

Raízen Energia S.A.

**Interim Financial Information as at
December 31, 2020**

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A free translation from Portuguese into English of independent auditor's review report on quarterly information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS)

Independent auditor's review report on quarterly information

To the Board of Directors, Shareholders and Management of
Raízen Energia S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Raízen Energia S.A. (the "Company") for the quarter ended December 31, 2020, comprising the statement of financial position as of December 31, 2020 and the related statements of profit or loss and comprehensive income (loss) for the three and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including explanatory information.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 – Interim Financial Reporting, and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion on the individual and consolidated interim financial information

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



Other matters

Correspondent figures

The Company's individual and consolidated financial statements for the year ended March 31, 2020 and the individual and consolidated interim financial information for the period ended December 31, 2019, were audited and reviewed under the responsibility of other independent auditor, who issued reports, on June 5, 2020 and February 14, 2020, with an unmodified opinion and conclusion over the individual and consolidated financial statements and the individual and consolidated interim financial information, respectively.

Statements of value added

The above mentioned quarterly information includes the individual and consolidated statement of value added (SVA) for the nine-month period ended December 31, 2020, prepared under the responsibility of Company management and, presented as supplementary information under IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 - Statement of value added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

São Paulo, February 11, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Original report in Portuguese signed by
Uilian Dias Castro de Oliveira
Accountant CRC-1SP223185/O-3

RAÍZEN ENERGIA S.A.

Statements of financial position as at December 31 and March 31, 2020

(In thousands of reais - R\$)

	Nota	Individual		Consolidated	
		12.31.2020	03.31.2020	12.31.2020	03.31.2020
Assets					
Current assets					
Cash and cash equivalents	3	147,427	3,030,814	2,293,506	6,473,747
Restricted cash	4	1,414,020	103,833	1,447,429	180,186
Derivative financial instruments	26	1,806,160	2,766,327	2,843,273	4,406,076
Trade accounts receivable	5	368,537	280,251	1,835,655	1,166,380
Inventories	6	2,357,473	599,307	3,937,457	1,327,707
Biological assets	7	807,151	690,838	1,073,582	897,315
Income and social contribution taxes recoverable	17.a.1	162,307	183,411	169,798	195,503
Taxes recoverable	8	261,091	247,656	424,100	453,635
Other financial assets	9	-	280,966	37,633	314,273
Related parties	10	2,963,868	2,899,513	2,578,358	3,792,096
Dividends receivable		1,326	7,640	-	-
Other receivables		128,603	169,606	252,099	231,477
Total current assets		10,417,963	11,260,162	16,892,890	19,438,395
Noncurrent assets					
Derivative financial instruments	26	1,624,170	1,484,248	2,061,306	1,812,316
Other financial assets	9	103,981	97,853	229,259	258,768
Income and social contribution taxes recoverable	17.a.1	249,233	457,827	281,133	489,727
Taxes recoverable	8	227,127	226,202	473,358	303,195
Related parties	10	357,838	338,756	2,859,668	3,152,840
Deferred income and social contribution taxes	17.b	1,733,557	986,362	1,792,295	1,137,283
Judicial deposits	18	307,486	259,129	451,841	403,704
Other receivables		228,329	229,732	266,899	258,855
Investments	11	7,390,757	6,837,722	536,539	586,202
Property, Plant and Equipment (PPE)	12	5,928,096	6,527,442	9,980,601	10,837,504
Intangible assets	13	1,457,898	1,465,461	1,813,389	1,830,886
Right of use	15.a	3,984,604	3,769,256	4,698,238	4,390,329
Total noncurrent assets		23,593,076	22,679,990	25,444,526	25,461,609
Total assets		34,011,039	33,940,152	42,337,416	44,900,004

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of financial position as at December 31 and March 31, 2020

(In thousands of reais - R\$)

(Continued)

	Note	Individual		Consolidated	
		12.31.2020	03.31.2020	12.31.2020	03.31.2020
Liabilities and equity					
Current liabilities					
Trade accounts payable	14	948,938	871,874	3,244,435	6,110,835
Lease liabilities	15.b	607,357	792,423	726,447	915,059
Loans and financing	16	1,896,453	3,087,599	2,497,669	3,597,675
Derivative financial instruments	26	1,692,009	2,704,909	2,680,561	4,036,490
Wages and salaries payable		313,465	374,340	383,114	446,377
Income and social contribution taxes payable	17.a.2	-	-	182,091	53,389
Taxes payable		80,726	86,366	227,814	165,822
Dividends payable		-	3,017	-	22,516
Related parties	10	3,089,487	2,994,818	1,324,279	1,223,909
Advances from customers	5	429,980	190,002	1,040,195	210,349
Other obligations		198,297	1,028,884	249,449	1,089,715
Total current liabilities		9,256,712	12,134,232	12,556,054	17,872,136
Noncurrent liabilities					
Lease liabilities	15.b	2,867,553	2,312,109	3,519,747	2,822,603
Loans and financing	16	8,062,649	7,282,796	14,665,196	12,948,167
Derivative financial instruments	26	1,724,785	1,242,869	1,822,303	1,305,645
Taxes payable		171,696	170,080	181,212	179,541
Related parties	10	4,239,497	2,773,260	1,276,949	1,008,813
Provision for contingencies	18	435,043	391,112	567,505	512,055
Deferred income and social contribution taxes	17.b	-	-	402,495	507,814
Other obligations		149,034	151,944	151,899	155,053
Total noncurrent liabilities		17,650,257	14,324,170	22,587,306	19,439,691
Total liabilities		26,906,969	26,458,402	35,143,360	37,311,827
Equity					
	20				
Capital		6,512,609	6,512,609	6,512,609	6,512,609
Capital reserves		1,089,121	1,089,121	1,089,121	1,089,121
Equity adjustments		(1,224,233)	(519,411)	(1,224,233)	(519,411)
Income reserves		398,523	399,431	398,523	399,431
Accumulated gains		328,050	-	328,050	-
		7,104,070	7,481,750	7,104,070	7,481,750
Noncontrolling interests		-	-	89,986	106,427
Total equity		7,104,070	7,481,750	7,194,056	7,588,177
Total liabilities and equity		34,011,039	33,940,152	42,337,416	44,900,004

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of profit or loss Three and nine-month periods ended December 31, 2020 and 2019 (In thousands of reais – R\$)

		Individual			
	Note	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Operating revenue, net	21	3,206,012	6,525,518	1,548,553	4,531,206
Cost of sales and services	23	(2,403,145)	(5,080,957)	(1,415,123)	(3,957,197)
Gross profit		<u>802,867</u>	<u>1,444,561</u>	<u>133,430</u>	<u>574,009</u>
Operating income (expenses)					
Selling expenses	23	(356,952)	(791,305)	(190,635)	(481,966)
General and administrative expenses	23	(117,161)	(340,793)	(126,954)	(355,798)
Other operating (expenses) income, net	24	(106,730)	(66,149)	(39,654)	6,715
Equity pickup	11	381,375	556,301	220,993	511,695
		<u>(199,468)</u>	<u>(641,946)</u>	<u>(136,250)</u>	<u>(319,354)</u>
Income (loss) before finance income (costs) and income and social contribution taxes		<u>603,399</u>	<u>802,615</u>	<u>(2,820)</u>	<u>254,655</u>
Finance income (costs)					
Finance costs	25	(491,740)	(1,191,088)	(312,056)	(973,396)
Finance income	25	40,904	130,493	55,126	163,775
Foreign exchange differences, net	25	256,932	16,939	55,623	(58,415)
Net effect of derivatives	25	71,310	422,625	22,767	207,031
		<u>(122,594)</u>	<u>(621,031)</u>	<u>(178,540)</u>	<u>(661,005)</u>
Income (loss) before income and social contribution taxes		<u>480,805</u>	<u>181,584</u>	<u>(181,360)</u>	<u>(406,350)</u>
Income and social contribution taxes	17.a				
Current		(233,623)	(233,623)	-	-
Deferred		168,760	380,089	134,057	297,623
		<u>(64,863)</u>	<u>146,466</u>	<u>134,057</u>	<u>297,623</u>
Net income (loss) for the period		<u><u>415,942</u></u>	<u><u>328,050</u></u>	<u><u>(47,303)</u></u>	<u><u>(108,727)</u></u>

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of profit or loss

Three and nine-month periods ended December 31, 2020 and 2019

(In thousands of reais - R\$, except for earnings (loss) per share)

		Consolidated			
	Note	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Operating revenue, net	21	10,352,474	22,666,209	7,932,494	21,715,281
Cost of sales and services	23	(9,004,853)	(19,955,281)	(7,417,651)	(20,206,010)
Gross profit		<u>1,347,621</u>	<u>2,710,928</u>	<u>514,843</u>	<u>1,509,271</u>
Operating income (expenses)					
Selling expenses	23	(406,440)	(910,631)	(248,808)	(630,880)
General and administrative expenses	23	(163,520)	(483,511)	(169,356)	(479,388)
Other operating (expenses) income, net	24	(59,148)	(99,199)	12,743	102,965
Equity pickup	11	(1,152)	(82,291)	(9,104)	(16,873)
		<u>(630,260)</u>	<u>(1,575,632)</u>	<u>(414,525)</u>	<u>(1,024,176)</u>
Income before finance income (costs) and income and social contribution taxes		<u>717,361</u>	<u>1,135,296</u>	<u>100,318</u>	<u>485,095</u>
Finance income (costs)					
Finance costs	25	(557,703)	(1,378,956)	(362,373)	(1,127,506)
Finance income	25	94,991	293,974	112,644	346,210
Foreign exchange differences, net	25	265,656	4,988	62,839	(62,597)
Net effect of derivatives	25	42,481	395,994	21,943	245,460
		<u>(154,575)</u>	<u>(684,000)</u>	<u>(164,947)</u>	<u>(598,433)</u>
Income (loss) before income and social contribution taxes		<u>562,786</u>	<u>451,296</u>	<u>(64,629)</u>	<u>(113,338)</u>
Income and social contribution taxes	17.a				
Current		(402,339)	(530,907)	(83,437)	(160,072)
Deferred		223,142	392,502	119,797	225,391
		<u>(179,197)</u>	<u>(138,405)</u>	<u>36,360</u>	<u>65,319</u>
Net income (loss) for the period		<u><u>383,589</u></u>	<u><u>312,891</u></u>	<u><u>(28,269)</u></u>	<u><u>(48,019)</u></u>
Attributable to:					
Company's controlling interests		415,942	328,050	(47,303)	(108,727)
Company's noncontrolling interests		(32,353)	(15,159)	19,034	60,708
		<u><u>383,589</u></u>	<u><u>312,891</u></u>	<u><u>(28,269)</u></u>	<u><u>(48,019)</u></u>
Earnings (loss) per common share:					
Basic and diluted	20.e	<u><u>0.057</u></u>	<u><u>0.045</u></u>	<u><u>(0.007)</u></u>	<u><u>(0.015)</u></u>

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of comprehensive income (loss) Three and nine-month periods ended December 31, 2020 and 2019 (In thousands of reais - R\$)

			Individual	
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Net income (loss) for the period	415,942	328,050	(47,303)	(108,727)
Comprehensive income (loss)				
Items that will not be reclassified to P&L				
Equity adjustment - Actuarial losses	3,404	3,404	(3,545)	(3,545)
Equity adjustment - Actuarial losses (effect from subsidiaries)	723	723	(587)	(587)
Deferred taxes on adjustments (Note 17.b)	<u>(1,157)</u>	<u>(1,157)</u>	<u>1,205</u>	<u>1,205</u>
	<u>2,970</u>	<u>2,970</u>	<u>(2,927)</u>	<u>(2,927)</u>
Items that are or may be reclassified to P&L				
Net income (loss) from derivative financial instruments designated as				
Hedge accounting (Note 26.e)	289,711	(1,083,126)	(7,905)	(203,719)
Foreign currency translation effects - CTA	9,899	7,071	9,915	32,987
Deferred taxes on adjustments (Note 17.b)	<u>(98,502)</u>	<u>368,263</u>	<u>2,688</u>	<u>69,265</u>
	<u>201,108</u>	<u>(707,792)</u>	<u>4,698</u>	<u>(101,467)</u>
Other components of comprehensive income (loss) for the period	<u>204,078</u>	<u>(704,822)</u>	<u>1,771</u>	<u>(104,394)</u>
Total comprehensive income (loss) for the period	<u><u>620,020</u></u>	<u><u>(376,772)</u></u>	<u><u>(45,532)</u></u>	<u><u>(213,121)</u></u>

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of comprehensive income (loss) Three and nine-month periods ended December 31, 2020 and 2019 (In thousands of reais - R\$)

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Net income (loss) for the period	383,589	312,891	(28,269)	(48,019)
Comprehensive income (loss)				
Items that will not be reclassified to P&L				
Equity adjustment - Actuarial losses	4,127	4,127	(4,132)	(4,132)
Deferred taxes on adjustments (Note 17.b)	(1,157)	(1,157)	1,205	1,205
	<u>2,970</u>	<u>2,970</u>	<u>(2,927)</u>	<u>(2,927)</u>
Items that are or may be reclassified to P&L				
Net income (loss) from derivative financial instruments designated as				
Hedge accounting (Note 26.e)	289,711	(1,083,126)	(7,905)	(203,719)
Foreign currency translation effects - CTA	9,899	7,071	9,915	32,987
Deferred taxes on adjustments (Note 17.b)	(98,502)	368,263	2,688	69,265
	<u>201,108</u>	<u>(707,792)</u>	<u>4,698</u>	<u>(101,467)</u>
Other components of comprehensive income (loss) for the period	204,078	(704,822)	1,771	(104,394)
Total comprehensive income (loss) for the period	<u><u>587,667</u></u>	<u><u>(391,931)</u></u>	<u><u>(26,498)</u></u>	<u><u>(152,413)</u></u>
Attributable to:				
Company's controlling interests	620,020	(376,772)	(45,304)	(213,121)
Company's noncontrolling interests	(32,353)	(15,159)	18,806	60,708
	<u>587,667</u>	<u>(391,931)</u>	<u>(26,498)</u>	<u>(152,413)</u>

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of changes in equity Nine-month periods ended December 31, 2020 and 2019 (In thousands of reais – R\$)

	Attributable to the Parent Company's shareholders										
	Capital	Capital reserves		Equity adjustments	Income reserves			Retained earnings	Total	Noncontrolling interests	Total equity
		Capital reserve	Special goodwill reserve		Tax incentive reserve	Legal reserve	Retained profits				
Balances at March 31, 2020	6,512,609	846,010	243,111	(519,411)	80,007	235,310	84,114	-	7,481,750	106,427	7,588,177
Comprehensive income (loss) for the period											
Net income for the period	-	-	-	-	-	-	-	328,050	328,050	(15,159)	312,891
Equity adjustments - Hedge accounting (Note 26.e)	-	-	-	(714,863)	-	-	-	-	(714,863)	-	(714,863)
Equity adjustment - Actuarial liabilities	-	-	-	2,970	-	-	-	-	2,970	-	2,970
Foreign currency translation effects - CTA	-	-	-	7,071	-	-	-	-	7,071	-	7,071
	-	-	-	(704,822)	-	-	-	328,050	(376,772)	(15,159)	(391,931)
Distributions to the Company's shareholders											
Redemption and allocation of dividends to preferred shareholders (Note 20.b)	-	-	-	-	-	-	(908)	-	(908)	-	(908)
Payment of dividends (Note 20.b)	-	-	-	-	-	-	-	-	-	(1,282)	(1,282)
	-	-	-	-	-	-	(908)	-	(908)	(1,282)	(2,190)
Balances at December 31, 2020	6,512,609	846,010	243,111	(1,224,233)	80,007	235,310	83,206	328,050	7,104,070	89,986	7,194,056

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of changes in equity Nine-month periods ended December 31, 2020 and 2019 (In thousands of reais – R\$)

	Attributable to the Parent Company's shareholders										
	Capital	Capital reserves		Equity adjustments	Income reserves			Accumulated losses	Total	Noncontrolling interests	Total equity
		Capital reserve	Special goodwill reserve		Tax incentive reserve	Legal reserve	Retained profits				
Balances at March 31, 2019	6,511,193	846,010	243,111	(228,801)	407,906	226,519	296,825	-	8,302,763	35,263	8,338,026
Comprehensive income (loss) for the period											
Loss for the period	-	-	-	-	-	-	-	(108,727)	(108,727)	60,708	(48,019)
Equity adjustments - Hedge accounting	-	-	-	(134,454)	-	-	-	-	(134,454)	-	(134,454)
Equity adjustment - Actuarial liabilities	-	-	-	(2,927)	-	-	-	-	(2,927)	-	(2,927)
Foreign currency translation effect - CTA	-	-	-	32,987	-	-	-	-	32,987	-	32,987
	-	-	-	(104,394)	-	-	-	(108,727)	(213,121)	60,708	(152,413)
Distributions to the Company's shareholders											
Business combination	-	-	-	-	-	-	-	-	-	(11,201)	(11,201)
Payment of dividends	-	-	-	-	-	-	(296,725)	-	(296,725)	(7,051)	(303,776)
Realization of reserves	-	-	-	-	(407,905)	-	-	-	(407,905)	-	(407,905)
	-	-	-	-	(407,905)	-	(296,725)	-	(704,630)	(18,252)	(722,882)
Balances at December 31, 2019	6,511,193	846,010	243,111	(333,195)	1	226,519	100	(108,727)	7,385,012	77,719	7,462,731

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of cash flows - Indirect method Nine-month periods ended December 31, 2020 and 2019 (In thousands of reais - R\$)

	Individual		Consolidated	
	Apr-Dec/2020	Apr-Dec/2019	Apr-Dec/2020	Apr-Dec/2019
Cash flow from operating activities				
Income (loss) before income and social contribution taxes	181,584	(406,350)	451,296	(113,338)
Adjustments to:				
Depreciation and amortization (Note 23.a)	2,124,003	1,533,367	2,788,178	1,987,355
Net (gain) loss arising from changes in fair value and realized gain or loss on biological assets (Note 23.a)	(205,971)	6,958	(282,485)	28,878
Equity pickup in subsidiaries and associates (Note 11)	(556,301)	(511,695)	82,291	16,873
Interest, monetary variations and foreign exchange differences, net	646,767	669,281	818,929	775,746
Fair value of financial instruments payable (Note 25)	298,646	61,837	304,708	145,256
Recognition of provision for contingencies, net	121,390	82,826	133,706	111,500
Unrealized net (gains) losses on derivative transactions	(7,300)	(254,507)	231,109	(426,993)
Other	(39,554)	(54,990)	(35,574)	(181,071)
Changes in assets and liabilities				
Trade accounts receivable and advances from customers	160,833	395,226	114,953	1,478,223
Inventories	(1,056,953)	(1,299,814)	(1,784,617)	(2,520,583)
Restricted cash	(1,308,761)	(266,553)	(1,298,081)	(345,052)
Derivative financial instruments	(1,748,543)	(315,984)	(1,656,213)	(278,838)
Judicial deposits	(9,738)	(18,713)	(42,233)	(19,036)
Trade accounts payable and advances to suppliers	183,382	164,027	(2,845,960)	818,417
Taxes recoverable and payable	(12,899)	(30,764)	33,703	(102,477)
Related parties	(925,322)	166,474	1,592,171	(1,143,945)
Wages and salaries payable	(60,875)	(36,288)	(63,264)	(40,061)
Payments of contingencies (Note 18)	(25,533)	(29,168)	(33,778)	(44,169)
Other assets and liabilities, net	126,068	(3,859)	(20,637)	11,738
Payment of income and social contribution taxes on net income	-	-	(141,304)	(117,883)
Net cash provided by (used in) operating activities	<u>(2,115,077)</u>	<u>(148,689)</u>	<u>(1,653,102)</u>	<u>40,540</u>
Cash flow from investing activities				
Acquisitions of companies, net of acquired cash	-	(18,832)	-	(18,991)
Capital decrease in subsidiary (Note 11.d.ii)	31,869	-	-	-
Additions to investments	(32,153)	(20,754)	(32,153)	(20,754)
Additions to property, plant and equipment and intangible assets	(724,162)	(939,477)	(975,077)	(1,179,666)
Dividends received from subsidiaries	6,314	64,079	-	1,034
Cash from disposal of property, plant and equipment	46,737	13,934	46,719	15,196
Additions to biological assets	(525,240)	(553,585)	(625,658)	(624,475)
Interest received on pre-export financing - intragroup	-	-	72,990	79,954
Net cash used in investing activities	<u>(1,196,635)</u>	<u>(1,454,635)</u>	<u>(1,513,179)</u>	<u>(1,747,702)</u>
Cash flow from financing activities				
Loans and financing raised from third parties	1,760,027	3,868,295	3,025,301	3,958,305
Repayments of principal of loans and financing - third parties	(2,218,471)	(970,293)	(2,735,548)	(1,064,256)
Repayments of interest on loans and financing - third parties	(357,500)	(322,438)	(476,249)	(409,551)
Amortization of lease liabilities - third parties	(717,917)	(638,336)	(876,938)	(717,878)

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of cash flows - Indirect method Nine-month periods ended December 31, 2020 and 2019 (In thousands of reais - R\$)

	Apr-Dec/2020	Individual Apr-Dec/2019	Apr-Dec/2020	(Continued) Consolidated Apr-Dec/2019
Amortization of lease liabilities - related parties	(121,252)	(104,559)	(121,252)	(104,559)
Redemption of short-term investments subject to financing (restricted cash)	52	55	32,683	10,054
Payment of dividends (Note 20.b)	(3,925)	(711,794)	(24,706)	(721,692)
Pre-export financing taken out - intragroup	1,212,550	-	-	-
Amortization of interest on pre-export financing taken out - intragroup	(135,421)	(34,569)	-	-
Asset management, net - intragroup	957,772	631,050	136,706	237,944
Net cash provided by (used in) financing activities	375,915	1,717,411	(1,040,003)	1,188,367
(Decrease) increase in cash and cash equivalents, net	(2,935,797)	114,087	(4,206,284)	(518,795)
Cash and cash equivalents at beginning of period	3,030,814	537,241	6,473,747	3,189,859
Foreign exchange effect on cash and cash equivalents	52,410	11,879	26,043	43,991
Cash and cash equivalents at end of period	147,427	663,207	2,293,506	2,715,055

Supplementary information on cash flow is stated in Note 30.

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of value added Nine-month periods ended December 31, 2020 and 2019 (In thousands of reais - R\$)

	Individual		Consolidated	
	Apr-Dec/2020	Apr-Dec/2019	Apr-Dec/2020	Apr-Dec/2019
Revenues				
Gross sales of products and services	6,905,372	4,891,491	23,743,075	22,897,300
Sales returns, discounts and rebates	(20,761)	(11,279)	(66,544)	(45,188)
Recognition of allowance for expected credit losses, net	(642)	(732)	(775)	(1,620)
Other operating (expenses) income, net	(72,439)	12,615	(105,620)	108,673
	6,811,530	4,892,095	23,570,136	22,959,165
Bought-in inputs				
Cost of sales and services	(2,668,926)	(2,004,502)	(16,755,129)	(17,656,111)
Materials, energy, third-party services and other	(857,114)	(588,358)	(973,413)	(729,885)
Net gain (loss) arising from changes in fair value and realized gain or loss on biological assets	205,971	(6,958)	282,485	(28,878)
Net reversal (set up) of provision for estimated loss on property, plant and equipment (Note 12)	6,290	(5,900)	6,421	(5,708)
Net reversal (set up) of provision for estimated loss on inventory obsolescence	6,949	893	9,471	(33)
	(3,306,830)	(2,604,825)	(17,430,165)	(18,420,615)
Gross value added	3,504,700	2,287,270	6,139,971	4,538,550
Depreciation and amortization	(2,124,003)	(1,533,367)	(2,788,178)	(1,987,355)
Net value added	1,380,697	753,903	3,351,793	2,551,195
Value added received in transfers				
Equity pickup	556,301	511,695	(82,291)	(16,873)
Finance income	130,493	163,775	293,974	346,210
Foreign exchange gain	256,932	80,753	265,656	90,105
Gain on derivative transactions	422,625	207,031	395,994	245,460
	1,366,351	963,254	873,333	664,902
Value added to be distributed	2,747,048	1,717,157	4,225,126	3,216,097
Distribution of value added				
Personnel				
Direct compensation	493,427	431,715	749,621	660,044
Benefits	152,147	118,464	181,754	149,080
Unemployment Compensation Fund (FGTS)	50,965	46,281	61,217	58,171
	696,539	596,460	992,592	867,295
Taxes, charges and contributions				
Federal	388,536	154,012	1,040,960	812,344
Deferred federal taxes	(380,089)	(297,623)	(392,502)	(225,391)
State	198,703	187,264	519,831	501,277
Local	7,391	8,399	9,643	11,152
	214,541	52,052	1,177,932	1,099,382
Debt remuneration				
Finance costs	1,191,088	973,396	1,378,956	1,127,506
Foreign exchange loss	239,993	139,168	260,668	152,702
Rentals and leases	76,837	64,808	86,928	77,939
	1,507,918	1,177,372	1,726,552	1,358,147

See accompanying notes.

RAÍZEN ENERGIA S.A.

Statements of value added Nine-month periods ended December 31, 2020 and 2019 (In thousands of reais - R\$)

	Individual		(Continued) Consolidated	
	Apr-Dec/2020	Apr-Dec/2019	Apr-Dec/2020	Apr-Dec/2019
Equity remuneration				
Retained earnings (accumulated losses)	328,050	(108,727)	312,891	(48,019)
Noncontrolling interests in retained profits	-	-	15,159	(60,708)
	<u>328,050</u>	<u>(108,727)</u>	<u>328,050</u>	<u>(108,727)</u>
Value added distributed	<u>2,747,048</u>	<u>1,717,157</u>	<u>4,225,126</u>	<u>3,216,097</u>

See accompanying notes.

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

1. Operations

Raízen Energia S.A. (the “Company”, the “Group”, “Raízen Energia” or “RESA”) is a publicly-held corporation registered with the Brazilian Securities and Exchange Commission (“CVM”) in Category B, with head office at Avenida Brigadeiro Faria Lima, 4.100, 11th floor, Part V, Itaim Bibi, in the city and state of São Paulo. The Company was incorporated in June 1, 2011 and is a subsidiary indirectly and jointly controlled by Royal Dutch Shell (“Shell”) and Cosan Limited (“Cosan”).

Raízen Group corresponds to the joint businesses of RESA and its subsidiaries and of Raízen Combustíveis S.A. (“RCSA”) and its subsidiaries.

The Company and its subsidiaries are primarily engaged in the production, trading and sale of sugar, ethanol and pallets, including abroad through subsidiaries, as well as in the co-generation of power produced from sugarcane bagasse at its 26 mills located in Brazil’s Central South Region, and through the power trading business.

The planting of sugarcane requires a period from 12 to 18 months for maturation and the harvest usually begins between April and May every year and ends between November and December, period when sugar and ethanol are produced. The sale of production takes place throughout the year and is not subject to changes due to seasonality, only changes in the regular market supply and demand. The Company’s fiscal year begins on April 1 and ends on March 31 every year due to its production cycle.

Covid-19

As disclosed in the annual financial statements at March 31, 2020, the Company has implemented a contingency plan aimed at preserving the health and integrity of its employees, in addition to ensuring the Company’s safety and continuity, as its products and services are considered essential activities, since they are strategic inputs for hospitals and for the security, food and power segments.

In the nine-month period ended December 31, 2020, especially in April and May 2020, the Company experienced a decrease in the sales of most of its products, as well as price reduction impacts. In that period, gross profit was below those recorded compared with last periods. Subsequent months already can be observed signs of recoverability of volumes and prices. The financial impacts arising from Covid-19 are reflected in the referred to financial statements. However, the extent to which the Covid-19 pandemic may still affect the Group’s operating income (loss), financial condition and cash flows will depend on future developments, which are highly uncertain and may not be predicted at the time of disclosure of this interim financial information.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

2. Presentation of interim financial information and significant accounting policies

2.1. Basis of preparation

This interim financial information has been prepared in accordance with Accounting Pronouncement CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and is presented in accordance with the rules issued by the Brazilian Securities and Exchange Commission ("CVM") applicable to the preparation of Quarterly Information (ITR).

This interim financial information has been prepared following the basis of preparation and accounting policies that are consistent with those adopted in preparing the financial statements as at March 31, 2020 and should be read in conjunction with those financial statements. The explanatory note information that did not suffer material changes compared with March 31, 2020 is not fully disclosed in this quarterly information. Certain selected information has been included to explain significant events and transactions that have occurred and thus enable the understanding of changes in the Company's financial position and financial performance since the publication of the financial statements as at March 31, 2020.

The interim financial information is presented in Brazilian real, which is the Company's functional currency. All balances were rounded to the nearest thousand, unless otherwise stated. The financial information of each subsidiary included in the Company's consolidation, as well as that used as a basis for investments measured by the equity method, is prepared based on the functional currency of each entity.

In preparing this interim financial information, management used judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. These estimates and assumptions are reviewed on a continuous basis and have not undergone material changes during the preparation of this interim financial information in relation to the financial statements as at March 31, 2020, except for the review of biological asset assumptions. For addition information see Note 7.

The interim financial information discloses all significant information of the interim financial information itself, and only such information, which is consistent with the information used by management to manage the Company's operations.

The presentation of the individual and consolidated Statement of Value Added (SVA) is required by the Brazilian Corporation Law and by accounting practices adopted in Brazil applicable to publicly-held corporations; however, the IFRS do not require presentation of this statement, which is considered supplementary information, without prejudice to the set of quarterly information.

The issue of the interim financial information was authorized by management on February 11, 2021.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

2.2. Basis of consolidation

At December 31 and March 31, 2020, the consolidated financial information includes the quarterly information of RESA and its direct and indirect subsidiaries, which are listed below:

	12.31.2020		03.31.2020	
	Direct	Indirect	Direct	Indirect
Agrícola Ponte Alta Ltda. ("Agrícola Ponte Alta")	92.29%	7.71%	92.29%	7.71%
Benálcool Açúcar e Álcool Ltda. ("Benálcool")	100.00%	-	100.00%	-
Bioenergia Araraquara Ltda. ("Bio Araraquara")	-	100.00%	-	100.00%
Bioenergia Barra Ltda. ("Bio Barra")	99.99%	0.01%	99.99%	0.01%
Bioenergia Caarapó Ltda. ("Bio Caarapó")	-	100.00%	-	100.00%
Bioenergia Costa Pinto Ltda. ("Bio Costa Pinto")	-	100.00%	-	100.00%
Bioenergia Gasa Ltda. ("Bio Gasa")	-	100.00%	-	100.00%
Bioenergia Jataí Ltda. ("Bio Jataí")	-	100.00%	-	100.00%
Bioenergia Maracaí Ltda. ("Bio Maracaí")	-	100.00%	-	100.00%
Bioenergia Rafard Ltda. ("Bio Rafard")	-	100.00%	-	100.00%
Bioenergia Serra Ltda. ("Bio Serra")	-	100.00%	-	100.00%
Bioenergia Tarumã Ltda. ("Bio Tarumã")	-	100.00%	-	100.00%
Bioenergia Univalem Ltda. ("Bio Univalem")	-	100.00%	-	100.00%
Raízen Araraquara Açúcar e Álcool Ltda. ("Raízen Araraquara")	99.99%	0.01%	99.99%	0.01%
Raízen Ásia PT Ltd. ("Raízen Ásia")	-	100.00%	-	100.00%
Raízen Biogás SPE Ltda. ("Raízen Biogás SPE")	99.90%	0.10%	99.90%	0.10%
Raízen Biomassa S.A.	81.50%	-	81.50%	-
Raízen Biotecnologia S.A. ("Biotecnologia")	100.00%	-	100.00%	-
Raízen Caarapó Açúcar e Álcool Ltda. ("Raízen Caarapó")	31.48%	68.52%	31.48%	68.52%
Raízen Centroeste Açúcar e Álcool Ltda. ("Raízen Centroeste")	47.37%	52.63%	47.37%	52.63%
Raízen Energy Finance Ltd. ("Raízen Energy Finance")	100.00%	-	100.00%	-
Raízen Fuels Finance S.A. ("Raízen Fuels")	100.00%	-	100.00%	-
Raízen GD Ltda.	-	100.00%	-	100.00%
Raízen International Universal Corp. ("RIUC")	100.00%	-	100.00%	-
Raízen North América, Inc. ("Raízen North América")	-	100.00%	-	100.00%
Raízen Paraguaçu Ltda. ("Raízen Paraguaçu")	100.00%	-	100.00%	-
Raízen Trading Colombia S.A.S.	-	100.00%	-	-
Raízen Trading LLP ("Raízen Trading")	100.00%	-	100.00%	-
Raízen Trading Netherlands BV	-	100.00%	-	-
Raízen Trading S.A.	-	100.00%	-	-
Raízen-Geo Biogás S.A. ("Biogás")	85.00%	-	85.00%	-
RWXE Participações S.A. ("RWXE")	-	70.00%	-	70.00%
RZ Agrícola Caarapó Ltda.	100.00%	-	100.00%	-
São Joaquim Arrendamentos Agrícolas Ltda. ("São Joaquim")	-	-	-	100.00%
Unimodal Ltda. ("Unimodal")	53.17%	20.24%	53.17%	20.24%
WX Energy Comercializadora de Energia Ltda. ("WX Energy")	-	70.00%	-	70.00%

The subsidiaries are fully consolidated as from the control acquisition date and continue to be consolidated through the date on which such control ceases to exist. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Parent Company, using consistent accounting policies. Where necessary, adjustments are made to align the accounting policies with those adopted by the Parent Company.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Balances and transactions arising from operations between consolidated companies, such as revenues and unrealized income (loss), are fully eliminated.

3. Cash and cash equivalents

	Index/rate	Average yield rate		Individual		Consolidated	
		12.31.2020	03.31.2020	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Cash at banks and on hand				62,882	1,697,060	1,222,802	3,027,182
Foreign exchange contracts not yet closed				84,541	1,333,754	121,180	1,441,368
Investment funds	CDI	79.93%	98.59%	-	-	22,229	21,997
Bank Deposit Certificates (“CDB”) and Repurchase agreements	CDI	97.93%	98.79%	4	-	927,295	1,983,200
				<u>147,427</u>	<u>3,030,814</u>	<u>2,293,506</u>	<u>6,473,747</u>
In Brazil (local currency)				75,661	112,260	1,063,878	2,132,840
Abroad (foreign currency) (Note 26.d)				<u>71,766</u>	<u>2,918,554</u>	<u>1,229,628</u>	<u>4,340,907</u>
				<u>147,427</u>	<u>3,030,814</u>	<u>2,293,506</u>	<u>6,473,747</u>

4. Restricted cash

	Index/rate	Average yield rate		Individual		Consolidated	
		12.31.2020	03.31.2020	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Short-term investments subject to financing	CDI	100.02%	100.02%	39	157	39	32,346
Short-term investments subject to derivative transactions (Note 26.g)	CDI	100.01%	101.19%	11,569	20,408	11,569	20,408
Margin in derivatives transactions (Note 26.g)	-	-	-	1,402,412	83,268	1,435,821	127,432
				<u>1,414,020</u>	<u>103,833</u>	<u>1,447,429</u>	<u>180,186</u>
In Brazil (local currency)				11,609	20,566	11,608	52,754
Abroad (foreign currency) (Note 26.d)				<u>1,402,411</u>	<u>83,267</u>	<u>1,435,821</u>	<u>127,432</u>
				<u>1,414,020</u>	<u>103,833</u>	<u>1,447,429</u>	<u>180,186</u>

5. Trade accounts receivable

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
In Brazil	273,045	183,105	899,854	534,389
Abroad (Note 26.d)	100,265	101,277	964,143	659,560
Allowance for expected credit losses	(4,773)	(4,131)	(28,342)	(27,569)
	<u>368,537</u>	<u>280,251</u>	<u>1,835,655</u>	<u>1,166,380</u>

The Company has no notes given as collateral. The maximum exposure to credit risk at the statement of financial position date is the book value of each class of trade accounts receivable.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

The aging list of trade accounts receivable is as follows:

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Falling due	363,107	267,975	1,791,794	1,098,906
Overdue:				
Within 30 days	2,799	11,580	13,705	38,626
From 31 to 90 days	1,703	554	12,235	18,448
From 91 to 180 days	358	446	1,243	6,263
Above 180 days	5,343	3,827	45,020	31,706
	10,203	16,407	72,203	95,043
	373,310	284,382	1,863,997	1,193,949

Changes in allowance for expected credit losses are as follows:

	Individual	Consolidated
At March 31, 2020	(4,131)	(27,569)
Expected loss, net	(642)	(775)
Foreign exchange differences	-	2
December 31, 2020	(4,773)	(28,342)

At December 31, 2020, the Company recorded R\$429,980 and R\$1,040,195 in the Individual and Consolidated interim financial information, respectively (R\$190,002 and R\$210,349 in the Individual and Consolidated interim financial information, respectively at March 31, 2020) in current liabilities, under Advances from customers, which refer substantially to amounts received from foreign customers relating to purchase of sugar and ethanol.

6. Inventories

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Finished products:				
Sugar	1,118,551	68,504	1,489,173	132,232
Ethanol	1,027,460	342,342	2,152,854	919,236
Work-in-process	-	-	242	-
Storeroom items and others	211,462	188,461	295,188	276,239
	2,357,473	599,307	3,937,457	1,327,707

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

At December 31, 2020, inventories are stated net of estimated loss on obsolescence and realization, and slow-moving or obsolete inventories, amounting to R\$15,413 and R\$20,680, in the Individual and Consolidated interim financial information, respectively (R\$22,362 and R\$30,151 in the Individual and Consolidated interim financial information, respectively, at March 31, 2020). Changes in the referred to losses are shown below and were recognized in the statement of profit or loss under Costs of sales and services:

	<u>Individual</u>	<u>Consolidated</u>
Balance at March 31, 2020	(22,362)	(30,151)
Estimated loss	(13,759)	(20,604)
Reversal / realization	20,708	30,075
Balance at December 31, 2020	<u>(15,413)</u>	<u>(20,680)</u>

7. Biological assets

The Company's biological assets comprise unharvested cane cultivated in sugarcane crops, which will be used as a source of raw material in the production of sugar, ethanol and bioenergy upon harvesting. The fair value measurement method is the cash flow discounted to present value. The valuation model considers the present value of expected cash flows to be generated, including projections of up to two years, considering the estimates of the effective date for cutting the unharvested cane.

Planted areas represent only sugarcane crops, not considering the land where the crops are located, which are recognized under Property, plant and equipment.

The following significant assumptions were used in determining the fair value:

	<u>Individual</u>		<u>Consolidated</u>	
	<u>12.31.2020</u>	<u>03.31.2020</u>	<u>12.31.2020</u>	<u>03.31.2020</u>
Harvest estimated area (hectare)	410,752	383,375	463,793	436,663
Number of TRS per hectare	9.71	10.26	9.82	10.38
Projected average TRS price per kg (R\$/kg)	0.77	0.61	0.77	0.61

At December 31, 2020, cash flows were discounted at 5.14% (5.30% at March 31, 2020), which is the WACC (Weighted Average Cost of Capital) of the Company.

In the nine-month period ended December 31, 2020, the Company reviewed the assumptions used to calculate the biological asset, the main impact of which was the increase in the average TRS price, influenced by the price of ethanol, and also by the price of VHP sugar, in line with what has been observed in recent months as well as new dollar projections.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Changes in biological assets (sugarcane) are as follows:

	<u>Individual</u>	<u>Consolidated</u>
Balance at March 31, 2020	690,838	897,315
Additions to sugarcane treatments	539,405	647,499
Absorption of harvested sugarcane costs	(628,768)	(752,701)
Change in fair value	169,712	291,386
Fair value realization	36,259	(8,901)
Other	(295)	(1,016)
Balance at December 31, 2020	<u>807,151</u>	<u>1,073,582</u>

8. Taxes recoverable

	<u>Individual</u>		<u>Consolidated</u>	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Contribution Taxes on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS) (i)	156,122	150,911	456,512	293,478
State Value-Added Tax (ICMS)	243,866	212,307	323,464	321,797
Federal Value-Added Tax (IPI)	33,155	31,545	38,589	36,472
Tax Recovery Program (REFIS)	41,911	41,510	41,911	41,510
Other	13,164	37,585	36,982	63,573
	<u>488,218</u>	<u>473,858</u>	<u>897,458</u>	<u>756,830</u>
Current	(261,091)	(247,656)	(424,100)	(453,635)
Noncurrent	<u>227,127</u>	<u>226,202</u>	<u>473,358</u>	<u>303,195</u>

(i) ICMS on the PIS and COFINS base

Since the adoption of the PIS and COFINS non-cumulative regime, the Company has been pleading in court the right to exclude ICMS from the PIS and COFINS tax base. In the nine-month period ended December 31, 2020, the Company concluded that the necessary legal certainty for recognizing referred to tax credits had been achieved, since certain events occurred that solidified the understanding that the decision of March 15, 2017 of the Federal Supreme Court of Brazil (STF) ensures the taxpayer's right to exclude ICMS from the PIS/COFINS tax base. Management's understanding is supported by legal opinions issued by legal advisors.

Therefore, in the quarter ended December 31, 2020, the Company recognized under Taxes recoverable, in noncurrent assets, consolidated credits amounting to R\$119,892 in the consolidated interim financial information, arising from certain lawsuits on which a final court decision has already been handed down for the entire period from 5 years as of the date of distribution of shares and, in the case of lawsuits without a final court decision, credits after October 2, 2017. These credits were recognized as a matching entry to P&L in the amount of R\$41,660, in the consolidated interim financial information.

Credits amounting to R\$78,232 in the consolidated interim financial information, whose tax-triggering event preceded the incorporation of Raízen by shareholders Cosan and Shell (see Note 1), were recognized under Related parties (see Note 10.a.4), in noncurrent liabilities, and should be refunded as they are used by the company.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

9. Other financial assets

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Credits from claims for damages - refundable	103,980	97,852	103,980	97,852
Credits from claims for damages – own (1)	-	-	141,156	177,629
National Treasury Certificates - CTN (2)	-	280,966	21,755	297,459
Other	1	1	1	101
	103,981	378,819	266,892	573,041
Current	-	(280,966)	(37,633)	(314,273)
Noncurrent	103,981	97,853	229,259	258,768

The characteristics of other financial assets are the same as those disclosed in the annual financial statements at March 31, 2020 (Note 9). In the nine-month period ended December 31, 2020, significant changes were as follows:

(1) Credits arising from a final court decision favoring Raízen Araraquara, a subsidiary of the Company, relating to the lawsuit filed by Instituto do Açúcar e do Alcool (“IAA”) against the Brazilian federal government, lodged by Copersucar in 1990. The lawsuit claims indemnification for the losses caused to the plants by the federal government by setting prices lower than the market prices. In the nine-month period ended December 31, 2020, the Company received R\$36,473 in credits from claims for damages.

(2) Government securities issued by the Brazilian National Treasury, under the Special Program for Securitization of Agricultural Loans (PESA), with an original term of 20 years, with maturities until 2025, given as collateral to the financing transaction called PESA. These securities earn the General Market Price Index (IGP-M) plus annual interest of 12%. At maturity, their amount tend to be equivalent to the principal amount of the debt payable to PESA, and can be used to settle this debt. In the nine-month period ended December 31, 2020, the Company redeemed R\$357,185 to settle this PESA debt.

10. Related parties

a) Summary of balances with related parties

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Assets				
Assets classified by currency:				
In Brazil (local currency)	2,290,271	3,123,195	1,356,666	1,780,411
Abroad (foreign currency) (Note 26.d)	1,031,435	115,074	4,081,360	5,164,525
	3,321,706	3,238,269	5,438,026	6,944,936
Asset management (1)				
Raízen Combustíveis S.A. and its subsidiaries	430,734	392,476	430,734	392,476
Bioenergia Barra Ltda.	209,828	405,006	-	-
Agrícola Ponte Alta Ltda.	103,292	-	-	-
Raízen Biomassa S.A.	168,885	43,208	-	-
Raízen Biogás Ltda.	82,038	38,161	-	-
Raízen Paraguaçu Ltda.	68,782	-	-	-
Raízen Centroeste Açúcar e Alcool Ltda.	-	1,047,659	-	-
Other	4,295	4,338	-	-
	1,067,854	1,930,848	430,734	392,476

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Commercial and administrative transactions (2)				
Raízen Combustíveis S.A. and its subsidiaries	96,351	165,692	1,297,753	2,998,452
Agroterenas S.A.	-	-	39,049	36,019
Rumo Group	24,256	24,407	25,375	24,772
Cosan S.A. Indústria e Comércio	15,010	15,796	15,792	15,796
Philipinas Shell Petroleum Corp.	-	-	14,464	4,784
Comgás - Companhia de Gás de São Paulo	13,263	16,083	13,263	16,083
Raízen and Wilmar Sugar Pte. Ltd.	-	-	1,117	2,189
Shell Trading Rotterdam	-	-	848	14,745
Raízen Trading LLP	226,434	42,961	-	-
Raízen International Universal Corporation	804,114	71,584	-	-
Raízen Centroeste Açúcar e Álcool Ltda.	244,744	234,273	-	-
Raízen Araraquara Açúcar e Álcool Ltda.	175,532	89,467	-	-
Raízen Paraguaçu Ltda.	30,506	18,137	-	-
Unimodal Ltda.	3,617	3,617	-	-
RZ Agrícola Caarapó Ltda.	1,515	34,463	-	-
Other	42,654	40,893	35,325	22,957
	<u>1,677,996</u>	<u>757,373</u>	<u>1,442,986</u>	<u>3,135,797</u>
Financial transactions (3)				
Raízen Combustíveis S.A. and its subsidiaries	-	-	2,924,216	2,795,958
	-	-	2,924,216	2,795,958
Framework transactions (4)				
Cosan S.A. Indústria e Comércio	570,674	549,519	634,908	617,974
Nova América - Agrícola Caarapó	4,501	-	4,501	2,202
Shell Brazil Holding B.V.	681	529	681	529
	<u>575,856</u>	<u>550,048</u>	<u>640,090</u>	<u>620,705</u>
	3,321,706	3,238,269	5,438,026	6,944,936
Current assets	<u>(2,963,868)</u>	<u>(2,899,513)</u>	<u>(2,578,358)</u>	<u>(3,792,096)</u>
Noncurrent assets	<u>357,838</u>	<u>338,756</u>	<u>2,859,668</u>	<u>3,152,840</u>

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Liabilities				
Liabilities classified by currency:				
In Brazil (local currency)	4,028,858	3,873,233	2,490,338	1,876,643
Abroad (foreign currency) (Note 26.d)	3,300,126	1,894,845	110,890	356,079
	<u>7,328,984</u>	<u>5,768,078</u>	<u>2,601,228</u>	<u>2,232,722</u>
Asset management (1)				
Raízen Combustíveis S.A. and its subsidiaries	618,441	441,013	618,446	441,013
Raízen Centroeste Açúcar e Alcool Ltda.	248,458	-	-	-
Bioenergia Barra Ltda. and its subsidiaries	406,125	296,017	-	-
Raízen Araraquara Açúcar e Alcool Ltda.	230,680	252,250	-	-
Raízen Caarapó Açúcar e Alcool Ltda.	151,483	186,111	-	-
Raízen Paraguaçu Ltda.	41,166	481,541	-	-
WX Energy Comercializadora de Energia Ltda.	77,753	107,764	-	-
Benálcool Açúcar e Alcool Ltda.	1,693	1,268	-	-
RWXE Participações S.A.	522	513	-	-
Agrícola Ponte Alta Ltda.	-	126,314	-	-
RZ Agrícola Caarapó Ltda.	17,233	-	-	-
	<u>1,793,554</u>	<u>1,892,791</u>	<u>618,446</u>	<u>441,013</u>
Commercial and administrative transactions (2)				
Shell Trading US Company	-	-	110,869	356,079
Agroterenas S.A.	-	-	105,572	34,217
Nova América Agrícola Ltda.	-	-	54,620	14,789
Rumo Group	38,056	27,197	42,589	31,645
Cosan S.A. Indústria e Comércio	10,272	5,040	10,273	5,040
Propriedades Agrícola Radar and its subsidiaries	9,508	11,813	9,508	11,813
Raízen Combustíveis S.A. and its subsidiaries	8,830	32,736	9,105	44,692
Raízen International Universal Corp.	362,187	2,166	-	-
Raízen Centroeste Açúcar e Alcool Ltda.	225,497	223,443	-	-
Raízen Araraquara A.A.Ltda.	147,907	75,701	-	-
Raízen Paraguaçu Ltda.	3,820	12,825	-	-
Bioenergia Barra Ltda. and its subsidiaries	3,237	7,708	-	-
Raízen Trading LLP	84,778	422,017	-	-
Other	16,666	14,667	20,447	18,653
	<u>910,758</u>	<u>835,313</u>	<u>362,983</u>	<u>516,928</u>
Financial transactions (3)				
Raízen Fuels Finance Limited	3,213,201	1,894,845	-	-
	<u>3,213,201</u>	<u>1,894,845</u>	<u>-</u>	<u>-</u>
Framework transactions (4)				
Cosan S.A. Indústria e Comércio	521,610	398,905	731,853	530,472
Nova América - Agrícola Caarapó	1,489	-	1,489	-
Agrícola Ponte Alta Ltda.	1,915	1,915	-	-
	<u>525,014</u>	<u>400,820</u>	<u>733,342</u>	<u>530,472</u>
Preferred shares (5)				
Cosan S.A. Indústria e Comércio	3,745	3,745	3,745	3,745
	<u>3,745</u>	<u>3,745</u>	<u>3,745</u>	<u>3,745</u>

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Lease liabilities (6)				
Radar Propriedades Agrícolas S.A.	156,014	146,736	156,014	146,736
Aguassanta Agrícola S.A.	136,136	143,546	136,136	143,546
Nova Agrícola Ponte Alta S.A.	108,455	108,040	108,455	108,040
Jatobá Produtos Agrícola Ltda.	68,254	65,563	68,254	65,563
Nova Amaralina S.A. Propriedades Agrícolas	56,860	55,805	56,860	55,805
Proud Participações S.A.	55,816	9,846	55,816	9,846
Terrainvest Propriedades Agrícolas S.A.	53,475	52,932	53,475	52,932
Seringueira Propriedades Agrícolas Ltda.	48,108	45,825	48,108	45,825
Bioinvestments Negócios e Participações S.A.	48,062	8,522	48,062	8,522
Aguapar Agrícola Ltda.	39,020	38,763	39,020	38,763
Agrobio Investimento e Participações S.A.	20,677	26,307	20,677	26,307
Terras da Ponte Alta S.A.	17,787	17,200	17,787	17,200
Other	74,048	21,479	74,048	21,479
	<u>882,712</u>	<u>740,564</u>	<u>882,712</u>	<u>740,564</u>
	<u>7,328,984</u>	<u>5,768,078</u>	<u>2,601,228</u>	<u>2,232,722</u>
Current liabilities	<u>(3,089,487)</u>	<u>(2,994,818)</u>	<u>(1,324,279)</u>	<u>(1,223,909)</u>
Noncurrent liabilities	<u>4,239,497</u>	<u>2,773,260</u>	<u>1,276,949</u>	<u>1,008,813</u>

(1) Asset management

The amounts recorded in assets and liabilities refer to funds provided to and received from the companies, respectively, as a way of managing financial resources. As regards these transactions, in the nine-month period ended December 31, 2020, the Company recorded net finance costs amounting to R\$18,082 and R\$2,465 (R\$48,638 and R\$37,184 in the nine-month period ended December 31, 2019) in the Individual and Consolidated interim financial information, respectively, due to cash management.

(2) Commercial and administrative transactions

The amount recorded in assets refers to reimbursement of administrative expenses, transactions for the sale of goods, such as sugar, ethanol and other materials, as well as advances for acquisition of sugarcane and cargo handling at ports. The amount recorded in liabilities refers to reimbursement of administrative expenses, rendering of services, advances from customers for export of sugar and purchase of products such as sugar, sugarcane, diesel oil and ethanol.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

(3) Financial transactions

At December 31 and March 31, 2020, the amount recorded in assets refers to pre-export financing agreements receivable from Raízen Combustíveis S.A., at an average effective annual interest rate of 4.04% (4.38% at March 31, 2020), as stated below:

Contract	Currency	Principal in foreign currency	Maturity	Consolidated	
				12.31.2020	03.31.2020
Pre-export Financing	Dollar (US\$)	350,000	01/20/2027	1,861,932	1,767,773
		350,000		1,861,932	1,767,773
Pre-export Financing	Euro (€)	66,000	10/15/2021	423,540	413,826
Pre-export Financing	Euro (€)	40,000	01/20/2022	255,882	243,357
Pre-export Financing	Euro (€)	60,000	09/21/2022	382,862	371,002
		166,000		1,062,284	1,028,185
				2,924,216	2,795,958
			Current	(467,580)	(36,534)
			Noncurrent	2,456,636	2,759,424

At December 31 and March 31, 2020, the amount recorded in liabilities refers substantially to pre-export financing agreements due to Raízen Fuels, at an average effective annual interest rate of 3.77% (3.81% at March 31, 2020), as follows:

Contract	Currency	Principal in foreign currency	Maturity	Individual	
				12.31.2020	03.31.2020
Pre-export financing (1)	Dollar (US\$)	200,000	04/30/2024	1,059,860	1,099,825
Pre-export Financing	Dollar (US\$)	25,000	01/20/2027	125,247	114,772
Pre-export financing (1)	Dollar (US\$)	125,000	01/20/2027	792,422	680,248
Pre-export financing (1)	Dollar (US\$)	233,000	01/20/2027	1,235,672	-
		583,000		3,213,201	1,894,845
			Current	(50,563)	(9,301)
			Noncurrent	3,162,638	1,885,544

(1) The Company designates certain pre-export financing agreements as liability measured at fair value through profit or loss. Accordingly, referred to agreement is increased by the fair value measurement in the amount of R\$140,555 (R\$65,999 at March 31, 2020), with a negative impact on P&L of R\$74,556 (negative impact of R\$38,663 in the nine-month period ended December 31, 2019) - see Note 25.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

(4) Framework transactions

At December 31, 2020, the amounts recoded in assets and liabilities refer to tax credits, amounts spent or payable, fully reimbursable, resulting from the establishment of Raízen and also from the acquisition of RZ Agrícola Caarapó Ltda.⁽¹⁾. In the nine-month period ended December 31, 2020, the Company recognized the consolidated amount of R\$78,232, referring to credits for the exclusion of ICMS from the PIS and COFINS tax base which should be refunded. For addition information see Note 8.

(1) For addition information see Note 29.1.ii to the financial statements as at March 31, 2020.

(5) Preferred shares

The balance of preferred shares payable, recorded in liabilities, refers to tax benefit amounts reimbursable to Cosan, when effectively used by the Company, determined by the balances of income and social contribution tax losses (“NOL”) and tax benefit on goodwill amortization (“GW”).

(6) Lease liabilities

At December 31 and March 31, 2020, the amount recorded in liabilities refers to lease contracts relating to transactions with related parties.

	Individual and Consolidated
Balance at March 31, 2020	740,564
Additions of new contracts	2,293
Write-off of contracts	(4,376)
Payment of principal	(121,252)
Restatement - interest	49,707
Remeasurement of contracts	215,776
Balance at December 31, 2020	882,712
Current	(174,002)
Noncurrent	708,710

b) Summary of transactions with related parties (4)

	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Individual Apr-Dec/2019
Sales of products, net of returns				
Raízen Trading LLP	383,934	1,194,554	647,112	1,487,678
Raízen International Universal	1,825,359	2,618,699	913,930	1,255,966
Raízen Combustíveis S.A. and its subsidiaries	89,900	270,818	187,385	434,400
Raízen Araraquara Açúcar e Álcool Ltda.	23,880	109,901	29,353	112,095
Other	4,800	56,024	6,364	77,354
	<u>2,327,873</u>	<u>4,249,996</u>	<u>1,784,144</u>	<u>3,367,493</u>

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Individual Apr-Dec/2019
Purchase of goods and services				
Raízen Combustíveis S.A. and its subsidiaries	(99,546)	(418,425)	(120,608)	(512,554)
Rumo Group (i)	(168,365)	(305,168)	(42,320)	(133,518)
Raízen Trading LLP	(64,191)	(262,214)	(191,733)	(303,926)
Raízen Araraquara Açúcar e Álcool Ltda.	(45,239)	(135,854)	(39,206)	(122,940)
Raízen Paraguaçu Ltda.	(599)	(79,868)	(16,376)	(50,195)
Cosan Lubrificantes e Especialidades S.A.	(3,440)	(15,545)	(2,199)	(15,164)
Shell Brasil Petróleo	(2,032)	(10,159)	(1,358)	(5,734)
Other	(17,570)	(46,222)	(22,211)	(41,602)
	(400,982)	(1,273,455)	(436,011)	(1,185,633)
Reimbursement of shared expenses (1)				
Raízen Combustíveis S.A. and its subsidiaries	39,227	106,478	30,549	98,162
Companhia de Gás de São Paulo	9,294	28,047	8,020	22,538
Rumo Group (i)	4,929	20,761	8,591	24,999
Raízen Paraguaçu Ltda.	5,083	17,174	5,570	17,818
Bioenergia Barra Ltda. and its subsidiaries	2,109	7,538	2,322	7,741
Raízen Centroeste Açúcar e Álcool Ltda.	2,101	7,296	2,302	7,471
Cosan Lubrificantes e Especialidades S.A.	1,557	5,288	2,011	5,431
Raízen Araraquara Açúcar e Álcool Ltda.	1,477	5,100	1,705	4,975
Other	5,394	15,936	4,510	12,850
	71,171	213,618	65,580	201,985
Finance income (costs), net (3)				
Raízen Fuels Finance Limited	222,085	(52,850)	33,820	(142,247)
Raízen Trading LLP and subsidiaries	(46,342)	(44,008)	(6,144)	24,276
Raízen Internacional Universal	(52,322)	(27,836)	(1,932)	(1,199)
Radar Group (iii)	(9,051)	(25,285)	(7,858)	(24,050)
Aguassanta Group (ii)	(3,734)	(11,170)	(3,578)	(11,046)
Janus Group	(2,685)	(7,971)	(2,516)	(7,677)
Tellus Group	(1,554)	(4,813)	(1,684)	(5,097)
Raízen Araraquara Açúcar e Álcool Ltda.	(1,269)	(3,489)	(2,648)	(9,351)
Raízen Combustíveis S.A. and its subsidiaries	(1,650)	(2,465)	(10,865)	(35,172)
Raízen Centroeste Açúcar e Álcool Ltda.	(1,501)	(2,855)	(3,915)	(14,686)
Bioenergia Barra Ltda. and its subsidiaries	(703)	(384)	3,079	13,863
Agrícola Ponte Alta Ltda.	895	630	3,166	1,448
Other	(348)	(3,959)	(1,441)	(3,558)
	101,821	(186,455)	(2,516)	(214,496)

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Consolidated Apr-Dec/2019
Sales of products, net of returns				
Raízen Combustíveis S.A. and its subsidiaries	1,226,488	4,398,050	2,544,737	7,644,772
Shell International Petróleo	374,397	724,643	15,282	36,327
Shell Trading US Company	30,304	46,730	303,720	687,766
Raízen and Wilmar Sugar Pt	-	-	119,687	255,521
Shell Brasil Petróleo Ltda.	-	-	-	12,251
Other	7,541	11,557	10,025	28,647
	1,638,730	5,180,980	2,993,451	8,665,284
Purchase of goods and services				
Shell International Petroleum Co Ltd	(628,204)	(1,074,870)	-	-
Shell Trading US Company	-	(993,512)	(1,119,503)	(2,913,418)
Agroterenas S.A.	(330,673)	(578,358)	(69,536)	(277,808)
Raízen Combustíveis S.A. and its subsidiaries	(123,794)	(511,550)	(137,915)	(574,130)
Rumo Group (i)	(195,490)	(356,190)	(56,683)	(171,374)
Nova América Agrícola Ltda.	(185,565)	(295,923)	(43,517)	(140,744)
Agroterenas S.A. Terra	(15,456)	(25,869)	(10,179)	(16,787)
Nova América Terras Ltda.	(13,553)	(22,471)	(4,154)	(10,871)
Cosan Lubrificantes e Especialidades S.A.	(4,620)	(20,548)	(2,894)	(19,797)
Shell Brasil Petróleo	(3,084)	(12,628)	(1,634)	(6,588)
Palermo Agrícola S.A.	(2,268)	(2,785)	(2,131)	(4,707)
Shell Energy do Brasil Ltda.	(3,019)	(3,372)	(2,327)	(5,808)
Nova América Agrícola Caarapó Ltda.	-	-	(35,863)	(141,276)
Other	(3,028)	(11,287)	(24,570)	(24,592)
	(1,508,754)	(3,909,363)	(1,510,906)	(4,307,900)
Reimbursement of shared expenses (1)				
Raízen Combustíveis S.A. and its subsidiaries	39,227	106,478	31,224	98,162
Companhia de Gás de São Paulo	9,294	28,047	8,020	22,538
Rumo Group (i)	4,929	20,761	8,591	24,999
Cosan Lubrificantes e Especialidades S.A.	1,557	5,288	2,011	5,431
Raízen Conveniências Ltda.	1,208	2,960	-	-
Cosan S.A. Indústria e Comércio	633	1,698	605	1,974
Other	1,275	3,685	961	3,903
	58,123	168,917	51,412	157,007
Finance income (costs), net (3)				
Raízen Combustíveis S.A. and its subsidiaries	(167,396)	198,777	(56,682)	164,097
Radar Group	(9,051)	(25,285)	(7,858)	(24,050)
Águas Santa Group	(3,734)	(11,170)	(3,578)	(11,046)
Janus Group	(2,685)	(7,971)	(2,516)	(7,677)
Tellus Group	(1,554)	(4,813)	(1,684)	(5,097)
Nova América Agrícola Caarapó Ltda.	-	-	1,008	4,150
Other	1	32	(21)	275
	(184,419)	149,570	(71,331)	120,652

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

- (i) “Rumo Group” refers to the railway and port operations represented by the following companies: Rumo S.A., Elevações Portuárias S.A, Logisport Armazéns Gerais S.A., Rumo Malha Sul S.A., Rumo Malha Oeste S.A., Rumo Malha Paulista S.A., Rumo Malha Norte S.A., ALL América Latina Logística Rail Management, Portofer Transporte Ferroviário Ltda. and Brado Logística S.A.
- (ii) “Aguassanta Group” refers to land lease transactions for the planting of sugarcane with entities Aguassanta Agrícola Ltda., Aguassanta Participações S.A., Aguapar Agrícola Ltda., Palermo Agrícola S.A. and Vila Santa Empreendimentos Imobiliários Ltda.
- (iii) “Radar Group” refers to land lease transactions for the planting of sugarcane, and the main companies of this Group are the following: Radar Propriedades Agrícolas S.A., Nova Agrícola Ponte Alta S.A., Nova Amaralina S.A., Terras da Ponte Alta, Nova Santa Barbara Agrícola S.A., Radar II Propriedades Agrícolas S.A., Vale da Ponte Alta S.A., Proud Participações S.A. and Bioinvestments Negócios S.A.

- (1) Expenses with shared corporate, management and operating costs reimbursed by related parties.
- (2) Expenses with land leased from related parties that are not part of Raízen Group.
- (3) This substantially refer to charges generated between referred to companies as a way of managing financial resources, due to financial management of cash and pre-export financing agreements.
- (4) Transactions with related parties are entered into under reasonable and cumulative conditions, in line with those prevailing in the market or under which the Company would take out with third parties.

c) Summary of balances reimbursable from/to shareholder Cosan

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Current assets				
Other receivables (i)	158,699	77,880	168,851	88,350
	<u>158,699</u>	<u>77,880</u>	<u>168,851</u>	<u>88,350</u>
Noncurrent assets				
Judicial deposits (Note 18)	146,971	111,796	262,253	226,372
Other financial assets (Note 9)	103,980	97,852	103,980	97,852
Other receivables (i)	111,960	111,377	196,769	117,898
	<u>362,911</u>	<u>321,025</u>	<u>563,002</u>	<u>442,122</u>
Total assets	<u><u>521,610</u></u>	<u><u>398,905</u></u>	<u><u>731,853</u></u>	<u><u>530,472</u></u>
Current liabilities				
Taxes payable	8,446	8,445	9,532	9,557
Other payables (ii)	208,470	204,887	235,092	234,189
	<u>216,916</u>	<u>213,332</u>	<u>244,624</u>	<u>243,746</u>
Noncurrent liabilities				
Taxes payable (ii)	171,146	169,530	180,579	178,897
Provision for contingencies (Note 18)	182,612	166,657	209,705	195,331
	<u>353,758</u>	<u>336,187</u>	<u>390,284</u>	<u>374,228</u>
Total liabilities	<u><u>570,674</u></u>	<u><u>549,519</u></u>	<u><u>634,908</u></u>	<u><u>617,974</u></u>

- (i) These refer mainly to legal expenses receivable from the shareholder.
- (ii) These refer mainly to tax credits to be reimbursed to the shareholder.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

d) Officers and members of the Board of Directors

Fixed and variable compensation to key management personnel, including statutory officers and members of the Board of Directors, recognized in profit or loss for the period, is as follows:

	<u>Apr-Dec/2020</u>	<u>Apr-Dec/2019</u>
Regular compensation	(43,949)	(42,541)
Bonuses and other variable compensation	(31,535)	(31,045)
Total compensation	<u>(75,484)</u>	<u>(73,586)</u>

The Company shares corporate, managerial and operational structures and costs with its related party RCSA. Key management personnel and other administrative functions are mostly comprised of employees of the Company itself. Therefore, at December 31, 2020, RCSA reimbursed R\$35,473 (R\$33,768 in the nine-month period ended December 31, 2019) to the Company.

e) Other significant information involving related parties

Considering that Raízen Group operates a corporate treasury, the Company is the guarantor of certain debts of its related party RCSA.

On February 5, 2021, Cosan and Shell as controlling shareholders of Raízen Group, signed a Subscription Agreement, stipulating the procedures and circumstances in which Raízen Group may notify its controlling shareholders (Cosan and Shell), requesting a contribution via capital increase in amount of US\$ 700,000 thousand, total amount for both shareholders. In accordance with the terms of the Subscription Agreement, if Raízen Group reaches certain financial leverage ratios, a meeting of the board of directors must be convened to determine the total amount of the capital contribution that will be required. It is important to note that Raízen Group is classified as Investment Grade, supported by robust capital discipline.

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

11. Investments

a) Individual

	Country	Business activity	Equity interest	Investments (1)		Equity pickup	
				12.31.2020	03.31.2020	Apr-Dec/2020	Apr-Dec/2019
<u>Book value</u>							
Agrícola Ponte Alta Ltda.	Brazil	Sale of ethanol	92.29%	1,062,547	1,005,060	57,372	80,317
Benálcool Açúcar e Álcool Ltda.	Brazil	Holding	100.00%	4,267	4,006	261	324
Centro de Tecnologia Canavieira S.A.	Brazil	R&D	19.04%	128,334	120,148	8,154	3,900
Raízen Caarapó Açúcar e Álcool Ltda.	Brazil	Sugar and ethanol mill	31.48%	252,886	247,677	5,198	15,182
Raízen Centroeste Açúcar e Álcool Ltda.	Brazil	Ethanol mill	47.37%	757,946	733,671	24,163	33,642
Logum Logística S.A.	Brazil	Logistics	30.00%	260,692	309,550	(76,698)	(16,982)
Raízen Araraquara Açúcar e Álcool Ltda. (3)	Brazil	Sugar and ethanol mill	99.99%	992,594	924,469	68,048	(32,323)
Raízen Fuels Finance S.A.	Luxembourg	Financing	100.00%	54,201	86,626	(1,846)	9,188
Raízen International Universal Corporation	British Virgin Islands	Sale of ethanol and sugar	100.00%	-	69,333	(83,748)	38,064
Raízen and Wilmar Sugar PTE Ltd.	Singapore	Trading of sugar	50.00%	45,859	47,924	(2,082)	(1,099)
Raízen Energy Finance Ltd.	Cayman Iland	Financing	100.00%	50,872	50,898	(7)	1
Raízen Paraguaçu Ltda. (3)	Brazil	Sugar and ethanol mill	100.00%	1,269,282	1,107,202	162,625	84,663
Bionergia Barra Ltda.	Brazil	Cogeneration of power	99.99%	1,334,539	1,071,860	262,580	274,019
Uniduto Logística S.A.	Brazil	Logistics	46.48%	40,393	47,550	(11,888)	(2,640)
Raízen-Geo Biogás S.A.	Brazil	Biogas plant	85.00%	15,650	19,926	(4,277)	(5,531)
Raízen Trading LLP	United Kingdom	Trading	100.00%	309,132	216,675	101,446	31,888
Raízen Biomassa S.A.	Brazil	Biomassa	81.50%	(33,872)	(26,798)	(7,074)	-
RZ Agrícola Caarapó Ltda.	Brazil	Sugar and ethanol mill	100.00%	411,098	367,608	54,074	-
Subtotal				6,956,420	6,403,385	556,301	512,613
<u>Goodwill on investment (4)</u>							
Benálcool Açúcar e Álcool Ltda.			100.00%	49,202	49,202	-	-
Raízen Araraquara Açúcar e Álcool Ltda.			99.99%	197,013	197,013	-	-
Raízen Tarumã Ltda.			100.00%	92,379	92,379	-	-
Uniduto Logística S.A.			46.48%	5,676	5,676	-	-
Centro de Tecnologia Canavieira S.A.			19.04%	45,514	45,514	-	-
Ryballa Participações Ltda.			100.00%	5,400	5,400	-	-
Raízen Biomassa S.A.			81.50%	39,153	39,153	-	-
Subtotal				434,337	434,337	-	-
Total investment				7,390,757	6,837,722	556,301	512,613
<u>Provision for capital deficiency in subsidiaries and associates (2)</u>							
Raízen International Universal Corporation	British Virgin Islands	Sale of ethanol and sugar	100.00%	(54)	-	-	-
Raízen Biomassa S.A.	Brazil	Biomass	81.50%	-	-	-	(918)
Unimodal Ltda.	Brazil	Logistics	53.17%	(1,923)	(1,923)	-	-
Other	Brazil	-	-	(3)	(3)	-	-
Total provision for capital deficiency				(1,980)	(1,926)	-	(918)
						556,301	511,695

(1) Investments measured by the equity method; (2) Classified in noncurrent liabilities, under “Other obligations”; (3) At December 31, 2020, investment balances include an allocated portion of goodwill from the merger of Curupay and acquisition of Usina Zanin, in the amounts of R\$80,702 and R\$68,127 (negative) (of R\$87,371 and R\$66,196 (negative) at March 31, 2020), respectively. Amortization of surplus values of referred to allocations, classified in the Parent Company as equity pickup, totaled R\$6,670 and R\$1,931 (R\$5,486 and R\$2,360 at December 31, 2019), respectively; (4) Goodwill on acquisition of shares.

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

(b) Consolidated

	Country	Business activity	Equity interest	Investments (1)		Equity pickup	
				12.31.2020	03.31.2020	Apr-Dec/2020	Apr-Dec/2019
<u>Book value</u>							
Centro de Tecnologia Canavieira S.A.	Brazil	R&D	19.58%	131,973	123,556	8,377	3,848
Logum Logística S.A.	Brazil	Logistics	30.00%	260,692	309,550	(76,698)	(16,982)
Uniduto Logística S.A.	Brazil	Logistics	46.48%	40,393	47,550	(11,888)	(2,640)
Raízen and Wilmar Sugar PTE Ltd	Singapore	Trading	50.00%	45,859	47,924	(2,082)	(1,099)
Subtotal				478,917	528,580	(82,291)	(16,873)
<u>Goodwill on investment (2)</u>							
In Uniduto Logística S.A.			46.48%	5,676	5,676	-	-
In Centro de Tecnologia Canavieira S.A.			19.58%	51,946	51,946	-	-
Subtotal				57,622	57,622	-	-
Total investment				536,539	586,202	(82,291)	(16,873)

(1) Investments measured by the equity method; (2) Goodwill on acquisition of shares.

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

Changes in investments in subsidiaries and associates (1):

	Individual	Consolidated
Balance at March 31, 2020	6,837,722	586,202
Equity pickup	556,301	(82,291)
Additions to investment (Note 11.d.i)	32,153	32,153
Gain (loss) on business combination (Note 29)	(11,447)	-
Foreign currency translation effect - CTA	7,174	475
Reduction in investment (Note 11.d.ii)	(31,869)	-
Other	723	-
Balance at December 31, 2020	7,390,757	536,539

(1) Os dividendos quando recebidos dos investimentos em controladas (demonstração financeira individual), em coligadas e joint ventures são classificados como fluxo de caixa das atividades de investimento.

c) Summarized financial information of associates, considering equity pickup adjustments, when applicable

- December 31, 2020

	Logum Logística S.A. (1) / (2)	Uniduto Logística Ltda. (1)/(2)	Centro de Tecnologia Canavieira S.A. (2)/(4)	Iogen Energy Corporation (3)	Raízen and Wilmar Sugar PTE Ltd. (4)
Assets	2,701,787	86,921	918,615	40,448	98,965
Liabilities and equity	(1,832,815)	(7)	(244,592)	(415,658)	(7,247)
Equity	868,972	86,914	674,023	(375,210)	91,718
Period ended December 31, 2020					
Operating revenue, net	126,502	-	209,432	-	16,254
Net income (loss)	(255,660)	(25,577)	33,773	(255)	(4,248)
Period ended December 31, 2019					
Operating revenue, net	114,636	-	158,174	-	51,260
Net income (loss)	(56,606)	(5,679)	19,723	(1,318)	(2,122)

- At March 31, 2020

	Logum Logística S.A. (1)/(2)	Uniduto Logística Ltda. (1)/(2)	Centro de Tecnologia Canavieira S.A. (2)/(4)	Iogen Energy Corporation (3)	Raízen and Wilmar Sugar PTE Ltd. (4)
Assets	2,355,141	103,219	811,416	59,421	542,186
Liabilities	(1,323,309)	(908)	(180,386)	(536,080)	(446,339)
Equity	1,031,832	102,311	631,030	(476,659)	95,847

(1) The fiscal year of these investees ends at December 31.

(2) Significant influence over these companies has been defined, mainly, based on the Company's right to elect key management personnel and to decide on their significant strategic and operational matters.

(3) Jointly controlled entity in which the Company holds 50% interest in common shares, whose fiscal year ends at August 31. The Company did not set up a provision for estimated loss on equity pickup, since it has no legal or constructive obligations to make payments relating to that company.

(4) The fiscal year ends at March 31.

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

d) Transactions occurred up to December 31, 2020

i) Additions to investment

Capital increase in Logum Logística S.A. (“Logum”)

In the nine-month period ended December 31, 2020, capital increases were resolved, approved and subscribed totaling R\$92,800. The amounts subscribed by the Company in these transactions totaled R\$27,840, fully paid up through a checking account.

There were no changes in the percentage of interest held in the capital of this investee, since all shareholders made capital contributions proportionally to their previously held interest.

Capital increase in Uniduto Logística S.A. (“Uniduto”)

In the nine-month period ended December 31, 2020, capital increases were resolved, totaling R\$9,280. The amounts subscribed by the Company in these transactions totaled R\$4,313, fully paid up through a checking account.

All shareholders contributed and paid the shares, according to the proportion to their participation, with the exception of one shareholder, who failed to contribute and pay the shares. As a result of these events, the shareholders Raízen Energia and Copersucar made a private advance instrument for future capital increase (“AFAC”), so that Uniduto could honor its commitments assumed as shareholders of Logum.

These AFAC’s have not yet been subject of a decision by the investee's shareholders on their conversion into a capital increase. Therefore, there was no variation in the percentage of participation in the capital of this investee.

ii) Reduction in investment

Capital reduction of Raízen Fuels Finance S.A. (Raízen Fuels)

On November 24, 2020, the capital was reduced in subsidiary Raízen Fuels through the cancellation of 1,127,991 shares, amounting to USD1,128 (R\$6,095 on the transaction date). The Company was reimbursed in the amount of R\$6,095 upon payment, equivalent to 100% equity interest held in that company’s capital.

Distribution of Raízen Fuels Finance S.A.’s share reserve

In the nine-month period ended December 31, 2020, through a shareholders’ meeting, the payment of the share reserve amounting to USD4,770 (R\$25,774 on the transaction date) was approved to the Company, which was settled on November 24, 2020.

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

12. Property, Plant and Equipment (PPE)

a) Individual

	Land and rural properties	Buildings and improvements	Machinery, equipment and facilities	Aircraft, vessels and vehicles	Furniture, fixtures and IT equipment	Construction in progress	Frequently replaced parts and components	Sugarcane planting	Other	Total
Cost:										
At March 31, 2020	14,915	1,111,427	4,707,085	517,546	192,867	482,894	1,082,625	5,492,567	16,098	13,618,024
Additions	-	8,548	21,368	20	693	222,885	208,860	322,676	10	785,060
Write-offs	-	(19)	(69,647)	(46,963)	(17,395)	-	-	(1,484)	-	(135,508)
Transfers (1)	2,599	46,515	156,912	15,181	8,992	(261,316)	-	-	461	(30,656)
Estimated loss (2)	-	-	4,525	867	898	-	-	-	-	6,290
December 31, 2020	<u>17,514</u>	<u>1,166,471</u>	<u>4,820,243</u>	<u>486,651</u>	<u>186,055</u>	<u>444,463</u>	<u>1,291,485</u>	<u>5,813,759</u>	<u>16,569</u>	<u>14,243,210</u>
Accumulated depreciation:										
At March 31, 2020	-	(315,011)	(1,964,544)	(269,948)	(130,018)	-	(543,491)	(3,854,767)	(12,803)	(7,090,582)
Depreciation expense for the period	-	(28,166)	(236,315)	(31,520)	(14,506)	-	(579,993)	(432,069)	(1,483)	(1,324,052)
Write-offs	-	18	48,962	33,901	16,639	-	-	-	-	99,520
Transfers (1)	-	2	6,751	(6,874)	121	-	-	-	-	-
December 31, 2020	<u>-</u>	<u>(343,157)</u>	<u>(2,145,146)</u>	<u>(274,441)</u>	<u>(127,764)</u>	<u>-</u>	<u>(1,123,484)</u>	<u>(4,286,836)</u>	<u>(14,286)</u>	<u>(8,315,114)</u>
Net residual value:										
December 31, 2020	17,514	823,314	2,675,097	212,210	58,291	444,463	168,001	1,526,923	2,283	5,928,096
At March 31, 2020	14,915	796,416	2,742,541	247,598	62,849	482,894	539,134	1,637,800	3,295	6,527,442

(1) This refers to the transfers between classes of property, plant and equipment and of intangible assets.

(2) This refers to net (set up) of provision for estimated loss on property, plant and equipment recognized in P&L for the period under "Other operating income (expenses), net" (Note 24).

RAÍZEN ENERGIA S.A.

Notes to interim financial information

December 31, 2020

(In thousands of reais, unless otherwise stated)

b) Consolidated

	Land and rural properties	Buildings and improvements	Machinery, equipment and facilities	Aircraft, vessels and vehicles	Furniture, fixtures and IT equipment	Construction in progress	Frequently replaced parts and components	Sugarcane planting	Other	Total
Cost:										
At March 31, 2020	42,586	1,888,798	9,303,284	622,710	236,024	795,220	1,383,798	6,555,294	30,064	20,857,778
Additions	-	9,223	25,852	24	689	356,714	271,087	387,969	10	1,051,568
Write-offs	-	(19)	(77,145)	(50,973)	(17,401)	-	-	(2,782)	-	(148,320)
Transfers (1)	2,599	32,061	156,061	(1,367)	4,525	(348,034)	-	-	741	(153,414)
Estimated loss (2)	-	-	4,641	882	898	-	-	-	-	6,421
Business combination (3)	-	109	(3,928)	257	35	-	-	-	(828)	(4,355)
Other	-	-	-	-	(308)	-	-	-	(585)	(893)
December 31, 2020	<u>45,185</u>	<u>1,930,172</u>	<u>9,408,765</u>	<u>571,533</u>	<u>224,462</u>	<u>803,900</u>	<u>1,654,885</u>	<u>6,940,481</u>	<u>29,402</u>	<u>21,608,785</u>
Accumulated depreciation:										
At March 31, 2020	-	(501,375)	(3,841,188)	(310,765)	(155,938)	-	(692,423)	(4,496,617)	(21,968)	(10,020,274)
Depreciation expense for the period	-	(46,258)	(442,074)	(44,554)	(17,112)	-	(752,966)	(538,873)	(2,684)	(1,844,521)
Write-offs	-	18	54,689	42,528	16,646	-	-	-	-	113,881
Transfers (1)	-	19,196	78,618	21,674	3,242	-	-	-	-	122,730
December 31, 2020	<u>-</u>	<u>(528,419)</u>	<u>(4,149,955)</u>	<u>(291,117)</u>	<u>(153,162)</u>	<u>-</u>	<u>(1,445,389)</u>	<u>(5,035,490)</u>	<u>(24,652)</u>	<u>(11,628,184)</u>
Net residual value:										
December 31, 2020	45,185	1,401,753	5,258,810	280,416	71,300	803,900	209,496	1,904,991	4,750	9,980,601
At March 31, 2020	42,586	1,387,423	5,462,096	311,945	80,086	795,220	691,375	2,058,677	8,096	10,837,504

(1) This refers to the transfers between classes of property, plant and equipment and of intangible assets in the amount of R\$30,684, and reclassification to trade accounts payable in the amount of R\$314.

(2) This refers to net (set up) of provision for estimated loss on property, plant and equipment recognized in P&L for the period under "Other operating income (expenses), net" (Note 24).

(3) This refers to the final adjustments in the price allocation of the assets acquired and liabilities assumed by the Company in the process of acquiring RZ Agrícola Caarapó Ltda. The details of this transaction are described in Note 29.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Capitalization of borrowing costs

In nine-month period ended December 31, 2020, capitalized borrowing costs in the individual and consolidated interim financial information amounted to R\$29,560 and R\$33,354 (R\$20,554 and R\$25,089, at December 31, 2019), respectively. The annual weighted average rates of financial charges on debt, for the individual and consolidated interim financial information, used to capitalize interest on the balance of construction in progress, were 7.94% and 7.72% at December 31, 2020 (7.09% and 6.59% at December 31, 2019), respectively.

13. Intangible assets

a) Individual

	Software license	Goodwill	Sharecropping agreements	Sugarcane supply agreements	Technology	Total
Cost or valuation:						
At March 31, 2020	281,531	1,639,811	18,411	26,011	185,136	2,150,900
Additions	2,976	-	-	-	-	2,976
Transfers (1)	30,656	-	-	-	-	30,656
December 31, 2020	<u>315,163</u>	<u>1,639,811</u>	<u>18,411</u>	<u>26,011</u>	<u>185,136</u>	<u>2,184,532</u>
Accumulated amortization:						
At March 31, 2020	(187,942)	(368,026)	(17,857)	(20,769)	(90,845)	(685,439)
Depreciation expense for the period	(24,866)	-	(221)	(2,223)	(13,885)	(41,195)
December 31, 2020	<u>(212,808)</u>	<u>(368,026)</u>	<u>(18,078)</u>	<u>(22,992)</u>	<u>(104,730)</u>	<u>(726,634)</u>
Net residual value:						
December 31, 2020	102,355	1,271,785	333	3,019	80,406	1,457,898
At March 31, 2020	93,589	1,271,785	554	5,242	94,291	1,465,461

(1) This refers to the transfers between classes of property, plant and equipment and of intangible assets.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

b) Consolidated

	Software license	Goodwill	Sharecropping agreements	Sugarcane supply agreements	Contractual relations with customers	Right of use - public concessions	Technology	Other	Total
Cost or valuation:									
At March 31, 2020	303,233	1,978,730	18,411	181,516	16,196	12,541	185,136	29,183	2,724,946
Additions	2,841	-	-	-	-	-	-	-	2,841
Transfers (1)	30,998	-	-	-	-	-	-	-	30,998
Other	-	-	-	-	-	-	-	(5)	(5)
December 31, 2020	<u>337,072</u>	<u>1,978,730</u>	<u>18,411</u>	<u>181,516</u>	<u>16,196</u>	<u>12,541</u>	<u>185,136</u>	<u>29,178</u>	<u>2,758,780</u>
Accumulated amortization:									
At March 31, 2020	(208,786)	(431,380)	(17,856)	(109,679)	(1,767)	(12,541)	(90,845)	(21,206)	(894,060)
Depreciation expense for the period	(25,038)	-	(221)	(10,862)	(1,325)	-	(13,885)	-	(51,331)
December 31, 2020	<u>(233,824)</u>	<u>(431,380)</u>	<u>(18,077)</u>	<u>(120,541)</u>	<u>(3,092)</u>	<u>(12,541)</u>	<u>(104,730)</u>	<u>(21,206)</u>	<u>(945,391)</u>
Net residual value:									
December 31, 2020	103,248	1,547,350	334	60,975	13,104	-	80,406	7,972	1,813,389
At March 31, 2020	94,447	1,547,350	555	71,837	14,429	-	94,291	7,977	1,830,886

(1) This refers to the transfers between classes of property, plant and equipment and of intangible assets.

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

14. Trade accounts payable

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Material and services	222,673	477,673	1,255,584	2,442,055
Sugarcane	634,797	253,428	787,905	304,492
Trade accounts payable - agreement	91,468	140,773	1,200,946	3,364,288
	<u>948,938</u>	<u>871,874</u>	<u>3,244,435</u>	<u>6,110,835</u>
In Brazil (local currency)	948,626	871,430	1,551,465	1,334,107
Abroad (foreign currency) (Note 26.d)	312	444	1,692,970	4,776,728
	<u>948,938</u>	<u>871,874</u>	<u>3,244,435</u>	<u>6,110,835</u>

The characteristics of trade accounts payable are the same as those disclosed in the annual financial statements at March 31, 2020 (Note 14). There were no changes in the procedures for recognition, measurement and accounting records, nor significant changes in the credit risk of counterparties involved in the balances.

15. Leases

15.a. Right of use

At December 31 and March 31, 2020, rights of use are presented by the following underlying assets:

a.1) Individual

	Land	Properties	Vehicles	Machinery and equipment	Manufacturing facilities	Total
Cost or valuation:						
At March 31, 2020	4,147,034	51,718	198,758	107,308	89,358	4,594,176
Additions of new contracts - non-cash effect	362,885	3,280	1,258	145,256	-	512,679
Write-off of contracts - non-cash effect	(120,779)	(33)	-	(11,252)	-	(132,064)
Remeasurement of contracts - non-cash effect (1)	689,650	11,808	-	5,764	7,970	715,192
December 31, 2020	<u>5,078,790</u>	<u>66,773</u>	<u>200,016</u>	<u>247,076</u>	<u>97,328</u>	<u>5,689,983</u>
Amortization:						
At March 31, 2020	(714,763)	(12,199)	(51,678)	(40,449)	(5,831)	(824,920)
Additions - with impact on P&L	(780,703)	(9,756)	(42,064)	(42,530)	(5,406)	(880,459)
December 31, 2020	<u>(1,495,466)</u>	<u>(21,955)</u>	<u>(93,742)</u>	<u>(82,979)</u>	<u>(11,237)</u>	<u>(1,705,379)</u>
Net residual value:						
December 31, 2020	3,583,324	44,818	106,274	164,097	86,091	3,984,604
At March 31, 2020	<u>3,432,271</u>	<u>39,519</u>	<u>147,080</u>	<u>66,859</u>	<u>83,527</u>	<u>3,769,256</u>

(1) Updating of the restatement index, substantially composed of the variation in the price of CONSECANA applied to lease and sharecropping agreements.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

a.2) Consolidated

	Land	Properties	Vehicles	Machinery and equipment	Manufacturing facilities	Total
Cost or valuation:						
At March 31, 2020	4,824,341	63,364	214,943	121,754	89,359	5,313,761
Additions of new contracts - non-cash effect	467,930	16,193	2,630	180,347	-	667,100
Write-off of contracts - non-cash effect	(138,841)	(1,131)	-	(11,252)	-	(151,224)
Remeasurement of contracts - non-cash effect (1)	792,329	11,931	1,217	6,292	7,970	819,739
December 31, 2020	<u>5,945,759</u>	<u>90,357</u>	<u>218,790</u>	<u>297,141</u>	<u>97,329</u>	<u>6,649,376</u>
Amortization:						
At March 31, 2020	(803,747)	(17,982)	(54,003)	(41,869)	(5,831)	(923,432)
Additions - with impact on P&L	(904,260)	(18,427)	(47,087)	(52,527)	(5,405)	(1,027,706)
December 31, 2020	<u>(1,708,007)</u>	<u>(36,409)</u>	<u>(101,090)</u>	<u>(94,396)</u>	<u>(11,236)</u>	<u>(1,951,138)</u>
Net residual value:						
December 31, 2020	4,237,752	53,948	117,700	202,745	86,093	4,698,238
At March 31, 2020	4,020,594	45,382	160,940	79,885	83,528	4,390,329

(1) Updating of the restatement index, substantially composed of the variation in the price of CONSECANA applied to lease and sharecropping agreements.

15.b. Lease liabilities

Changes in lease liabilities for the nine-month period ended December 31, 2020 are as follows:

	Individual	Consolidated
Balance at March 31, 2020	3,104,532	3,737,662
Additions of new contracts	509,772	664,112
Write-off of contracts	(130,604)	(147,548)
Payments	(717,917)	(876,938)
Restatement	195,704	236,490
Remeasurement of contracts (1)	499,387	603,877
Transfers	14,036	28,539
Balance at December 31, 2020	<u>3,474,910</u>	<u>4,246,194</u>
Current	(607,357)	(726,447)
Noncurrent	<u>2,867,553</u>	<u>3,519,747</u>

(1) Updating of the restatement index, substantially composed of the variation in the price of CONSECANA applied to lease and sharecropping agreements.

The weighted average incremental borrowing rate applied to lease liabilities at December 31, 2020 was 8.45% per year.

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

At December 31, 2020, the aging list of lease liabilities of third parties and related parties (Note 10.a.6) in the Consolidated financial information is as follows:

Years	Present value	Future value
1 to 12 months	900,449	1,220,678
13 to 24 months	898,720	1,112,906
25 to 36 months	799,041	958,249
37 to 48 months	652,500	767,454
49 to 60 months	504,028	578,314
61 to 72 months	406,059	453,397
73 to 84 months	268,071	332,382
85 to 96 months	185,832	228,791
97 to 120 months	125,764	165,868
From 121 months onwards	388,442	492,623
Gross total	5,128,906	6,310,662
Potential right of PIS and COFINS recoverable (1)	(474,424)	(583,736)
Total, net	4,654,482	5,726,926

- (1) This refers to the potential right of PIS/COFINS credits on payments of lease calculated based on the theoretical rate of 9.25%. This disclosure complies with CVM/SNC/SEP Circular Memorandum No. 02/2019 and represents an estimate only. Therefore, these credits are not those that could effectively be used by RESA in the future. In such event, the referred to credits may be materially different due to the possibility of the effective rate being different from the theoretical rate or the payment not being subject to the use of credit, for instance, due to subsequent changes in tax legislation.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

16. Loans and financing

Type	Final maturity	Index/rate	Finance charges		Individual		Consolidated	
			Average annual effective interest rate (2)		12.31.2020	03.31.2020	12.31.2020	03.31.2020
			12.31.2020	03.31.2020				
Debt classification per currency:								
Denominated in Brazilian Real (R\$)					7,548,514	7,739,706	8,619,028	8,875,466
Denominated in US Dollar and Euro (Nota 26.d)					2,465,758	2,660,510	8,604,242	7,703,519
					<u>10,014,272</u>	<u>10,400,216</u>	<u>17,223,270</u>	<u>16,578,985</u>
Debt type (1):								
BNDES	March/24	URTJLP	5.37%	6.19%	3,397	8,540	4,225	9,572
BNDES	December/30	Fixed rate	3.61%	3.59%	171,863	216,933	298,745	383,931
BNDES	April/24	UMBND	5.07%	6.68%	8,543	11,539	28,867	36,539
BNDES	December/38	IPCA	8.91%	7.36%	66,247	65,143	146,376	128,956
Advances on Foreign Exchange Contracts (ACC)	April/21	Dollar (US\$) + fixed rate	1.69%	1.71%	1,007,580	880,423	1,007,580	880,423
Debentures	June/30	IPCA + interest	8.42%	7.06%	1,172,083	1,115,357	1,172,083	1,115,357
Working capital	-	-	-	4.41%	-	-	-	33,457
Working capital	-	FED	0.84%	0.83%	-	-	-	16,644
Pre-export Financing	August/25	US Dollar (US\$) + Libor	1.41%	3.19%	1,458,178	1,780,087	1,458,178	2,062,651
Term Loan Agreement	April/24	US Dollar (US\$) + Libor	1.29%	2.95%	-	-	1,059,857	1,051,522
Agricultural Product Financial Note (CPF-R)	November/29	CDI	2.17%	4.35%	1,001,965	2,017,442	1,001,965	2,017,442
Senior Notes Due 2027 ("Senior 2027")	January/27	US Dollar (US\$)	5.30%	5.30%	-	-	4,016,424	2,681,081
Resolution No. 2471 (PESA)	April/23	IGP-M	29.88%	7.53%	-	305,470	28,177	328,965
PESA	October/25	Fixed rate	3.00%	3.00%	38	46	38	46
Credit notes	-	CDI	-	3.91%	-	84,941	-	84,941
Finame/Lease	January/25	Fixed rate	6.76%	6.64%	31,374	37,464	47,704	57,571
Finame/Lease	March/21	URTJLP	7.75%	8.29%	11	45	11	45
Finep	November/22	Fixed rate – US\$	5.00%	5.00%	-	-	63,450	88,278
Loan 4131	-	Fixed rate	-	4.34%	-	-	-	54,778
Agribusiness Receivables Certificate ("CRA")	July/29	CDI	1.86%	3.57%	1,953,281	1,985,954	2,415,685	2,439,894
CRA	July/30	IPCA + interest	9.32%	7.29%	3,139,712	1,890,832	3,411,703	2,150,473
Schuldschein	October/21	Fixed rate - EUR	2.88%	2.88%	-	-	423,463	382,920
Schuldschein	September/22	Euribor	1.65%	1.79%	-	-	638,739	573,499
					<u>10,014,272</u>	<u>10,400,216</u>	<u>17,223,270</u>	<u>16,578,985</u>

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Type	Final maturity	Index/rate	Finance charges		Individual		Consolidated	
			Average annual effective interest rate (2)		12.31.2020	03.31.2020	12.31.2020	03.31.2020
			12.31.2020	03.31.2020				
Expenses with placement of securities:								
BNDES					(1,070)	(1,357)	(1,216)	(2,135)
CRA					(37,583)	(15,590)	(37,583)	(15,590)
Debentures					(4,798)	(180)	(4,798)	(180)
Pre-export Financing					-	-	(126)	(142)
Finep					-	-	(20)	(199)
Finem					(257)	(268)	(635)	(397)
CPR-F					(11,462)	(12,426)	(11,462)	(12,426)
Senior Notes Due 2027					-	-	(4,565)	(2,074)
					(55,170)	(29,821)	(60,405)	(33,143)
					9,959,102	10,370,395	17,162,865	16,545,842
Current					(1,896,453)	(3,087,599)	(2,497,669)	(3,597,675)
Noncurrent					8,062,649	7,282,796	14,665,196	12,948,167

(1) Loans and financing are generally guaranteed by promissory notes from the Company. In certain cases, they also have collaterals from their subsidiaries, from Raízen Combustíveis S.A., in addition to security interest, such as: i) receivables arising from energy trading contracts (BNDES); ii) CTN (Note 9) and land mortgage (PESA); iii) property, plant and equipment (Note 12); and, iv) lien of financed assets (Finame).

(2) Payments of interest on loans and financing are classified as cash flow from financing activities.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

The aging list of installments falling due in the long term, less amortization of expenses with placement of securities, is as follows:

	12.31.2020	
	Individual	Consolidated
13 to 24 months	68,575	1,257,385
25 to 36 months	1,057,137	1,400,152
37 to 48 months	1,062,480	2,125,661
49 to 60 months	703,495	709,707
61 to 72 months	956,226	962,570
73 to 84 months	1,287,941	5,225,094
85 to 96 months	1,233,348	1,240,312
From 97 months onwards	1,693,447	1,744,315
	8,062,649	14,665,196

a) Advances on Exchange Contracts (ACC)

Taken out in	Annual average effective interest rate	Maturity	Amount	
			R\$	US\$
Sept/20	Fixed rate	Mar/21	424,521	90,000
Oct/20	Fixed rate	Jan-21	111,758	20,000
Nov/20	Fixed rate	Feb/21	199,585	37,000
Nov/20	Fixed rate	Feb/21	108,234	20,000

b) Debentures

In June 2020, the Brazilian SEC (“CVM”) granted the Company registration for its fifth (5th) Public Issue of Unsecured Debentures through which 169,518 single-series non-privileged unsecured nonconvertible debentures were issued, at the nominal value of R\$1,000.00 (one thousand reais), totaling R\$169,518.

	Index/rate	Principal	Receipt date	Maturity
5 th series	IPCA	169,518	06/15/2020	06/15/2030

c) Senior Notes Due 2027

Taken out in	Issuer	Maturity	US\$
Jul-20	Capitals market	Jan-27	225,000

d) Special Program for Securitization of Agricultural Loans (PESA)

In the nine-month period ended December 31, 2020, the Company offset the PESA contracts amounting to R\$357,185 through redemptions of National Treasury Certificates (CTN) (see Note 9).

e) Agribusiness Receivables Certificate (CRA)

Taken out in	Issuer	Issue	Series	Maturity	Principal
Jun-20	True Securitizadora S.A.	8°	2 ^a	Jun-27	352,426
Jun-20	True Securitizadora S.A.	8°	2 ^a	Jun-30	728,056

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Covenants

The Company and its subsidiaries are not compelled to comply with financial ratios, and are subject only to certain covenants of loan and financing agreements, such as cross-default and negative pledge.

Revolving Credit Facility

Raízen Fuels, a wholly-owned subsidiary of Raízen Energia, has a revolving credit facility in the total amount of US\$300,000 thousand, which was not used until the closing date of these financial statements, as follows:

<u>Beneficiary</u>	<u>Institution</u>	<u>Amount (US\$)</u>	<u>Maturity</u>
Raízen Fuels	Syndicate of banks	300,000	April 2024

Fair value

At December 31 and March 31, 2020, the book value and fair value of the loans are as follows:

<u>Type</u>	<u>Classification</u>	<u>Individual</u>					
		<u>Amount raised, restated</u>		<u>Fair value (3)</u>		<u>Finance income (costs) (2)</u>	
		<u>12.31.2020</u>	<u>03.31.2020</u>	<u>12.31.2020</u>	<u>03.31.2020</u>	<u>12.31.2020</u>	<u>12.31.2019</u>
Pre-export Financing	Fair value through P&L	1,431,218	1,500,272	1,458,178	1,508,521	(18,711)	(892)
Agribusiness Receivables Certificate (CRA)	Fair value through P&L	2,614,661	1,851,022	2,772,540	1,883,536	(125,365)	(89,556)
Debentures	Fair value through P&L	951,815	930,273	994,971	893,415	(80,014)	(1,699)
		<u>4,997,694</u>	<u>4,281,567</u>	<u>5,225,689</u>	<u>4,285,472</u>	<u>(224,090)</u>	<u>(92,147)</u>
<u>Type</u>	<u>Classification</u>	<u>Consolidated</u>					
		<u>Amount raised, restated</u>		<u>Fair value (3)</u>		<u>Finance income (costs) (2)</u>	
		<u>12.31.2020</u>	<u>03.31.2020</u>	<u>12.31.2020</u>	<u>03.31.2020</u>	<u>12.31.2020</u>	<u>12.31.2019</u>
Senior Notes Dues 2027 (1)	Fair value through P&L	2,037,489	826,464	2,156,847	881,408	(64,414)	(26,088)
Pre-export Financing	Fair value through P&L	1,431,218	1,775,400	1,458,178	1,785,136	(17,224)	(2)
Agribusiness Receivables Certificate (CRA)	Fair value through P&L	2,865,224	2,098,507	3,044,531	2,143,520	(134,294)	(104,436)
Term Loan Agreement	Fair value through P&L	1,039,827	1,088,770	1,059,861	1,099,825	(8,979)	(13,267)
Debentures	Fair value through P&L	951,815	930,273	994,971	893,415	(80,014)	(1,699)
Loan 4131	Fair value through P&L	-	56,666	-	56,883	217	236
		<u>8,325,573</u>	<u>6,776,080</u>	<u>8,714,388</u>	<u>6,860,187</u>	<u>(304,708)</u>	<u>(145,256)</u>

(1) The fair value of Senior 2027 is based on the price quote on the secondary market. At December 31, 2020, the face value is 114.24% (94.99% at March 31, 2020).

(2) Refers to the impact of fair value on finance income (costs), as presented in Note 25.

(3) Referred to debts are increased by a fair value assessment in the amount of R\$227,995 and R\$388,815 (R\$3,905 and R\$84,107 at March 31, 2020), in the individual and consolidated interim financial information, respectively.

Other loans and financing have no quoted value, but the fair value substantially approximates their book value, due to exposure to variable interest rates and the immaterial changes in the Company's credit risk, which can be obtained by comparing quoted papers as shown above.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

17. Income and social contribution taxes

a) Reconciliation of income and social contribution tax credit (expense):

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Income (loss) before income and social contribution taxes	480,805	181,584	(181,360)	(406,350)
Income and social contribution taxes at nominal rate (34%)	(163,474)	(61,739)	61,662	138,159
Adjustments to calculate the effective rate:				
Gifts, donations, trade association dues	(249)	(1,832)	(284)	(828)
Taxation on a worldwide basis (“TBU”) related to investments abroad	(34,816)	15,567	(2,565)	(13,729)
Equity pickup	129,668	189,142	75,138	173,976
Brazilian Special Regime for Reinstatement of Taxes (Reintegra)	716	1,833	327	1,174
Other	3,292	3,495	(221)	(1,129)
Income and social contribution tax revenue (expense) – current and deferred	(64,863)	146,466	134,057	297,623
Effective rate	13.49%	(80.66%)	73.92%	73.24%

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Income (loss) before income and social contribution taxes	562,786	451,296	(64,629)	(113,338)
Income and social contribution taxes at nominal rate (34%)	(191,347)	(153,441)	21,974	38,535
Adjustments to calculate the effective rate:				
Rate difference between the taxable profit based on a percentage of gross sales and the taxable profit based on accounting records taxation regimes (i)	10,340	34,410	7,972	26,219
Taxation on a worldwide basis (“TBU”) related to investments abroad	(4,263)	167	9,240	5,063
Investment grant - ICMS	1,177	2,170	1,022	4,060
Equity pickup	(392)	(27,979)	(3,095)	(5,737)
Brazilian Special Regime for Reinstatement of Taxes (Reintegra)	840	2,093	397	1,366
Breakages and inventory difference	(1,671)	(2,338)	(258)	(1,628)
Other	6,119	6,513	(892)	(2,559)
Income and social contribution tax revenue (expense) – current and deferred	(179,197)	(138,405)	36,360	65,319
Effective rate	31.84%	30.67%	56.26%	57.63%

- (i) Some of the companies engaged in power cogeneration calculated Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL) under the taxation regime called “Lucro Presumido”, whereby profit is computed as a percentage of the company’s gross revenue, as determined by the legislation, generating a difference in relation to the IRPJ and CSLL nominal rate.

a.1) Income and social contribution taxes recoverable

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Corporate Income Tax (“IRPJ”)	411,540	520,196	448,794	558,732
Social Contribution Tax on Net Profit (“CSLL”)	-	121,042	2,137	126,498
	411,540	641,238	450,931	685,230
Current	(162,307)	(183,411)	(169,798)	(195,503)
Noncurrent	249,233	457,827	281,133	489,727

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

a.2) Income and social contribution taxes payable

	Consolidated	
	12.31.2020	03.31.2020
Corporate Income Tax (IRPJ)	144,808	44,144
Social Contribution Tax on Net Profit (CSLL)	37,283	9,245
	<u>182,091</u>	<u>53,389</u>

b) Deferred income and social contribution tax assets and liabilities:

b.1) Individual

				12.31.2020	03.31.2020
	Base	IRPJ 25%	CSLL 9%	Total	Total
<u>Noncurrent assets (liabilities)</u>					
Income tax losses					
Income tax losses	4,167,876	1,041,969	-	1,041,969	624,052
Social contribution tax losses	3,952,922	-	355,763	355,763	213,832
Temporary differences:					
Provisions for contingencies	785,200	196,300	70,668	266,968	242,529
Exchange differences - cash basis	1,472,312	368,078	132,508	500,586	524,359
Estimated loss on realization of assets	214,521	53,630	19,307	72,937	50,019
Compensation and benefits to employees	162,794	40,698	14,652	55,350	75,386
Lease liabilities	379,697	94,924	34,173	129,097	60,063
Miscellaneous provisions and other temporary differences	649,247	162,312	58,432	220,744	99,022
Total deferred tax assets		<u>1,957,911</u>	<u>685,503</u>	<u>2,643,414</u>	<u>1,889,262</u>
Biological assets	(251,956)	(62,989)	(22,676)	(85,665)	(14,879)
Capitalized borrowing costs	(152,579)	(38,145)	(13,732)	(51,877)	(48,068)
Capital gain	(328,182)	(82,046)	(29,536)	(111,582)	(115,475)
Unrealized income (loss) from derivatives	(83,506)	(20,876)	(7,516)	(28,392)	(124,819)
Review of useful lives of PPE	(1,008,812)	(252,203)	(90,793)	(342,996)	(330,798)
Amortized tax goodwill	(851,015)	(212,754)	(76,591)	(289,345)	(268,861)
Total deferred tax liabilities		<u>(669,013)</u>	<u>(240,844)</u>	<u>(909,857)</u>	<u>(902,900)</u>
Total deferred- Assets, net		<u>1,288,898</u>	<u>444,659</u>	<u>1,733,557</u>	<u>986,362</u>

b.2) Consolidated

				12.31.2020	03.31.2020
	Base	IRPJ 25%	CSLL 9%	Total	Total
<u>Noncurrent assets (liabilities)</u>					
Income tax losses					
Income tax losses	4,663,244	1,165,811	-	1,165,811	769,439
Social contribution tax losses	4,448,300	-	400,347	400,347	266,171
Temporary differences:					
Provisions for contingencies	897,212	224,303	80,749	305,052	275,758
Exchange differences - cash basis	1,555,426	388,857	139,988	528,845	564,541
Provision for goodwill write-off	166,656	41,664	14,999	56,663	56,663
Estimated loss on realization of assets	279,306	69,826	25,138	94,964	71,160
Compensation and benefits to employees	177,538	44,385	15,978	60,363	82,557
Lease liabilities	443,003	110,751	39,870	150,621	73,197
Miscellaneous provisions and other temporary differences	578,276	144,569	52,045	196,614	56,784
Total deferred tax assets		<u>2,190,166</u>	<u>769,114</u>	<u>2,959,280</u>	<u>2,216,270</u>

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

				12.31.2020	03.31.2020
	Base	IRPJ 25%	CSLL 9%	Total	Total
Biological assets	(433,235)	(108,309)	(38,991)	(147,300)	(44,665)
Capitalized borrowing costs	(256,274)	(64,068)	(23,065)	(87,133)	(85,831)
Unrealized income (loss) from derivatives	(314,859)	(78,715)	(28,337)	(107,052)	(264,225)
Capital gain	(328,182)	(82,046)	(29,536)	(111,582)	(115,475)
Review of useful lives of PPE	(2,048,415)	(512,104)	(184,357)	(696,461)	(672,159)
Fair value of property, plant and equipment	(200,021)	(50,005)	(18,002)	(68,007)	(72,985)
Amortized tax goodwill	(1,035,132)	(258,783)	(93,162)	(351,945)	(331,461)
Total deferred tax liabilities		(1,154,030)	(415,450)	(1,569,480)	(1,586,801)
Total deferred taxes		1,036,136	353,664	1,389,800	629,469
Deferred taxes- Assets, net				1,792,295	1,137,283
Deferred taxes- Liabilities, net				(402,495)	(507,814)
Total deferred taxes				1,389,800	629,469

b.3) Changes in deferred taxes, net:

	Apr-Dec/2020	
	Individual	Consolidated
Balance at beginning of period	986,362	629,469
Revenue in profit or loss	380,089	392,502
Deferred taxes on comprehensive income	367,106	367,106
Other	-	723
Balance at end of period	1,733,557	1,389,800

b.4) Realization of deferred income and social contribution taxes:

As mentioned in Note 17 to the financial statements of March 31, 2020, the Company expects to realize deferred tax assets, including IRPJ and CSLL tax loss carryforwards and temporary differences. In the nine-month period ended December 31, 2020, there were no significant changes related to the expected realization of deferred income and social contribution taxes.

18. Provision for contingencies and judicial deposits

Breakdown of lawsuits assessed as probable loss

At December 31 and March 31, 2020, the balances of the lawsuits are as follows:

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Tax	90,146	102,504	103,640	115,655
Civil	58,915	21,304	77,977	37,088
Labor	285,982	267,304	385,888	359,312
	435,043	391,112	567,505	512,055
Non-reimbursable lawsuits (i)	252,431	224,455	357,800	316,724
Reimbursable lawsuits (ii) (Note 10.c)	182,612	166,657	209,705	195,331

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(In thousands of reais, unless otherwise stated)

In the process of incorporating Raízen, it was agreed that Cosan should reimburse the Company for the amount of legal claims with a date prior to its incorporation, and in turn, that the Company shall refund Cosan the amount of judicial deposits made at a previous reporting date. At December 31, 2020, the balances of judicial deposits are as follows:

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Tax	181,996	167,025	303,981	287,553
Civil	43,143	8,158	43,291	8,462
Labor	82,347	83,946	104,569	107,689
	<u>307,486</u>	<u>259,129</u>	<u>451,841</u>	<u>403,704</u>
Own judicial deposits	160,515	147,333	189,588	177,332
Refundable judicial deposits (Note 10.c)	146,971	111,796	262,253	226,372

i) Non-reimbursable lawsuits

	Individual			Total
	Tax	Civil	Labor	
At March 31, 2020	10,743	4,203	209,509	224,455
Provisions for the period	1,643	5,563	66,109	73,315
Write-offs/reversals (i)	(1,022)	(2,493)	(46,831)	(50,346)
Payments	-	(740)	(24,793)	(25,533)
Monetary restatement (ii)	-	3,949	26,591	30,540
December 31, 2020	<u>11,364</u>	<u>10,482</u>	<u>230,585</u>	<u>252,431</u>

(i) Considers reversal of monetary restatement in the amount of (R\$17,758) accounted for in profit or loss for the period under Finance income (costs).

(ii) Recorded in profit or loss for the period under Finance income (costs).

	Consolidated			Total
	Tax	Civil	Labor	
At March 31, 2020	22,242	12,957	281,525	316,724
Provisions for the period	2,023	8,709	87,973	98,705
Write-offs/reversals (i)	(1,915)	(8,271)	(60,870)	(71,056)
Payments	-	(1,749)	(32,029)	(33,778)
Monetary restatement (ii)	548	11,671	34,986	47,205
December 31, 2020	<u>22,898</u>	<u>23,317</u>	<u>311,585</u>	<u>357,800</u>

(i) Considers reversal of monetary restatement in the amount of (R\$25,229) accounted for in profit or loss for the period under Finance income (costs).

(ii) Recorded in profit or loss for the period under Finance income (costs).

ii) Reimbursable lawsuits (i)

	Individual			Total
	Tax	Civil	Labor	
At March 31, 2020	91,761	17,101	57,795	166,657
Provisions for the period	579	17,610	5,443	23,632
Write-offs/reversals (ii)	(16,558)	(2,477)	(9,436)	(28,471)
Payments	-	(994)	(4,257)	(5,251)
Monetary restatement	2,998	17,155	5,892	26,045
December 31, 2020	<u>78,780</u>	<u>48,395</u>	<u>55,437</u>	<u>182,612</u>

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Consolidated			
	Tax	Civil	Labor	Total
At March 31, 2020	93,413	24,131	77,787	195,331
Provisions for the period	1,033	18,412	7,718	27,163
Write-offs/reversals (iii)	(16,713)	(3,497)	(11,750)	(31,960)
Payments	-	(1,994)	(6,838)	(8,832)
Monetary restatement	3,008	17,605	7,390	28,003
December 31, 2020	<u>80,741</u>	<u>54,657</u>	<u>74,307</u>	<u>209,705</u>

(i) The change does not and will never have an effect on profit or loss due to the Company's right to reimbursement.

(ii) This includes reversal of monetary restatement amounting to R\$15,041.

(iii) This includes reversal of monetary restatement amounting to R\$17,360.

(i) Total lawsuits

	Individual			
	Tax	Civil	Labor	Total
At March 31, 2020	102,504	21,304	267,304	391,112
Provisions for the period	2,222	23,173	71,552	96,947
Write-offs/reversals	(17,580)	(4,970)	(56,267)	(78,817)
Payments	-	(1,734)	(29,050)	(30,784)
Monetary restatement	3,000	21,142	32,443	56,585
December 31, 2020	<u>90,146</u>	<u>58,915</u>	<u>285,982</u>	<u>435,043</u>

	Consolidated			
	Tax	Civil	Labor	Total
At March 31, 2020	115,655	37,088	359,312	512,055
Provisions for the period	3,056	27,121	95,691	125,868
Write-offs/reversals	(18,628)	(11,768)	(72,620)	(103,016)
Payments	-	(3,743)	(38,867)	(42,610)
Monetary restatement	3,557	29,279	42,372	75,208
December 31, 2020	<u>103,640</u>	<u>77,977</u>	<u>385,888</u>	<u>567,505</u>

a) Tax

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
State Value-Added Tax (ICMS)	25,644	35,884	31,772	41,480
Federal Value-Added Tax (IPI)	43,712	44,000	43,712	44,000
Attorneys' fees	11,366	10,744	16,142	16,034
Other	9,424	11,876	12,014	14,141
	<u>90,146</u>	<u>102,504</u>	<u>103,640</u>	<u>115,655</u>
Non-reimbursable lawsuits	11,366	10,743	22,899	22,243
Reimbursable lawsuits	78,780	91,761	80,741	93,412

b) Civil and labor

The Company and its subsidiaries are parties to several civil lawsuits related to (i) indemnity for property damage and pain and suffering, (ii) contractual disputes, (iii) executions, (iv) collections, (v) rendering of accounts, (vi) possessions, and (vii) public civil and annulment actions of environmental nature.

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Notes to interim financial information (Continued)

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The Company and its subsidiaries are also parties to several labor claims filed by former employees and employees of service providers who question, among others, the payment of overtime, night shift and risk exposure premiums, job reinstatement, refund of deductions made in payroll such as confederative association dues, union dues and others.

Lawsuits deemed as possible losses and, consequently, with no provision for contingencies

a) Tax

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
State Value-Added Tax (ICMS)	1,732,847	1,754,108	2,173,433	2,182,633
Social Security Tax (INSS)	203,537	197,760	219,172	211,521
Federal VAT ("IPI")	270,947	268,900	311,447	310,508
IRPJ and CSLL	1,341,573	1,047,882	1,627,724	1,399,508
PIS and COFINS	1,570,530	1,640,274	1,674,380	1,745,539
Offsetting against IPI credit - Revenue Procedure (IN) No. 67/98	116,269	115,350	137,976	136,871
Provisional Executive Order (MP) No. 470 - Debt installment payment	241,224	189,882	241,224	189,882
Other	270,432	224,816	367,633	335,131
	<u>5,747,359</u>	<u>5,438,972</u>	<u>6,752,989</u>	<u>6,511,593</u>
Non-reimbursable lawsuits	2,911,667	2,689,214	3,512,092	3,349,845
Reimbursable lawsuits	2,835,692	2,749,758	3,240,897	3,161,748

b) Civil and labor

	Individual		Consolidated	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020
Civil	447,189	490,861	785,241	763,215
Labor	141,790	158,014	181,677	192,560
	<u>588,979</u>	<u>648,875</u>	<u>966,918</u>	<u>955,775</u>
Non-reimbursable lawsuits	188,636	218,090	350,692	325,721
Reimbursable lawsuits	400,343	430,785	616,226	630,054

19. Commitments (Consolidated)

As mentioned in Note 19 to the financial statements as at March 31, 2020, the Company is a party to purchase commitments and lease contracts. In the nine-month period ended December 31, 2020, there were no significant changes related to those commitments.

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

20. Equity

a) Capital and Capital reserve

At December 31 and March 31, 2020, capital amounts to R\$6,516,354. This account is deducted from the balance of redeemable preferred shares - financial instrument payable - amounting to R\$3,745, totaling R\$6,512,609.

The fully subscribed and paid-in capital is represented as follows:

	Shareholders (shares in units)			
	Shell	CIP Cosan Investimentos e Participações S.A. ("CIP")	Cosan S.A.	Total
Common Shares	3,621,641,599	3,621,641,599	-	7,243,283,198
Class A preferred shares	-	-	1	1
Class B preferred shares	-	-	133,242,457	133,242,457
Class D preferred shares	100,000	-	-	100,000
Total at December 31 and March 31, 2020	<u>3,621,741,599</u>	<u>3,621,641,599</u>	<u>133,242,458</u>	<u>7,376,625,656</u>
Total at March 31, 2020	<u>3,621,741,599</u>	<u>3,621,641,599</u>	<u>133,242,458</u>	<u>7,376,625,656</u>

b) Dividends

December 31, 2020										
Company	Proceeds	Year	Approval at SGM and/or Annual and Special GM	Share type and class	Impacts on P&L	Without impacts on P&L	Amounts paid	Receiver	Percentage	Payment date
RESA	Retained profits	Mar/20	11/13/2020	D Preferred shares	908	-	908	Shell	100%	11/21/2020
WX	Retained earnings	Mar/20	10/30/2020	Common shares	1,282	-	1,282	Other	100%	11/30/2020
WX	Retained earnings	Mar/20	10/30/2020	Common shares	-	19,499	19,499	Other	100%	11/30/2020
RESA	Retained earnings	Mar/20	10/30/2020	B Preferred shares	-	1,416	1,416	CIP	100%	11/04/2020
RESA	Retained earnings	Mar/20	10/30/2020	D Preferred shares	-	731	731	Shell	100%	11/04/2020
RESA	Retained earnings	Mar/20	10/30/2020	Common shares	-	870	870	Shell / CIP	50% each	11/04/2020
					<u>2,190</u>	<u>22,516</u>	<u>24,706</u>			

c) Equity adjustments

	03.31.2019	Comprehensive income (loss)	12.31.2019	03.31.2020	Comprehensive income (loss)	12.31.2020
Foreign currency translation effect - CTA	(2,475)	32,987	30,512	160,983	7,071	168,054
Actuarial losses with defined benefit (DB) plans	(12,526)	(2,927)	(15,453)	(15,453)	2,970	(12,483)
Net loss on derivative financial instruments - Hedge accounting	(213,800)	(134,454)	(348,254)	(664,941)	(714,863)	(1,379,804)
Total	<u>(228,801)</u>	<u>(104,394)</u>	<u>(333,195)</u>	<u>(519,411)</u>	<u>(704,822)</u>	<u>(1,224,233)</u>

d) Noncontrolling interests

Noncontrolling interests correspond to interest held by these shareholders at the proportion of 26.59% on equity of subsidiary Unimodal Ltda., 15% on equity of subsidiary Biogás, 30% on equity of subsidiary RWXE and 18.50% on equity of subsidiary Raízen Biomassa.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

e) Earnings (loss) per share

Basic and Diluted:

	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Numerator				
Net income (loss) for the period	415,942	328,050	(47,303)	(108,727)
Profit or loss available to preferred shareholders	(1,416)	(1,416)	-	-
Income (loss) available to common shareholders	414,526	326,634	(47,303)	(108,727)
Denominator:				
Weighted average number of common shares outstanding (in thousands)	7,243,283	7,243,283	7,243,283	7,243,283
Basic and diluted earnings (loss) per common share (reais per share)	0.057	0.045	(0.007)	(0.015)

The Company does not have outstanding common shares that may cause dilution or debt convertible into common shares. As such, the basic and diluted earnings (loss) per share are equivalent.

21. Operating revenue, net

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Gross revenue on sales of products and services	3,345,606	6,905,372	1,668,230	4,891,491
Sales taxes	(132,585)	(359,093)	(115,939)	(349,006)
Returns and cancellations	(6,456)	(19,097)	(3,475)	(10,392)
Trade discounts	(553)	(1,664)	(263)	(887)
Operating revenue, net	3,206,012	6,525,518	1,548,553	4,531,206
Consolidated				
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Gross revenue on sales of products and services	10,790,101	23,743,075	8,376,334	22,897,300
Sales taxes	(415,582)	(1,010,322)	(425,750)	(1,136,831)
Returns and cancellations	(8,057)	(35,937)	(4,498)	(15,834)
Trade discounts	(13,988)	(30,607)	(13,592)	(29,354)
Operating revenue, net	10,352,474	22,666,209	7,932,494	21,715,281

Operating revenue, net is broken down as follows:

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Net sales and service revenue	3,372,192	6,892,392	1,571,321	4,490,321
Gain (loss) on financial instruments designated as hedge accounting	(264,284)	(422,915)	(21,320)	28,816
Gains (losses) on commodities-related financial instruments not designated as hedge accounting	98,104	56,041	(1,448)	12,069
Operating revenue, net	3,206,012	6,525,518	1,548,553	4,531,206
Consolidated				
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Net sales and service revenue	10,639,131	23,146,531	7,906,342	21,489,882
Gain (loss) on financial instruments designated as hedge accounting	(264,284)	(422,915)	(21,320)	28,816
Gains (losses) on commodities-related financial instruments not designated as hedge accounting	(22,373)	(57,407)	47,472	196,583
Operating revenue, net	10,352,474	22,666,209	7,932,494	21,715,281

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December 31, 2020

(In thousands of reais, unless otherwise stated)

22. Segment information

Raízen Energia's management defined the ethanol, sugar and bioenergy ("EAB") segment as the only operating segment, based on the reports used by the Company's CEO and the Board of Directors, which are the main operational and strategic decision makers. The performance assessment goals are defined and monitored considering the EAB segment as a whole.

The EAB segment covers the production and sale of ethanol and sugar generated from the processing of sugarcane, as well as the cogeneration of power that is produced by burning sugarcane bagasse.

Since the assets are also used for the production of sugar, ethanol and bioenergy, there is no separate disclosure of these assets.

The Company monitors the net operating revenue obtained from the sale of its products in the domestic and foreign markets, as follows:

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Foreign market	6,546,606	11,903,727	2,789,550	5,979,071
Domestic market	3,805,868	10,762,482	5,142,944	15,736,210
Total	<u>10,352,474</u>	<u>22,666,209</u>	<u>7,932,494</u>	<u>21,715,281</u>

The breakdown of net operating revenue by product is as follows:

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Sugar	4,410,215	7,938,259	998,927	2,343,899
Ethanol	4,155,584	8,703,075	2,917,906	7,861,399
Diesel	773,394	3,114,219	1,708,190	5,270,417
Energy	589,948	1,614,877	1,135,770	3,198,760
Gasoline	292,592	831,437	556,037	2,343,607
Other products and services	130,741	464,342	615,664	697,199
Total	<u>10,352,474</u>	<u>22,666,209</u>	<u>7,932,494</u>	<u>21,715,281</u>

The percentage of net operating revenue by geographic area is as follows:

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Brazil	3,805,868	10,762,482	5,142,944	15,736,210
Asia	2,508,425	4,844,577	556,861	1,663,391
North America	2,108,746	3,694,001	1,548,115	2,663,147
South America (1)	944,483	1,740,119	464,844	1,009,761
Europe	923,764	1,480,027	218,144	638,429
Other (2)	61,188	145,003	1,586	4,343
Total	<u>10,352,474</u>	<u>22,666,209</u>	<u>7,932,494</u>	<u>21,715,281</u>

(1) South America (except Brazil).

(2) Africa, Central America, United Arab Emirates and Oceania.

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(In thousands of reais, unless otherwise stated)

The main EAB customers during the nine-month periods ended December 31, 2020 and 2019, which individually represented 5% or more of the Company's total revenues, are as follows:

Customer	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Wilmar Sugar Pte Ltd.	11.93%	8.63%	-	-
Raízen Combustíveis S.A.	11.37%	31.33%	28.26%	28.82%
Petrobrás Distribuidora S.A.	7.17%	13.11%	4.45%	7.51%

23. Costs and expenses by nature

Reconciliation of costs and expenses by nature

Costs and expenses are shown in P&L by function. The reconciliation of profit or loss by nature for the nine-month periods ended December 31, 2020 and 2019 is as follows:

a) Costs and expenses by nature:

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Depreciation and amortization	(969,752)	(2,124,003)	(563,547)	(1,533,367)
Raw materials	(852,968)	(2,031,182)	(520,963)	(1,486,122)
Cutting, loading and transportation (CCT)	(317,868)	(630,246)	(169,094)	(430,527)
Personnel expenses	(296,102)	(629,150)	(200,163)	(550,367)
Maintenance materials	(116,706)	(223,540)	(59,563)	(162,847)
Fuel purchase	(31,635)	(110,668)	(34,475)	(127,494)
Hired labor	(77,096)	(176,831)	(60,198)	(151,945)
Change in the fair value of biological assets	(12,201)	169,712	(5,360)	(75,813)
Realization of the fair value of biological assets	12,965	36,259	7,709	68,855
Other expenses	(215,895)	(493,406)	(127,058)	(345,334)
	<u>(2,877,258)</u>	<u>(6,213,055)</u>	<u>(1,732,712)</u>	<u>(4,794,961)</u>

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Raw materials	(5,470,145)	(10,971,533)	(3,085,232)	(6,908,810)
Fuel purchase	(1,075,511)	(3,926,169)	(2,227,310)	(7,631,400)
Depreciation and amortization	(1,218,321)	(2,788,178)	(721,828)	(1,987,355)
Energy resale	(595,478)	(1,064,815)	(855,311)	(2,307,150)
Personnel expenses	(399,605)	(926,598)	(296,285)	(818,806)
Cutting, loading and transportation (CCT)	(408,766)	(865,450)	(250,417)	(614,609)
Maintenance materials	(138,397)	(284,976)	(78,683)	(214,220)
Hired labor	(86,416)	(203,670)	(69,554)	(174,616)
Change in the fair value of biological assets	14,073	291,386	(13,330)	(39,113)
Realization of the fair value of biological assets	(1,334)	(8,901)	(12,343)	10,235
Other expenses	(194,913)	(600,519)	(225,522)	(630,434)
	<u>(9,574,813)</u>	<u>(21,349,423)</u>	<u>(7,835,815)</u>	<u>(21,316,278)</u>

b) Classified as:

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Cost of products sold and services rendered	(2,403,145)	(5,080,957)	(1,415,123)	(3,957,197)
Selling expenses	(356,952)	(791,305)	(190,635)	(481,966)
General and administrative expenses	(117,161)	(340,793)	(126,954)	(355,798)
	<u>(2,877,258)</u>	<u>(6,213,055)</u>	<u>(1,732,712)</u>	<u>(4,794,961)</u>

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Cost of products sold and services rendered	(9,004,853)	(19,955,281)	(7,417,651)	(20,206,010)
Selling expenses	(406,440)	(910,631)	(248,808)	(630,880)
General and administrative expenses	(163,520)	(483,511)	(169,356)	(479,388)
	<u>(9,574,813)</u>	<u>(21,349,423)</u>	<u>(7,835,815)</u>	<u>(21,316,278)</u>

24. Other operating (expenses) income, net

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Recognition of provision for contingencies, net	(85,500)	(95,859)	(5,587)	(53,659)
Gain (loss) on business combination (1)	(11,447)	(11,447)	-	-
Gain (loss) on commercial operations	(27,373)	12,505	(33,036)	(8,461)
Gain (loss) on sale of property, plant and equipment	11,810	10,985	1,970	(6,232)
Income from sale of scrap and waste	3,461	8,527	2,272	7,866
Net reversal (set up) of provision for estimated loss on property, plant and equipment (Note 12)	(356)	6,290	(5,894)	(5,900)
Recognition of net tax credits	1,305	1,899	102	43,130
Other	1,370	951	519	29,971
	<u>(106,730)</u>	<u>(66,149)</u>	<u>(39,654)</u>	<u>6,715</u>

(1) This refers to the final adjustments in the price allocation of the assets acquired and liabilities assumed by the Company in the process of acquiring RZ Agrícola Caarapó Ltda. The details of this operation are described in Note 29.

	Consolidated			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Recognition of provision for contingencies, net	(88,266)	(100,705)	(4,650)	(67,331)
Gain (loss) on commercial operations	(23,839)	(59,777)	16,633	42,730
Gain (loss) on business combination (1)	(11,447)	(11,447)	-	-
Recognition of net tax credits (2)	43,414	44,087	493	99,816
Income from sale of scrap and waste	3,990	10,310	2,778	9,460
(Recognition) reversal of estimated loss on property, plant and equipment, net (Note 12)	(315)	6,421	(5,885)	(5,708)
Other	17,315	11,912	3,374	23,998
	<u>(59,148)</u>	<u>(99,199)</u>	<u>12,743</u>	<u>102,965</u>

(1) This refers to the final adjustments in the price allocation of the assets acquired and liabilities assumed by the Company in the process of acquiring RZ Agrícola Caarapó Ltda. The details of this operation are described in Note 29.

(2) This substantially refers to the thesis of excluding ICMS from the PIS and COFINS tax base. For additional information, see Note 8.

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

25. Finance income (costs)

	Individual			
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Finance costs				
Interest	(229,739)	(690,553)	(241,664)	(731,945)
Monetary variation losses	(134,953)	(200,546)	(40,873)	(78,446)
PIS and COFINS on finance income	(2,233)	(22,277)	(3,445)	(10,618)
Other	(2,639)	(8,626)	(16,938)	(42,131)
	<u>(369,564)</u>	<u>(922,002)</u>	<u>(302,920)</u>	<u>(863,140)</u>
Fair value of financial instruments payable (Notes 10 and 16)	(137,542)	(298,646)	(15,099)	(130,810)
Less: amounts capitalized on qualified assets (Note 12)	15,366	29,560	5,963	20,554
	<u>(491,740)</u>	<u>(1,191,088)</u>	<u>(312,056)</u>	<u>(973,396)</u>
Finance income				
Interest	19,239	69,184	40,732	127,489
Monetary gains	21,152	55,750	10,920	23,332
Short-term investment yield	512	5,558	3,473	12,945
Other	1	1	1	9
	<u>40,904</u>	<u>130,493</u>	<u>55,126</u>	<u>163,775</u>
Foreign exchange differences, net ⁽¹⁾	256,932	16,939	55,623	(58,415)
Derivatives net effect ⁽²⁾	71,310	422,625	22,767	207,031
	<u>(122,594)</u>	<u>(621,031)</u>	<u>(178,540)</u>	<u>(661,005)</u>
Consolidated				
	Oct-Dec/2020	Apr-Dec/2020	Oct-Dec/2019	Apr-Dec/2019
Finance costs				
Interest	(285,801)	(850,715)	(287,027)	(860,523)
Monetary variation losses	(141,704)	(213,319)	(43,358)	(86,761)
PIS and COFINS on finance income	(3,748)	(27,124)	(5,380)	(17,678)
Other	(5,040)	(16,444)	(17,191)	(42,377)
	<u>(436,293)</u>	<u>(1,107,602)</u>	<u>(352,956)</u>	<u>(1,007,339)</u>
Fair value of financial instruments payable (Note 16)	(136,537)	(304,708)	(16,389)	(145,256)
Less: amounts capitalized on qualified assets (Note 12)	15,127	33,354	6,972	25,089
	<u>(557,703)</u>	<u>(1,378,956)</u>	<u>(362,373)</u>	<u>(1,127,506)</u>
Finance income				
Interest	68,476	214,409	90,309	271,737
Monetary gains	22,685	59,398	11,376	24,441
Short-term investment yield	3,830	20,165	10,958	50,020
Other	-	2	1	12
	<u>94,991</u>	<u>293,974</u>	<u>112,644</u>	<u>346,210</u>
Foreign exchange differences, net ⁽¹⁾	265,656	4,988	62,839	(62,597)
Derivatives net effect ⁽²⁾	42,481	395,994	21,943	245,460
	<u>(154,575)</u>	<u>(684,000)</u>	<u>(164,947)</u>	<u>(598,433)</u>

(1) Includes net foreign exchange losses on assets and liabilities denominated in foreign currency; and

(2) Includes realized and unrealized gains (losses) on futures, options, swaps and NDFs and other derivatives.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

26. Financial instruments

a) Overview

The Company is exposed to the following risks arising from its operations, which are equalized and managed through certain financial instruments:

- Price risk;
- Exchange rate risk;
- Interest rate risk;
- Credit risk; and
- Liquidity risk.

This note presents information on the Company's exposure to each of the aforementioned risks, the Company's objectives, policies and processes for measuring and managing the Company's risk and managing its capital.

b) Risk management structure

The Company has specific treasury and trading policies that define how risk management should be conducted. To monitor activities and ensure compliance with policies, the Company has the following main committees: (i) Risk Committee that meets weekly to analyze the behavior of the commodities (sugar, ethanol and oil by-products) and foreign exchange markets and deliberate on hedging positions and pricing strategy for exports or imports of products, so as to reduce the adverse effects of changes in prices and exchange rates. (ii) Ethanol Committee that meets monthly to assess the risks associated with the sale of ethanol and to adjust them to the limits defined in the risk policies; as well as to monitor the liquidity and counterparty (credit) risks; (iii) Electricity committee, which meets weekly to assess the risks related to the sale of energy and to adjust them to the limits defined in the risk policies.

The Company and its subsidiaries are exposed to the following significant market risks: (i) fluctuations in the prices of sugar, electricity, oil by-products and ethanol; (ii) fluctuations in exchange rates; and (iii) fluctuations in interest rates. The financial instruments for hedging purposes are taken out by analyzing the risk exposure to which management seeks coverage.

At December 31 and March 31, 2020, the fair values related to transactions involving derivative financial instruments for hedging or other purposes were measured at fair value through observable inputs, such as prices quoted in active markets or discounted cash flows based on market curves, and are presented below:

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Notional amount		Individual Fair value		Notional amount		Consolidated Fair value	
	12.31.2020	03.31.2020	12.31.2020	03.31.2020	12.31.2020	03.31.2020	12.31.2020	03.31.2020
<u>Price risk</u>								
Commodity derivatives								
Futures and options	8,493,306	4,739,805	(744,656)	1,294,503	8,467,715	5,455,090	(414,308)	1,731,213
	8,493,306	4,739,805	(744,656)	1,294,503	8,467,715	5,455,090	(414,308)	1,731,213
<u>Exchange rate risk</u>								
Exchange rate derivatives								
Futures contracts	(601,517)	280,730	31,008	(1,355)	(601,517)	280,730	31,008	(1,355)
Forward contracts	7,654,074	8,679,750	462,167	(1,227,282)	7,654,074	8,691,572	462,167	(1,229,855)
Locked-in exchange	-	-	-	-	114,795	-	(7,559)	-
Exchange swap	(2,322,511)	(5,980,689)	(177,889)	132,443	(2,322,511)	(6,413,701)	(177,889)	217,869
	4,730,046	2,979,791	315,286	(1,096,194)	4,844,841	2,558,601	307,727	(1,013,341)
<u>Interest rate risk</u>								
Interest derivatives	(3,613,047)	(2,644,651)	442,905	104,488	(3,827,905)	(2,859,509)	508,293	158,385
	(3,613,047)	(2,644,651)	442,905	104,488	(3,827,905)	(2,859,509)	508,293	158,385
Total			13,535	302,797			401,712	876,257
Current assets			1,806,160	2,766,327			2,843,273	4,406,076
Noncurrent assets			1,624,170	1,484,248			2,061,306	1,812,316
Total assets			3,430,330	4,250,575			4,904,579	6,218,392
Current liabilities			(1,692,009)	(2,704,909)			(2,680,561)	(4,036,490)
Noncurrent liabilities			(1,724,785)	(1,242,869)			(1,822,303)	(1,305,645)
Total liabilities			(3,416,794)	(3,947,778)			(4,502,864)	(5,342,135)

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December 31, 2020

(In thousands of reais, unless otherwise stated)

c) Price risk

Price risk arises from the possibility of fluctuation in the market prices of products traded by the Company and its subsidiaries, mainly VHP sugar (sugar #11), refined sugar (#5 or white sugar), ethanol, electricity and oil by-products. These price oscillations may lead to material changes in the Company's sales revenues. To mitigate this risk, the Company constantly monitors the market to anticipate price changes. The positions of derivative financial instruments used to hedge against the commodities price risk outstanding at December 31, 2020 are as follows:

							Consolidated	
Price risk: commodity derivatives outstanding at December 31, 2020								
Derivatives	Long/ Short	Market	Contract	Maturity	Notional amount (units)	Notional amount (R\$ thousand)	Fair value (R\$ thousand)	
Futures	Short	ICE	<i>Sugar#11</i>	Feb/21 to Sept/23	9,977,287 t	14,837,480	(1,849,212)	
Futures	Short	NYSE LIFFE	<i>Sugar#5</i>	Feb/21 to Jul/21	23,200 t	46,311	(2,750)	
Options	Short	ICE	<i>Sugar#11</i>	Feb/21	133,001 t	5,857	(6,716)	
Options	Short	OTC	<i>Sugar#11</i> OTC	Apr/21 to Feb/22	264,172 t	330,070	(77,428)	
Futures	Short	ICE	<i>Sugar#11</i>	Mar/21	30,858 t	53,242	(2,284)	
Futures	Short	ICE	<i>Sugar#11</i>	Jan/21 to Jun/23	289,772 t	421,007	1,446	
Subtotal – sugar futures short position					10,718,290 t	15,693,967	(1,936,944)	
Futures	Long	ICE	<i>Sugar#11</i>	Feb/21 to Feb/23	(5,466,135) t	(8,004,773)	1,349,255	
Futures	Long	NYSE LIFFE	<i>Sugar#5</i>	Feb/21	(4,850) t	(10,056)	552	
Options	Long	ICE	<i>Sugar#11</i>	Feb/21 to Feb/23	(184,921) t	(2,983)	938	
Futures	Long	ICE	<i>Sugar#11</i>	Mar/21 to Oct/21	(30,745) t	(51,511)	3,354	
		ICE	<i>Sugar#11</i>	Jan/21 to Dec/21	(36,772) t	(65,693)	(703)	
Subtotal - sugar futures long position					(5,723,423) t	(8,135,016)	1,353,396	
Subtotal - sugar futures					4,994,867 t	7,558,951	(583,548)	
Futures	Short	B3	Ethanol	Jan/21 to Mar/21	280,350 cbm	2,881,982	1,643	
Futures	Short	CME	Ethanol	Jan/21 to Dec/21	450,445 cbm	1,410,181	(31,207)	
Futures	Short	OTC	Ethanol	Jan/21 to Sept/21	524,154 cbm	477,743	(19,396)	
Options	Short	CME	Ethanol	Jan/21 to Mar/21	53,750 cbm	2,327	(1,481)	
Subtotal - ethanol futures short position					1,308,699 cbm	4,772,233	(50,441)	

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Consolidated							
Price risk: commodity derivatives outstanding at December 31, 2020							
Derivatives	Long/ Short	Market	Contract	Maturity	Notional amount (units)	Notional amount (R\$ thousand)	Fair value (R\$ thousand)
Futures	Long	B3	Ethanol	Jan/21 to Mar/21	(197,880) cbm	(2,092,221)	(955)
Futures	Long	CME	Ethanol	Jan/21 to Dec/21	(499,200) cbm	(1,589,690)	46,269
Futures	Long	OTC	Ethanol	Jan/21 to Mar/22	(554,175) cbm	(473,661)	41,204
Options	Long	CME	Ethanol	Jan/21 to Mar/21	(35,850) cbm	(1,981)	3,562
Subtotal – ethanol futures long position					(1,287,105) cbm	(4,157,553)	90,080

Consolidated							
Price risk: commodity derivatives outstanding at December 31, 2020							
Derivatives	Long/ Short	Market	Contract	Maturity	Notional amount (units)	Notional amount (R\$ thousand)	Fair value (R\$ thousand)
<i>Physical fixed</i>	Short	CHGOETHNL	Ethanol	Jan/21 to Mar/22	971,116 cbm	2,034,798	(23,781)
Subtotal - <i>physical fixed</i> ethanol short position					971,116 cbm	2,034,798	(23,781)
<i>Physical fixed</i>	Long	CHGOETHNL	Ethanol	Jan/21 to Mar/22	(1,155,969) cbm	(2,435,848)	40,290
Subtotal - <i>physical fixed</i> ethanol long position					(1,155,969) cbm	(2,435,848)	40,290
Subtotal – ethanol futures					(163,259) cbm	213,630	56,148
Futures	Short	NYMEX	Gasoline	Jan/21 to Nov/21	522,156 cbm	915,535	(120,578)
Futures	Short	NYMEX	Gasoline	Jan/21 to Apr/21	302,100 cbm	565,003	(41,397)
Futures	Short	ICE	Gasoline	Apr/21 to Dec/21	65,190 cbm	102,089	(6,875)
Options	Short	ICE	Gasoline	Jan/21 to Feb/21	103,350 cbm	2,066	11,049
Options	Short	NYMEX	Gasoline	May/21 to Nov/21	166,950 cbm	34,714	(40,379)
Subtotal - Gasoline futures short position					1,159,746 cbm	1,619,407	(198,180)
Futures	Long	NYMEX	Gasoline	Jan/21 to Nov/21	(265,689) cbm	(486,622)	56,994
Futures	Long	NYMEX	Gasoline	Jan/21 to Nov/21	(273,321) cbm	(505,770)	41,989
Futures	Long	CME	Gasoline	Jan/21 to Mar/21	(60,000) cbm	(5,168)	(342)
Futures	Long	ICE	Gasoline	Jun/21 to Dec/21	(65,190) cbm	(102,700)	6,644
Options	Long	ICE	Gasoline	Jan/21 to Feb/21	(103,350) cbm	(3,284)	(8,592)
Options	Long	NYMEX	Gasoline	Jan/21 to Nov/21	(466,188) cbm	(72,774)	34,204
Subtotal - Gasoline futures long position					(1,233,738) cbm	(1,176,318)	130,897
Subtotal - Gasoline futures					(73,992) cbm	443,089	(67,283)

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

							Consolidated	
							Price risk: commodity derivatives outstanding at December 31, 2020	
Derivatives	Long/Short	Market	Contract	Maturity	Notional amount (units)	Notional amount (R\$ thousand)	Fair value (R\$ thousand)	
Futures	Short	NYMEX	Heating Oil	Jan-21	7,950 cbm	13,063	(3,102)	
Subtotal Heating Oil futures sold						7,950 cbm	13,063	(3,102)
Futures	Long	NYMEX	Heating Oil	Mar/21	(12,243) cbm	(18,089)	6,827	
Subtotal Heating Oil futures purchased						(12,243) cbm	(18,089)	6,827
Subtotal Heating Oil futures						(4,293) cbm	(5,026)	3,725
Physical fixed	Short	OTC	Energy	Jan/21 to Dec/32	18,826,073 MWh	3,873,669	(290,147)	
Subtotal – energy physical fixed short position						18,826,073 MWh	3,873,669	(290,147)
<i>Physical fixed</i>	Long	OTC	Energy	Jan/21 to Dec/32	(18,826,073) MWh	(3,616,598)	466,797	
Subtotal – energy <i>physical fixed</i> long position						(18,826,073) MWh	(3,616,598)	466,797
Subtotal - energy <i>physical fixed</i>						- MWh	257,071	176,650
Net exposure of commodity derivatives as at December 31, 2020							8,467,715	(414,308)
Net exposure of commodity derivatives as at March 31, 2020							5,455,090	1,731,213

d) Exchange rate risk

Currency risk derives from the possibility of fluctuations in exchange rates used by the Company for revenue from export, import, debt flows and other assets and liabilities in foreign currency. The Company uses derivatives to manage cash flow risks arising from export revenues denominated in US dollars, net of other foreign currency denominated cash flows. The positions of derivative financial instruments used to hedge against currency risk are as follows:

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Consolidated							
Price risk: foreign exchange derivatives outstanding at December 31, 2020							
Derivatives	Long/ Short	Market	Contract	Maturity	Notional amount (US\$ thousand)	Notional amount (R\$ thousand)	Fair value (R\$ thousand)
Futures	Short	B3	Commercial Dollar	Jan/21 to Feb/21	555,250	2,885,468	(1,997)
Subtotal - futures short position					555,250	2,885,468	(1,997)
Futures	Long	B3	Commercial Dollar	Jan/21 to Feb/21	(556,250)	(2,890,664)	1,880
Options	Long	B3	Foreign Exchange Options	Jan/21 to Apr/21	(114,750)	(596,321)	31,125
Subtotal - futures long position					(671,000)	(3,486,985)	33,005
Forward	Short	OTC/Cetip	<i>NDF</i>	Jan/21 to May/21	3,309,644	17,199,227	501,780
<i>Forward</i>	Long	OTC/Cetip	<i>NDF</i>	Jan/21 to Apr/21	(1,836,772)	(9,545,153)	(39,613)
Subtotal - purchased/sold forward					1,472,872	7,654,074	462,167
<i>Exchange swap</i>	Short	OTC	<i>Exchange swap</i>	Oct/21 to Jan/27	530,094	2,754,738	(1,350,734)
<i>Exchange swap</i>	Long	OTC	<i>Exchange swap</i>	Oct/21 to Jan/27	(977,014)	(5,077,249)	1,172,845
Subtotal - swap					(446,920)	(2,322,511)	(177,889)
Locked-in exchange	Short	OTC	<i>Locked-in exchange</i>	Jan/21 to Mar/21	22,089	114,795	(7,559)
Subtotal – Locked-in Exchange short position					22,089	114,795	(7,559)
Net exposure of foreign exchange derivatives at December 31, 2020					932,291	4,844,841	307,727
Net exposure of foreign exchange derivatives at March 31, 2020					492,161	2,558,601	(1,013,341)

At December 31 and March 31, 2020, the summary of quantitative data on the Company's currency risk accounting exposure is as follows:

Consolidated		
12.31.2020		
	R\$	US\$ (in thousands)
Cash and cash equivalents (Note 3)	1,229,628	236,617
Restricted cash (Note 4)	1,435,821	276,295
Foreign trade accounts receivable (Note 5)	964,143	185,530
Transactions with related parties (Note 10)	3,970,470	764,037
Trade accounts payable (Note 14)	(1,692,970)	(325,778)
Loans and financing (Note 16)	(8,604,242)	(1,655,713)
Derivatives (Note 26.d) (i)	-	(932,291)
Currency exposure, net	(2,697,150)	(1,451,303)
Derivatives settled in the month following closing (ii)		1,979,650
Net currency exposure, adjusted at December 31, 2020 (iii)		528,347
Net currency exposure, adjusted at March 31, 2020 (iii)		(639,421)

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

- (i) Refers to the notional amount of foreign exchange derivative transactions.
- (ii) Settlement at PTAX on the last day of the closing month.
- (iii) The adjusted net currency exposure will be substantially offset in the future with highly probable product export revenues.

e) Effects of hedge accounting

The Company formally designates transactions subject to hedge accounting by documenting: (i) the hedging relationship; (ii) the Company's risk management objective and strategy in adopting hedge; (iii) identification of the financial instrument; (iv) the hedged item or transaction; (v) the nature of the risk to be hedged; (vi) a description of the hedging relationship; and (vii) evidence of the correlation between hedge and hedged item.

At December 31 and March 31, 2020, the impacts recognized in the Company's equity and the estimated realization in P&L are as follows:

Financial instruments	Market	Risk	Realization period			12.31.2020	03.31.2020
			2020/21	2021/22	Above 2022		
Futures	OTC / ICE	Sugar#11 Sugar#5	40,731	(464,760)	(216,005)	(640,034)	862,063
Futures	B3 / NYMEX / OTC	Ethanol	(75,393)	(49,422)	-	(124,815)	303,960
Options	ICE	Sugar#11	27,426	(13,789)	-	13,637	135,346
NDF	OTC	FX	(323,945)	(132,554)	177,007	(279,492)	(1,311,720)
Swap	Debt	FX	-	-	(987,109)	(987,109)	(924,290)
Pre-export Financing	Debt	FX	-	-	(72,801)	(72,801)	(72,847)
			(331,181)	(660,525)	(1,098,908)	(2,090,614)	(1,007,488)
(-) Deferred taxes			112,602	224,579	373,629	710,810	342,547
Effect on equity at December 31, 2020			(218,579)	(435,946)	(725,279)	(1,379,804)	(664,941)

Below are the changes in balances in other comprehensive income (loss) for the period:

	<u>12.31.2020</u>
Balance at beginning of period	(664,941)
Gains/(losses) for the period:	
Fair value of commodity futures designated as hedge accounting	(1,717,567)
Gain (loss) on foreign exchange forwards fair value designated as hedge accounting	238,306
Foreign exchange differences on debt contracts designated as hedge accounting	(62,761)
Gain (loss) on commodities in net operating revenue and other operating income and expenses	(341,025)
Gain (loss) on foreign exchange forwards in net operating revenue and other operating income and expenses	799,921
Total changes for the period	(1,083,126)
Effect of deferred taxes on equity adjustment	368,263
	(714,863)
Balance at December 31, 2020	(1,379,804)

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(In thousands of reais, unless otherwise stated)

f) Interest rate risk

The Company monitors fluctuations in variable interest rates related to certain debts, especially those linked to Libor and, when necessary, uses derivative instruments to minimize these risks. The positions of derivative financial instruments used to hedge against the interest rate risk are as follows:

							Consolidated
							Price risk: interest derivatives outstanding at December 31, 2020
Derivatives	Long / Short	Market	Contract	Maturity	Notional amount (US\$ thousand)	Notional amount (R\$ thousand)	Fair value (R\$ thousand)
Interest rate swap	Long	OTC	Interest rate swap	Dec/21 to Jun/30	(736,603)	(3,827,905)	508,293
Net exposure of foreign exchange derivatives at December 31, 2020					(736,603)	(3,827,905)	508,293
Net exposure of interest derivatives as at March 31, 2020					(550,043)	(2,859,509)	158,385

g) Credit risk

A substantial part of the sales made by the Company and its subsidiaries is intended for a select group of highly qualified counterparties, such as trading companies, fuel distribution companies, electricity distributors and large supermarket chains.

Credit risk is managed by specific rules for customer acceptance, credit analysis and establishment of exposure limits per customer, including, when applicable, requirement of letter of credit from first-tier banks and capturing security interest on loans granted. Management considers that the credit risk is substantially covered by the allowance for expected credit losses.

Individual risk limits are determined based on internal or external ratings, according to the limits determined by the Company management. The use of credit limits is regularly monitored. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by the counterparties at an amount higher than that already provisioned.

The Company operates commodity derivatives in the New York - NYBOT, Chicago - CBOT and London - LIFFE futures and options markets, as well as in the over-the-counter (OTC) market with selected counterparties. The Company operates commodity exchange rate derivatives and over-the-counter contracts registered with B3, mainly with the main national and international banks considered Investment Grade by international rating agencies.

Guarantee margins - Derivative transactions on commodity exchanges (NYBOT, LIFFE and B3) require guarantee margins. The total consolidated margin deposited at December 31, 2020 amounts to R\$1,447,390 (R\$147,840 at March 31, 2020), of which R\$11,569 (R\$20,408 at March 31, 2020) in restricted short-term investments and R\$1,435,821 (R\$127,432 at March 31, 2020) in derivative transaction margin.

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Notes to interim financial information (Continued)

December 31, 2020

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The Company's derivative transactions over the counter do not require a guarantee margin.

Credit risk on cash and cash equivalents is mitigated through the conservative distribution of investment funds and CDBs (Note 3) that make up the item. The distribution follows strict criteria for allocation and exposure to counterparties, which are the main local and international banks considered, in their majority, as Investment Grade by the international rating agencies.

h) Liquidity risk

Liquidity risk is that in which the Company may encounter difficulties in honoring the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The Company's approach to liquidity risk management is to ensure, as much as possible, that there is always sufficient liquidity to meet obligations upon their maturity, under normal and stress conditions, without causing unacceptable losses or with the risk of damaging the Company's reputation. As part of the liquidity management process, management prepares business plans and monitors their execution, discussing the positive and negative cash flow risks and assessing the availability of financial resources to support its operations, investments and refinancing needs.

The table below shows the aging list of financial liabilities:

	Consolidated				
	December 31, 2020				
	Up to 1 year	Up to 2 years	From 3 to 5 years	Above 5 years	Total
Loans and financing (1)	2,615,198	1,378,503	5,055,305	12,907,773	21,956,779
Trade accounts payable (Note 14)	3,244,435	-	-	-	3,244,435
Derivative financial instruments	2,680,561	615,300	67,481	1,139,522	4,502,864
Related parties (1) (*)	1,162,026	-	-	569,073	1,731,099
Lease liabilities from third parties and related parties (1)	1,220,678	1,112,906	2,304,017	1,673,061	6,310,662
December 31, 2020	<u>10,922,898</u>	<u>3,106,709</u>	<u>7,426,803</u>	<u>16,289,429</u>	<u>37,745,839</u>
At March 31, 2020	<u>16,116,776</u>	<u>2,880,324</u>	<u>7,855,424</u>	<u>12,517,715</u>	<u>39,370,239</u>

(1) Undiscounted contractual cash flows.

(*) Except for lease liabilities with related parties.

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

i) Fair value

The procedures for defining, measuring and recognizing the fair value of financial liabilities are the same as those disclosed in the annual financial statements as at March 31, 2020.

Fair value hierarchy

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments using valuation techniques:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques using inputs that have a significant effect on the fair value recorded that are not based on observable market data.

Financial instruments are classified as follows:

	Consolidated		
Financial instruments measured at fair value	Level 1	Level 2	Total
Short-term investments (Note 3)	-	949,524	949,524
Restricted short-term investments (restricted cash) (Note 4)	-	11,608	11,608
Derivative financial instruments - assets	1,880,729	3,023,850	4,904,579
Loans and financing (Note 16)	-	(8,714,388)	(8,714,388)
Derivative financial instruments - liabilities	(2,392,618)	(2,110,246)	(4,502,864)
At December 31, 2020	(511,889)	(6,839,652)	(7,351,541)
At March 31, 2020	1,422,948	(5,348,927)	(3,925,979)

At December 31 and March 31, 2020, there were no transfers between these levels to determine the fair value of financial instruments.

j) Sensitivity analysis

Below is the sensitivity analysis of the fair value of financial instruments according to the types of risk considered significant by the Company, pursuant to CVM Ruling No. 475 issued on March 17, 2008.

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

Assumptions for sensitivity analysis

The Company adopted three scenarios for its sensitivity analysis, one probable and two that may have adverse effects on the fair value of its financial instruments. The probable scenario was defined based on the futures market curves for sugar and the US dollar at December 31, 2020, corresponding to the balance of the derivatives' fair value on that date. Possible and remote adverse scenarios were defined considering adverse impacts of 25% and 50% on sugar and US dollar price curves, which were considered the basis for the probable scenario.

Sensitivity analysis tables

i) Sensitivity about changes in the fair value of financial instruments

Risk factor	Impact on profit or loss (*)					
	December 31, 2020					
	Probable Scenario	Remote scenario + (25%)	Fair value balance	Remote scenario + (50%)	Fair value balance	
Price risk						
Commodity derivatives						
Futures and options						
Purchase and sale commitments	Sugar price increase	(583,548)	(1,862,372)	(2,445,921)	(3,724,746)	(4,308,294)
Purchase and sale commitments	Gasoline price increase	(63,558)	(134,295)	(197,854)	(268,591)	(332,149)
Purchase and sale commitments	Energy price increase	176,651	21,746	198,398	43,494	220,145
Purchase and sale commitments	Ethanol price increase	56,147	39,519	95,666	79,039	135,186
		(414,308)	(1,935,402)	(2,349,711)	(3,870,804)	(4,285,112)
Exchange rate risk						
Exchange rate derivatives						
Futures contracts:						
Purchase and sale commitments	RS/US\$ exchange rate increase	31,008	1,294	32,302	2,590	33,598
Locked-in exchange contracts:						
Purchase and sale commitments	RS/US\$ exchange rate increase	(7,559)	(30,588)	(38,147)	(61,177)	(68,736)
Forward contracts:						
Purchase and sale commitments	RS/US\$ exchange rate increase	462,167	(2,767,078)	(2,304,911)	(5,534,156)	(5,071,989)
FX swaps:						
Purchase and sale commitments	RS/US\$ exchange rate decrease	(177,889)	(425,423)	(603,312)	(850,846)	(1,028,735)
		307,727	(3,221,795)	(2,914,068)	(6,443,589)	(6,135,862)
Interest rate risk						
Swap, Forward and Futures contracts						
	Interest rate decrease	508,293	9,392	517,685	20,587	528,880
		508,293	9,392	517,685	20,587	528,880
Total		401,712	(5,147,805)	(4,746,094)	(10,293,806)	(9,892,094)

(*) Result projected to occur in up to 12 months from December 31, 2020.

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Notes to interim financial information (Continued)

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(In thousands of reais, unless otherwise stated)

ii) Currency exposure, net

The probable scenario considers the position at December 31, 2020. The effects of the possible and remote scenarios that would be posted to the consolidated statement of profit or loss as foreign exchange gain (loss) are as follows:

Currency exposure, net December 31, 2020	Foreign exchange difference effect				
	Scenarios				
	+25%	+50%	-25%	-50%	
Cash and cash equivalents (Note 3)	1,229,628	307,407	614,814	(307,407)	(614,814)
Restricted cash (Note 4)	1,435,821	358,955	717,911	(358,955)	(717,911)
Foreign trade accounts receivable (Note 5)	964,143	241,036	482,072	(241,036)	(482,072)
Transactions with related parties (Note 10)	3,970,470	992,618	1,985,235	(992,618)	(1,985,235)
Trade accounts payable (Note 14)	(1,692,970)	(423,243)	(846,485)	423,243	846,485
Loans and financing (Note 16)	(8,604,242)	(2,151,061)	(4,302,121)	2,151,061	4,302,121
Impact on profit or loss for the period		(674,288)	(1,348,574)	674,288	1,348,574

iii) Interest rate sensitivity

At December 31, 2020, the probable scenario considers the weighted average rate (4.85%) of annual fixed interest on the Company's loans and financing, and for short-term investments and restricted cash, the CDI (2.76%) accumulated over the past 12 months. In both cases, simulations were performed with an increase and decrease of 25% and 50%. The consolidated results of this sensitivity analysis are presented below:

	Probable Scenario	December 31, 2020			
		Interest rate sensitivity			
		25%	50%	-25%	-50%
Short-term investments	25,753	6,438	12,877	(6,438)	(12,877)
Restricted cash	321	80	161	(80)	(161)
Loans and financing	(551,138)	(137,785)	(275,569)	137,785	275,569
Additional impact on profit or loss for the period	(525,064)	(131,267)	(262,531)	131,267	262,531

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

k) Capital management

The Company's objective when managing its capital structure is to ensure its ability to continue as a going concern and to finance investment opportunities, maintaining a healthy credit profile and offering an adequate return to its shareholders.

The Company maintains relationship with the main local and international rating agencies, as shown below:

<u>Agency</u>	<u>Scale</u>	<u>Rating</u>	<u>Outlook</u>	<u>Date</u>
Fitch	National	AAA (bra)	Stable	05/28/2020
	Global	BBB	Negative	05/28/2020
Moody's	National	Aaa.Br	Stable	12/09/2020
	Global	Baa3	Stable	12/09/2020
Standard & Poor's	National	brAAA	Stable	06/29/2020
	Global	BBB-	Stable	06/29/2020

Financial leverage ratios at December 31 and March 31, 2020 were calculated as follows:

	<u>Consolidated</u>	
	<u>12.31.2020</u>	<u>03.31.2020</u>
Debt		
Loans and financing (Note 16)	17,162,865	16,545,842
(-) Cash and cash equivalents (Note 3)	(2,293,506)	(6,473,747)
(-) Short-term investments subject to financing (Note 4)	(39)	(32,346)
(-) National Treasury Certificates - CTN (Note 9)	(21,755)	(297,459)
(-) Intragroup pre-export financing (Note 10.a.3)	(2,924,216)	(2,795,958)
(-) Exchange rate, interest rate and other derivative swaps	(330,404)	(373,681)
	<u>11,592,945</u>	<u>6,572,651</u>
Equity		
Equity		
Attributable to shareholders of Parent Company	7,104,070	7,481,750
Noncontrolling interests	89,986	106,427
	<u>7,194,056</u>	<u>7,588,177</u>
Total capital	<u>18,787,001</u>	<u>14,160,828</u>
Financial leverage ratio	<u>62%</u>	<u>46%</u>

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

27. Supplementary retirement plan and other employee benefits

(a) Pension fund

Defined contribution

In the nine-month period ended December 31, 2020, the contribution amount recognized as an expense was R\$11,753 (R\$11,536 in the nine-month period ended December 31, 2019).

(b) Profit sharing

The Company recognizes a liability and an expense for profit sharing based on a methodology that considers previously defined goals of employees. The Company recognizes a provision when it is contractually bound or when there is a past practice that has created a constructive obligation.

28. Insurance coverage

As mentioned in Note 28 to the financial statements as at March 31, 2020, the Company and its subsidiaries have an insurance and risk management program that provides coverage compatible with their assets and operations. In the nine-month period ended December 31, 2020, there were no significant changes related to that insurance coverage.

29. Corporate restructuring

Transactions occurred over the nine-month period ended December 31, 2020

a) RZ Agrícola Caarapó Ltda.

At December 31, 2020, the Company completed the price allocation of the assets acquired and liabilities assumed by the Company in the process of acquiring RZ Agrícola Caarapó Ltda., as mentioned in Note 29 to the financial statements as at March 31, 2020.

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Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

The main differences between the preliminary and final gain on bargain purchase are as follows:

Changes	Total
Fair value of net assets	364,019
(-) Total acquisition cost	(162,434)
Preliminary gain on bargain purchase	201,585
(-) Advances to suppliers	(7,092)
(-) Property, plant and equipment (Note 12)	(4,355)
(=) Final adjustments to bargain purchase (Notes 11 and 24)	(11,447)
Final gain on bargain purchase	190,138

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

30. Supplementary cash flow information

a) Reconciliation of cash flow financing activities

The reconciliation of cash flow from financing activities for the nine-month period ended December 31, 2020 is as follows:

							Individual
(Assets)/Liabilities	Short-term investments subject to financing	Loans and financing (1)	Lease liabilities	Lease liabilities - related parties	Related parties	Dividends payable	Total
Opening balance	(157)	10,089,430	3,104,532	740,564	1,860,533	3,017	15,797,919
Transactions having an impact on Financial Cash Flow ("FCF")							
Loans and financing raised from third parties	-	1,760,027	-	-	-	-	1,760,027
Amortization of principal of loans and financing - third parties	-	(2,218,471)	-	-	-	-	(2,218,471)
Repayments of interest on loans and financing - third parties	-	(357,500)	-	-	-	-	(357,500)
Amortization of lease liabilities - third parties	-	-	(717,917)	-	-	-	(717,917)
Amortization of lease liabilities - related parties	-	-	-	(121,252)	-	-	(121,252)
Short-term investments subject to financing	52	-	-	-	-	-	52
Payment of dividends (Note 20.b)	-	-	-	-	-	(3,925)	(3,925)
Pre-export financing taken out - intragroup	-	-	-	-	1,212,550	-	1,212,550
Repayments of interest on loans and financing - intragroup	-	-	-	-	(135,421)	-	(135,421)
Asset management, net - intragroup	-	-	-	-	957,772	-	957,772
	52	(815,944)	(717,917)	(121,252)	2,034,901	(3,925)	375,915
Other changes not affecting cash flow from financing activities							
Interest, monetary variation and foreign exchange differences, net	66	376,240	195,704	49,707	47,212	-	668,929
Fair value of financial instruments payable (Note 25)	-	298,646	-	-	-	-	298,646
Allocation of dividends (Note 20.b)	-	-	-	-	-	908	908
Addition, write-off, remeasurement of lease liabilities and other	-	10,730	892,591	213,693	-	-	1,117,014
	66	685,616	1,088,295	263,400	47,212	908	2,085,497
Closing balance	(39)	9,959,102	3,474,910	882,712	3,942,646	-	18,259,331

RAÍZEN ENERGIA S.A.

Notes to interim financial information (Continued)

December 31, 2020

(In thousands of reais, unless otherwise stated)

	Consolidated						
(Assets)/Liabilities	Short-term investments subject to financing	Loans and financing (1)	Lease liabilities	Lease liabilities - related parties	Related parties	Dividends payable	Total
Opening balance	(32,346)	16,248,383	3,737,662	740,564	(2,743,676)	22,516	17,973,103
Transactions having an impact on Financial Cash Flow ("FCF")							
Loans and financing raised from third parties	-	3,025,301	-	-	-	-	3,025,301
Amortization of principal of loans and financing - third parties	-	(2,735,548)	-	-	-	-	(2,735,548)
Repayments of interest on loans and financing - third parties	-	(476,249)	-	-	-	-	(476,249)
Amortization of lease liabilities - third parties	-	-	(876,938)	-	-	-	(876,938)
Amortization of lease liabilities - related parties	-	-	-	(121,252)	-	-	(121,252)
Payment of dividends (Note 20.b)	-	-	-	-	-	(24,706)	(24,706)
Short-term investments subject to financing	32,683	-	-	-	-	-	32,683
Asset management, net - intragroup	-	-	-	-	136,706	-	136,706
	32,683	(186,496)	(876,938)	(121,252)	136,706	(24,706)	(1,040,003)
Other changes not affecting cash flow from financing activities							
Interest, monetary variation and foreign exchange differences, net	(376)	758,604	236,490	49,707	(125,789)	-	918,636
Fair value of financial instruments payable (Note 25)	-	304,708	-	-	-	-	304,708
Allocation of dividends (Note 20.b)	-	-	-	-	-	2,190	2,190
Addition, write-off, remeasurement of lease liabilities and other	-	15,911	1,148,980	213,693	-	-	1,378,584
	(376)	1,079,223	1,385,470	263,400	(125,789)	2,190	2,604,118
Closing balance	(39)	17,141,110	4,246,194	882,712	(2,732,759)	-	19,537,218

(1) Stated net of CTN.

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Notes to interim financial information (Continued)

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b) Significant non-cash transactions

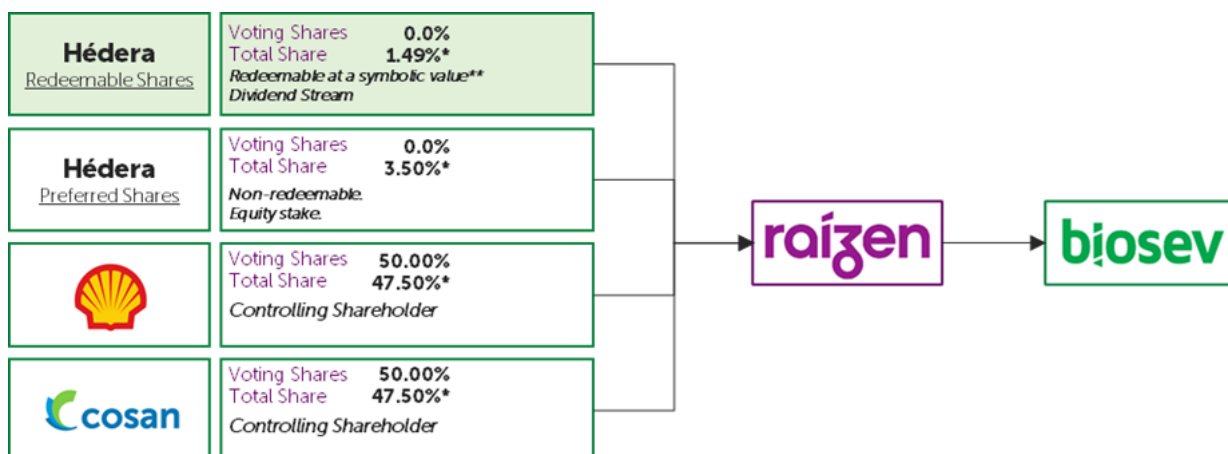
	Individual		Consolidated	
	Apr-Dec/2020	Apr-Dec/2019	Apr-Dec/2020	Apr-Dec/2019
Non-cash transactions				
Depreciation of agricultural assets capitalized as biological assets (Note 7)	(14,165)	(16,074)	(21,841)	(18,548)
Depreciation of agricultural assets capitalized as property, plant and equipment (Note 12)	(33,234)	(54,622)	(40,348)	(60,979)
Right of use (Note 15.a)	(1,095,807)	(848,652)	(1,335,615)	(967,046)
Tax credits on property, plant and equipment, including PPE adjustment to present value	(1,080)	(1,177)	(5,630)	(1,787)
Interest capitalized on property, plant and equipment (Notes 12 and 25)	(29,560)	(20,554)	(33,354)	(25,089)
	<u>(1,173,846)</u>	<u>(941,079)</u>	<u>(1,436,788)</u>	<u>(1,073,449)</u>

31. Events after the reporting period

Biosev S.A. acquisition by Raízen Group

On February 8, 2021, Raízen Group entered into an acquisition agreement with Biosev SA (“Biosev”) and Hédera Investimentos e Participações SA (“Hédera”), as the controlling shareholder of Biosev, among other parties, through of which the Raízen Group has agreed to, subject to the terms and conditions established therein, acquire up to 100% of the shares issued by Biosev.

The acquisition involves an exchange of shares, with the issue of 3.5% of non-redeemable preferred shares without voting rights, 1.4999% of preferred shares redeemable at symbolic value and without voting rights, all issued by the companies of Raízen Group, and a cash payment in amount of R\$ 3,600,000. Thus, the shareholding structure after the acquisition of Biosev will be as follows:



* The stock participation percentages represented in this structure chart are mathematically rounded.

** After the redemption of the (Temporary) Shares, participation in the total capital of Shell and Cosan will increase respectively to 48.25%.

The acquisition is subject to the satisfaction of certain conditions established in the acquisition agreement. Among others, the main conditions are: (i) Biosev should conduct a restructuring of its current financial

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Notes to interim financial information (Continued)

December 31, 2020

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indebtedness; (ii) Biosev should conduct a corporate restructuring that will lead Biosev to no longer have its shares traded on the stock exchange; and (iii) Approval of the Transaction by the Administrative Council for Economic Defense - CADE.
