sup>2</sup> Calculated as Net Debt (ex-PESA and CTN)/Adjusted EBITDA LTM.

<sup>5</sup> Similarly, Loans and Financing are available in Note 16 and 27 to the Financial Statements.

<sup>6</sup> For more information, refer to Note 16.a, for the funding transactions carried out in the period of the Financial Statements.

<sup>7</sup> Refer to the "Spreadsheets by segment" (BP Agroindustrial), available on our website ([click here](#)).

## ► Cash Flow Reconciliation and Main Effects on Working Capital

Below is a reconciliation of free cash flow to equity (FCFE) based on book figures. Raízen ended the second quarter of the 22'23 crop year with net cash generation of R\$809 million, due to the mismatch between funding transactions and debt amortizations in the period. In addition to the lower EBITDA compared to the same period last year, we are accelerating investments for the expansion of our business and optimizing Raízen's balance sheet to generate higher returns. The main effects on Cash Flow are listed below:

- **Operating Cash Flow (OCF): operating cash consumption of R\$260 million**, reflecting mainly (i) the operational dynamics of the businesses discussed above and the seasonality of the period; and (ii) the settlement of derivative instruments, most for Sugar, reflecting the difference between hedged and realized prices, in line with the strategy to protect growing returns. The main effects on Working Capital are listed below:
  - **inventory rebuilding**, especially for ethanol and sugar, to ensure future sales at better prices, in line with the sales strategy for the crop year. In addition, the inventory of derivatives to supply the operation in Argentina increased, due to the scheduled maintenance shutdown of our Refinery;
  - Export of sugar and ethanol directly to destinations, reducing sales to trading companies and consequently increasing **delivery terms** with higher returns.
  - Temporary reduction in agreements with **suppliers** to optimize the Company's capital structure, throughout allocation of available liquidity.
- **Cash Flow from Investment activities (CFI): use of R\$1.9 billion**, affected by higher expenses at our Bioenergy Parks to (i) recover agricultural productivity by expanding the planted area, (ii) accelerate investments in the E2G plants (R\$272 million) and Biogás plant (R\$89 million), (iii) significant investments to increment capture energy gains at our refinery in Argentina and (iv) accelerate investments in expanding and maintaining assets and the Marketing & Services distribution nw.
- **Cash Flow from Financing activities (CFF): positive R\$2.9 billion**, impacted by funding transactions for investments and optimization of the capital structure, as well as amortizations of R\$769 million.

Accounting Cash Flow Statement (R\$, Millions)	2Q 22'23	2Q 21'22	VAR%	YTD 22'23	YTD 21'22	VAR%
EBITDA	2,438.1	3,091.8	-21.1%	6,277.4	5,376.2	16.8%
Non-cash effects	1,640.8	992.0	65.4%	3,152.6	420.9	>100%
Trade receivables and advances of customers	(201.6)	2,471.7	n/a	(5,466.7)	2,769.3	n/a
Inventories	(2,872.9)	(3,456.7)	-16.9%	(5,407.2)	(4,870.0)	11.0%
Suppliers and advances of Suppliers	(316.1)	(1,240.8)	-74.5%	617.5	(782.4)	n/a
Derivative financial instruments, net <sup>1</sup>	121.9	(1,020.6)	n/a	(1,901.6)	(830.8)	>100%
Changes in Assets and Liabilities	(1,069.9)	(1,676.0)	-36.2%	(2,570.1)	(2,213.5)	16.1%
<b>Cash Flow from Operations (CFO)</b>	<b>(259.7)</b>	<b>(838.6)</b>	<b>-69.0%</b>	<b>(5,298.1)</b>	<b>(130.3)</b>	<b>&gt;100%</b>
CAPEX	(1,922.3)	(1,039.9)	84.9%	(3,729.0)	(1,379.3)	>100%
Payment for business acquisition	(5.3)	(4,294.5)	-99.9%	(715.9)	(4,294.5)	-83.3%
Other	20.0	178.6	-88.8%	34.3	2,444.9	-98.6%
<b>Cash Flow from Investment (CFI)</b>	<b>(1,907.6)</b>	<b>(5,155.8)</b>	<b>-63.0%</b>	<b>(4,410.6)</b>	<b>(3,228.9)</b>	<b>36.6%</b>
Third party debt funding	4,747.6	2,553.4	85.9%	12,413.9	4,429.0	>100%
Repayment of principal of debt with third parties	(768.8)	(66.0)	>100%	(2,125.4)	(884.9)	>100%
Repayment of interest on debt with third parties	(277.2)	(183.8)	50.8%	(543.8)	(267.4)	>100%
Payment of leases	(731.0)	(663.6)	10.2%	(1,549.1)	(881.7)	75.7%
Treasury shares	(4.1)	-	n/a	(185.1)	-	n/a
Others	9.5	6,563.2	-99.9%	3.2	5,837.8	-99.9%
<b>Cash Flow from Financing (CFF)</b>	<b>2,976.0</b>	<b>8,203.2</b>	<b>-63.7%</b>	<b>8,013.7</b>	<b>8,232.8</b>	<b>-2.7%</b>
Free cash for shareholders (FCFS)	808.7	2,208.8	-63.4%	(1,695.0)	4,873.6	n/a
Paid Dividends	(29.4)	(348.4)	-91.6%	(273.5)	(673.4)	-59.4%
Impact of foreign exchange variation on cash and cash equivalent balances	143.2	145.4	-1.5%	389.4	3.4	>100%
<b>Net cash generated (consumed) in the period</b>	<b>922.5</b>	<b>2,005.8</b>	<b>-54.0%</b>	<b>(1,579.1)</b>	<b>4,203.6</b>	<b>n/a</b>

## D. Adjusted EBITDA

To maintain a normalized comparison base and reflect Raízen's recurring results, figures for adjusted EBITDA and adjusted Net Income exclude the effects highlighted in the table below. Below we present the description of Other Effects by business line:

### ► Renewables & Sugar

**2Q 22'23:** non-cash (book only) impact from hedge accounting for debt to protect ethanol exports made in the past by Biosev.

**2Q 21'22:** non-recurring expenses and effects related to the acquisition of Biosev.

**YTD 22'23:** non-cash (book only) impact from hedge accounting for debt to protect ethanol exports made in the past by Biosev.

**YTD 21'22:** non-recurring expenses and effects related to: (i) gain from reversal of provision for loss on investments in logistics; (ii) non-recurring expenses and effects related to the acquisition of Biosev.

### ► Marketing & Services

**2Q 22'23:** (i) book result from the acquisition of the Lubricants business of Shell Brasil (R\$24 million); (ii) gains from tax credits and other non-operating assets; (iii) loss of R\$44 million impacting inventories due to the reduction in PIS/COFINS and ICMS taxes levied on Gasoline and Ethanol in the period; and (iv) effect from the shutdown of the refinery in Argentina (R\$79 million) on the result.

**2Q 21'22:** (i) non-recurring expenses and effects related to the recovery of tax credits; and (ii) expenses with variable compensation accounted for in this quarter, pertaining to the previous crop year.

**YTD 22'23:** (i) book result from the acquisition of the Lubricants business of Shell Brasil, in the amount of R\$(-265) million; (ii) gains from tax credits and other non-operational assets; (iii) loss of R\$95 million impacting inventories due to the reduction in PIS/COFINS and ICMS taxes levied on Gasoline and Ethanol; and (iv) effect from the shutdown of the refinery in Argentina on the result.

**YTD 21'22:** (i) non-recurring expenses and effects related to the recovery of tax credits; (ii) effect from the change in the income tax rate in Argentina; and (iii) expenses with variable compensation accounted for in this quarter, pertaining to the previous crop year.

### ► Corporation, Adjustments and Eliminations

**2Q 22'23, 2Q 21'22, YTD 22'23 and YTD 21'22:** (i) income and/or expenses not allocated within the segments, which impacted the Consolidated results, as well as inter-company eliminations; and (ii) book impact of Leases (IFRS 16) pertaining to Marketing & Services\*.

Adjustments EBITDA Reconciliation (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Consolidated EBITDA (no adjustments)	2,438.1	3,533.8	-31.0%	6,277.4	7,221.2	-13.1%
Renewables (no adjustments)	913.2	1,830.1	-50.1%	2,077.4	3,342.6	-37.9%
Biological Assets Effects	418.4	219.6	90.5%	794.9	(193.3)	n/a
IFRS 16 – Leases	(391.1)	(294.1)	33.0%	(795.9)	(592.8)	34.3%
Other Effects	60.7	(57.9)	n/a	71.7	38.5	86.2%
<b>Renewables – Adjusted</b>	<b>1,001.2</b>	<b>1,697.7</b>	<b>-41.0%</b>	<b>2,148.1</b>	<b>2,595.0</b>	<b>-17.2%</b>
Sugar (no adjustments)	1,193.9	748.1	59.6%	1,787.8	1,819.5	-1.7%
Biological Assets Effects	453.2	228.0	98.8%	787.1	(190.7)	n/a
IFRS 16 – Leases	(423.6)	(311.3)	36.1%	(782.6)	(605.0)	29.4%
Other Effects	-	(61.5)	n/a	-	40.9	n/a
<b>Sugar – Adjusted</b>	<b>1,223.5</b>	<b>603.3</b>	<b>&gt;100%</b>	<b>1,792.3</b>	<b>1,064.7</b>	<b>68.3%</b>
Marketing and Services (no adjustments)	371.7	965.8	-61.5%	2,443.0	2,039.5	19.8%
IFRS 15 – Revenue from contracts with customers	134.6	127.8	5.3%	300.8	250.2	20.2%
Other Effects	225.0	(91.7)	n/a	(279.7)	(249.8)	12.0%
<b>Marketing and Services – Adjusted</b>	<b>731.3</b>	<b>1,001.9</b>	<b>-27.0%</b>	<b>2,464.1</b>	<b>2,039.9</b>	<b>20.8%</b>
Corporation, Adjustments and Eliminations	(199.2)	(95.3)	>100%	3.6	(135.7)	n/a
<b>Adjusted Consolidated EBITDA</b>	<b>2,756.8</b>	<b>3,207.6</b>	<b>-14.1%</b>	<b>6,408.1</b>	<b>5,563.9</b>	<b>15.2%</b>

\*As of 1Q 22'23, we will no longer adjust for the impact of IFRS 16 – Leases on the results of Marketing & Services (Brasil + LatAm) to improve comparability of performance with the market. However, for the sake of consistency, the same effect will be considered in the line Corporation, Adjustments and Eliminations, for the purpose of conciliation with Consolidated EBITDA. Therefore, the total amount of all segments of Raízen is adjusted in the Raízen Adjusted EBITDA (consolidated).



## E. Update on Renewables expansion agenda

Our integrated energy platform is the key to driving our strategy. We are a pioneer in the use industrial waste to produce renewable energy on a commercial scale by applying the circular economy model to our 35 Bioenergy Parks. Focusing on maximizing our business return with scale, logistic efficiency and market intelligence, we are redefining the future of energy with a complete renewable portfolio and client-centered solutions.

### ► Second Generation Ethanol (E2G): a REALITY, ready to achieve its full POTENTIAL.



**E2G already is a competitive solution to decrease our clients' carbon footprint**, reducing by around 80% greenhouse gas emissions compared to gasoline, by approximately 70% compared to U.S. corn ethanol and by around 30% compared to 1st generation sugarcane ethanol. **Our E2G is recognized globally as a unique product of high value added.** The biofuel is a case study in innovation and circularity, since it is a sub-product of pulp materials (waste-based solution). Shell contributed by providing cellulosic ethanol technology during the creation of Raízen, in 2011. Since then, Raízen has developed and expanded the production process and integration with Bioenergy Parks, with optimization of costs. Raízen currently operates the world's largest E2G plant, at the Costa Pinto Bioenergy Park, where

we aim to achieve record production of 30,000 m<sup>3</sup> in the 22'23 crop year.

### New agreement for sale of 3.3 billion liters of E2G and Investment Program for 5 new plants

We recently announced an **agreement for the sale of approximately 3.3 billion liters (3.3 million m<sup>3</sup>) of E2G to Shell, with supply guaranteed through 2037**. The agreement envisages the construction of five new plants, to be built and concluded between 2025 and 2027, with investments of approximately R\$1.2 billion per plant, totaling R\$6.0 billion (in real terms). The investments will be supported by the proceeds of Raízen IPO and cash generated by the business, as well as an optimized capital structure. Shell will receive the production of these five new plants for the first 10 years of operation of each plant. **The profitability of this project estimates EBITDA margin of approximately 50%, with investments in maintenance of around R\$50 million per plant/per year, supporting strong cash generation.**

We anticipate that **revenue will come to a minimum of EUR 3.0 billion**, ensuring a predictable and satisfactory return. If we apply market prices or even the average portfolio of long-term contracts, we anticipate a significant expansion of returns. The agreement's magnitude shows that we will be able to supply E2G on large scale to meet market demand and support the decarbonization of critical global sectors, from sustainable aviation and bunker fuel to chemicals and other applications.

To access the full notice, [click here](#).

### Status of Raízen's E2G Plants (at November 10<sup>th</sup>, 2022)

Status E2G Plants	Units	Start of Operation	Capacity (thousand cbm)	Produce Volume (thousand cbm)
In Operation	1	2015	30	17.1(+73% vs, 21'22)
In Construction	3	2023	246	-
In Construction	5	2025	410	-
<b>Total of Plants</b>	<b>9</b>		<b>686</b>	

Bonfim:



Univalem:



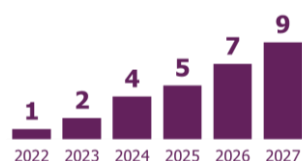
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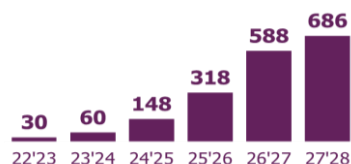


Below is the schedule of operational startup of the plants already contracted and announced to date:

Projection of Operational Plants by the end of the year (Units)



Production Capacity in the crop year ('000 m³)



Raízen reiterates its plan to achieve 20 E2G plants installed by 2030'31, with total installed capacity of 1.6 million m³/year, using biomass and sugarcane straw not used in the E1G process. All these plants are built under the SER+ Program (Raízen Excellence System), which ensures continuous application of best practices to increase efficiency and productivity.

Raízen's portfolio of contracted E2G demand totals 4 million m³ of volume already pre-sold through long-term contracts. The volume of greenhouse gas emissions avoided is estimated at 6.6 million tons of CO2, equivalent to the consumption of 15 million barrels of oil.

## ► Biogas

In synergy with E2G projects, which increase vinasse production in our Bioenergy Parks, we **leverage the production of new renewable products**. From vinasse and filter cake residues, we produce biogas, which can be converted into energy or into Biomethane, expanding the concept of circularity and the Company's portfolio of renewable solutions, ensuring savings and sustainability for its customers, an important step to accelerate the energy transition in the country. **We operate the largest biogas plant in Latin America**, at the Bioenergy Park of Guariba, São Paulo.

In the 2022'23 crop year, we started construction of the second Biogas plant, the first to be dedicated to producing Biomethane, for investment of approximately R\$300 million and with annual production capacity of 26 million m³ of renewable natural gas, enough to supply approximately 200,000 households. The entire production of the new plant has been sold to Yara Brasil Fertilizantes and to Volkswagen do Brasil through long-term contracts.

Costa Pinto (at November 10<sup>th</sup>, 2022):



The Biogas Project aims to meet growing demand from the distributed and centralized generation market, and of Biomethane (or renewable natural gas), while drawing on its geographic and strategic positioning to connect with the gas pipelines of natural gas distributors and thereby reach end consumers.

## ► Partnership with Scania for use of renewable natural gas in its industrial operations

We formed a commercial partnership with the Scania Group for the supply of biomethane for use in its industrial operation as from 2024. The agreement establishes the **average supply of 7,800 cubic meters of biomethane per day, which represents 100% of Scania's plant consumption**. The agreement will enable Scania to acquire biomethane molecules directly from Raízen for use, as occurs in the free energy market, in the distribution system (in this case, the Comgás system).



► **Raízen Power – 100% renewable generation and leader in energy commercialization.**

We are rapidly expanding our share in the Renewable Energy segment by promoting the use of sugarcane biomass to generate energy and explore new sources. With the formation of the joint venture with the Gera Group, we started to develop new distributed generation projects and to sell scalable technology solutions, focusing on power management and consumption. Through **Holu**, we draw on technology to develop a simple and profitable way to bring solar power to all Brazilians. With **Diel**, we optimize our clients' management of heating and cooling systems. Through **Tyr**, we combine our client's power requirements so they can obtain bulk savings in the free market. The partnership with **Tupinambá** complements and is integrated with our portfolio of electric mobility, which includes supplying renewable energy and offering recharging solutions for commercial fleets, as well as the development of a broad rapid recharging network through the Shell Recharge program.

Raízen currently supplies clean energy to over **18,000 clients** (e.g., Burger King, Ambev, Heineken, GRU Airport, IMC Foods, Supermercado Dia, Localiza, among others) using its entire portfolio of solutions and access to clients.

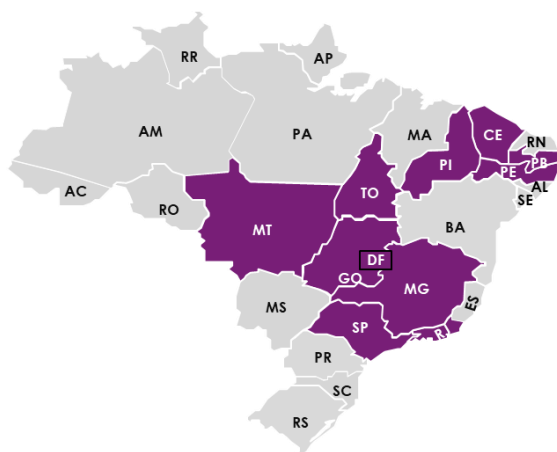
### Energy Cogeneration

The Company currently has 1.5 GW of installed capacity for generating bioenergy via biomass cogeneration, sufficient to supply the city of Rio de Janeiro for one year, with 80% of this capacity traded under auction agreements and 20% in the spot market.

### Distributed Generation: national scale in vast expansion

The regulated power market already accounts for around 30% of the power sold in Brazil, a figure that is expected to double in the coming years. It is a sustainable solution that reduces costs for consumers: electricity is generated by solar power plants and other sources located across Brazil and then distributed to our clients through the power grid. We have been **concentrating our efforts to accelerate our growth in the segment**, seeking to expand our sales channels and segments by offering diversified and tailored solutions, exploring our capacity to trade power and access clients with the goal of becoming a one-stop-shop provider of clean and renewable energy sources. **Raízen's current installed capacity is 66 MW, with 88 MWp, with potential to increase in the coming years, adding 117 MWp in 2023, amounting to 205 MWp.**

### Raízen Integrated Offer: our generation across Brazil



■ Usinas Raízen (em operação/ construção até 2023)

#### Operational Plants:

Capacity: 88 MWp  
28 plants

#### Plants under Construction until 2023

31 plants  
Capacity: 117 MWp



**Photovoltaic**

154 MWp



**Biogas**

42 MWp



**CGH**

9 MWp



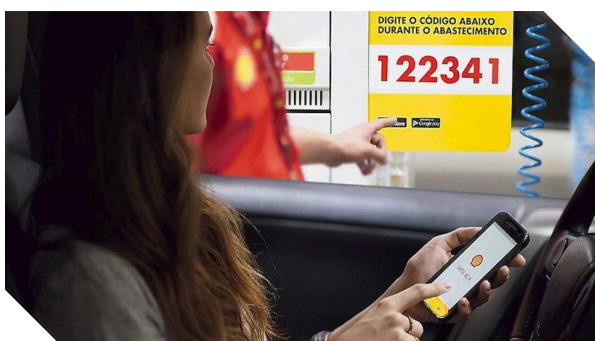


## F. Update on Marketing & Services business agenda

We proudly hold the license of the Shell brand in Brazil, Argentina and Paraguay, operating in the retail and B2B distribution segment. With strategic assets, we have the most efficient distribution operation in the fuel sector. Shell Box, our exclusive application, was developed to make the routine of our consumers simple and intuitive, in addition to create business value and increase productivity for franchised resellers, providing greater certainty, practicality and security at payment action. Operating in a sector with high growth potential in Brazil, Nós Group, a joint venture with FEMSA, aims to promote retail trade and lead the convenience and proximity market with Shell Select and OXXO brands.



**Consolidated advances** in strategic investment projects to maximize energy efficiency, yield and cogeneration, in addition to biofeeds processing and renewable fuel production in the future (SAF, bio bunker, biodiesel, among others)



Over 20 million transactions in 4,000 accredited stations, with more than **R\$6 billion** transacted in the last 12 months in Brazil and **USD 42 million in Argentina**.

**Mix Shell V-Power: +51% Gasoline and +38% Ethanol**



Empresas

Expanding client base with **30% growth in registered business base** and **record volume** on the platform in the second quarter



### Service stations network

At the end of 2Q 22'23, our gas station network had approximately **8,000 stations** in Brazil and LatAm (**+595 new stations** in the last 12 months, including Paraguay).

**Launch of new Shell V-Power**, delivering higher performance.

### Raízen Latam

We began the **scheduled maintenance shutdown of our refinery in Argentina in late September**. We are in the final stage, with the project in line with the plan, yet with the installation of the new crude oil distiller (the most modern in the country) which significantly increases our capacity to refine light crude oil from Vaca Muerta, increasing our energy efficiency and reducing our emissions.

Less than a year ago Shell returned to Paraguay thanks to Raízen and after a short period, **has already won the 1st place in the fuel category – awarded by the Paraguayan Advertisers Chamber – by the preferred fuel brand, most used and remembered in the country**



Shell  
**Select**



**1,426 stores in Brazil** - net addition of 200 stores, of which 132 were Oxxo stores in the last 12 months.

**240 stores** in Argentina and Paraguay.



## G. Guidance

We maintain our discipline, energy and focus, **reaffirming our Guidance for the crop year\***. The results of the first half of the crop year reflect our achievements and are aligned with our goals for the year.

(R\$, Millions)	Crop 21'22 (apr/21 - mar/22)	Guidance Crop 22'23 (apr/22 - mar/23)
<b>Raízen S.A - Consolidated Result</b>		
Adjusted EBITDA	10,703	13,000 ≤ Δ ≤ 14,000
Investments	7,709	10,500 ≤ Δ ≤ 12,000
<b>Renewables &amp; Sugar</b>		
Adjusted EBITDA	6,570	8,300 ≤ Δ ≤ 9,000
Investments	5,664	8,500 ≤ Δ ≤ 9,500
Recurrent	4,985	5,500 ≤ Δ ≤ 6,100
Project of E2G and Expansion	679	3,000 ≤ Δ ≤ 3,400
<b>Marketing &amp; Service</b>		
Adjusted EBITDA	4,127	4,700 ≤ Δ ≤ 5,000
Investments	2,045	2,000 ≤ Δ ≤ 2,500

\* To access the Material Fact notice disclosing our full Guidance, [click here](#).

Below we list some opportunities and challenges of the current year that may directly impact our results:

### Opportunities:

- Expansion of the **legal fuel market** in Brazil.
- Sugar Market (sale to destination and differentiation).
- Higher **global demand for fuel**.
- Increase in **profitability and competitiveness** in the Lubricants segment in Brazil.
- Expansion of the **Bioenergy business**.
- Higher **E2G demand**, especially in the segment of sustainable aviation fuel (SAF).
- Growth **agenda of Shell Box and Nós Group**.
- Debt rollover**, monetization of taxes and continuous optimization of capital structure.

### Challenges:

- Political and macroeconomic scenario** of the regions where we operate.
- Management of **inflationary effects** on costs and expenses.
- Taxation changes** in the Brazilian fuel sector.
- Management of the **maintenance shutdown in the refinery of Argentina**.
- Weather** and its effects on sugarcane agricultural productivity.
- Developments in the **Russia-Ukraine war**.
- RenovaBio** program.
- Volatility** involved in the management of Petrobras' fuel pricing policy.

The projections do not constitute a promise of performance, reflecting only estimates about the businesses and operating and financial results and, as such, are based primarily on the management's beliefs and assumptions. These estimates are subject to various risk factors and uncertainties and are calculated considering the information currently available. Thus, they substantially depend on market conditions, the performance of the Brazilian economy, the business sectors of the Company and the international markets and, therefore, are subject to changes. In view of these uncertainties, investors should not take any investment decision based on these estimates and forward-looking statements, as they are not a promise of future performance. Any change in the perception or in the aforementioned factors can cause actual results to differ from the projections made and disclosed.



## H. Raízen's ESG Agenda:

**Raízen integrates environmental, social, economic and governance (ESG) aspects to create and share value with its stakeholders.** ESG is an intrinsic part of our strategy, ensuring the success and sustainable growth of our businesses now and in the future. Below we share the key advances and highlights of our ESG agenda.

### **We joined the Brazilian Initiative for the Voluntary Carbon Market, a project to drive the carbon market in Brazil and the world.**

According to a study by McKinsey & Company, Brazil could potentially account for up to 15% of the global supply of voluntary carbon credits through natural capture solutions (e.g., reforestation) and/or greenhouse gas rebates (e.g., conservation of endangered forests) or new technologic solutions (e.g., development of green hydrogen, biomethane, etc.). These avenues are consistent not only with Raízen's ESG values, but also with the circular business model based on the potential of sugarcane considering the need for global decarbonization.

The Brazilian Initiative, coordinated by McKinsey & Company and involving companies from various sectors in Brazil, aims to propose practical actions to mitigate the main obstacles to this market, including mechanisms to activate high-integrity supply and demand, governance actions, etc.

### **Climate Management**

Climate managing is part of our strategy to drive opportunities by investing heavily in renewable energies, managing our emissions and initiating discussions with our stakeholders for a positive climate agenda. As one of the world's largest integrated energy companies, our ambition is to lead the energy transition of our clients and partners, advancing our decarbonization capacity by offering a comprehensive portfolio of renewable solutions and continually reducing the carbon footprint of products. Aware of the importance of climate management as a key variable of our business model, we disclose information in accordance with the recommendations proposed by the Task Force on Climate-related Financial Disclosures (TCFD). To learn more about our vision, [click here](#).

### **Raízen Foundation**

Alongside a network of partners, the Raízen Foundation works through two educational programs: Ativa Infância and Ativa Juventude. Ativa Infância is dedicated to "the full development of early childhood, with regular full-time education and complementary activities. Meanwhile, Ativa Juventude, encourages youth to discover their vocation and career path by stimulating school attendance and learning. We achieved important results in the quarter, with over 220 children benefited by Ativa Infância and more than 2,500 youth in 25 municipalities benefited by Ativa Juventude. In September, we formed a new partnership with Shell Box to promote a positive impact. For one week, all amounts received from redemption of the Ritmos Kit were allocated to the programs.

### **Social Performance**

We expanded our social and economic maturity assessment to our supply chain operations, covering 100% of our active markets. We also listened to stakeholders who were affected by our operations via the Customer Service Center (SAC). A critical and collaborative analysis of the results is carried out by the Territory Work Group (GTT), which defines the basis for development of the Territory Relationship Plans (PRTs) and reports to our sustainability governance area. In 3Q22, 49 priority units were benefited by PRTs implemented.

In Argentina, we continue with the successful implementation of the *Creando Vínculos* Program, focused on projects and initiatives of social organizations in the areas of Education, Environment, Culture and Employability in the community near our refinery. In addition, during the month of August, we concluded the 3<sup>rd</sup> edition of Lazos, a program directed at young people who are in the last year of their formation with training focused at developing technical and socio-emotional skills to facilitate their integration into the corporate universe.

### **Talent attraction and retention**

We invest in different forms of talent attraction and retention, combined with recruitment actions, internal referral campaigns and partnerships capable of contributing to improving our hiring process. Our goal is to promote a plural and inclusive workplace that fosters development. As recognition of our talent attraction and retention efforts focusing on Diversity, this quarter we were among the three best companies to work for in the agribusiness sector, as acknowledged by Great Place to Work® Brasil (GPTW® Brasil), and we ranked fifth among the companies that youth dream about in the industrial sector, according to a campaign by Cia de Talentos. In addition, in Argentina we were recognized in the Ranking of Best Employers of Apertura Magazine.

## I. Relevant Themes and Subsequent Events

Below we present the principal matters announced by the Company up to the publication of this document.

### Ibovespa index

In early September, we announced that the preferred shares of the Company became a component of the Ibovespa Index ("IBOV"), which combines companies with the highest tradability and representativeness in the Brazilian stock market. The new portfolio is valid from September to December 2022. Being included in the Ibovespa is an important recognition for Raízen since it increases visibility and liquidity in its shares. To access the full notice, [click here](#).

### Installation of the Fiscal Council

In view of the request by shareholders holding shares representing at least 1% of the Company's preferred shares, pursuant to CVM Resolution No. 70 of March 22, 2022, the fiscal council was installed at the ordinary and extraordinary general meetings held on July 22, 2022. To access the AGOE Minutes in full, [click here](#).

### Agreement for supplying fuels to Azul Linhas Aéreas Brasileiras S.A.

Reinforcing our strategy of expanding our share of the aviation market in Brazil by optimizing our logistic and commercial infrastructure, we signed with Azul an agreement to supply aviation fuel. The partnership could involve strategic initiatives linked to loyalty programs and supply of electricity and sustainable aviation fuel (SAF). To access the full notice, [click here](#).

### Acquisition of Payly

Constantly seeking to complement its integrated and complete portfolio, Raízen acquired Payly, payment institution integrated into Shell Box and which will be expanded to serve other businesses by combining scale and robust structure with the creation of a financial service front, aiming to offer convenience to end users and partners and build their loyalty, providing data intelligence, fostering the market and raising funds with third parties. To access the full notice, [click here](#).

### Partnership with Scania

We formed a partnership with Scania Brasil, a global reference in transportation and logistics, to supply clean energy to Scania's operations as from 2024, serving 100% of its plant in São Bernardo do Campo, São Paulo, with approximately 7,800 m<sup>3</sup> of biomethane/day, reinforcing our positioning of being the ideal decarbonization partner of our clients and partners.

### Partnership with Aegea Saneamento

To contribute to the sustainability targets of Aegea Saneamento, Raízen recently started the operation of two photovoltaic plants built in partnership with Aegea Saneamento, in Taquaritinga, São Paulo. Both plants have a total of 12,000 solar panels with capacity to generate 200 MWh of clean energy per month.

### Recognition

- **1st place in the Fuel, Oil & Gas sector and 3rd place in Corporate Governance** (*Best*, by the magazine "Isto é Dinheiro").
- **1st place in the Energy and Renewables category and 4th place in Brazil's Best Companies** (*Top Open Corps*, by "100 Open Startups").
- **2nd place in the Development category and among the 100 HR departments that Inspire** (*Gupy Destaca*, by "Gupy").
- **3rd place - Best large agribusiness companies to work for** (*Best Agribusiness Companies to For*, by GPTW® Brasil)
- **4th largest company of Brazil in Net Revenue** (*Valor 1000 award*, by the newspaper "Valor Econômico").
- **6th largest Company of 2022** (*Biggest and Best*, by Exame magazine).
- Raízen, as the holder of the Shell brand in Brazil, commemorates the Folha Top of Mind award for being one of the most

### Agreement for sale of E2G with minimum revenue of EUR3.25 billion

We announced the trading of a record E2G volume, under agreements with maximum term of 15 years, assessed at over EUR3.0 billion minimum revenue. Five new plants will be built to meet this demand. To access the full content, [click here](#).

### Payment of Dividends

On October 13, Raízen paid interim dividends in the total amount of R\$326 million. To access the full notice, [click here](#).

## J. Financial Statements

### ► P&L Reconciliation

For the purposes of analysis and comparison, the following charts present the result according to book figures by operating segment for 2Q 22'23 and YTD 22'23.

Accounting result per operational segment 2Q 22'23 (R\$, Millions)	Renewables	Sugar	Marketing & Services	Adjusted and Eliminations	Raízen Accounting
	7.424,7	7.578,4	56.126,1	(6.891,0)	64.238,2
Net operating revenues	7.424,7	7.578,4	56.126,1	(6.891,0)	64.238,2
Cost of goods sold	(7.457,1)	(7.250,5)	(54.128,4)	6.850,3	(61.985,7)
Gross profit	(32,4)	327,9	1.997,7	(40,7)	2.252,5
(Expenses)/Revenue with:	(351,5)	(399,5)	(1.901,1)	0,0	(2.652,1)
Seles	(167,6)	(337,8)	(926,7)	0,7	(1.431,4)
General and administrative	(153,1)	(150,1)	(263,0)	(0,1)	(566,3)
Other operating (expenses) revenues	34,7	37,6	(686,9)	(0,6)	(615,2)
Equity pick-up	(65,5)	50,8	(24,5)	-	(39,2)
EBIT	(383,9)	(71,6)	96,6	(40,7)	(399,6)
Depreciation and amortization	1.297,1	1.265,5	275,1	-	2.837,7
EBITDA	913,2	1.193,9	371,7	(40,7)	2.438,1
Net financial result*	-	-	-	-	(1.072,7)
IR/CSLL (current and deferred) *	-	-	-	-	538,8

\* Financial results and taxes are managed in a unified manner and, therefore, are not allocated to operating segments.

Accounting result per operational segment YTD 22'23 (R\$, Millions)	Renewables	Sugar	Marketing & Services	Adjusted and Eliminations	Raízen Accounting
	14.450,5	16.664,6	112.115,9	(12.734,9)	130.496,1
Net operating revenues	14.450,5	16.664,6	112.115,9	(12.734,9)	130.496,1
Cost of goods sold	(14.103,0)	(16.317,6)	(107.970,9)	12.704,1	(125.687,4)
Gross profit	347,5	347,0	4.145,0	(30,8)	4.808,7
(Expenses)/Revenue with:	(651,6)	(727,3)	(2.239,8)	-	(3.618,7)
Seles	(329,2)	(528,0)	(1.766,4)	1,4	(2.622,2)
General and administrative	(283,6)	(303,8)	(537,6)	-	(1.125,0)
Other operating (expenses) revenues	50,3	51,5	105,0	(1,4)	205,4
Equity pick-up	(89,1)	53,0	(40,8)	-	(76,9)
EBIT	(304,1)	(380,3)	1.905,2	(30,8)	1.190,0
Depreciation and amortization	2.381,5	2.168,1	537,8	-	5.087,4
EBITDA	2.077,4	1.787,8	2.443,0	(30,8)	6.277,4
Net financial result*	-	-	-	-	(2.011,2)
IR/CSLL (current and deferred) *	-	-	-	-	493,5
Net income for the period	-	-	-	-	(327,7)

\* Financial results and taxes are managed in a unified manner and, therefore, are not allocated to operating segments.

### a. EBITDA Reconciliation

EBITDA Reconciliation (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Net profit - Controlling shareholders	(880,1)	712,7	n/a	(328,2)	1.513,2	n/a
Net profit - Non-controlling shareholders	(53,4)	17,9	n/a	0,5	(1,9)	n/a
Net income for the period	(933,5)	730,6	n/a	(327,7)	1.511,3	n/a
Income tax and social contribution	(538,8)	(23,2)	>100%	(493,5)	575,9	n/a
Financial result	1.072,7	560,8	91,3%	2.011,2	735,4	>100%
Depreciation and amortization	2.837,7	1.823,6	55,6%	5.087,4	2.553,6	99,2%
EBITDA	2.438,1	3.091,8	-21,1%	6.277,4	5.376,2	16,8%



## b. Income Statement

The Income Statement of Raízen S.A. after the corporate restructuring and merger of Biosev, as per the Financial Statements, is as follows:

Statement of Profit and Loss (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Net Operating revenue	64,238.2	48,340.2	32.9%	130,496.1	82,386.9	58.4%
Costs of goods sold	(61,985.7)	(45,706.0)	35.6%	(125,687.4)	(77,406.2)	62.4%
Gross profit	2,252.5	2,634.2	-14.5%	4,808.7	4,980.7	-3.5%
Operating expenses	(2,652.1)	(1,366.0)	94.2%	(3,618.7)	(2,158.1)	67.7%
Sales	(1,431.4)	(1,054.0)	35.8%	(2,622.2)	(1,761.0)	48.9%
General and administrative	(566.3)	(498.2)	13.7%	(1,125.0)	(734.5)	53.2%
Other operating revenues	(615.2)	203.3	n/a	205.4	361.3	-43.1%
Equity accounting results	(39.2)	(17.1)	>100%	(76.9)	(23.9)	>100%
Income before financial result	(399.6)	1,268.2	n/a	1,190.0	2,822.6	-57.8%
Financial result	(1,072.7)	(560.8)	91.3%	(2,011.2)	(735.4)	>100%
Profit before income tax and social contribution	(1,472.3)	707.4	n/a	(821.2)	2,087.2	n/a
Income tax and social contribution	538.8	23.2	>100%	493.5	(575.9)	n/a
Net income for the period	(933.5)	730.6	n/a	(327.7)	1,511.3	n/a

## c. Balance Sheet

The Balance Sheet of Raízen S.A. after the corporate restructuring and merger of Biosev, as per the Financial Statements, is as follows:

Balance Sheet (R\$, Millions)	2Q 22'23	1Q 22'23	VAR %
Cash and cash equivalents (Incl. TVM)	6,656.5	5,737.6	16.0%
Derivative financial instruments	7,801.7	8,030.9	-2.9%
Trade Accounts receivable	9,069.4	9,578.4	-5.3%
Inventories	17,430.9	13,676.0	27.5%
Income tax and social contribution recoverable	675.4	533.7	26.6%
Income tax and social contribution deferred	3,892.4	3,700.3	5.2%
Taxes Recoverable	7,012.2	5,457.9	28.5%
Related parties	2,251.5	2,670.7	-15.7%
Biological Assets	2,174.9	3,102.3	-29.9%
Investments	1,385.4	1,354.1	2.3%
Property, plant and equipment	22,531.0	22,842.5	-1.4%
Intangible assets	6,104.4	6,083.3	0.3%
Other credits	18,699.9	23,014.0	-18.7%
<b>Total Asset</b>	<b>105,685.6</b>	<b>105,781.7</b>	<b>-0.1%</b>
Loans and Financing	34,607.4	29,974.1	15.5%
Derivative financial instruments	6,140.7	9,013.3	-31.9%
Suppliers	17,301.7	17,851.8	-3.1%
Wages and salaries payable	939.2	1,346.8	-30.3%
Income tax and social contribution payable	103.3	163.1	-36.7%
Taxes payable	677.9	786.3	-13.8%
Dividends payable	326.0	25.6	>100%
Related parties	5,352.6	5,185.6	3.2%
Other obligations	17,813.7	18,443.5	-3.4%
<b>Total Liability</b>	<b>83,262.5</b>	<b>82,790.1</b>	<b>0.6%</b>
<b>Total shareholder's equity</b>	<b>22,423.1</b>	<b>22,991.6</b>	<b>-2.5%</b>
<b>Total liability and shareholder's equity</b>	<b>105,685.6</b>	<b>105,781.7</b>	<b>-0.1%</b>



#### d. Statement of Cash Flows

The Statement of Cash Flows of Raízen S.A. after the corporate restructuring and merger of Biosev, as per the Financial Statements, is as follows:

Cash Flow Statements	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
<b>Earnings Before Taxes</b>	<b>(1,472.3)</b>	<b>707.4</b>	<b>n/a</b>	<b>(821.2)</b>	<b>2,087.2</b>	<b>n/a</b>
Depreciation and amortization	2,837.7	1,823.6	55.6%	5,087.4	2,553.6	99.2%
Amortization of contractual assets with customers	134.6	137.4	-2.0%	300.8	269.0	11.8%
Gain on sales of property, plant and equipment	(3.1)	(1.3)	>100%	(9.2)	(1.0)	>100%
Net loss (gain) on changes in fair value and amortization of added gain or loss on Biological Assets	871.6	437.9	99.0%	1,582.0	(279.6)	n/a
Indexation charges, interest and exchange, net	1,228.9	1,643.1	-25.2%	3,237.7	451.3	>100%
Non-realized loss (gain) on derivatives	25.1	(360.5)	n/a	707.7	1,134.6	-37.6%
Others	456.4	(303.8)	n/a	(655.2)	(418.0)	56.7%
<b>Earnings Before Taxes total non-cash items</b>	<b>5,551.2</b>	<b>3,376.4</b>	<b>64.4%</b>	<b>10,251.2</b>	<b>3,709.9</b>	<b>&gt;100%</b>
Trade receivables and advances of customers	(201.6)	2,471.7	n/a	(5,466.7)	2,769.3	n/a
Inventories	(2,872.9)	(3,456.7)	-16.9%	(5,407.2)	(4,870.0)	11.0%
Net restricted cash	2,001.8	(661.4)	n/a	996.3	(897.2)	n/a
Trade payables and advances to Suppliers	(316.1)	(1,240.8)	-74.5%	617.5	(782.4)	n/a
Derivative financial instruments	(1,879.9)	(359.2)	>100%	(2,897.9)	66.4	n/a
Taxes and contributions, net	(1,300.4)	(407.6)	>100%	(1,609.5)	(581.2)	>100%
Others	476.5	(1,063.6)	n/a	(423.4)	(1,299.3)	-67.4%
<b>Changes in assets and liabilities</b>	<b>(4,092.6)</b>	<b>(4,717.6)</b>	<b>-13.2%</b>	<b>(14,190.9)</b>	<b>(5,594.4)</b>	<b>&gt;100%</b>
<b>Income and social contribution taxes paid</b>	<b>(246.0)</b>	<b>(204.8)</b>	<b>20.1%</b>	<b>(537.2)</b>	<b>(333.0)</b>	<b>61.3%</b>
<b>Cash flows from Operating Activities</b>	<b>(259.7)</b>	<b>(838.6)</b>	<b>-69.0%</b>	<b>(5,298.1)</b>	<b>(130.3)</b>	<b>&gt;100%</b>
CAPEX	(1,922.3)	(1,039.9)	84.9%	(3,729.0)	(1,379.3)	>100%
Payment for business acquisition	(5.3)	(4,294.5)	-99.9%	(715.9)	(4,294.5)	-83.3%
Others	20.0	178.6	-88.8%	34.3	2,444.9	-98.6%
<b>Cash Flow from Investing activities</b>	<b>(1,907.6)</b>	<b>(5,155.8)</b>	<b>-63.0%</b>	<b>(4,410.6)</b>	<b>(3,228.9)</b>	<b>36.6%</b>
Third party debt funding	4,747.6	2,553.4	85.9%	12,413.9	4,429.0	>100%
Third party debt amortization	(768.8)	(66.0)	>100%	(2,125.4)	(884.9)	>100%
Third party debt interest amortization	(277.2)	(183.8)	50.8%	(543.8)	(267.4)	>100%
Financial intercompany transactions	9.5	2.8	>100%	4.6	(703.3)	n/a
Dividends and interest on capital payment	(29.4)	(348.4)	-91.6%	(273.5)	(673.4)	-59.4%
Shares in treasury	(4.1)	-	n/a	(185.1)	-	n/a
Others	(731.0)	5,896.8	n/a	(1,550.5)	5,659.4	n/a
<b>Cash Flows from Financing Activities</b>	<b>2,946.6</b>	<b>7,854.8</b>	<b>-62.5%</b>	<b>7,740.2</b>	<b>7,559.4</b>	<b>2.4%</b>
<b>Change in cash and cash equivalents</b>	<b>779.3</b>	<b>1,860.4</b>	<b>-58.1%</b>	<b>(1,968.5)</b>	<b>4,200.2</b>	<b>n/a</b>
Cash and cash equivalents at beginning of period	5,733.0	4,802.6	19.4%	8,234.6	2,604.8	>100%
Effect of exchange rate variation on cash held	143.2	145.4	-1.5%	389.4	3.4	>100%
<b>Cash and cash equivalents at the end of period</b>	<b>6,655.5</b>	<b>6,808.4</b>	<b>-2.2%</b>	<b>6,655.5</b>	<b>6,808.4</b>	<b>-2.2%</b>





## K. Financial Statements – Pro-forma figures

To improve comparability, we present next the consolidated pro-forma results of Raízen S.A.'s financial statements, for the three-month period ended September 30, 2022 (2Q 22'23). Pro-forma results are for informational purposes only and do not reflect the consolidated results reported in the Company's Financial Statements.

### ► Renewables

Pro forma Income Statements (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Net operating revenues	7,424.7	6,823.9	8.8%	14,450.5	10,407.7	38.8%
Cost of goods sold	(7,457.1)	(5,730.3)	30.1%	(14,103.0)	(8,264.6)	70.6%
Gross profit	(32.4)	1,093.6	n/a	347.5	2,143.1	-83.8%
Expenses/Revenues with:	(351.5)	(333.2)	5.5%	(651.6)	(679.2)	-4.1%
Sales	(167.6)	(159.4)	5.1%	(329.2)	(297.9)	10.5%
General and administrative	(153.1)	(180.4)	-15.1%	(283.6)	(302.0)	-6.1%
Other operating revenues (expenses), net	34.7	21.6	60.6%	50.3	(54.7)	n/a
Equity pick-up	(65.5)	(15.0)	>100%	(89.1)	(24.6)	>100%
EBIT	(383.9)	760.4	n/a	(304.1)	1,463.9	n/a
Depreciation and amortization	1,297.1	1,069.7	21.2%	2,381.5	1,878.7	26.8%
EBITDA	913.2	1,830.1	-50.1%	2,077.4	3,342.6	-37.9%
Adjusted EBITDA Reconciliation						
Biological Assets variation	418.4	219.6	90.5%	794.9	(193.3)	n/a
IFRS 16 - Leases	(391.1)	(294.1)	33.0%	(795.9)	(592.8)	34.3%
Other Effects	60.7	(57.9)	n/a	71.7	38.5	86.2%
Adjusted EBITDA	1,001.2	1,697.7	-41.0%	2,148.1	2,595.0	-17.2%

### ► Sugar

Pro forma Income Statements (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Net operating revenues	7,578.4	4,768.3	58.9%	16,664.6	8,222.4	>100%
Cost of goods sold	(7,250.5)	(4,573.5)	58.5%	(16,317.6)	(7,251.7)	>100%
Gross profit	327.9	194.8	68.3%	347.0	970.7	-64.3%
Expenses/Revenues with:	(399.5)	(280.5)	42.4%	(727.3)	(701.4)	3.7%
Sales	(337.8)	(248.3)	36.0%	(528.0)	(451.8)	16.9%
General and administrative	(150.1)	(188.6)	-20.4%	(303.8)	(326.5)	-7.0%
Other operating revenues (expenses), net	37.6	153.0	-75.4%	51.5	71.0	-27.6%
Equity pick-up	50.8	3.4	>100%	53.0	5.9	>100%
EBIT	(71.6)	(85.7)	-16.5%	(380.3)	269.3	n/a
Depreciation and amortization	1,265.5	833.8	51.8%	2,168.1	1,550.2	39.9%
EBITDA	1,193.9	748.1	59.6%	1,787.8	1,819.5	-1.7%
Adjusted EBITDA Reconciliation						
Biological Assets variation	453.2	228.0	98.8%	787.1	(190.7)	n/a
IFRS 16 - Leases	(423.6)	(311.3)	36.1%	(782.6)	(605.0)	29.4%
Other Effects	-	(61.5)	n/a	-	40.9	n/a
Adjusted EBITDA	1,223.5	603.3	>100%	1,792.3	1,064.7	68.3%



► Marketing & Services

Pro forma Income Statements (R\$, Millions)	2Q 22'23	2Q 21'22	VAR %	YTD 22'23	YTD 21'22	VAR %
Net operating revenues	56,126.1	39,940.9	40.5%	112,115.9	74,057.2	51.4%
Cost of goods sold	(54,128.4)	(38,505.8)	40.6%	(107,970.9)	(71,220.7)	51.6%
Gross profit	1,997.7	1,435.1	39.2%	4,145.0	2,836.5	46.1%
Expenses/Revenues with:	(1,901.1)	(741.1)	>100%	(2,239.8)	(1,359.3)	64.8%
Sales	(926.7)	(682.9)	35.7%	(1,766.4)	(1,288.0)	37.1%
General and administrative	(263.0)	(193.2)	36.1%	(537.6)	(362.4)	48.3%
Other operating revenues (expenses), net	(686.9)	140.8	n/a	105.0	302.3	-65.3%
Equity pick-up	(24.5)	(5.8)	>100%	(40.8)	(11.2)	>100%
EBIT	96.6	694.0	-86.1%	1,905.2	1,477.2	29.0%
Depreciation and amortization	275.1	271.8	1.2%	537.8	562.3	-4.4%
EBITDA	371.7	965.8	-61.5%	2,443.0	2,039.5	19.8%
Adjusted EBITDA Reconciliation						
Biological Assets variation	134.6	127.8	5.3%	300.8	250.2	20.2%
IFRS 16 - Leases	225.0	(91.7)	n/a	(279.7)	(249.8)	12.0%
Other Effects	731.3	1,001.9	-27.0%	2,464.1	2,039.9	20.8%
Adjusted EBITDA	80.4	113.2	-29.0%	140.1	120.9	16.0%



## EARNINGS CONFERENCE CALL

English (simultaneous translation into Portuguese)

November 11, 2022 (Friday)

## TIME

10:30 a.m. (Brasília) | 8:30 a.m. (New York)

HD Webcast BR: [click here](#)

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BR: + 55 (11) 4935 1146 USA: +1 (914) 359 2483

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