Raízen S.A.

Individual and consolidated financial statements as of March 31, 2023, and Independent Auditor's Report

Contents

Raízen S.A.

Management Report

In compliance with legal and statutory provisions, Raízen S.A. submits for the appreciation of its shareholders the Management Report and the corresponding Financial Statements, followed by the Independent Auditor's Report, related to the year ended March 31, 2023, expressed on a consolidated basis and in Reais, following the accounting practices adopted in Brazil and international financial reporting standards (IFRS). The Company also provides a detailed version of the Financial Statements and its earnings report on its website: ri.raizen.com.br.

Message from the CEO

Over the past 12 years, we have strengthened an integrated platform, a vector of solutions dedicated to promoting a positive impact on everyone who joins us. Our results are and will always reflect attitudes and decisions based on the principle that sustainability and profitability go hand in hand and succeed together.

The 2022/23 crop year was intense and challenging but fundamental to our history, with significant advances in our purpose of redefining the future of energy. We maintained our focus on operational excellence with a robust balance sheet, which sustains our business expansion cycle. The harvest was marked by new records, both in global sales and Adjusted EBITDA, with consistent execution before the challenges faced this year. Our capital structure appears to be solid, with prudent liquidity levels, average debt term, and leverage. We follow our accelerated plan to deliver what we've committed to and go further. We are very well positioned to keep providing the energy necessary to help people achieve the most in their daily activities and business operations.

As per the agro-industrial operations, we continue to make significant progress on the path to improve Agricultural Productivity, which is essential for increasing the efficiency and scale of our operations. We also remain focused on expanding our participation in the value chain. Our Ethanol and Sugar have increasingly reached different destinations, maximizing profitability. This year, we also created the world's first 100% traceable (Non-GMO) sugar chain.

In the Renewables sector, we remain firm in the planning presented to the market, giving strong traction to expanding the second-generation ethanol ("E2G") production operation. The E2G represents a competitive solution for reducing our customers' carbon footprint and is recognized globally as a high-value-added product. This year, we hit the mark of more than 30 million liters of production, an absolute record. We currently have, in addition to the plant in operation in Piracicaba, three more under construction and another five to be built to meet the backlog of contracted demand, which already totals over 4 million m^3 in long-term contracts with customers around the world, which is equivalent to a contracted turnover of EUR 4.3 billion.

In the Biogas sector, we already have one of the largest plants in the world, converting waste from our production into clean power. We created a franchise in Power, an avenue of growth with customer base aggregation and competitive differentials that will deliver 100% clean energy to our customers. Raízen Power is already among the five largest power retailers in terms of volume in the country, with more than 24.000 customers and 52 renewable energy generation plants in operation.

In the Marketing & Services segment, we achieved record levels of satisfaction with our dealerships, expanding, renewing, and expanding the Shell Integrated Value Offer. We also enriched the product mix by launching the Shell network's new Shell V-Power and Lubricants portfolio. Grupo Nós continues to expand its Proximity operations, benefiting from the integrated offer of value. Our Shell Box continues to have high satisfaction for resellers and users, reaching more than 40 million transactions in more than 5.000 accredited stations, with operations exceeding R$ 5.8 billion in the last 12 months.

We also continue to evolve in diversity and inclusion, significantly increasing women's participation at all leadership levels. We still have much work to do on this front, and our leaders are committed to making it happen. We further increased the maturity of our ESG policies and set more ambitious goals toward compliance with the 2030 Agenda.

Our unwavering purpose of reshaping the future of energy unites us and sets us in the right direction to build a better future. We have an intense agenda ahead, full of opportunities, and we are focused on continuing this journey of promoting and accelerating an efficient energy transition, creating and offering alternatives that facilitate the decarbonization process for our customers. Let's go together!

Ricardo Mussa
Raízen CEO

Results

Another year of strong results and business volume underpinned by financial discipline

Raízen concludes the 2022'23 crop year with solid performance evolution in all businesses despite the challenging and volatile scenario. We maintained our focus on operational excellence, with a resilient balance sheet that supports our business expansion cycle in Renewables and our agroindustrial journey to maximize productivity and scale. The crop year was marked by new records in both global sales and Adjusted EBITDA, reflecting our consistent performance despite the challenges faced this year. We oriented our investments in expanding our operations, in line with Raízen's business plan. Our capital structure is solid and our liquidity, average debt term and leverage are at prudent levels even in an intense investment cycle.

Highlights of Consolidated Results[1] (BRL Million)	**Q4 22'23**	**Q4 21'22**	**VAR %**	**2022'23**	**2021'22**	**VAR %**
Net Operating Revenue	**54,967.3**	**53,493.7**	**2.8%**	**245,831.8**	**196,291.9**	**25.2%**
Gross Profit	6,972.3	2,564.4	>100%	15,267.7	12,686.4	20.3%
EBIT	5,350.1	747.6	>100%	8,086.3	6,576.2	23.0%
Adjusted Net Income [2]	**2,522.6**	**209.7**	**>100%**	**3,864.9**	**2,747.4**	**40.7%**
EBITDA	6,830.6	2,693.9	>100%	16,739.6	14,385.0	16.4%
Adjusted EBITDA	**5,912.8**	**1,779.6**	**>100%**	**15,285.5**	**10,703.8**	**42.8%**
Investments [3]	4,299.5	3,080.3	39.6%	11,316.0	7,706.7	46.8%
Net debt[4]	-	-	n/a	20,361.1	13,827.4	47.3%
Leverage (Net debt/ Adjusted EBITDA 12M)	-	-	n/a	1.3x	1.3x	0.0.x
Weighted average debt term	-	-	n/a	4.1	3.9	n/a
ROACE	-	-	n/a	20%	13%	7 p.p.

[1] Raízen's consolidated results include: (i) the results of Raízen S.A. (formerly Raízen Combustíveis S.A.) and of its subsidiaries, including Raízen Energia S.A., combined with (ii) the results of Biosev in the period, excluding any eliminations between the businesses.
[2] Net Income adjusted by the non-recurring items described on page 19 of the Release available on the Investment Relations page (ri.raizen.com.br).
[3] Includes expenses with assets under client agreements and excludes business acquisitions and additions to investments in subsidiaries.

Results by Segment

Below are the results by segment along with the respective quarterly comparisons and analyses. For 2021'22, the pro forma data considers the results of April and May 2021 of Raízen Energia, due to the corporate restructuring concluded in June 2021, as well as the results of Biosev from April through August 2021 (excluding eliminations).

Renewables and Sugar

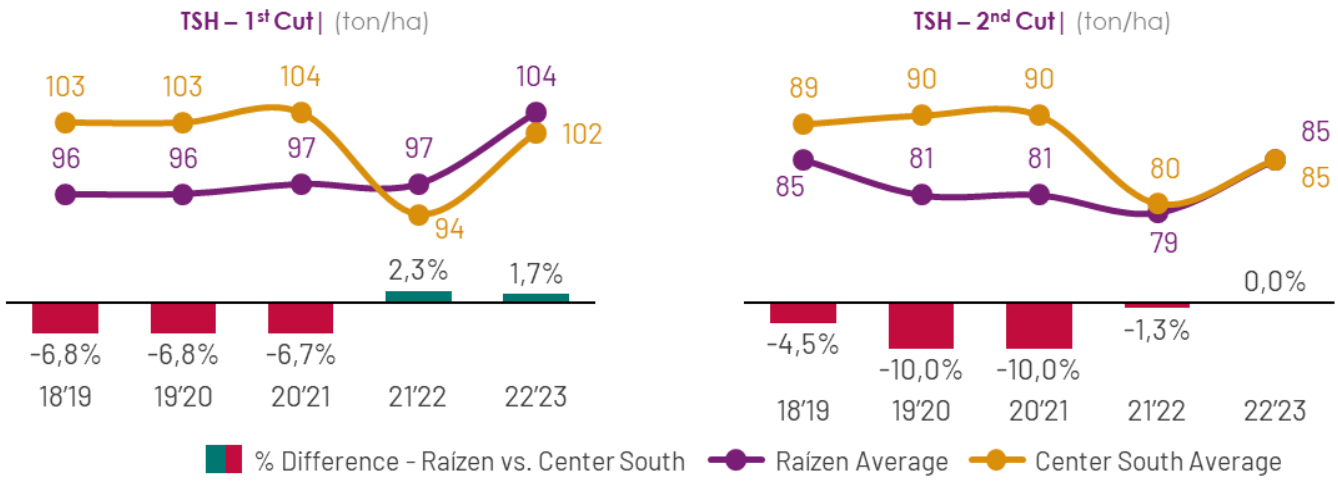
Renewables and Sugar – Profit and Loss Statement - Consolidated - Pro Forma (BRL Million)	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Net Operating Revenues	12,547.1	11,458.6	9.5%	57,932.6	43,809.9	32.2%
Cost of goods sold	(10,694.0)	(10,339.5)	3.4%	(53,012.8)	(37,176.0)	42.6%
Gross profit	1,853.1	1,119.1	65.6%	4,919.8	6,633.9	-25.8%
Expenses/Revenues with:	(660.2)	(871.8)	-24.3%	(2,790.9)	(2,928.1)	-4.7%
Sales	(295.2)	(359.0)	-17.8%	(1,575.8)	(1,491.4)	5.7%
General and administrative	(466.7)	(409.7)	13.9%	(1,388.6)	(1,357.7)	2.3%
Other operating revenues, net	122.1	(90.5)	n/a	229.2	(37.8)	n/a
Equity pick-up	(20.4)	(12.6)	61.9%	(55.7)	(41.2)	35.2%
EBIT	1,192.9	247.3	>100%	2,128.9	3,705.8	-42.6%
Depreciation and amortization	1,184.9	1,638.2	-27.7%	7,543.9	6,640.2	13.6%
EBITDA	**2,377.8**	**1,885.5**	**26.1%**	**9,672.8**	**10,346.0**	**-6.5%**
Adjusted EBITDA Reconciliation						
Biological Assets variation	(635.3)	(587.6)	8.1%	188.8	(1,478.7)	n/a
IFRS 16 - Leases	(449.1)	(693.3)	-35.2%	(2,705.5)	(2,525.2)	7.1%
Others	-	148.9	n/a	78.9	228.3	-65.4%
Adjusted EBITDA	**1,293.4**	**753.5**	**71.7%**	**7,235.0**	**6,570.4**	**10.1%**
Adjusted EBIT	512.8	(244.4)	n/a	2,399.4	2,150.2	11.6%

Agroindustrial Operation

Agroindustrial Operations Raízen's Bioenergy Parks (Pro forma)	2022'23	2021'22	VAR %
Operational			
Sugarcane crushed (MM ton)	73.5	76.1	-3.4%
TRS (kg/ton)	135.8	136.4	-0.4%
TSH (ton/ha)	69.7	72.1	-3.6%
Agricultural Yield (TRS/ha)	9.5	9.8	-3.1%
Production Mix (% Sugar – Ethanol)	50%/50%	51%/49%	n/a
Production of Sugar (000' ton)	4,784.5	5,178.7	-7.6%
Production of Ethanol E1G (000' cbm)	2,985.4	3,082.1	-3.1%
Production of Ethanol E2G (000' cbm)	30.3	18.5	63.8%
Production of Sugar Equivalent (000' ton)	9,661	10,147	-4.8%

Agroindustrial Highlights – Dry weather in the last two years resulted in lower sugarcane availability this year (crushing volume compared to an initial projection of 80 million tons). As a result, agricultural productivity was lower than in the last crop year, leading to a drop in product availability. In addition to the adverse weather conditions, we intensified the sugarcane replanting reducing the harvest area through the journey to recover agricultural productivity.

Journey of Agricultural Productivity Recovery | TSH Own Sugarcane vs. Center-South Average – We continue to receive the benefits of our journey, as evident from the first and second cut sugarcane numbers. These results show that Raízen's productivity will gradually reach industry's average levels, recovering productivity from the third cut onwards and generating significant scale improvement, with higher dilution of costs in the coming years.

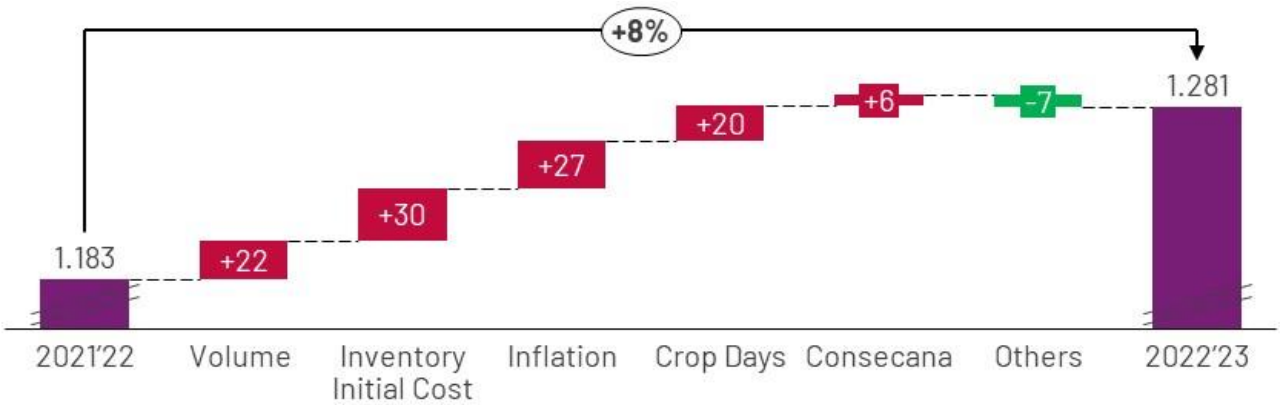


Source: CTC – Centro de Tecnologia Canavieira

Cost of Goods Sold (COGS) – Unit cash cost in sugar equivalent increased in the quarter and crop year due to: (i) the effect of lower dilution of fixed costs due to lower crushing volume and consequently sugarcane availability; (ii) inflationary effects on the production inputs, especially diesel and labor; and (iii) greater number of days this crop year. Raízen partially mitigated agroindustrial costs by improving efficiency supported by: (i) integrated management of the supply chain; (ii) high and sustained industrial productivity ratio (RiT/Stab of 88.8%); and (iii) the expansion of Raízen's Excellence Program (SER+ Project), which is already running at 23 of the 30 Bioenergy Parks currently operational, and is optimizing processes, reducing waste, strengthening the culture of safety and performance increase (approximately R$ 58 million).

Cost of Goods Sold (COGS)	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Sugar Equivalent Unit Cash Cost (BRL/ton)	(1,376)	(1,338)	2.8%	(1,275)	(1,183)	7.8%
Sugar Equivalent Unit Cash Cost ex-COSECANA (BRL/ton)	(1,382)	(1,338)	3.3%	(1,281)	(1,183)	8.3%

Changes in unit cash cost (BRL/ton) in sugar equivalent are presented below:



Cost of Agroindustrial Production (CAP) – Starting this quarter, complementing the breakdown of the cost of goods sold (COGS) registered in the Financial Statements, we will provide the cost of the product entry in inventory, which does not include direct accounting entries in the COGS such as provisions for contingencies, effect of unrealized profit on inventories and tax effects, among others.

	CAP (BRL Million)			CAP (BRL/tons of crushed sugarcane)		
Cost of Agroindustrial Production	**2022'23**	**2021'22**	**VAR %**	**2022'23**	**2021'22**	**VAR %**
Suppliers Sugarcane and Land Lease	8,800	8,642	1.8%	119.9	113.5	5.6%
CCT (Cutting, Loading and Transport) and Overheads	1,904	1,482	28.5%	25.9	19.4	33.5%
Cash Cane Cost (Own + Suppliers)	**10,704**	**10,124**	**5.7%**	**145.8**	**132.9**	**9.7%**
Industrial Cost (100% of sugarcane)	**1,206**	**1,069**	**12.8%**	**16.4**	**14.0**	**17.2%**
Production Cash Cost (Sugarcane + Industrial)	**11,910**	**11,193**	**6.4%**	**162.2**	**146.9**	**10.4%**
Depreciation and amortization	4,410	3,750	17.6%	60.0	49.2	21.9%
Total Cost of Production	**16,320**	**14,943**	**9.2%**	**222.2**	**196.1**	**13.3%**
Sugar Equivalent Production (000' ton)	9,661	10,148	-4.8%			
Sugar Equivalent Production Cash Cost (BRL/ton)	1,233	1,103	11.8%			

This view demonstrates the effects of lower dilution of fixed costs and inflation on production factors, as mentioned previously.

Investments – Were affected by the inflationary effect on the prices of agricultural inputs, steel, diesel and labor, which impacted the unit values for planting, land treatment and industrial maintenance costs. In addition, investments in planting and land treatment remain high with over 107,000 hectares of planted area in the crop year, accelerating our journey to recover productivity, which is expected to improve continuously based on the results of the first cuts in the last two years.

Investments in operational improvements increased considering the crop year due to inflation on equipment prices and the intensification of Health, Safety and Environmental initiatives.

Investments in growth were focused on the construction of three E2G plants. Other projects include investments to increase Company's capacity to generate 100% renewable energy (especially solar power), construction of second Biogas plant, as well as projects to agricultural irrigation and improvement and expansion of the sugar business (production and storage capacity), demonstrated under heading "Other".

Investments - Sugar and Renewables (BRL, Million)	**Q4 22'23**	**Q4 21'22**	**VAR %**	**2022'23**	**2021'22**	**VAR %**
Recurrent - Maintenance and Operational	**2.333,1**	**1.914,7**	**21,9%**	**6.106,7**	**4.966,6**	**23,0%**
Agricultural Productivity (Planting and Cultural Care)	671,1	649,3	3,4%	3.323,6	2.470,2	34,5%
Off-season Maintenance	374,8	757,0	-50,5%	1.041,6	1.565,9	-33,5%
Operation Support / Safety / Health / Environment	599,8	295,2	>100%	931,5	516,8	80,2%
Agroindustrial	687,4	213,2	>100%	810,0	413,7	95,8%
Project (Growth)	**1.226,7**	**351,3**	**>100%**	**2.705,9**	**697,1**	**>100%**
E2G	470,7	146,4	>100%	1.288,5	201,3	>100%
Power	248,4	36,4	>100%	488,6	94,9	>100%
Biogas	67,5	11,7	>100%	204,3	14,2	>100%
Agricultural Productivity (Innovations)	170,8	19,6	>100%	264,4	58,0	>100%
Other	269,3	137,2	96,3%	460,1	328,7	40,0%
Total	**3.559,8**	**2.266,0**	**57,1%**	**8.812,6**	**5.664,0**	**55,6%**

Renewables | Ethanol value expansion and new growth avenue: Power

Ethanol

Operational Indicators - Pro forma	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Ethanol Sales Volume (000' cbm)	**1,605**	**1,660**	**-3.3%**	**6,176**	**5,149**	**19.9%**
Own	628	749	-16.2%	3,062	3,091	-0.9%
Commercialization	977	911	7.2%	3,114	2,057	51.4%
Raízen Ethanol Average Price (BRL/cbm) [1]	***3,481***	***2,793***	***24.6%***	***3,648***	***3,365***	***8.4%***

[1] Raízen's average ethanol price is composed of the price of own ethanol and the margin of commercialized and trading operation.

Ethanol Inventories	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %
000' cbm	299	368	-19%	1,079	-72%
BRL Million	876	1,014	-14%	3,201	-73%

The main highlight was our effective sales strategy for industrial ethanol and fuel to global clients with differentiated pricing underpinning volume growth. Throughout the quarter and crop year, ethanol atypically was less competitive than gasoline due to tax changes on fuels in Brazil. As a result, domestic sales of hydrous ethanol ended 2022'23 crop year in line with 2021'22 volume, while anhydrous sales set a new record contributing to raising the average price.

Currently, 80% of the ethanol produced by Raízen is entitled to some premium compared to hydrous ethanol sold in Brazil being destined for industrial purposes (bioplastics, cosmetics, beverage industry, among others) or as fuel, with differentiated pricing and low carbon premiums. Our strategy resulted in a change in **Raízen's average selling price**[1], which was 30% higher than reference in the local market (ESALQ base).

We proudly strengthened our operational capacity and achieved record production of **Second Generation Ethanol (E2G)**, totaling 30,000 cbm produced in the crop year (+64% vs. 2021'22). Our efficient technology and production processes corroborate our vision of market expansion, with the announcement of eight new plants to be built by 2027, following the sharp increase in global demand for certified biofuels with high sustainability standards. Raízen is already a global benchmark in the E2G market with a backlog of long-term agreements totaling approximately 4.3 million m^3.

Power

Operational Indicators - Pro forma	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Power Sales Volume ('000 MWh)	**5,245**	**4,336**	**21.0%**	**21,582**	**22,792**	**-5.3%**
Own	81	46	76.1%	2,184	2,465	-11.4%
Cogeneration	34	20	70.0%	2,016	2,372	-15.0%
Solar[1] & Other Renewables Sources	47	26	80.8%	168	93	80.6%
Commercialization & Trading	5,164	4,290	20.4%	19,398	20,326	-4.6%
Own Power Average Price (BRL/MWh)	***344***	***212***	***62.3%***	***241***	***265***	***-9.1%***

[1] Reference of energy generated by Raízen's plants in the Distributed Generation model.

We continued to expand our operations in Brazil's Power segment, positioning Raízen as the fifth largest power player in Brazil according to the Electricity Trading Chamber, with over 24,000 clients connected through integrated and customized solutions for each consumer profile currently operating 52 renewable energy generation plants.

Due to the increase in hydropower generation as a result of high inflows into the Paraná River basin, the rainy season helped maintain reservoir levels favoring hydropower generation and system's storage level. Consequently, the better power supply conditions led to a continuous reduction in the short-term average price (Differences Settlement Price – PLD) in all Brazilian submarkets. Raízen's positioning of selling energy via auctions partially mitigated the effects on average prices over the year.

The strong growth in **own volume sold** in 4Q 22'23 mainly reflects the investments in clean energy generation, especially solar. We increased the volume commercialized in the quarter in order to maximize the returns from the operation through higher market share, adding intelligence and scale to Raízen's operations. The lower availability of biomass affected the generation of bioenergy and sales volume of own power. The highlight was the 81% increase in the sales volume of solar power and other sources through distributed generation.

Renewables **- Profit and Loss Statement - Pro Forma (BRL, Million)**	**Q4 22'23**	**Q4 21'22**	**VAR %**	**2022'23**	**2021'22**	**VAR %**
Net operating revenues	**6,580.9**	**6,661.7**	**-1.2%**	**28,730.2**	**24,810.4**	**15.8%**
Ethanol	5,709.9	5,699.8	0.2%	24,448.5	19,797.3	23.5%
Energy	826.4	728.4	13.5%	3,788.5	4,299.8	-11.9%
Other Revenues[1]	44.6	233.5	-80.9%	493.2	713.3	-30.9%
Cost of goods sold	**(5,618.8)**	**(5,809.6)**	**-3.3%**	**(25,535.1)**	**(20,319.0)**	**25.7%**
Gross profit	962.1	852.1	12.9%	3,195.1	4,491.4	-28.9%
Expenses/Revenues with:	**(360.6)**	**(410.7)**	**-12.2%**	**(1,384.6)**	**(1,381.5)**	**0.2%**
Sales	(158.4)	(161.4)	-1.9%	(681.3)	(614.1)	10.9%
General and administrative	(241.4)	(187.7)	28.6%	(703.6)	(632.5)	11.2%
Other operating revenues, net	61.9	(44.7)	n/a	114.9	(80.2)	n/a
Equity pick-up	(22.7)	(16.9)	34.3%	(114.6)	(54.7)	>100%
EBIT	601.5	441.4	36.3%	1,810.5	3,109.9	-41.8%
Depreciation and amortization	646.2	697.2	-7.3%	4,110.2	3,358.8	22.4%
EBITDA	1,247.7	1,138.6	9.6%	5,920.7	6,468.7	-8.5%
Adjusted EBITDA Reconciliation						
Biological Assets variation	(322.1)	(288.1)	11.8%	89.3	(728.4)	n/a
IFRS 16 - Leases	(227.7)	(344.6)	-33.9%	(1,366.6)	(1,247.3)	9.6%
Other [2]	-	73.9	n/a	78.9	112.4	-29.8%
Adjusted EBITDA	**697.9**	**579.8**	**20.4%**	**4,722.3**	**4,605.4**	**2.5%**
Adjusted EBIT	256.7	202.4	26.8%	1,977.6	2,344.8	-15.7%

1 Biogas, solar power, small hydroelectric plants and others.
2 Details on page 24 of the Q4 22'23 Earnings Release - available on the Investors Relations website (ri.raizen.com.br).

Net Revenue – Decreased in Q4 22'23 mainly reflecting lower ethanol volume and offset by higher average price. In the crop year the growth in Ethanol sales revenue driven by higher sales volume and better global prices offset the lower power sales revenue.

Cost of Goods Sold (COGS) – Lower sales volume of own ethanol reflecting the drop in COGS in the quarter. For the crop year COGS growth mainly reflects lower production, which adversely affected the dilution of fixed costs, and higher prices of inputs in general, as mentioned previously.

Selling, general and administrative expenses (SG&A) – Growth that reflects the higher ethanol exports, in line with the sales strategy for the crop, inflation on selling and logistic expenses and variable compensation provisions concentrated in the Q4.

Adjusted EBITDA – EBITDA growth in both the quarter and the crop year reflects the higher average selling price of ethanol, supported by our diversified portfolio of biofuel for different uses and applications. In the crop year, the higher EBITDA reflected the increase in sales volume at higher ethanol prices and advances in the Power business agenda, which were partially offset by inflationary pressures on costs.

Sugar | Effective strategy in a favorable price cycle

Operational Indicators - Pro forma	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Sales Volume (000' ton)	**2,333**	**1,950**	**19.6%**	**11,338**	**8,085**	**40.2%**
Own	919	1,199	-23.4%	4,994	5,008	-0.3%
Commercialization	1,414	752	88.0%	6,344	3,077	>100%
Realized Average Price (BRL/ton)	***2,557***	***1,969***	***29.9%***	***2,294***	***1,988***	***15.4%***

Sugar Inventories	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %
000' ton	275	470	-41%	1,270	-78%
BRL Million	530	686	-23%	2,237	-76%

Precision and sense of opportunity were the hallmarks of our Sugar business. The effectiveness of our strategy of direct sales to the final destination (100% of own sugar volume and 60% of total volume) drove the expansion of our operations across the sugar value chain, with better prices amid a more positive scenario for the commodity. Sugar prices in the global market have been reaching new levels of equilibrium to meet growing demand and sugar supply limitations.

Sale of own sugar volumes in 2022'23 crop year was similar to that in 2021'22, despite lower sugarcane availability. However, sales volume more than doubled, increasing returns and our participation in the global trade flow. Moreover, our inventory carryover was lower this crop year, due to lower sugarcane availability and the price cycle.

Sugar **- Profit and Loss Statement - Pro Forma (BRL, Million)**	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Net operating revenues	**5,966.2**	**4,796.9**	**24.4%**	**29,202.4**	**18,999.5**	**53.7%**
Sugar	5,966.2	3,839.8	55.4%	25,822.2	16,156.0	59.8%
Other Revenues[1]	-	957.1	n/a	3,380.3	2,843.6	18.9%
Cost of goods sold	**(5,075.2)**	**(4,529.9)**	**12.0%**	**(27,477.7)**	**(16,857.0)**	**63.0%**
Sugar	(5,075.2)	(3,466.2)	46.4%	(24,097.7)	(13,950.7)	72.7%
Other Costs[1]	-	(1,063.7)	n/a	(3,380.0)	(2,906.3)	16.3%
Gross profit	891.0	267.0	>100%	1,724.7	2,142.5	-19.5%
Expenses/Revenues with:	**(299.6)**	**(461.1)**	**-35.0%**	**(1,406.3)**	**(1,546.6)**	**-9.1%**
Sales	(136.8)	(197.6)	-30.8%	(894.5)	(877.3)	2.0%
General and administrative	(225.3)	(222.0)	1.5%	(685.0)	(725.2)	-5.5%
Other operating revenues, net	60.2	(45.8)	n/a	114.3	42.4	>100%
Equity pick-up	2.3	4.3	-46.5%	58.9	13.5	>100%
EBIT	591.4	(194.1)	n/a	318.4	595.9	-46.6%
Depreciation and amortization	538.7	941.0	-42.8%	3,433.7	3,281.4	4.6%
EBITDA	1,130.1	746.9	51.3%	3,752.1	3,877.3	-3.2%
Adjusted EBITDA Reconciliation						
Biological Assets variation	(313.2)	(299.5)	4.6%	99.5	(750.3)	n/a
IFRS 16 - Leases	(221.4)	(348.7)	-36.5%	(1,338.9)	(1,277.9)	4.8%
Other[2]	-	75.0	n/a	-	115.9	n/a
Adjusted EBITDA	**595.5**	**173.7**	**>100%**	**2,512.7**	**1,965.0**	**27.9%**
Adjusted EBIT	256.1	(446.8)	n/a	421.8	(194.6)	n/a

[1] Net revenue from other products and services refers to commodity export performance operations linked to compliance with contractual debt clauses issued by Biosev, in foreign currency and without a principal amount linked to such obligations. Therefore, similar revenue and costs were recognized, without any significant impact on gross profit. These operations were concluded in 3Q 22'23.
[2] Details on page 24 of the Q4 22'23 Earnings Release - available on the Investors Relations website (ri.raizen.com.br).

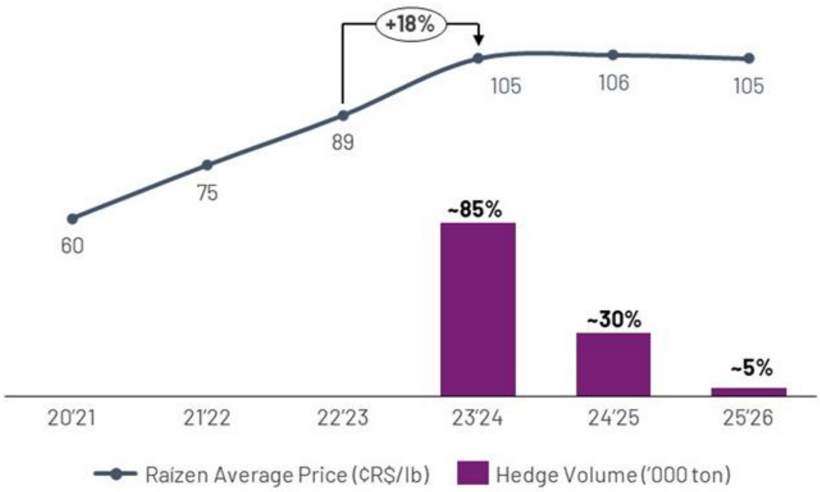
Net revenue - Performance was driven by the sharp increase in sugar sales volume, in line with the strategy of differentiating and expanding Raízen's participation in the value chain and capturing higher prices.

Cost of Goods Sold (COGS) – Greater than Q4 and previous year mainly due to higher sugar volumes sold and the pressures from lower production and sale of own sugar, which adversely affected the dilution of fixed costs, as mentioned previously.

Selling, general and administrative expenses (SG&A) – Selling expenses increased in the crop year reflecting higher volumes of own products and expenses with logistics and sugar freight directly to destination, in line with Company's strategy. Growth in general and administrative expenses in the quarter was due to higher expenditures on variable compensation. Decline in the crop year reflects efficiencies captured and synergies resulting from the combination of Biosev's operations.

Adjusted EBITDA – Higher sugar prices combined with higher traded volume and higher sales directly to destination, which mitigated the pressure from higher costs on margins, considering lower crushing volume and product availability.

Sugar Hedge - The table below presents the sugar volumes and prices hedged, in USD translated into BRL, on March 31:



Summary of Sugar Hedge Operations	2022'23	2023'24	VAR.% vs. 2022'23	2024'25	VAR.% vs. 2022'23	2025'26	VAR.% vs. 2022'23
Volume (000' ton)	-	2,928	-	1,077	-	151	-
Average price (¢BRL/lb)*	89	105	18%	106	19%	105	18%
Average price (BRL/ton)*	1,949	2,313	18%	2,334	19%	2,310	18%

*Includes polarization premium.

Marketing & Services | Reseller centricity and stronger integrated offer

Consolidated Operations - Brazil and Latam (Argentina and Paraguay)

Marketing & Services - Indicators	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %	2022'23	2021'22	VAR %
Volume sold ('000 cbm)	**8,527**	**8,375**	**1.8%**	**8,863**	**-3.8%**	**34,972**	**33,954**	**3.0%**
Otto cycle (Gasoline + Ethanol)	3,533	3,449	2.4%	3,835	-7.9%	14,536	14,040	3.5%
Diesel	3,963	4,257	-6.9%	4,231	-6.3%	17,171	17,500	-1.9%
Aviation	480	278	72.7%	303	58.4%	1,363	940	45.0%
Others	551	391	40.9%	492	12.0%	1,902	1,474	29.0%
Investments (BRL, Million)	**738**	**814**	**-9.3%**	**854**	**-13.6%**	**2,502**	**2,043**	**22.5%**
Service Stations Shell (Units)	**8,128**	**7,912**	**2.7%**	**8,057**	**0.9%**	**-**	**-**	**-**
Shell Select and Oxxo (Units)	**1,904**	**1,553**	**22.6%**	**1,726**	**10.3%**	**-**	**-**	**-**

Marketing & Services - Profit and Loss Statement (BRL, Million)	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Net Operating Revenues	43,518.7	46,126.4	-5.7%	202,762.5	165,634.5	22.4%
Cost of goods sold	(38,390.7)	(44,708.4)	-14.1%	(192,384.9)	(159,586.0)	20.6%
Gross profit[1]	**5,128.0**	**1,418.0**	**>100%**	**10,377.6**	**6,048.5**	**71.6%**
Expenses/Revenues with:	(949.3)	(945.0)	0.5%	(4,377.9)	(3,182.4)	37.6%
Sales	(965.4)	(811.9)	18.9%	(3,663.2)	(2,814.3)	30.2%
General and administrative	(339.1)	(264.3)	28.3%	(1,152.1)	(858.5)	34.2%
Other operating revenues, net[2]	368.6	141.6	>100%	511.8	518.2	-1.2%
Equity pick-up	(13.4)	(10.4)	28.8%	(74.4)	(27.8)	>100%
EBIT	4,178.7	473.0	>100%	5,999.7	2,866.1	>100%
Depreciation and amortization	295.0	308.1	-4.3%	1,108.8	1,166.9	-5.0%
EBITDA	4,473.7	781.1	>100%	7,108.5	4,033.0	76.3%
Adjusted EBITDA Reconciliation						
IFRS 15 - Assets from contracts with customers	165.8	131.2	26.4%	615.5	512.3	20.1%
Argentina's Refinary shutdown	-	-	n/a	761.1	-	n/a
Other Effects[3]	(373.8)	162.9	n/a	(875.0)	(86.9)	>100%
Adjusted EBITDA	**4,265.7**	**1,075.2**	**>100%**	**7,610.1**	**4,458.5**	**70.7%**
Adjusted EBITDA Margin (BRL/cbm)	**500**	**128**	**>100%**	**218**	**131**	**66.4%**

[1] Including PIS and COFINS tax credits recognized in connection with Supplementary Law 192, of March 11, 2022, in the consolidated amount of R$3,766 million, of which R$3,306 million was recognized in "Gross Profit" and R$460 million in "Other operating revenues" as such credits were extemporaneous. More details are available on Note 8 to the Financial Statements of March 31, 2023.
[2] Including R$460 million in extemporaneous PIS/COFINS tax credits pertaining to the volume of March 2022, in connection with Supplementary Law 192, of March 11, 2022, in 4Q 22'23, considered for the purposes of Adjusted EBITDA under "Other effects."
[3] Details on page 24 of the Q4 22'23 Earnings Release - available on the Investors Relations website (ri.raizen.com.br).

Brazil

M&S Brazil - Indicators	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %	2022'23	2021'22	VAR %
Volume sold ('000 cbm)	**6,637**	**6,642**	**-0.1%**	**7,012**	**-5.3%**	**27,720**	**27,793**	**-0.3%**
Otto cycle (Gasoline + Ethanol)	2,842	2,800	1.5%	3,133	-9.3%	11,847	11,735	1.0%
Diesel	3,335	3,593	-7.2%	3,577	-6.8%	14,520	15,101	-3.8%
Aviation	382	207	84.5%	216	76.9%	1,028	765	34.4%
Other	78	42	85.7%	85	-8.2%	325	192	69.3%
Gasoline Equivalent	2,671	2,592	3.0%	2,933	-8.9%	11,045	10,835	1.9%
Investments (BRL, Million)	**308**	**398**	**-22.6%**	**329**	**-6.4%**	**1,124**	**1,009**	**11.4%**
Service Stations Shell (Units)	**6,923**	**6,728**	**2.9%**	**6,853**	**1.0%**	-	-	-
Shell Select and Oxxo (Units)	**1,603**	**1,351**	**18.7%**	**1,468**	**9.2%**	-	-	-

The quarter was marked by volatility in fuel prices with the reestablishment of federal taxes and the price dynamic in the country. During the year, we added 195 new service stations through new agreements equivalent to 1 billion liters. Despite the scenario, we remain focused on our strategy of strengthening the value of the Shell Integrated Offer, working on the following business fronts:

- **Expansion of the network** of Shell stations by adding or by renewing agreements and strengthening relations with resellers;
- Improvement of product mix with the launch of the new **Shell V-Power**, a product with higher penetration in Brazil's premium market, and the portfolio of **Lubricants** in Shell network;
- **Digital and marketing** initiatives to strengthen our brand, relationship with consumers and resale profitability;
- **Efficient logistics** in terminals, leading to market-reference service levels, customer service and satisfaction;
- Optimization of our **supply** for adaptation to any scenarios;
- **Shell Box** and Shell Box Empresas being used as efficient instruments of relationship and loyalty between reseller network and clients;
- Significant increase in **commercial aviation**, executive and visiting segments, leading to scale and tax efficiency.

M&S Brazil - Profit and Loss Statement (BRL, Million)	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %	2022'23	2021'22	VAR %
Net Operating Revenues	36,593.2	40,354.3	-9.3%	40,110.1	-8.8%	168,924.0	146,580.2	15.2%
Cost of goods sold	(32,149.0)	(39,450.3)	-18.5%	(38,786.5)	-17.1%	(160,314.4)	(142,388.3)	12.6%
Gross profit[1]	**4,444.2**	**904.0**	**>100%**	**1,323.6**	**>100%**	**8,609.6**	**4,192.0**	**>100%**
Gross Margin (BRL/cbm)	***670***	***136***	***>100%***	***189***	***>100%***	***311***	***151***	***>100%***
Expenses/Revenues with:	**(592.9)**	**(538.9)**	**10.0%**	**(825.7)**	**-28.2%**	**(2,961.0)**	**(1,925.7)**	**53.8%**
Sales	(650.8)	(505.6)	28.7%	(625.0)	4.1%	(2,457.1)	(1,751.4)	40.3%
General and administrative	(243.3)	(118.8)	>100%	(181.3)	34.2%	(783.5)	(528.9)	48.1%
Other operating revenues, net[2]	314.6	95.9	>100%	0.8	>100%	354.0	382.4	-7.4%
Equity pick-up	(13.4)	(10.4)	28.8%	(20.2)	-33.7%	(74.4)	(27.8)	>100%
EBIT	3,851.3	365.1	>100%	497.9	>100%	5,648.6	2,266.2	>100%
Depreciation and amortization	108.7	86.7	25.4%	98.7	10.1%	392.1	337.8	16.1%
EBITDA	3,960.0	451.8	>100%	596.6	>100%	6,040.7	2,604.0	>100%
Adjusted EBITDA Reconciliation								
IFRS 15 - Assets from contracts with customers	144.5	131.2	10.1%	136.1	6.2%	547.7	512.3	6.9%
Other[3]	(373.8)	116.6	n/a	(142.8)	>100%	(874.9)	(133.2)	>100%
Adjusted EBITDA	**3,730.7**	**699.6**	**>100%**	**589.9**	**>100%**	**5,713.5**	**2,983.1**	**91.5%**
Adjusted EBITDA Margin (BRL/cbm)	***562***	***105***	***>100%***	***84***	***>100%***	***206***	***107***	***92.5%***
Adjusted EBIT (BRL, Million)	**3,442.5**	**420.4**	**>100%**	**355.1**	**>100%**	**4,738.7**	**2,071.7**	**>100%**
Adjusted EBIT Margin (BRL/cbm)	***519***	***63***	***>100%***	***51***	***>100%***	***171***	***75***	***>100%***

[1] Including PIS and COFINS tax credits recognized in connection with Supplementary Law 192, of March 11, 2022, in the consolidated amount of R$3,766 million, of which R$3,306 million was recognized in "Gross Profit" and R$460 million in "Other operating revenues" as such credits were extemporaneous. More details are available on Note 8 to the Financial Statements of March 31, 2023
[2] Details on page 24 of the Q4 22'23 Earnings Release - available on the Investors Relations website (ri.raizen.com.br).

Gross Profit - Expansion of operating margins in both the quarter and the crop year, despite the recognition of non-recurring tax credits in the period, reflecting the Company's focus on increasing profitability by improving the integrated resale offer.

Selling, General and Administrative Expenses (SG&A) – The following seasonal expenses were incurred in the quarter: (i) provisions personnel and non-recurring provisions expenses (variable compensation linked to results and wage increases); (ii) freight due to higher diesel price; and (iii) concentration of marketing and selling expenses. Likewise, during the crop year, SG&A expenses reflected higher expenses with freight, personnel, incorporation of Lubricants operations, effects of inflation on contractual prices and, mainly, marketing initiatives, with additional expenditure of approximately R$360 million in initiatives to increase the value offering, as previously mentioned.

Adjusted EBITDA – Increased in the quarter and crop year, reflecting higher operating margins compared to last crop year, with a stronger integrated value offering and focus on relations with resellers.

Normalization of Adjusted EBITDA Margin BRL/m³ - Due to the high volatility of prices and tax changes, as well as the variation in Carbon Credit (CBIO) prices, the table below shows the adjustments for normalization of such effects. Also, our margin was affected by a specific recognition of tax credits, which is normalized in this analysis as well.

	EBITDA (BRL, Million)		Margin (BRL/cbm)	
	Q4 22'23	2022'23	Q4 22'23	2022'23
Adjusted EBITDA	**3,731**	**5,714**	**562**	**206**
*(+) Product and CBIOS inventory effects**	*110*	*623*	*17*	*22*
(-) Tax credit effect	*(3,306)*	*(3,306)*	*(498)*	*(119)*
Normalized EBITDA	**535**	**3.031**	**81**	**109**

Investments –Mostly allocated to expansion and relations with our resellers. In the year, 72% of the investments were allocated to maintenance and renovation of the service station network, while 28% was allocated to expansion of the network and logistics infrastructure assets.

Investments – Marketing & Services Brazil (BRL, Million)	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Recurrent	196	328	-40.2%	811	783	3.6%
Growth	112	70	60.0%	313	226	38.5%
Total	**308**	**398**	**-22.6%**	**1,124**	**1,009**	**11.4%**

Nós Group - We continued to expand our Proximity operations, opening 252 new Oxxo markets and Shell Select stores in the last 12 months, totaling 1,603 stores in Brazil. In recent months, our expansion targets were achieved as planned, while operations continue to gain traction, with growth of same-store sales driven by higher average ticket and increase in store traffic. Note that our Distribution Center in São Paulo was expanded and modernized to improve operational efficiency and service offered to the chain of franchisees, which benefit from our integrated logistics. In addition, the Nós Group also took an important step in its digitization, creating its own delivery app and with full integration with its brick-and-mortar stores.

Latam (Argentina + Paraguay) | Higher market value

M&S Latam - Indicators	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %	2022'23	2021'22	VAR %
Volume sold ('000 cbm)	**1,890**	**1,733**	**9.1%**	**1,851**	**2.1%**	**7,252**	**6,162**	**17.7%**
Gasoline	691	649	6.5%	702	-1.6%	2,689	2,306	16.6%
Diesel	628	664	-5.4%	654	-4.0%	2,651	2,399	10.5%
Aviation	98	71	38.0%	87	12.6%	335	175	91.4%
Other	473	349	35.5%	407	16.2%	1,577	1,282	23.0%
Investments (USD, Million)	**83**	**81**	**2.5%**	**100**	**-17.0%**	**265**	**197**	**34.8%**
Investments (BRL, Million)	430	416	3.4%	525	-18.1%	1,378	1,034	33.3%
Service Stations Shell (Units)	**1,205**	**1,184**	**1.8%**	**1,204**	**0.1%**	**-**	**-**	**-**
Shell Select (Units)	**301**	**202**	**49.0%**	**258**	**16.7%**	**-**	**-**	**-**

In Latam operations, the growth in sales volume and results was the highlight. Sustained growth of market share through a consistent differentiation strategy, with premium product mix and strong price differential, especially in the aviation, lubricants and retail segments. Despite the challenging macroeconomic scenario, government interference and the scheduled shutdown of the refinery in Argentina, Latam operations expanded with record growth of market share (+23.7%) and results.

M&S Latam - Statement of Profit and Loss (USD, Million)	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %	2022'23	2021'22	VAR %
Net Operating Revenues	1,332.6	1,107.2	20.4%	1,335.6	-0.2%	6,543.8	3,576.1	83.0%
Cost of goods sold	(1,201.1)	(1,011.1)	18.8%	(1,373.3)	-12.5%	(6,200.0)	(3,227.7)	92.1%
Gross profit	**131.5**	**96.2**	**36.7%**	**(37.7)**	**n/a**	**343.8**	**348.4**	**-1.3%**
Gross Margin (USD/cbm)	***70***	***56***	***25,0%***	***(20)***	***n/a***	***47***	***57***	***-17,5%***
Expenses/Revenues with:	**(68.5)**	**(78.3)**	**-12.5%**	**(69.1)**	**-0.8%**	**(274.9)**	**(236.6)**	**16.2%**
Sales	(60.5)	(58.8)	2.9%	(58.4)	3.6%	(233.8)	(199.7)	17.1%
General and administrative	(18.4)	(28.2)	-34.7%	(17.9)	2.9%	(71.7)	(62.3)	15.1%
Other operating revenues, net	10.4	8.7	19.5%	7.2	44.4%	30.6	25.4	20.5%
EBIT	62.9	18.0	>100%	(106.9)	n/a	68.8	111.9	-38.5%
Depreciation and amortization	35.9	42.9	-16.3%	34.4	4.4%	139.2	156.1	-10.8%
EBITDA	98.7	60.8	62.3%	(72.5)	n/a	208.0	268.1	-22.4%
Adjusted EBITDA Reconciliation								
IFRS 15 - Assets from contracts with customers	4.1	-	n/a	0.8	>100%	13.3	-	n/a
Other	-	8.9	n/a	-	n/a	-	8.9	n/a
Argentina's Refinery shutdown	-	-	n/a	129.8	n/a	144.9	-	n/a
Adjusted EBITDA	**102.8**	**69.7**	**47.5%**	**58.1**	**76.9%**	**366.2**	**277.0**	**32.2%**
Adjusted EBITDA Margin (USD/cbm)	***54***	***40***	***35.0%***	***31***	***74.2%***	***50***	***45***	***11.1%***
Adjusted EBIT	**62.9**	**26.9**	**>100%**	**22.9**	**>100%**	**213.7**	**120.8**	**76.9%**
Adjusted EBIT Margin (USD/cbm)	***33***	***16***	***>100%***	***12***	***>100%***	***29***	***20***	***45.0%***

M&S Latam - Statement of Profit and Loss (BRL, Million)	Q4 22'23	Q4 21'22	VAR %	Q3 22'23	VAR %	2022'23	2021'22	VAR %
Net Operating Revenues	6,925.5	5,772.1	20.0%	7,017.8	-1.3%	33,838.5	19,054.3	77.6%
Cost of goods sold	(6,241.7)	(5,258.1)	18.7%	(7,236.8)	-13.8%	(32,070.5)	(17,197.7)	86.5%
Gross profit	**683.8**	**514.0**	**33.0%**	**(219.0)**	**n/a**	**1,768.0**	**1,856.6**	**-4.8%**
Gross Margin (BRL/cbm)	***362***	***297***	***21.9%***	***(118)***	***n/a***	***244***	***301***	***-18.9%***
Expenses/Revenues with:	**(356.4)**	**(406.0)**	**-12.2%**	**(363.1)**	**-1.8%**	**(1,416.9)**	**(1,256.6)**	**12.8%**
Sales	(314.6)	(306.2)	2.7%	(306.4)	2.7%	(1,206.1)	(1,062.9)	13.5%
General and administrative	(95.8)	(145.5)	-34.2%	(94.1)	1.8%	(368.6)	(329.5)	11.9%
Other operating revenues, net	54.0	45.7	18.2%	37.4	44.4%	157.8	135.8	16.2%
EBIT	327.4	108.0	>100%	(582.0)	n/a	351.2	600.0	-41.5%
Depreciation and amortization	186.3	221.4	-15.9%	177.3	5.1%	716.7	829.1	-13.6%
EBITDA	513.7	329.4	56.0%	(404.7)	n/a	1,067.9	1,429.1	-25.3%
Adjusted EBITDA Reconciliation								
IFRS 15 - Assets from contracts with customers	21.3	-	n/a	12.8	66.4%	67.9	-	n/a
Other	-	46.3	n/a	-	n/a	-	46.3	n/a
Argentina's Refinery shutdown	-	-	n/a	682.5	n/a	761.2	-	n/a
Adjusted EBITDA	**535.0**	**375.7**	**42.4%**	**290.5**	**84.2%**	**1,896.9**	**1,475.4**	**28.6%**
Adjusted EBITDA Margin (BRL/cbm)	***283***	***217***	***30.4%***	***157***	***80.3%***	***262***	***239***	***9.6%***
Adjusted EBIT	**327.4**	**154.3**	**>100%**	**100.5**	**>100%**	**1,112.4**	**646.3**	**72.1%**
Adjusted EBIT Margin (BRL/cbm)	***173***	***89***	***94.4%***	***54***	***>100%***	***153***	***105***	***45.7%***

Gross Profit - After the scheduled shutdown of the refinery in the previous quarter, operations returned to normal levels, with higher average sales margin in the period. In the crop year, the performance reflects the effect of the 50-day shutdown of a part of the refining operation in Argentina for general maintenance and inspection, both non-recurring and carried out every 10 years, as well as operating efficiency gains. This shutdown required an adjustment to our procurement strategy, with higher import/origination volume, leading to higher cost of goods sold and higher working capital consumption. This effect was partially offset by the recovery of margins from the Paraguay operation thanks to the better business scenario in the country and full integration of the *Barcos y Rodados* network.

Selling, general and administrative expenses (SG&A) – Reflect higher sales volume and inflation effects, especially in Argentina. In the crop year, the increase in SG&A reflects the sharp increase in sales volume, inflationary effects in Argentina and expenses with the incorporation of assets of the Paraguay operation.

Adjusted EBITDA – Reflects higher sales volume, better profitability of operations and recovery of the refinery's performance. In the crop year, despite the refinery shutdown, demand, premium fuel mix and differentiated pricing increased significantly, combined with market share growth.

Investments – Allocated to: (i) expansion of the service station network; (ii) maintenance of assets; (ii) maintenance of the refinery in Argentina, on schedule and in line with the budget; and (iv) maximizing energy efficiency, reducing carbon footprint, refining products with lower sulfur content and processing capacity of renewable products in the future (SAF, Bio Bunker, Biodiesel, among others).

Investments – Marketing & Services Latam (USD, Million)	Q4 22'23	Q4 21'22	VAR %	2022'23	2021'22	VAR %
Recurrent	25	18	38.9%	124	51	>100%
Growth	58	63	-7.9%	141	146	-3.4%
Total	**83**	**81**	**2.5%**	**265**	**197**	**34.5%**

Commitment with sustainability

Raízen integrates environmental, social, economic and governance (ESG) aspects to generate and share value with our stakeholders, as it guarantees our business's continuity, competitiveness and responsibility.

Our materiality strategy allows the management to engage with the stakeholders actively. It is a process that will enable us to identify the most pertaining topics in our business and concerning our interested parties based on the actual and potential impacts caused by our activities, whether positive or negative. This process resulted in identifying eight priority topics: Climate Changes and Emissions Management, Water Management, Agricultural Management and Biodiversity, Sustainable Procurement, Human Rights and Well-Being, Ethics and Governance, Relationship with Neighboring Communities, and Diversity and Inclusion. We have developed and updated our Strategic Sustainability Plan since the 2018/2019 harvest. The goals and long-term actions have been set according to the priorities mentioned. Thankfully, we had a leap in maturity concerning the management and governance of our ESG Agenda:

- Reduce the ethanol carbon footprint by 20%;
- Increase renewable energy production by 80%;
- Reach and maintain 80% of the Adjusted EBITDA from Renewable Businesses;
- Reduce the carbon intensity in the use of the products to be sold by 10%;
- Reduce the water impounding from external sources by 15% (during the milling period);
- Increase the power generation per harvested area by 15%;
- Ensure the traceability of 100% of the volume of crushed sugarcane (own and third-party) and zero illegal deforestation;
- Reach and maintain all the operating units certified with an internationally accredited standard;
- Ensure that 100% of the sugarcane sources are certified with an internationally accredited sustainability standard; Monitor 100% of those suppliers essential according to the ESG Agenda;
- Promote improvements to defend human rights throughout our operations and supply chain;
- Actively influence our counterparties concerning Raízen's Ethics & Compliance values;
- Promote educational actions through the Fundação Raízen's programs in 100% of the territories the company is operating;
- Until 2025, have at least 30% of women in leadership positions.

Despite the focus of Raízen's strategy on environmental, social and governance aspects, we are also paying attention to our economic performance. The development of the whole process has also been supported by market indexes and ratings, such as the Dow Jones Sustainability Index (DJSI), the Corporate Sustainability Index of the Stock Exchange of São Paulo (ISE-B3), the MSCI ESG Scores, Sustainalytics, among others. These indexes and ratings help us identify good practices and ensure our performance steadily increases. Following the best international practices of rendering accounts, in July 2022, we released our 11th Annual Sustainability Report, prepared according to the standards set by the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), the metrics from the World Economic Forum (WEF) and the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

In 2022, we remained the leader in the CDP Climate Change list, with an A- rating, consolidating our journey of successive achievements in climate issues. Raízen also joined, for the first time, the B3's Corporate Sustainability Index, highlighting its leadership position concerning ESG topics among the group of companies listed.

Our human capital

We have 44,738 employees in Brazil, Paraguay and Argentina, united by a strong culture, based on ethics, respect, safety, innovation and, above all, the purpose of redefining the future of energy.

Raízen monitors the achievements of this team using a People agenda — it is our way of preparing our employees to develop Raízen's future strategies based on the most relevant topics of the moment. The methodology to develop our employees is constantly evolving. We have created collective learning journeys and activities to approach those skills and individual development programs based on coaching and mentoring sessions and select texts and courses. Universidade Raízen, comprised of five schools strategically attentive to the market challenges we face, is another solution we have to develop our teams. The Líder Lab is our Leadership development hub — a learning ecosystem to prepare attentive and innovative leaders, fully developed, to help Raízen face future challenges. We seek to develop five key competencies: talent development, strategic mindset, risk management, technological mindset and self-awareness.

Diversity & Inclusion is also part of our strategic agenda and one of our culture's pillars. Every year we have made achievements in this area. Raízen has approached this topic in a structured manner since 2017. The company understands that diverse teams are more innovative and achieve the best results and that diversity retains more talent and engages more people. Besides our public commitment to have at least 30% of women in senior management positions, the company has developed several projects to promote a more inclusive environment for everyone, such as providing qualifications to all employees, mentorship programs for women, affirmative job opportunities for minority groups, and holding a Diversity and Inclusion Census. Raízen has developed these works along with the "Transformadores" groups, teams focused on promoting social change and that are organized in four different approaches: Gender, Ethnic-Racial, LGBTQIAP+ and People with Disabilities. The Diversity and Inclusion Committee is informed about the progress every two months.

Another priority topic in the Company's agenda is Safety. We are fully committed to ensuring a "zero accident" rate, which is essential to our organizational culture and the performance of our businesses. We follow guidelines and procedures throughout our operations to ensure the safety of our work environments and our employees' physical and mental integrity. Our Health, Safety, Environment and Sustainability (SSMA) Policy sets the rules and provides the content that the SSMA and/or Sustainability Committees leaders may use to conduct any awareness and training activities. Our Integrated Operations Management System (SIGO) monitors our operations — whether in Brazil, Paraguay, Argentina or any other Brazilian or international office. The SIGO comprises nine elements, encompassing the health and safety of our employees, the assignment of duties and the systemic control of indicators concerning the topic. Raízen developed SIGO according to international standards and practices beyond any regulatory requirements. The Senior Management also monitors the qualitative indicators, such as the number of incidents resulting in long-term serious or permanent injuries and fatalities per million hours worked (Serious Injury and Fatality - SIF), the number of incidents resulting in leave per million hours worked (Lost Time Injury Frequency - LTIF), and the number of incidents reported per million of hours worked (Total Recordable Case Frequency - TRCF).

We remain focused on expanding the Raízen Excellence System (SER+ Program), already implemented in 23 of 30 Bioenergy Parks currently in operation. This system has improved the processes, reduced waste and strengthened our safety culture. We have achieved the best results in our history using this system! Implementing the system required more than 200 thousand hours of training attended by more than 30 thousand employees from the Industrial and Agricultural areas. In the end, more than 1.8 thousand operational procedures and 550 troubleshooting projects (A3/PDCA) were developed. SER+ promoted a massive cultural transformation in the teams, reducing waste and improving performance, something we notice in the production of our Bioenergy Parks.

We have made relevant progress in Social Performance. In 2022/2023, we remain focused on improving the implementation of Territory Relationship Plans (PRTs), which guide social action in the territory and are based on qualified consultation with our internal and external stakeholders and on secondary gathering of socioeconomic indicators; and on the development and application of innovative Social Technologies in the territories. In a journey to improve our governance on this subject, we mapped more than 60 processes in the

Social Performance area and reviewed our Policy and Procedures, which helped make our work even more solid.

At Fundação Raizen, we trained 3,438 young people throughout the year 2022 through the Ativa Juventude Program, and reached a total of 45 municipalities throughout Brazil, in line with the 2030 commitment of "Promoting educational initiatives in 100% of the Raízen territories through Raízen Foundation programs."

During the 2022/2023 crop year, a program to train educators was also started to help expand Ativa Juventude into other territories where we operate. A contract signed with Brazil's National Bank for Economic and Social Development (BNDES) was also announced for a program that will benefit 405 public schools in 90 Brazilian municipalities from 2023, indirectly impacting more than 30,000 students. R$ 34 million were invested in the period, reaching more than 920,000 people directly and indirectly.

Corporate Governance

Our relationship with the stakeholders is based on the principles of transparency, and equity, quality of accountability and corporate responsibility.

To ensure the transparency of management and business, we implemented an information disclosure policy, in order to guarantee that data for the market is presented in a broad, transparent, homogeneous and consistent manner.

We maintain robust internal control procedures, having objectively adapted them according to the guidance set out by our Corporate Governance principles. In line with the best governance practices, we have committees implemented to support the monitoring and deliberations of our Board of Directors, such as the Audit Committee, Finance Committee, Compensation Committee and Corporate Social Responsibility Committee.

Capital Market

Raízen is a publicly traded corporation. On March 31, 2023, the capital stock corresponded to 1,358,936,900 preferred shares and 8,993,572,584 common shares. Since 2021 our shares are listed on B3 - Brasil, Bolsa, Balcão under the ticker RAIZ4, and are included in B3's Level 2 listing segment.

Our relationship with the financial community and with investors is guided by transparent disclosure of information and under the highest governance, legal and ethical levels. Investor Relations remains in contact with investors and market analysts, promoting events for the dissemination of information regarding our performance. Raízen maintains a website (www.raizen.com.br) that continuously offers up-to-date, specific, segmented and targeted information for the different audiences accessing the platform.

Relevant Events

Lubricants Business
In May, we concluded the acquisition of 100% of the Lubricant business from Shell. With annual production capacity of 280,000 m^3, the lubricant line of products offers innovative solutions for light and heavy vehicles, trucks and motorcycles, through the brands Shell Helix, Shell Rimula and Shell Advance, in addition to a complete line of products to meet demands from various industrial segments. The acquisition will enable Raízen to expand its offering of premium products to over 50,000 industrial and commercial clients, as well as 50 million consumers served annually by our network.

Debentures Issue
In April, we settled our first issue of Sustainability-Linked Debentures (SLD) linked to ESG targets (expansion of the Bonsucro certification to 94% and increased participation of women in leadership positions from 19% to 30% by 2026).

Annual and Extraordinary Shareholders Meeting
In July, we held the Company's Annual and Extraordinary Shareholders Meeting (AGOE), which approved, among other things, the financial statements for fiscal year ended on March 31, 2022; and the election of the Company's Audit Board.

New Share Buyback Plan
A new buyback plan was approved for the Company's preferred shares, limited to 100,000,000 shares that may be repurchased within 18 months.

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

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

B3 Corporate Sustainability Index
In December 2022, Raízen was included in the new 2023 portfolio of the B3 Corporate Sustainability Index (ISE). A pioneering index in Latin America and the world's fourth sustainability index, the 2023 ISE portfolio will be valid from January to December 2023. The ISE is an important tool for analyzing the performance of companies listed on B3 from the standpoint of corporate sustainability based on economic efficiency, environmental balance, social justice and corporate governance.

B3 Carbon Efficient Index
In January 2023, Raízen was included in the 2023 portfolio of the B3 Carbon Efficient Index (ICO2). Being a component of the B3 ICO2 demonstrates a company's commitment to the transparency of its emissions. To access the portfolio.

Relationship with the External Auditors

The policy of our company and of our subsidiaries in contracting services not related to external auditing with independent auditors is based on principles that preserve their independence. These principles consist, in accordance with internationally accepted standards, of: (a) that the auditor must not audit his own work; (b) that the auditor must not perform a management role for its client, and (c) that the auditor must not legally represent the interests of its clients.

In compliance with CVM Instruction 381/03, we inform that during the fiscal year, Ernst & Young Auditores Independentes S/S Ltda. exclusively provided auditing services for the individual and consolidated Financial Statements for the fiscal year ended March 31, 2023, and Pistrelli, Henry Martin y Asociados S.R.L. ("EY Argentina") provided certain limited insurance services to Raízen Argentina S.A.U. We understand that these services do not constitute a conflict of interest, loss of independence or objectivity of our independent auditors.

Acknowledgement

Raízen's Management would like to thank its shareholders, customers, suppliers and financial institutions for their cooperation and trust , in particular, our employees for their dedication and effort. For details on the analysis of the results for the 2022'23 crop season, please go to Raízen's website: www.raizen.com.br.

The Statutory Audit Committee of Raízen S.A. ("Committee") is a statutory body of permanent functioning established on July 28, 2021, within the best corporate governance practices.

The Committee is composed of three (3) members with a 2-year term of office. All members are independent and two (2) of them, including Mrs. Luciana de Oliveira Cezar Coelho and Ms. Sonat Burman-Olsson act as independent members of the Board of Directors.

According to the Internal Regulations, it is up to the Committee to ensure the quality and integrity of the financial statements of Raízen S.A., compliance with legal and regulatory requirements, the performance, independence and quality of the work of the independent audit firms and the internal audit, as well as the quality and effectiveness of the internal control system and risk management practices, with the exception of financial risks related to credit, market and liquidity issue under the supervision of the Finance Committee, called SFC. The Committee's evaluations are based on information received from the Administration, independent auditors, internal audit, risk management and internal controls officers, whistleblowing and ombudsman channel managers and their own analysis resulting from direct observation.

Ernst & Young Auditores Independentes S/S Ltda. is the company responsible for auditing the financial statements according to professional standards established by the Federal Accounting Council (CFC) and certain specific requirements of the Brazilian Securities and Exchange Commission (CVM). The independent auditors are also responsible for the special review of quarterly reports (ITRs) sent to the Brazilian Securities and Exchange Commission. The report of the independent auditors reflects the results of their verifications and presents their opinion regarding the reliability of the financial statements for the year in relation to the accounting principles derived from the CFC in accordance with the standards issued by the International Standard Accounting Board (IASB), CVM regulations and precepts of Brazilian corporate law. With respect to quarterly financial information, these independent auditors issued unqualified reports for the following quarters during 2022 e 2023: (i) April 1st, 2022, to June 30th, 2022; (ii) July 01st, 2022 to September 30th, 2022; and (iii) October 01st, 2022 to December 31st, 2022.

The governance of Raízen's Internal Audit is established following the international standards and mandatory elements of the IPPF – International Professional Practices Framework, defined by the IIA – The Institute of Internal Auditors, in compliance with: (i) Fundamental Principals and International Standards for the Professional Practice of Internal Auditing; (ii) Code of Ethics; and (iii) Definition of Internal Audit. The Statutory Audit and Integrity Committee is responsible for the approval of the internal audit plan that in its execution is monitored and guided by the manager of the Audit, Risks and Internal Controls area and develops its activities in a broad manner, mainly

observing the coverage of areas, processes and activities that present the most sensitive risks to the operation and most significant impacts in the implementation of the Company's strategy.

Activities of the Audit Committee in the fiscal year beginning on April 01st, 2022 and ending on March 31st, 2023:

For clarification purposes, the Committee met 16 (sixteen) times from April 01st, 2022 to March 31st, 2023. Below, the breakdown of the dates of the meetings and the composition of the Committee for all meetings that were held:

				Meeting Participants		
#	**Meeting Date**		**Ordinary or Extraordinary Meeting**	**Luciana de Oliveira Cezar Coelho**	**Patrícia Regina Verderesi Schindler**	**Sonat Burman-Olsson**
(i)	2022	May 02	Ordinary Meeting	√	√	√
(ii)		May 13	Extraordinary Meeting	√	√	√
(iii)		August 09	Ordinary Meeting	√	√	√
(iv)		September 02	Ordinary Meeting	√	√	√
(v)		September 24	Extraordinary Meeting	√	√	√
(vi)		October 03	Extraordinary Meeting	√	√	√
(vii)		October 06	Extraordinary Meeting	√	√	√
(viii)		October 13	Extraordinary Meeting	√	√	√
(ix)		November 08	Ordinary Meeting	√	√	√
(x)		December 05	Extraordinary Meeting	√	√	√
(xi)	2023	January 24	Extraordinary Meeting	√	√	√
(xii)		February 09	Ordinary Meeting	√	√	√
(xiii)		February 13	Extraordinary Meeting	√	√	√
(xiv)		March 02	Extraordinary Meeting	√	√	√
(xv)		March 27	Extraordinary Meeting	ø	√	√
(xvi)		March 30	Extraordinary Meeting	√	√	ø

Among the activities performed during this period and topics discussed, the following aspects should be highlighted:

a) approval and monitoring of the Annual Internal Audit Plan, including integration, effectiveness of processes and improvements aimed at activities related to risk management and Compliance;

b) to become aware of the points of attention and recommendations arising from the work of the Internal Audit, as well as to monitor the implementation of the actions plan adopted by the Administration;

c) monitoring of the internal control system as to its effectiveness and improvement processes, the monitoring of fraud risks and meetings with the Internal Auditors and the Independent Auditors, with the area of Internal Controls, Compliance and Ombudsman;

d) monitoring of the methodology adopted for risk management and the results obtained linked to the business areas of Raízen S.A. and the results obtained according to the work presented and developed by the specialized area and by all managers responsible for the risks under its management, with the objective of ensuring the disclosure of the relevant risks to the Company. For clarification purposes, it should be noted that the methodology of the risks and the integrity of the formulas presented are the responsibility of the Company's Finance Committee;
e) analysis, approval and monitoring of the Annual Work Program of the Independent Audit and its timely execution;

f) analysis and approval of extra audit services provided by the independent auditors to the Company;

g) monitoring the process of preparation and review of the financial statements, the Management Report and the Earnings Releases, notably through meetings with the Directors and the independent auditors for discussion of quarterly information (ITRs), and their quarterly financial statements (DFs);

h) monitoring of the complaints channel, open to shareholders, employees, establishments, issuers, suppliers and the general public, with responsibility of the Audit area in receiving and investigating complaints or suspected violations of the Code of Ethics, respecting the confidentiality and independence of the process and, at the same time, ensuring the appropriate levels of transparency;

i) holding periodic meetings with the Company's top executives, in order to become aware of the main business strategies, as well as to monitor operational and systemic improvements to strengthen the processing and security of transactions;

j) attention to transactions with related parties with the aim of ensuring the quality and transparency of information;

k) monitoring of legal compliance programs, the Privacy Program and the risk management process and updating the ERM Matrix; and

l) Monitoring of the Company's main judicial and administrative proceedings and their possible impacts, both reputational and financial

m) recommendation to the Company's Board of Directors on the approval of the Quarterly Financial Information (ITR's) made available at CVM for the 1st, 2nd and 3rd quarters of fiscal year 2022/2023.

n) recommendation to the Board of Directors of the Company on the approval of the annual Financial Statements of Raízen S.A., as made available at CVM.

Conclusion:

The members of the Statutory Audit and Integrity Committee of Raízen S.A., in the exercise of their duties and legal responsibilities, as provided for in the Internal Regulations of the committee itself, proceeded to analyze the quarterly financial statements, accompanied by the preliminary report of the independent auditors for the following quarters of fiscal year 2022/2023; (i) April 1st, 2022 to June 30th, 2022; (ii) July 1st, 2022 to September 30th, 2022; and (iii) October 01st, 2022 to December 31st, 2022. Taking into account the information provided by the Company's Management and Ernst & Young Auditores Independentes S/S Ltda., considering that it adequately reflects, in all relevant respects, the asset and financial positions of the Company and its subsidiaries, and unanimously recommended the approval of the documents by the Company's Board of Directors, in accordance with the Law.

São Paulo, May 12, 2023

Luciana de Oliveira Cezar Coelho

Member of the Audit and Integrity Committee of Raízen S.A.

Sonat Burman-Olsson

Member of the Audit and Integrity Committee of Raízen S.A.

Patricia Regina Verderesi Schindler

Member and Coordinator of the Audit and Integrity Committee of Raízen S.A.

The Fiscal Council of Raízen S.A. ("the Company"), in the exercise of its legal powers and responsibilities, at a meeting held at 4:00 p.m. on May 12, 2023, proceeded to examine: (i) the Company's Financial Statements, accompanied by the respective explanatory notes, the independent auditor's report issued without modifications or qualifications and the Audit Committee's opinion ("Financial Statements"), the management report and accounts for the fiscal year ending March 31, 2023; and (ii) the management's proposal for the allocation of the Company's results for the fiscal year ending March 31, 2023.

Based on the documents examined, the work performed, the information and clarifications received in meetings with management and independent auditors, and in the favorable opinions presented by the Audit Committee and by the Board of Directors regarding the Financial Statements, as well as considering the report without qualifications of the independent auditors - ERNST & YOUNG Auditores Independentes S/S Ltda., the members of the Fiscal Council, unanimously, recommend the appreciation and approval by the Annual Shareholders Meeting of the Financial Statements, of the management accounts and of the management report, as well as of the management proposal for the allocation of the results.

São Paulo, May 12, 2023

Guilherme José Vasconcelos Cerqueira

Chairman

Ana Paula Malvestio

Member

Regina Longo Sanchez

Member

São Paulo Corporate Towers
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A free translation from Portuguese into English of independent auditor's report on individual and consolidated financial statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS)

Independent auditor's report on individual and consolidated financial statements

To the
Management and Shareholders of
Raízen S.A.

Opinion

We have audited the individual and consolidated financial statements of Raízen S.A. (the "Company"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as of March 31, 2023, and the statements of income, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as of March 31, 2023, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by the Brazil's National Association of State Boards of Accountancy (CFC) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

- *Revenue recognition from the sale of products at the end of the year*

  As mentioned in Note 2.3 (a) to the individual and consolidated financial statements for the year ended March 31, 2023, revenues from sales of products which are part of individual and consolidated net operating revenue are recognized on delivery of products to the client. These revenues derive from the activities involving the distribution and sale of oil products and ethanol, other fluid hydrocarbons and its related products, sale of natural gas and sugar production and trade, which are generally recognized after the invoices are issued and products leave the distributors' facilities and sugar and ethanol mills, which involve a large volume of decentralized transactions for significant amounts.

  The measurement process of billed but not delivered sales at the end of the year involves judgment by the Company in determining the estimates of average delivery times and requires routines and internal controls to identify and measure sales billed but not delivered at the end of the year. Any control deficiency may impact the measurement of sales billed but not delivered at the end of the year, and, consequently, the amount recognized in the individual and consolidated financial statements, therefore, this was considered a key audit matter.

  How our audit addressed this matter:

  Our audit procedures included, among others, reviewing the average delivery time adopted by the Company to estimate the calculation of sales billed but not delivered at the end of the year and comparison with the average sales time at the end of the year; data analysis procedures; tests of details; assessing the adequacy of the disclosures in the respective notes to the individual and consolidated financial statements as of March 31, 2023.

  Based on the results of the audit procedures performed for revenue recognition from the sale of products at the end of the year, which are consistent with Company's assessment, we considered that the criteria and assumptions adopted by the Company for revenue recognition from the sale of products at the end of the year, as well as the related disclosures in Notes 2.3 (a) and 22, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

- *Valuation of financial instruments, including derivatives, and designation of hedge accounting*

  As mentioned in Notes 2.3 (c) (v) and 27 to the individual and consolidated financial statements, the Company has strategies in place to hedge its future cash flows from the impact of significant variables, such as fluctuations in exchange rates, interest rates and price volatility in the commodities market. These strategies consist of entering into specific derivative financial instruments for each type of risk (futures, swap, forward, among others). Some of these financial instruments are designated as hedged items underlying a specific documented risk, for the purpose of recognizing at the same time the result of the impacts of the instrument (derivative and non-derivative) and the item, which is known as "hedge accounting".

  This matter was considered significant for our audit due to the complexity of the estimates and the high degree of judgment involved in measuring the fair value of financial instruments, including derivatives, as well as in determining a hedge relationship and its effectiveness, and the significant impacts on the financial statements that changes in the assumptions adopted for measuring financial instruments and hedge designations may generate.

  How our audit addressed this matter:

  Our audit procedures included, among others, understanding and analysis of the models adopted by the Company for assessing the valuation of financial instruments, including derivatives and designation of hedge accounting; obtain external confirmation from financial institutions; involving experts in financial instruments to assess the adequacy of the supporting documentation of hedge relationships, as well as the reasonableness of the main assumptions used to calculate the fair value of derivative financial instruments, using information on recent market transactions, the discount rate and credit risk of the Company and its counterparties; assessing the adequacy of the disclosures in the respective notes to the individual and consolidated financial statements as of March 31, 2023.

  Based on the results of the audit procedures performed for the valuation of financial instruments, including derivatives and the designation of hedge accounting, which are consistent with Company's assessment, we considered that the criteria and assumptions used to determine the valuation of financial instruments, including derivatives and designation of hedge accounting adopted by the Company, as well as the respective disclosures in Notes 2.3 (c) (v) e 27, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

- *Fair value measurement of biological assets*

  As mentioned in Notes 2.3 (f) and 7 to the individual and consolidated financial statements, the fair value measurement of biological assets is based on valuation techniques supported by an unobservable and liquid market, with assumptions that consider internal and external inputs, mainly related to the expected productivity, projected average prices for Total Recoverable Sugar ("ATR"), and cash flow discount rates.

  Adjustments to the assumptions applied in the calculation of biological assets can potentially have significant impacts on the individual and consolidated financial statements in "biological assets" under current assets and in "cost of products sold" in the statement of income for the year.

  Due to the inherent risks in the subjectivity of certain assumptions that require the Company to exercise judgment and that may have a significant impact on measuring the fair value of biological assets and, consequently, on the individual and consolidated financial statements as a whole, this was considered a key audit matter.

  How our audit addressed this matter:

  Our audit procedures included, among others, understanding and analysis of the model adopted for estimating the biological assets' fair value; involving valuation experts to assist us in the analysis and review of the adequacy of the key assumptions applied to determine the fair value of biological assets, including the productivity of sugarcane fields, the planted areas and the discount rate; comparison of the productivity assumptions with available internal and external historical information; sensitivity analysis of the significant assumptions applied; assessing the adequacy of the disclosures in the respective notes to the individual and consolidated financial statements as of March 31, 2023.

  Based on the results of the audit procedures performed for testing the fair value measurement of biological assets, which are consistent with Company's assessment, we considered that the criteria and assumptions adopted by the Company for the fair value measurement of biological assets, as well as the related disclosures in Notes 2.3 (f) and 7, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for year ended March 31, 2023, prepared under the responsibility of Company management, and presented as supplementary information for purposes of IFRS, were submitted to audit procedures conducted together with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 – Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the abovementioned accounting pronouncement, and are consistent in relation to the overall individual and consolidated financial statements.

Other information accompanying the individual and consolidated financial statements and the auditor's report

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the scope and timing of the planned audit procedures and significant audit findings, including deficiencies in internal control that we may have identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, May 12, 2023.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC SP-034519/O

Original report in Portuguese signed by
Uilian Dias Castro de Oliveira
Accountant CRC SP-223185/O

RAÍZEN S.A.

Statements of financial position as of March 31
In thousands of Reais - R$

	Note	Individual 2023	Individual 2022	Consolidated 2023	Consolidated 2022
Assets					
Current assets					
Cash and cash equivalents	3	451,943	578,004	8,733,396	8,234,568
Securities	4.a	-	-	8,751	87,529
Restricted cash	4.b	111,932	326,055	1,274,610	2,279,632
Derivative financial instruments	27	92,082	154,842	6,452,593	5,409,266
Trade accounts receivable	5.a	2,526,795	2,338,361	8,423,769	6,271,015
Inventories	6	2,973,000	2,983,519	10,230,124	9,931,945
Advances to suppliers	14.b	5,235	2,825	392,647	4,215,961
Biological assets	7	-	-	4,140,465	3,913,957
Recoverable income tax and contribution	17.b	10,821	352,937	744,795	605,854
Recoverable taxes	8	1,502,073	1,595,810	4,336,386	3,325,080
Dividends receivable		101,188	110,610	5,182	4,287
Related parties	9.a	855,035	984,683	1,020,519	975,556
Assets from contracts with clients	10	442,383	420,514	577,133	555,612
Other receivables		404,736	483,173	1,142,061	1,235,078
Total current assets		9,477,223	10,331,333	47,482,431	47,045,340
Non-current assets					
Trade accounts receivable	5.a	267,691	270,356	496,579	366,823
Securities	4.a	-	-	167,778	-
Derivative financial instruments	27	998,187	976,060	2,826,733	2,082,299
Recoverable taxes	8	5,082,697	1,267,315	6,258,711	2,091,851
Related parties	9.a	794,483	681,517	1,159,965	1,110,082
Advances to suppliers	14.b	-	-	220,342	190,506
Assets from contracts with clients	10	1,967,277	1,930,565	2,654,134	2,530,981
Recoverable income tax and Contribution	17.b	527,986	-	532,188	71,818
Deferred income tax and social contribution	17.d	24,442	-	3,636,927	3,163,593
Judicial deposits	18	61,709	51,832	744,880	723,460
Other receivables		2,931	6,552	445,050	547,826
Investments	11	29,909,685	29,344,844	1,378,851	1,354,419
Property, plant and equipment	12	1,652,710	1,581,362	27,119,384	22,264,852
Intangible assets	13	2,262,367	2,273,786	6,151,437	6,020,859
Rights of use	15.a	217,532	228,796	10,276,073	10,779,635
Total non-current assets		43,769,697	38,612,985	64,069,032	53,299,004
Total assets		53,246,920	48,944,318	111,551,463	100,344,344

Notes from Management are an integral part of the individual and consolidated financial statements.

RAÍZEN S.A.

Statements of financial position as of March 31
In thousands of Reais - R$

		Individual		Consolidated	
	Note	2023	2022	2023	2022
Liabilities					
Current liabilities					
Suppliers	14	9,526,290	8,683,342	21,452,338	19,059,514
Lease liabilities	15.b	52,049	51,603	2,658,519	2,417,813
Loans and financing	16	1,632,367	213,604	4,855,395	1,565,260
Related parties	9.a	8,278,807	3,517,885	2,363,289	1,746,606
Derivative financial instruments	27	88,581	830,748	6,269,699	7,174,053
Payroll and related charges payable		184,695	203,546	1,278,828	1,090,396
Income tax and social contribution payable	17.c	-	-	41,179	160,666
Taxes payable		201,656	215,761	678,743	775,748
Dividends and interest on own capital payable	20.b	130,183	244,121	154,177	269,662
Anticipated revenues		-	-	66,006	114,699
Bonuses payable		61,586	68,684	87,115	84,230
Advances from clients	5.b	61,972	54,398	2,153,912	4,796,239
Other liabilities		720,451	667,440	2,771,485	1,160,321
Total current liabilities		20,938,637	14,751,132	44,830,685	40,415,207
Non-current liabilities					
Lease liabilities	15.b	95,187	95,191	8,155,990	8,006,891
Loans and financing	16	4,606,519	7,112,721	24,599,543	20,709,616
Related parties	9.a	3,582,488	3,532,363	3,174,168	3,271,094
Advanced from clients	5.b	-	-	1,393,073	-
Derivative financial instruments	27	415,469	451,109	1,968,102	1,278,472
Taxes payable		-	-	202,283	210,140
Provision for legal disputes	18	788,798	724,706	1,924,010	1,835,953
Deferred income tax and social contribution	17.d	-	113,305	1,163,830	1,373,942
Bonuses payable		293,014	214,811	346,349	267,681
Other liabilities		275,059	300,567	889,269	716,440
Total non-current liabilities		10,056,534	12,544,773	43,816,617	37,670,229
Total liabilities		30,995,171	27,295,905	88,647,302	78,085,436
Equity	20				
Capital		6,859,670	6,859,670	6,859,670	6,859,670
Treasury shares		(194,236)	(40,082)	(194,236)	(40,082)
Capital reserves		10,297,351	10,285,353	10,297,351	10,285,353
Equity adjustments		2,537,367	1,939,039	2,537,367	1,939,039
Income reserves		2,751,597	2,604,433	2,751,597	2,604,433
Attributable to controlling shareholders		22,251,749	21,648,413	22,251,749	21,648,413
Interest of non-controlling shareholders		-	-	652,412	610,495
Total equity		22,251,749	21,648,413	22,904,161	22,258,908
Total liabilities and equity		53,246,920	48,944,318	111,551,463	100,344,344

Notes from Management are an integral part of the individual and consolidated financial statements.

Statements of income
Years ended March 31
In thousands of Reais - R$

	Note	Individual 2023	Individual 2022	Consolidated 2023	Consolidated 2022
Net operating revenue	22	141,140,563	120,081,462	245,831,790	191,269,874
Cost of products sold and services provided	24	(134,222,095)	(117,098,691)	(230,564,083)	(179,570,862)
Gross profit		6,918,468	2,982,771	15,267,707	11,699,012
Operating revenue (expenses)					
Selling	24	(1,870,494)	(1,506,099)	(5,234,882)	(4,028,231)
General and administrative	24	(616,331)	(507,491)	(2,553,864)	(1,959,624)
Other operating revenue (expenses), net	25	(35,417)	101,896	737,472	522,256
Equity accounting result	11	727,113	2,827,377	(130,092)	(63,050)
		(1,795,129)	915,683	(7,181,366)	(5,528,649)
Income before financial results and income tax and social contribution		5,123,339	3,898,454	8,086,341	6,170,363
Financial results	26				
Financial expenses		(1,399,963)	(313,179)	(3,938,084)	(1,812,955)
Financial income		179,820	214,817	819,660	575,473
Net exchange variation		(580,701)	1,646,553	(672,473)	1,855,631
Net effect of derivatives		(274,563)	(2,495,845)	(1,031,864)	(2,586,660)
		(2,075,407)	(947,654)	(4,822,761)	(1,968,511)
Income before income tax and social contribution		3,047,932	2,950,800	3,263,580	4,201,852
Income tax and social contribution	17.a				
Current		(780,585)	(142,970)	(1,676,607)	(1,338,651)
Deferred		173,779	341,188	916,353	386,362
		(606,806)	198,218	(760,254)	(952,289)
Net income for the year		2,441,126	3,149,018	2,503,326	3,249,563
Attributable to:					
Company's controlling shareholders		2,441,126	3,149,018	2,441,126	3,149,018
Company's non-controlling shareholders		-	-	62,200	100,545
		2,441,126	3,149,018	2,503,326	3,249,563
Earnings per common share ("ON") and preferred share ("PN") in R$	20.f				
Basic				0.23650	0.36201
Diluted				0.23636	0.36160

Notes from Management are an integral part of the individual and consolidated financial statements.

Statements of comprehensive income
Years ended March 31
In thousands of Reais - R$

	Individual		Consolidated	
	2023	**2022**	**2023**	**2022**
Net income for the year	2,441,126	3,149,018	2,503,326	3,249,563
Comprehensive income				
Items that will not be reclassified to statement of income				
Equity results on other comprehensive income	(14,693)	1,718	-	-
Actuarial gain (loss), net	-	-	(22,095)	2,603
Deferred taxes on actuarial gain (loss), net	-	-	7,402	(885)
	(14,693)	1,718	(14,693)	1,718
Items that are or may be reclassified to statement of income				
Equity results on other comprehensive income	278,592	1,484,673	-	-
Income (loss) from financial instruments designated as hedge accounting	16,710	(6,402)	393,553	2,401,828
Others	-	-	(4,394)	-
Deferred taxes on hedge and others	(5,681)	2,177	(132,314)	(816,622)
Effect of foreign currency translation	323,400	(845,555)	364,456	(990,354)
	613,021	634,893	621,301	594,852
Total comprehensive income for the year	598,328	636,611	606,608	596,570
Comprehensive income for the year	3,039,454	3,785,629	3,109,934	3,846,133
Attributable to:				
Company's controlling shareholders	3,039,454	3,785,629	3,039,454	3,785,629
Company's non-controlling shareholders	-	-	70,480	60,504
	3,039,454	3,785,629	3,109,934	3,846,133

Notes from Management are an integral part of the individual and consolidated financial statements.

Statements of changes in equity
Years ended March 31
In thousands of Reais - R$

	Capital	Treasury shares	Transactions with shareholders	Capital reserve	Capital reserves: Special reserve - Law No. 8,200/91	Equity adjustments	Income reserves: Legal reserve	Income reserves: Tax incentive reserve	Income reserves: Retained profits	Retained earnings	Total (Attributable to controlling shareholders)	Interest of non-controlling shareholders	Total equity
As of March 31, 2022	6,859,670	(40,082)	42,305	10,242,954	94	1,939,039	197,097	375,803	2,031,533	-	21,648,413	610,495	22,258,908
Comprehensive income for the year													
Net income for the year	-	-	-	-	-	-	-	-	-	2,441,126	2,441,126	62,200	2,503,326
Share of equity of investees (Note 11.c)	-	-	-	-	-	263,899	-	-	-	-	263,899	-	263,899
Net gain with financial instruments designated as hedge accounting	-	-	-	-	-	11,029	-	-	-	-	11,029	-	11,029
Effect of foreign currency translation	-	-	-	-	-	323,400	-	-	-	-	323,400	8,280	331,680
Total comprehensive income for the year	-	-	-	-	-	598,328	-	-	-	2,441,126	3,039,454	70,480	3,109,934
Distributions to shareholders, net													
Repurchase of shares (Note 20.d)	-	(185,077)	-	-	-	-	-	-	-	-	(185,077)	-	(185,077)
Exercise of share-based payment (Note 21)	-	30,923	(30,923)	-	-	-	-	-	-	-	-	-	-
Share-based payment (Note 21)	-	-	46,112	-	-	-	-	-	-	-	46,112	-	46,112
Business combination (Note 30)	-	-	-	-	-	-	-	-	-	-	-	1,453	1,453
Dividends and interest on own capital (Note 20.b)	-	-	-	-	-	-	-	-	(2,163,800)	(130,162)	(2,293,962)	(28,232)	(2,322,194)
Effect of purchase of interest in subsidiary (Note 11.c)	-	-	-	(3,191)	-	-	-	-	-	-	(3,191)	(1,784)	(4,975)
Set up of reserves	-	-	-	-	-	-	-	358,063	1,952,901	(2,310,964)	-	-	-
Total distributions to shareholders, net	-	(154,154)	15,189	(3,191)	-	-	-	358,063	(210,899)	(2,441,126)	(2,436,118)	(28,563)	(2,464,681)
As of March 31, 2023	6,859,670	(194,236)	57,494	10,239,763	94	2,537,367	197,097	733,866	1,820,634	-	22,251,749	652,412	22,904,161

Notes from Management are an integral part of the individual and consolidated financial statements.

RAÍZEN S.A.

Statements of changes in equity
Years ended March 31
In thousands of Reais - R$

	Attributable to controlling shareholders												
			Capital reserves				Income reserves						
	Capital	Treasury shares	Transactions with shareholders	Capital reserve	Special reserve - Law No. 8,200/91	Equity adjustments	Legal reserve	Tax incentives	Retained profits	Retained earnings	Total	Interest of non-controlling shareholders	Total equity
As of March 31, 2021	1,921,843	-	-	510,847	94	1,302,428	197,097	-	1,394,018	-	5,326,327	283,515	5,609,842
Comprehensive income for the year													
Net income for the year	-	-	-	-	-	-	-	-	-	3,149,018	3,149,018	100,545	3,249,563
Share of equity of investees (Note 11.c)	-	-	-	-	-	1,486,391	-	-	-	-	1,486,391	-	1,486,391
Net loss with financial instruments designated as hedge accounting	-	-	-	-	-	(4,225)	-	-	-	-	(4,225)	-	(4,225)
Effect of foreign currency translation	-	-	-	-	-	(845,555)	-	-	-	-	(845,555)	(40,041)	(885,596)
Total comprehensive income for the year	-	-	-	-	-	636,611	-	-	-	3,149,018	3,785,629	60,504	3,846,133
Contributions from shareholders, net													
Capital increase (Notes 11 and 20.a)	4,937,827	-	-	9,846,994	-	-	-	-	-	-	14,784,821	29,795	14,814,616
Repurchase of shares (Note 20.d)	-	(40,082)	-	-	-	-	-	-	-	-	(40,082)	-	(40,082)
Share-based payment (Note 21)	-	-	42,305	-	-	-	-	-	-	-	42,305	-	42,305
Share issue expenses, net (Note 20.a)	-	-	-	(109,684)	-	-	-	-	-	-	(109,684)	-	(109,684)
Business combinations (Note 30)	-	-	-	-	-	-	-	-	-	-	-	272,982	272,982
Dividends and interest on own capital (Note 20.b)	-	-	-	-	-	-	-	-	(1,394,018)	(741,682)	(2,135,700)	(39,255)	(2,174,955)
Effect of transaction between shareholders at subsidiary (Note 20.a)	-	-	-	(7,423)	-	-	-	-	-	-	(7,423)	2,423	(5,000)
Effect of redemption of preferred shares at subsidiary (Note 20.a)	-	-	-	2,220	-	-	-	-	-	-	2,220	-	2,220
Set up of reserves and others	-	-	-	-	-	-	-	375,803	2,031,533	(2,407,336)	-	531	531
Total contributions from shareholders, net	4,937,827	(40,082)	42,305	9,732,107	-	-	-	375,803	637,515	(3,149,018)	12,536,457	266,476	12,802,933
As of March 31, 2022	6,859,670	(40,082)	42,305	10,242,954	94	1,939,039	197,097	375,803	2,031,533	-	21,648,413	610,495	22,258,908

Notes from Management are an integral part of the individual and consolidated financial statements.

RAÍZEN S.A.

Statements of cash flows – Indirect method
Years ended March 31
In thousands of Reais – R$

	Individual		Consolidated	
	2023	2022	2023	2022
Cash flows from operating activities				
Income before income tax and social contribution	3,047,932	2,950,800	3,263,580	4,201,852
Adjustments:				
Depreciation and amortization (Note 24)	352,994	305,231	8,653,478	6,369,468
Amortization of assets from contracts with clients (Notes 10 and 22)	470,830	434,281	615,494	579,822
(Loss) gain from change in the fair value of biological assets, net of realization (Note 7)	-	-	188,809	(1,374,524)
Bargain purchase gain (Note 30.d)	-	-	(266,593)	-
Equity accounting result (Note 11)	(727,113)	(2,827,377)	130,092	63,050
Net interest, inflation adjustments and exchange rate changes	1,960,731	(1,289,486)	4,228,936	71,395
Change in fair value of financial instruments liabilities (Notes 9.a,16 and 26)	(228,703)	(246,299)	(625,041)	(592,707)
Net loss on derivative financial instruments	726,402	3,323,845	1,687,589	5,488,519
Loss (gain) calculated on write-offs of property, plant and equipment (Note 25)	4,045	11,198	(26,560)	18,378
PIS and COFINS credits on fuel, net (Note 8)	(3,165,323)	-	(3,765,456)	-
Recognition of extemporaneous tax credits and other gains (losses), net	527,762	(26,073)	407,567	(252,376)
Government grant (Note 17.a)	(122,537)	-	(516,144)	(226,524)
Change in inventories' fair value - Fair value hedge (Note 6)	(5,145)	55,876	(5,145)	55,876
Others	132,225	74,088	120,330	202,429
Changes in assets and liabilities:				
Trade accounts receivable, net of advances	354,431	(235,292)	(2,272,054)	1,426,777
Inventories	15,726	(1,041,279)	224,630	(2,629,168)
Restricted cash	285,826	(263,468)	1,096,490	(391,683)
Payments of assets from contracts with clients	(570,874)	(769,861)	(769,194)	(1,006,665)
Derivative financial instruments	(1,418,320)	74,926	(1,855,460)	(851,447)
Related parties	(11,076)	41,203	651,959	(162,779)
Suppliers, net of advances	835,719	3,309,796	5,752,546	4,986,515
Recoverable and payable taxes	(1,101,443)	(1,067,599)	(1,794,205)	(1,251,725)
Payroll and related charges payable	(18,851)	116,950	169,749	254,112
Others, net	(1,078,075)	(408,755)	(1,108,099)	(258,569)
Payment of income tax and social contribution	-	-	(1,131,024)	(806,066)
Net cash generated by operating activities	267,163	2,522,705	13,056,274	13,913,960
Cash flows from investing activities				
Investments in securities, net	-	-	(76,140)	(92,093)
Advance for future capital increase in joint venture (Note 9.a.)	(45,000)	-	(45,000)	-
Additions to investments (Note 11)	(25,000)	(6,013,700)	(120.094)	(106,681)
Acquisition of additional interest in subsidiary	-	-	(5,121)	-
Capital reduction (Note 11)	700,000	-	-	-
Acquisition of businesses, net of cash acquired (Notes 30.a and 30.e)	(91,129)	(4,762,555)	(803,196)	(4,568,035)
Additions to biological assets (Notes 7 and 31.b)	-	-	(1,942,697)	(1,172,332)
Additions to property, plant and equipment and intangible assets (Notes 12, 13 and 31.b)	(535,431)	(315,628)	(8,714,579)	(5,070,211)
Cash contributed through corporate reorganization of RESA	-	-	-	2,636,055
Cash received on disposal of equity interest	50,691	-	123,299	48,791
Cash received on disposal of property, plant and equipment	9,214	7,864	157,292	86,196
Dividends received from subsidiaries and associates	119,308	108,701	7,197	51,505
Net cash generated by (used in) investing activities	182,653	(10,975,318)	(11,419,039)	(8,186,805)
Cash flows from financing activities				
Capital increase (Note 20.a)	-	6,709,671	-	6,709,671
Share issue expenses (Note 20.a)	-	(149,347)	-	(149,347)
Treasury shares (Note 20.e)	(185,077)	(40,082)	(185,077)	(40,082)
Payments of dividends and interest on own capital (Note 20.b)	(2,407,900)	(1,970,891)	(2,437,316)	(2,741,001)
Redemptions of financial investments linked to financing, net	-	1,009	(1,487)	983
Funding from third-party loans and financing, net of expenses	(1,524)	5,744,543	19,756,495	7,248,633
Amortizations of principal of third-party loans and financing	(1,485,080)	(3,968,815)	(13,822,024)	(6,775,276)
Payment of interest on third-party loans and financing -	(304,134)	(141,519)	(1,620,252)	(720,202)
Amortizations of third-party lease liabilities (Note 15.b)	(53,830)	(43,906)	(2,737,691)	(2,179,271)
Amortizations of intragroup lease liabilities (Note 9.a)	(19,691)	(18,194)	(281,622)	(200,608)
Payment of principal of intragroup pre-export financing obtained	(312,464)	(675,990)	-	-
Payment of interest on intragroup pre-export financing obtained	(106,555)	(122,667)	-	(982)
Asset management, net - intragroup and others	4,288,270	1,726,035	(3,658)	(701,340)
Net cash generated by (used in) financing activities	(587,985)	7,049,847	(1,332,632)	451,178
Increase (decrease) in cash and cash equivalents, net	(138,169)	(1,402,766)	304,603	6,178,333
Cash and cash equivalents at beginning of year (Note 3)	578,004	1,988,154	8,234,568	2,604,779
Effect of exchange rate change on cash and cash equivalents	12,108	(7,384)	194,225	(548,544)
Cash and cash equivalents at finally of year (Note 3)	451,943	578,004	8,733,396	8,234,568

Supplementary information to the cash flows is shown in Note 31.

Statements of value added
Years ended March 31
In thousands of Reais - R$

	Individual		Consolidated	
	2023	2022	2023	2022
Revenues				
Gross sales of products and services, including income from financial instruments designated and not designated as hedge accounting (Note 22)	144,420,998	124,060,666	260,461,986	205,344,396
Sales returns, cancellations, discounts and rebates (Note 22)	(1,270,490)	(1,005,887)	(2,044,376)	(1,340,697)
Amortization of assets from contracts with clients (Note 22)	(470,830)	(434,281)	(615,494)	(579,822)
Set up of allowance for expected credit losses, net (Note 5)	(16,770)	(22,651)	(29,142)	(12,148)
Other operating revenue (expenses), net	(92,063)	46,083	580,144	389,969
	142,570,845	122,643,930	258,353,118	203,801,698
Inputs acquired from third parties				
Cost of products sold and services provided	(134,227,043)	(117,063,200)	(220,402,503)	(173,606,956)
Change in inventories' fair value hedge (Note 6)	5,145	(55,876)	5,145	(55,876)
Materials, energy, third-party services and others	(1,424,453)	(1,142,677)	(4,420,211)	(3,318,229)
Gain (loss) arising from changes in the fair value of biological assets, net of realization (Note 7)	-	-	(188,809)	1,374,524
Others	(3,568)	16,826	22,693	(40,531)
	(135,649,919)	(118,244,927)	(224,983,685)	(175,647,068)
Gross value added	6,920,926	4,399,003	33,369,433	28,154,630
Depreciation and amortization (Note 24)	(352,994)	(305,231)	(8,653,478)	(6,369,468)
Net value added produced	6,567,932	4,093,772	24,715,955	21,785,162
Value added received in transfers				
Equity accounting result (Note 11)	727,113	2,827,377	(130,092)	(63,050)
Financial income (Note 26)	179,820	214,817	819,660	575,473
Foreign exchange gains	516,435	1,646,553	909,428	3,267,417
Gains on derivative transactions	468,186	-	438,570	1,029,781
Other amounts received on transfers	60,009	59,195	157,328	132,287
	1,951,563	4,747,942	2,194,894	4,941,908
Value added to distribute	8,519,495	8,841,714	26,910,849	26,727,070
Distribution of value added				
Personnel				
Direct compensation	503,151	395,247	3,563,642	2,810,703
Benefits	74,732	62,026	752,864	457,815
Unemployment Compensation Fund ("FGTS")	24,669	17,890	227,451	156,919
	602,552	475,163	4,543,957	3,425,437
Taxes, fees and contributions				
Federal and abroad	984,721	621,869	11,199,052	10,319,850
Deferred taxes (Note 17.d)	(173,779)	(341,188)	(916,353)	(386,362)
State	1,420,863	2,124,062	2,559,977	3,260,520
Municipal	4,164	3,766	30,471	16,880
	2,235,969	2,408,509	12,873,147	13,210,888
Remuneration of third-party capital				
Financial expenses (Note 26)	1,399,963	313,179	3,938,084	1,812,955
Foreign exchange losses	1,097,136	-	1,581,901	1,411,786
Loss on derivative transactions	742,749	2,495,845	1,470,434	3,616,441
	3,239,848	2,809,024	6,990,419	6,841,182
Equity remuneration				
Dividends and interest on own capital (Note 22.b)	130,162	741,682	154,156	767,223
Retained earnings (Note 22.b)	2,310,964	2,407,336	2,310,964	2,407,336
Non-controlling shareholders	-	-	38,206	75,004
	2,441,126	3,149,018	2,503,326	3,249,563
Value added distributed	8,519,495	8,841,714	26,910,849	26,727,070

Notes from Management are an integral part of the individual and consolidated financial statements.

1. Operations

Raízen S.A. ("Company" or "Raízen") is a publicly-held corporation with shares traded on B3 S.A. – Brasil, Bolsa, Balcão ("B3"), under ticker "RAIZ4", in the listing segment named Level 2 of corporate governance. Raízen is a corporation established for an indefinite term, under Brazilian laws, headquartered and under the jurisdiction at Avenida Almirante Barroso, 81, 36th floor, room 32B109, in the city and state of Rio de Janeiro. The Company is jointly controlled by Shell PLC ("Shell"), and Cosan S.A. ("Cosan").

The Company's main activities are: (i) distribution and sale of fossil and renewable fuels; (ii) production and sale of automotive and industrial lubricants; (iii) oil refining; (iv) operations related to convenience stores; (v) development of technology on a global scale relating to the production of sugar, ethanol and new energy sources; (vi) production, trading and sale of sugar, ethanol and bioenergy; (vii) development of projects for the generation of electric energy from renewable sources; and (viii) equity interest in other companies.

The planting of sugarcane (main source of raw material to produce sugar, ethanol and bioenergy) requires a period from 12 to 18 months for maturation and the harvest period usually begins between the months of April and May every year and ends, in general, between the months of November and December, period in which sugar and ethanol production also takes place.

The sale of production takes place throughout the year and is not subject to changes due to seasonality, only changes in the regular market conditions of supply and demand. Due to its production cycle, the Company's fiscal year begins on April 1 and ends on March 31 of each year.

The main transactions in the year ended March 31, 2023, were:

1.1 Acquisition of lubricant business from Shell Brasil Petróleo Ltda. ("SBPL") in Brazil by Raízen

On May 1, 2022, the acquisition of all the shares representing the capital stock of Neolubes Indústria de Lubrificantes Ltda. ("Neolubes"), corresponding to the lubricant business of SBPL, through subsidiary Blueway Trading Importação e Exportação S.A. ("Blueway"), was concluded, in the amount of R$ 726,451.

The contract provided for certain price adjustments after the transaction, which were established and completed between the Company and the sellers on September 13, 2022, totaling R$ 5,345 in favor of the SBPL.

The details of this business combination are presented in Note 30.d.

1.2 Share buyback program

On August 11, 2022, Raízen's Board of Directors approved a new share buyback program for up to one hundred million preferred shares, representing 0.97% of the total shares and 8.29% of the total outstanding shares of the Company, whose term for conducting the operation is 18 months, ending on February 12, 2024. See Note 20.e.

The purpose of this program is to repurchase shares to meet obligations that may arise from the Company's share-based compensation plans and maximize the generation of value for shareholders through efficient capital management. At management's discretion the repurchased shares may be later delivered to the beneficiaries of share-based compensation programs, canceled, sold, or held in treasury.

1.3 Corporate reorganization with the Company's interest in Raízen Centro-Sul S.A. ("Raízen Centro-Sul"), formerly Biosev S.A.

At the Extraordinary General Meeting ("EGM") held on October 1, 2022, the Company approved a capital increase in its direct subsidiary Raízen Energia S.A. ("RESA") by R$ 7,765,255, fully subscribed and paid up through the contribution of all common shares of Raízen Centro-Sul. As a result of this transaction, Raízen Centro-Sul became directly controlled by RESA and indirectly by the Company. See Note 11.a.2.

This reorganization consolidates in direct subsidiary RESA all investments in assets of the "Renewables" and "Sugar" segments, with the main objectives of optimizing the management of assets related to the production of sugar, ethanol and energy of the economic group, resulting in a better organization of processes and reports involving the mentioned activities, including, but not limited to, the management of operational and financial managerial data, future funding and communications with the market.

1.4 Acquisition of Payly Holding S.A. and Payly Soluções S.A. by Raízen

On December 1, 2022, the acquisition of all shares of Payly Holding Ltda. and its subsidiary Payly Instituições de Pagamento S.A. (jointly called "Payly"), in the amount of R$ 87,200, was completed by Raízen. The operation provides for possible post-closing price adjustments, pursuant to mechanisms usual in transactions of this nature.

The details of this business combination are presented in Note 30.e.

1.5 Liquidity

As of March 31, 2023, the parent company Raízen presented a negative net working capital of R$ 11,461,414 (negative of R$ 4,419,799 in 2022). A relevant part of current liabilities arises from the balance payable to subsidiary RESA and its subsidiaries, related to the asset management and pre-export financing contracts (Note 9.a.), in the amount of R$ 8,823,820 (R$ 3,913,189 in 2022) renegotiable for maturity, if necessary. The Company manages operating, investment and financing cash flows in an integrated manner at the consolidated level.

2. Significant accounting policies

2.1. Basis of preparation

The individual and consolidated financial statements were prepared in accordance with accounting practices adopted in Brazil, which comprise the Brazilian Corporation Law, the rules issued by the Brazilian Securities and Exchange Commission ("CVM"), and the pronouncements issued by the Accounting Pronouncements Committee ("CPC"), which are in conformity with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and evidence all relevant information specific to the financial statements, which is consistent with that used for management of the Company.

The consolidated statements of income, of comprehensive income, of cash flows, of changes in equity and of value added, as well as the corresponding explanatory notes for the year ended March 31, 2023, contained in these annual individual and consolidated financial statements are not comparable with the respective annual consolidated financial statements as of March 31, 2022, substantially due to the corporate reorganization, occurred on June 1, 2021, through a capital increase of RSA, by the shareholders Shell and Cosan, with all the shares of RESA (Note 20.a) and the corresponding business combinations, mainly, the acquisitions of Raízen Centro-Sul, Raízen Paraguay and Neolubes, disclosed in Note 30.

The issue of these financial statements was approved by the Board of Directors on May 12, 2023.

(a) Basis of measurement

The individual and consolidated financial statements were prepared on a historical cost basis, except, when applicable, for the valuation of certain assets and liabilities, such as short-term investments, inventories, biological assets and financial instruments (including derivative instruments), and loans and financing, which are measured at fair value.

(b) Functional and presentation currency

These individual and consolidated financial statements are presented in Brazilian reais, which is also the Company's functional currency. The functional currency of subsidiaries operating in the international economic environment is the U.S. dollar, except for subsidiary Raízen Paraguay acquired by the Company on November 1, 2021, which has the Paraguayan Guarani as its functional currency. All balances were rounded to the nearest thousand, unless otherwise stated. The financial statements of each subsidiary included in the Company's consolidation, as well as those used as a basis for investments measured by the equity method, are prepared based on the functional currency of each entity. For subsidiaries based abroad, their assets and liabilities were converted into Reais at the exchange rate at the end of the year and the results were calculated at the average monthly rate during the year. The translation effects are stated in equity from these subsidiaries.

(c) Statement of value added

The presentation of the individual and consolidated Statement of Value Added (SVA) is required by Brazilian corporate law and by the accounting practices adopted in Brazil applicable to publicly held companies. The IFRS does not require the presentation of this statement. The statement of value added was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - Statement of Value Added.

The purpose of the DVA is to present information regarding the wealth created by the Company and the way in which such wealth was distributed.

(d) Significant accounting judgments, estimates and assumptions

The preparation of the Company's individual and consolidated financial statements requires that management make judgments and estimates and adopt assumptions that affect the amounts disclosed referring to revenues, expenses, assets and liabilities as of the financial statements reporting date.

These estimates and assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the year in which the estimates are revised and in any subsequent years affected.

If there is a meaningful change in the facts and circumstances on which the assumptions and estimates are based, the statement of income and the financial position of the Company and its subsidiaries could be significantly impacted.

Significant accounting estimates and assumptions that require a higher level of judgment or complexity in their application are as follows:

- **Income tax, social contribution and other taxes payable**

The Company is subject to income tax and social contribution in all countries in which it operates. Accordingly, a significant judgment is required to determine the provision for these taxes.

In certain transactions, the final determination of the tax is uncertain. The Company also recognizes provisions to cover certain situations in which it is probable that additional tax amounts will be due. When the result of these matters is different from the amounts initially estimated and recorded, these differences affect current and deferred tax assets and liabilities and income or comprehensive income for the year in which the definitive amount is determined. For further details, see Note 17.

- **Deferred income tax and social contribution**

Deferred income tax and social contribution asset are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which losses can be used in the future. Additionally, the Company recognizes deferred taxes based on temporary differences determined from the tax base and the carrying amount of certain assets and liabilities, using the rates in force. Management's significant professional judgment is required to determine the deferred income tax and social contribution tax assets to be recognized based on reasonable timing and future taxable profit level, jointly with future tax planning strategies. (Note 17. d.).

- **Biological assets**

Biological assets are measured at fair value on each statement of financial position date and the effects of changes in fair value between periods are allocated directly to the cost of products sold. For further details, see Note 7.

- **Property, plant and equipment and intangible assets, including goodwill**

The accounting treatment of property, plant and equipment and intangible assets includes making estimates to determine the useful life for depreciation and amortization purposes, in addition to the fair value on the acquisition date, especially regarding assets acquired in business combinations.

The Company has estimated obligations, recognized at present value, related to the expected expenses with the removal of fuel storage tanks, recorded as part of the cost of property, plant and equipment. The calculation of these estimates involves significant judgment, considering mainly risk-free discount rates adjusted for Raízen's credit risk and historical spending on services of this nature.

The Company annually assesses the impairment indicators of goodwill and intangible assets with indefinite useful lives. Property, plant and equipment and intangible assets with finite lives, subject to depreciation and amortization, are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered. Determination of the recoverable amount of the cash-generating unit to which goodwill was attributed also includes the use of estimates and requires significant judgment by management. For more details, see Notes 12 and 13.

- **Provision for legal disputes**

The Company and its subsidiaries recognize the provision for tax, civil, labor and environmental disputes. Determination of the likelihood of loss includes determination of evidence available, hierarchy of laws, jurisprudence available, more recent court decisions and relevance thereof in legal system, as well as evaluation of internal and external attorneys. Such provisions are reviewed and adjusted to take into account changes in circumstances, such as statute of limitations applicable, tax inspection conclusions or additional exposures identified based on new matters or court decisions. For further details, see Note 18.

- **Fair value of financial instruments**

When the fair value of financial assets and liabilities presented in the statement of financial position may not be obtained from active markets, it is determined using valuation techniques, including the discounted cash flow method. The data for these methods are based on those adopted in the market, whenever possible. However, when this is not possible, a certain level of judgment is required to establish the fair value. Judgment includes considerations of the inputs used, such as liquidity risk, credit risk and volatility. Changes in the assumptions relating to these factors could affect the reported fair value of financial instruments. For further details, see Note 27.

In thousands of Reais - R$, unless otherwise indicated

- **Lease liabilities**

Management exercises significant judgment in determining the assumptions used to measure lease liabilities, such as determining the term of the various lease agreements, discount rates, the agreements that are within the scope of the standard, and the impacts of any changes in the assumptions associated with the judgments and estimates adopted by the Company and its subsidiaries. For further details, see Note 15.

- **Share-based payment**

The management exercises judgment in determining the assumptions used in measuring and recognizing the fair value of share-based payment on the date of grant and in determining the impacts of any changes on the assumptions associated with the judgments and estimates adopted by the Company and its subsidiaries. For further details, see Note 21.

2.2. Basis of consolidation

The consolidated financial statements include financial information on Raízen and its subsidiaries, and boutique investment funds. Direct and indirect subsidiaries and the investment funds are listed below:

	2023		2022	
	Direct	Indirect	Direct	Indirect
Blueway Trading Importação e Exportação S.A.	100%	-	100%	-
Petróleo Sabbá S.A.	80%	-	80%	-
Raízen Argentina S.A. (1)	100%	-	100%	-
Raízen Energina S.A. (1)	95%	5%	95%	5%
Deheza S.A. (1)	-	100%	-	100%
Estación Lima S.A. (1)	-	100%	-	100%
Raízen Mime Combustíveis S.A. ("Raízen Mime")	76%	-	76%	-
Raízen Serviços e Participações S.A.	100%	-	100%	-
Sabor Raíz Alimentação S.A.	69%	-	69%	-
Saturno Investimentos Imobiliários Ltda.	100%	-	100%	-
Raízen Paraguay S.A.	50%	-	50%	-
Raízen Energia S.A. (2)	100%	-	100%	-
Agrícola Ponte Alta Ltda. (2)	-	100%	-	100%
Benálcool Açúcar e Álcool Ltda. (2)	-	100%	-	100%
Bioenergia Araraquara Ltda. (2)	-	100%	-	100%
Bioenergia Barra Ltda. ("Bio Barra")(2)	-	100%	-	100%
Bioenergia Caarapó Ltda. (2)	-	100%	-	100%
Bioenergia Costa Pinto Ltda. (2)	-	100%	-	100%
Bioenergia Gasa Ltda. (2)	-	100%	-	100%
Bioenergia Jataí Ltda. (2)	-	100%	-	100%
Bioenergia Maracaí Ltda. (2)	-	100%	-	100%
Bioenergia Rafard Ltda.	-	100%	-	100%
Bioenergia Serra Ltda. (2)	-	100%	-	100%
Bioenergia Tarumã Ltda. (2)	-	100%	-	100%
Bioenergia Univalem Ltda. (2)	-	100%	-	100%
Raízen Araraquara Açúcar e Álcool Ltda. (2 and 4)	-	-	-	100%
Raízen Ásia PT Ltd. (2)	-	100%	-	100%
Raízen Biomassa S.A. ("Raízen Biomassa")(2)	-	82%	-	82%
Raízen Biotecnologia S.A. (2)	-	100%	-	100%
Raízen Caarapó Açúcar e Álcool Ltda. ("Caarapó")(2 and 5)	-	100%	-	100%
Raízen Centroeste Açúcar e Álcool Ltda. (2 and 4)	-	-	-	100%
Raízen Energy Finance Ltd. ("Raízen Energy")(2 and 7)	-	-	-	100%
Raízen Fuels Finance S.A. ("Raízen Fuels")(2)	-	100%	-	100%
Raízen GD Ltda. (2)	-	100%	-	100%
Raízen International Universal Corp. (2)	-	100%	-	100%
Raízen North América, Inc. (2)	-	100%	-	100%
Raízen Paraguaçú Ltda. ("Paraguaçú")(2 and 5)	-	-	-	100%
Raízen Trading Colombia S.A.S. (2)	-	100%	-	100%
Raízen Trading LLP (2)	-	100%	-	100%
Raízen Trading Netherlands BV (2)	-	100%	-	100%
Raízen Trading S.A. (2)	-	100%	-	100%

In thousands of Reais - R$, unless otherwise indicated

Continuation

	2023		2022	
	Direct	Indirect	Direct	Indirect
Raízen-Geo Biogás S.A. (2)	-	85%	-	85%
Raízen-Geo Biogás Barra Ltda. (2)	-	100%	-	-
Raízen-Geo Biogás Univalem Ltda. (2)	-	100%	-	-
Raízen Comercializadora de Gás Ltda. (2)	-	100%	-	-
RWXE Participações S.A. (2)	-	100%	-	100%
RZ Agrícola Caarapó Ltda. (2)	-	100%	-	100%
Unimodal Ltda. (2)(7)	-	-	-	73%
WX Energy Comercializadora de Energia Ltda. (2)	-	100%	-	100%
Raízen-Geo Biogás Paraguaçu Ltda.	-	100%	-	100%
Raízen-Geo Biogás Rafard Ltda.	-	100%	-	100%
Raízen-Geo Biogás Costa Pinto Ltda.	-	100%	-	100%
Raízen Centro-Sul S.A. (formerly Biosev S.A.)(2)	-	100%	100%	-
Raízen Centro-Sul Paulista S.A. (formerly Biosev Bioenergia S.A.)(2)	-	100%	-	100%
Raízen Centro-Sul Comercializadora S.A. (formerly Biosev Comercializadora S.A.) (2)	-	100%	-	100%
Biosev Bioenergia International S.A. (2)	-	100%	-	100%
Gera Next Participações S.A. (2)	-	100%	-	100%
Gera Energia Rio S.A. (2)	-	100%	-	100%
Bio Gera Energia S.A. (2)	-	100%	-	100%
Gera Serviços de O&M Ltda. (2)	-	100%	-	100%
Bio Gera Locações de Máquinas e Equipamentos Industriais Ltda. (2)	-	100%	-	100%
Bio Gera Consultoria em Engenharia Elétrica Ltda. (2)	-	100%	-	100%
CGB Santos Energia Ltda. (2)	-	100%	-	100%
Gera Microgeração Solar Ltda. (2)	-	100%	-	100%
CGS Piancó Ltda. (2)	-	100%	-	100%
Raízen Gera Desenvolvedora S.A. (2)	-	51%	-	51%
Neolubes Indústria de Lubrificantes Ltda. (3)	-	100%	-	-
Payly Holding Ltda. (8)	100%	-	-	-
Payly Instituições de Pagamentos S.A. (8)	-	100%	-	-

(1) Jointly called Raízen Argentina, all based in Argentina;
(2) Jointly called Raízen Energia and subsidiaries;
(3) Acquired on May 1, 2022, by direct subsidiary Blueway (Note 30.d);
(4) On May 2, 2022, these indirect subsidiaries were merged into subsidiary RESA;
(5) On May 2, 2022, Paraguaçu was merged into Caarapó;
(6) On July 25, 2022, Unimodal Ltda. discontinued its activities;
(7) On August 11, 2022, Raízen Energy discontinued its activities; and
(8) Acquired on December 1, 2022, by Raízen (Note 30.e).

Boutique investment funds ("FI")	Total interest	
	2023	2022
FI renda fixa crédito privado RJ – Banco Santander S.A.	100%	100%
FI renda fixa crédito privado RAÍZEN I – Banco BNP PARIBAS BRASIL S.A.	100%	100%
Otto Energy – BTG Pactual S.A. (1)	-	100%

(1) Investment fund redeemed in full during the year ended March 31, 2023

Investments in subsidiaries are fully consolidated from the date of acquisition of control and continue to be consolidated until the date that control ceases to exist. The financial statements of the subsidiaries are prepared on the same reporting date as Raízen, except for Gera Next Participações S.A. and its subsidiaries ("Grupo Gera") (Note 2.3.i). Accounting policies are used consistently and, when necessary, adjustments are made to align accounting policies with those adopted by the Company.

Balances and transactions arising from transactions between consolidated companies, such as revenues, expenses, and unrealized results, are fully eliminated.

2.3. Summary of significant accounting policies

The main accounting policies applied in the preparation of these financial statements are defined below. Those accounting policies have been applied consistently to all the years presented, unless otherwise stated.

(a) Revenue recognition

Revenues from sales of products are recognized on the delivery to the client. Delivery is considered to be the moment when the client accepts the products and the risks and benefits from the ownership are transferred. Revenue is recognized at this time as long as revenue and costs can be reliably measured, receipt of the consideration is likely and there is no continuous involvement of management with the products. Sales prices are established based on purchase orders or contracts.

Storage and lease income comprises rent of gas stations and storage of fuels at the Raízen and its subsidiaries' terminals and is recognized based on the effective rendering of services, under "other operating revenue (expenses), net".

Revenue is shown net of taxes: State VAT ("ICMS"), Contribution Tax on Gross Revenue for Social Integration Program ("PIS"), Contribution Tax on Gross Revenue for Social Security Financing ("COFINS"), Tax on Industrialized Products ("IPI"), Social Contribution Tax for Intervention in the Economic Order ("CIDE"), Fuel Transfer Tax ("ITC"), Value Added Tax ("IVA"); and Tax on Gross Income ("IIB")), returns, rebates and discounts, amortization referring to exclusive supply rights, as well as eliminations of sales between group companies, in the case of the consolidated financial statements.

Revenue from the sale of cogeneration of power of the Raízen's subsidiaries is recorded based on the power available on the network and at rates specified under the terms of the supply agreements or the market price in force, as applicable. The calculation of the volume of energy delivered to the buyer occurs monthly. Clients gain control of electricity from the moment they consume it. Due to the flow of billing of certain agreements, the electric power produced and sold through auction is initially recorded as anticipated revenue, recognized in the statement of income for the year only when available for use by clients.

Energy operations are traded on an active market, and, for accounting purposes, they meet the definition of financial instruments at fair value. Raízen recognizes revenue when the energy is delivered to the client at the fair value of the consideration. In addition, unrealized net gains resulting from mark-to-market – difference between contracted and market prices – from open net contracted operations on the date of the annual financial statements are recognized as revenue.

(b) Transactions in foreign currency

Foreign currency transactions are initially recognized by the Company's entities at the functional currency in effect on the transaction date or on the valuation dates, when the items are remeasured.

Monetary assets and liabilities denominated in foreign currency are translated into reais using the exchange rate in effect on the date of the respective statement of financial position, and foreign exchange gains and losses resulting from settlement of these transactions and from translation using the exchange rates at the year-end are recognized in the statement of income under "Financial results", except when qualified as hedge accounting and, therefore, recognized in equity under "Equity adjustments".

Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the initial transaction date. Nonmonetary items measured at fair value in a foreign currency, if any, are translated using the exchange rates prevailing on the date when the fair value was determined.

Goodwill and fair value adjustments arising from the acquisition of an entity abroad (entities with a functional currency different from the parent company Raízen) are treated as assets and liabilities of the entity abroad and converted at the closing rate, and the adjustments resulting from the conversion are also recognized in equity under "Equity adjustments" as effect of foreign currency translation.

(c) Financial instruments - initial recognition and subsequent measurement

(i) Financial assets

Measurement

Upon initial recognition, a financial asset is classified as measured: (i) at amortized cost; (ii) at fair value through other comprehensive income; or (iii) at fair value through profit or loss. Reclassification between classes occurs when there is a change in the business model for the management of financial assets and liabilities.

A financial asset is measured at amortized cost if it meets both of the following conditions: (i) the objective is to maintain financial assets to receive contractual cash flows; and (ii) its contractual terms generate, on specific dates, cash flows that are related to the payment of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions: (i) the objective is both the receipt of contractual cash flows and the sale of financial assets; and (ii) the contractual terms give rise, at specified dates, to cash flows that are Solely Payment of Principal and Interest (SPPI) on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or at fair value through other comprehensive income, as described above, are classified as at fair value through profit or loss. Financial assets held for trading or managed with performance assessed based on fair value are measured at fair value through profit or loss.

Business model evaluation

The Company assesses the business model applied in the management of its financial assets to obtain the contractual cash flows. The information considered includes: (i) the policies and objectives set for the portfolio, that is, identifying whether management's strategy focuses on obtaining contractual interest income, maintaining a certain interest rate profile, the correspondence between the duration of financial assets and the duration of related liabilities or expected cash outflows, or the realization of cash flows through the sale of assets; (ii) how the portfolio's performance is assessed and reported to the Company management; (iii) the risks that affect the performance of the business model (and the financial asset held in that business model) and the way those risks are managed; (iv) how the business executives are compensated - for example, if the compensation is based on the fair value of the assets managed or on the contractual cash flows obtained; and (v) the frequency, volume and timing of sales of financial assets in previous years, the reasons for such sales and expectations about future sales.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales, in a manner consistent with the continuous recognition of the Company's assets.

Evaluation whether contractual cash flows are solely payments of principal and interest

The Company considers the contractual terms of the instrument to assess whether the contractual cash flows are solely payments of principal and interest.

This includes the analysis of a contractual term that could change the timing or the value of the contractual cash flows so that it would not meet this condition. When making this analysis, the Company considers: (i) contingent events that change the amount or timing of cash flows; (ii) terms that can adjust the contractual rate, including variable rates; (iii) prepayment and extension of the term; and (iv) the terms that limit the Company's access to cash flows from specific assets (for example, based on the performance of an asset).

For purposes of assessment of contractual cash flows, "principal" is defined as the fair value of the financial asset at initial recognition. "Interest" is substantially defined as a consideration for the time value of money and the credit risk associated with the principal outstanding over a given period of time and the other basic risks and costs of borrowing (for example, liquidity risk and administrative costs), as well as a profit margin.

Impairment of financial assets

For the evaluation and measurement of the allowance for expected credit losses, an expected loss matrix is adopted as a practical expedient that considers the grouping of clients with similar default characteristics, sales channel and rating (client risk rating, measured internally).

The Company applies the expected credit loss model to financial assets measured at amortized cost, contract assets and debt instruments measured at fair value through other comprehensive income.

(ii) Financial liabilities

These are measured at amortized cost and fair value through profit or loss, comprising, in the case of the Company, mostly loans and financing, balances payable to suppliers and related parties, and derivative financial instruments.

Interest payments on loans and financing, from third parties and related parties, are classified as cash flow from financing activities.

(iii) Offset of financial instruments - net presentation

Financial assets and liabilities are presented net in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(iv) Derecognition (write-off)

A financial asset is derecognized when: (i) the rights to receive cash flows from the asset expire; and (ii) the Company transfers its rights to receive cash flows from the asset or assumes an obligation to fully pay the cash flows received to a third party under a "pass-through" agreement.

The effective transfer of the rights to receive cash flows from an asset is achieved when: (a) the Company transfers substantially all the risks and rewards of the asset, or (b) the Company neither transfers nor retains substantially all the risks and rewards relating to the asset but transfers control thereover.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales. For these cases, the recognition of the transferred asset is conducted to the extent of the Company's continuous involvement with these instruments.

A financial liability is written off when the obligation under the liability is extinguished, which means when the obligation specified in the contract is settled, canceled or expires. In addition, if an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective book values is recognized in the statement of income.

(v) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as currency forward contracts, commodity forward contracts, options and swaps to hedge against the risk of changes in exchange rates and commodity prices. These financial instruments are initially recognized at fair value on the date when the instrument is executed and are subsequently also revalued at fair value. Derivatives are stated as financial assets when the instrument's fair value is positive and as financial liabilities when negative.

Any gains or losses resulting from changes in the fair value of derivatives not designated as hedge accounting during the year are recognized directly in profit or loss in the case of instruments related to operating transactions, in operating accounts (for example: revenue, cost, expenses) and, in the case of instruments related to financial operations, as financial income (expenses). For instruments designated as cash flow hedge, gains and losses arising from changes in the fair value of derivatives are recognized directly in equity, under "Equity adjustments".

The following classifications apply for hedge accounting purposes: (i) fair value hedge by hedging against exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment, as well as the component of any of these items that is attributable to a specific risk and may affect profit or loss; (ii) cash flow hedge by hedging against changes in cash flows that are attributable to a specific risk associated with a recognized asset or liability or a highly probable forecast transaction that may affect profit or loss; or (iii) net investment hedge in a foreign operation in a foreign operating unit.

Upon designation, the Company formally classifies and documents the hedge relationship. The documentation substantially includes: (i) identification of the hedging instrument; (ii) the hedged item or hedged transaction; (iii) the nature of the hedged risk; (iv) statement confirming that the transaction is within management's policies and practices; (v) statement confirming the correlation of the hedging instrument for the purpose of offsetting the exposure to the change in the fair value of the hedged item or cash flows related to the hedged risk; (vi) the highly probable nature of the forecast hedged transaction as well as the forecast periods of transfer of gains or losses arising from hedging instruments from equity to profit or loss and the management's risk management objective and strategy; and (vii) forecast that there are no over hedge relationships.

The Company has formal designations for hedge accounting for the following structures:

Cash flow hedge

The effective portion of the gain or loss of the hedging instrument is recognized directly in equity, under "Equity adjustments", while the ineffective portion is recognized immediately in profit or loss for the year.

The amounts recorded in other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, for example, when the hedged income or expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a nonfinancial asset or liability, the amounts recorded in equity are transferred to the initial carrying amount of such asset or liability. If occurrence of the forecast transaction or firm commitment is no longer expected, the amounts previously recognized in equity are transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its classification as hedge is revoked, gains or losses previously recognized in comprehensive income remain in equity until the forecast transaction or firm commitment affects profit or loss.

The cash flow hedging relationships of highly probable future exports or imports are considered to be continuous hedging relationships and qualify for hedge accounting.

Net investment hedge in foreign entities

Hedge of net investment in foreign operations is accounted for similarly to cash flow hedge. Any gain or loss on the hedging instrument related to the effective hedge portion is recognized under equity, in "Equity adjustments". The gain or loss related to the ineffective portion is immediately recognized in profit or loss. Accumulated gains and losses in equity are included in profit or loss for the year, when the foreign investment is sold.

Fair value hedge of certain financial liabilities

The Company designates certain debts mainly related to certain pre-export financing ("PPEs"), Agribusiness Receivables Certificate ("CRA"), Debentures and Senior Notes Due 2027 as liabilities measured at fair value through profit or loss, to eliminate or significantly reduce inconsistencies in measurement that would otherwise result in the recognition of gains and losses on the loans and derivatives on different bases. As a result, fluctuations in the fair value of loans are recognized under "Financial income (expenses)", as "Fair value of financial instruments payable", classified in the "Financial expenses" group.

Fair value hedge - inventories

The parent company Raízen designates inventories of by-products with pegged derivatives at fair value, as detailed in Notes 6 and 27.d.

Qualitative evaluation of effectiveness tests

There is an economic relationship between the hedged items and the hedging instruments, since the instruments are contracted with the same characteristics as the operations designated as the hedged items. The Company established a 1:1 coverage ratio for the relationships designated for hedge accounting. This parameter was defined considering that the underlying risk of the hedging instruments is similar to the hedged risks.

To evaluate the effectiveness of the hedge, the Company uses the hypothetical derivative method and compares changes in fair value of hedging instruments with changes in fair value of hedged items attributable to hedged risks.

The sources of hedge ineffectiveness can be from: (i) Differences in timing of cash flows from hedged items and from hedging instruments; (ii) Different indices (and consequently different curves) associated with the hedged risk of hedged items and hedging instruments; (iii) Changes in expected amount of cash flows from hedged items and from hedging instruments.

(d) Decarbonization credits ("CBIO")

The Company is a fossil fuel distributor and has carbon offsetting goals into the atmosphere through acquisition, and subsequent definitive withdrawal of the CBIO (retirement), according to established norms by Brazil's National Petroleum Agency ("ANP") and the Ministry of Mines and Energy (MME) under the terms of the new Brazil's National Biofuels Policy. Carbon credit is an asset that must be converted into cash through a transaction conducted by B3.

The Company classifies the carbon credits purchased as a financial asset measured at fair value through profit or loss, including those issued for the certification of biofuel production to RESA and its subsidiaries. They are recognized under "Other Receivables", in current assets, and initially measured based on the carbon credit acquisition price and/or certification (in the case of producers), matched against operating income. The goals established and published by the ANP remain in force until December of each year and are recorded by the Company as provision in "Other liabilities", in current liabilities, matched against operating income.

Payments for the purchase of CBIO credits are classified as cash flows from operating activities, in changes in assets and liabilities, as "Others, net".

In June 2022, Decree 11,141/2022 was published, which exceptionally established the CBIO retirement period, to prove the target for the year 2022, until September 2023.

(e) Inventories

In general, inventories are valued at the average cost of acquisition or formation of finished products, net of recoverable taxes, except for certain products that are measured at fair value based on observable market prices, if and when available, not exceeding net realizable value.

The costs of finished products and work in process comprise raw materials, direct labor, other direct costs and respective direct production expenses (based on normal operating capacity) and non-recoverable taxes, which are related to the processes necessary to put the products in conditions of sale.

Loss allowances, such as: (i) adjustments to net realizable value, (ii) impaired items; and (iii) slow-moving and/or obsolete inventories are recorded when necessary. Normal production losses are part of the production cost for the respective period, while other losses, if any, are recognized directly in profit or loss for the year, without transiting through inventories, under the line item "Cost of goods sold, and services provided".

(f) Biological assets

The Company's biological assets refer to unharvested cane cultivated in sugarcane crops, which will be used as a raw material source 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.

Changes in fair values between the periods, as well as their amortization, are allocated to the profit or loss (P&L) under Cost of products sold and services provided.

(g) Related parties

Raízen and its subsidiaries have a fully integrated management of the cash flow, the main instruments used for cash management are described below:

- **Funds Management Contract ("GRF") - operation used between companies domiciled in Brazil**

  The subsidiary RESA, which centralizes the corporate activities of the Company and its subsidiaries, is responsible for cash management, based on the mentioned contract.

  Such transactions are presented in the statement of cash flows, on a net basis, under cash flows from financing activities.

- **PPE contracts - transaction conducted between companies domiciled in Brazil and abroad**

  In certain situations, the Raízen's subsidiaries domiciled abroad raise funds in the international financial market and subsequently transfer them to Raízen companies domiciled in Brazil, in the form of PPE contracts. These contracts are formalized pegged to exported volumes of products sufficient to settle the contracts.

  Such transactions are presented under cash flows from investing activities when granted (outflow of funds) and under cash flows from financing activities when received (inflow of funds).

  Operational and financial transactions with related parties are conducted on an arm's length basis, in line with those prevailing in the market or with conditions the Company would contract with third parties.

(h) Assets from contracts with clients

The assets from contracts with clients correspond to the bonuses granted to Raízen clients and are subject to deadlines and performance obligations, particularly the use of the quantities provided for in fuels supply contracts. As the contractual conditions are met, bonuses are amortized and recognized in the statement of income, under Net operating revenue.

(i) Investment in subsidiaries (individual financial statements) and in associates and joint ventures

Investments in entities over which the Company has significant influence or shared control are accounted for using the equity method, initially recorded in the statement of financial position at cost, plus changes after the acquisition of equity interest.

The statement of income reflects the share of the profit or loss from subsidiaries' operations based on the equity method. When a change is directly recorded in equity of the subsidiary, associate or joint venture, the Company recognizes its portion in the variations occurred and discloses this fact in the statement of changes in equity.

After application of the equity method, the Company establishes whether an additional impairment loss on its investment in its subsidiary, associate and joint venture should be recorded. The Company establishes, at each statement of financial position date, whether there is objective evidence that the investment is impaired. If that is the case, the Company calculates the impairment amount as the difference between the recoverable amount and the carrying amount of the subsidiary, associate and joint venture, and records this amount in the statement of income.

The accounting policies of the associates and joint ventures are adjusted, when necessary, to ensure consistency with the policies adopted by the Company.

In relation to the Grupo Gera, including its associates and joint ventures, the equity method is measured based on the latest available information, whose date difference does not exceed two months, and does not have a material effect in relation to the consolidated result and, if had any significant event occurred by March 31, 2023, such effect would be adjusted in these financial statements.

Dividends and interest on own capital received from investments in subsidiaries (individual financial statements), in associates and joint ventures are classified as cash flow from investing activities.

(j) Property, plant, and equipment

Property, plant, and equipment items, including sugarcane planting, are measured at historical acquisition or construction cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenses directly attributable to the acquisition of an asset. The cost of assets built by the Company and its subsidiaries includes materials and direct labor, and any other cost to bring the asset to the location and condition necessary for it to operate as intended by management, borrowing costs on qualifying assets, and non-recoverable taxes. Borrowing costs related to funds raised for construction in progress are capitalized upon completion of these projects.

Expected expenses with removal of fuel storage tanks are estimated and recorded as part of the cost of property, plant, and equipment, matched against the provision that will support such expenses, in current and non-current liabilities, depending on the expected term of the obligation.

Subsidiary RESA conducts the main scheduled maintenance activities at its bioenergy plants on an annual basis (off-season). This normally takes place between January and March, with the aim of inspecting and replacing components. The principal annual maintenance costs include costs for labor, materials, outside services and overhead allocated during the off-season period. These costs are classified as parts and components that are frequently replaced, in property, plant and equipment, and are fully amortized in the following harvest.

The cost of an equipment item that must be replaced annually is accounted for as a component of the equipment cost and depreciated over the next crop year. Periodic maintenance costs are expensed when incurred as the replaced components do not improve production capacity or introduce improvements to equipment.

Other repairs and maintenance are recognized in income over the period in which they are incurred. The cost of any renovation that increases the useful life must be activated and included in the asset's carrying amount if it is probable that future economic benefits after the renovation will exceed the initially assessed performance standard for the existing asset and these benefits will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

In thousands of Reais - R$, unless otherwise indicated

Land is not depreciated.

As of March 31, 2023, and 2022, the depreciation was calculated based on the estimated useful life of each asset. The weighted average annual depreciation rates are as follows:

Categories	2023	2022
Buildings and improvements	2%	3%
Machinery, equipment and facilities	5%	5%
Vehicles, vessels and aircraft	8%	8%
Sugarcane planting	20%	20%
Furniture, fixtures and IT equipment	16%	15%

The residual values and useful lives of assets are reviewed by competent technical members and adjusted, as appropriate, at each year end.

Gains and losses on disposals are determined by comparing the sales amounts with the carrying amount and are recognized in "Other operating revenue (expenses), net" in the statement of income.

(k) Leases

The Company recognizes a right-of-use asset and a lease liability at the inception of the lease.

Lease liabilities, including those whose underlying assets are of low value, are measured at the present value of lease payments without reflecting projected future inflation, which take into account recoverable taxes (PIS and COFINS), as well as non-cancellable terms and extension options when reasonably certain.

Payment flows are discounted at the nominal incremental rate on certain Raízen loans and financing, as interest rates implicit in lease agreements with third parties typically cannot be readily determined.

In the years ended March 31, 2023, and 2022, the discount rates applied in accordance with the contractual term were as follows:

	Nominal		Actual	
Contractual terms (years)	2023	2022	2023	2022
1 year	13.8%	13.3%	7.5%	5.6%
2 years	15.0%	13.0%	7.9%	5.6%
3 years	15.6%	12.5%	8.1%	5.6%
4 years	16.1%	12.3%	8.2%	5.6%
5 years	16.5%	12.3%	8.4%	5.6%
6 years	16.8%	12.3%	8.5%	5.7%
7 years	17.1%	12.4%	8.5%	5.7%
8 years	17.3%	12.5%	8.6%	5.7%
9 years	17.5%	12.5%	8.7%	5.8%
More than 10 years	18.1%	13.3%	8.8%	5.6%

The right-of-use asset is initially measured at cost, comprising the value of the initial measurement of the lease liability and, when applicable, adjusted for any lease payments made in advance, initial direct costs incurred, cost estimates for dismantling and removal, and incentives received.

In thousands of Reais - R$, unless otherwise indicated

The right-of-use asset is subsequently depreciated using the same depreciation method applied to similar property, plant and equipment items and, if applicable, will also be reduced by impairment losses.

The Company remeasures the lease liability if there is a change in the lease term or if there is a change in future lease payments resulting from a change in the index or rate used to determine these payments, and the remeasurement of the lease liability is recognized as an adjustment to the right-of-use asset.

The Company applies the short-term lease recognition exemption to its short-term leases contracts that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

Payments associated with short-term, indefinite-term leases without fixed payments are recognized as an expense over the term of the contract.

(l) Intangible assets

- **Goodwill**

Goodwill is the positive difference between the amount paid for the acquisition of a business and the net fair value of the assets and liabilities of the acquiree, measured by the expected future profitability. Goodwill on acquisitions of subsidiaries is disclosed under Investments and Intangible assets, in the individual and consolidated financial statements, respectively.

Goodwill generated from acquisitions of Brazilian entities is recorded at cost and goodwill resulting from the acquisition of an entity abroad (with a functional currency different from the parent company Raízen) is converted by the closing rate. Goodwill is recorded at cost, less any impairment losses, when applicable, subjected to testing at least annually. For impairment test purposes, goodwill acquired in a business combination is, as of acquisition date, allocated to each cash generating unit of the Company expected to benefit from the business combination, regardless of other assets or liabilities of the acquiree being attributed to these units.

- **Intangible assets with defined useful life**

Intangible assets with defined useful life are carried at cost, less accumulated amortization, and impairment losses, when applicable.

As of March 31, 2023, and 2022, the annual weighted average amortization rates are as follows:

Categories	2023	2022
Software license (1)	16%	20%
Brands (2)	8%	8%
Contractual relationships with clients (3)	6%	7%
Operating authorization (4)	3%	-
Sharecropping agreements (5)	9%	9%
Sugarcane supply agreements (5)	10%	10%
Technology and others (6)	9%	10%

The residual values and useful lives of assets are reviewed and adjusted, as appropriate, at each year end.

(1) Software license

Licenses acquired for computer programs are capitalized and amortized over their estimated useful life by Raízen. Software maintenance costs are expensed as incurred. Expenses directly associated with software, controlled by Raízen, which are likely to generate economic benefits greater than costs for more than one year, are recognized as intangible assets.

(2) Brands

On May 20, 2021, and May 1, 2022, the Company and the indirect subsidiary Neolubes entered into, respectively, licensing agreements for the use of the "Shell" brand with Shell Brands International AG ("Shell Brands"). With this renewal, the Company maintains the right of use of the "Shell" Brand, in the fuel distribution, lubricant and related activities sector in Brazil, for a minimum period of 13 (thirteen) years, which can be renewed in certain cases, subject to compliance with certain conditions set out in the contract.

The brands are amortized on a straight-line basis over the term of the contracts of the Shell brand and over a period of 6 (six) years for the Barcos & Rodados brand, arising from the acquisition of Raízen Paraguay by the Company on November 1, 2021 (Note 30.b).

(3) Contractual relations with clients

It corresponds to the intangible asset with a defined useful life acquired in the business combination of Raízen Argentina and Neolubes and recognized at fair value on the acquisition date. Amortization is calculated using the straight-line method over the expected life of the contractual relation with the client.

(4) Operating authorization

Corresponds to the right to use the license for the generation and distribution of energy in the Brazilian market, through fifteen generating plants, acquired by indirect subsidiary Bioenergia Barra Ltda. in the business combination of the acquisition and formation of Grupo Gera (Note 30.c). Said intangible assets, recognized at fair value on the acquisition date, have a finite useful life and are accounted for at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the contractual relation with the client, which is valid until 2052.

(5) Sharecropping and sugarcane supply agreements

These classes of intangible classes were acquired in a business combination and were recognized at fair value on the acquisition date. They have a defined useful life and are recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the contractual relation with the supplier and the client.

(6) Technology

Refers to technologies developed by logen Corp. for the production of second-generation ethanol ("E2G"), represented by contractual rights including, among others, exclusivity to subsidiary RESA for the sale of these rights in the territories in which it operates.

(m) Impairment of non-financial assets

The Company and its subsidiaries assess if there are indications of impairment of an asset on an annual basis. If indications are identified, the Company estimates the asset's recoverable amount. The recoverable amount of an asset item is the higher of: (a) its fair value less costs that would be incurred to sell it; and (b) its value in use. When necessary, the value in use is usually determined based on the discounted cash flow resulting from the continuous use of the asset until the end of its useful life.

Regardless of the existence of indications of impairment, goodwill and intangible assets with an indefinite useful life, if any, are tested for impairment annually.

When the carrying amount of an asset exceeds its recoverable amount, the loss is recognized as an operating expense in the statement of income.

(n) Provisions

Provisions are recognized when: (i) the Company has a present legal or constructive obligation as a result of past events; (ii) it is likely that an outflow of funds will be required to settle the obligation; and (iii) amounts may be reliably estimated.

(o) Provision for legal disputes and contingent assets

The Company recognizes provisions for losses on legal and administrative proceedings in cases where the technical assessments of its legal advisors and Management's judgments consider future cash disbursements to be probable and the other conditions for recognizing a provision are met.

Contingent liabilities with probable likelihood of loss that cannot have their value measured and those with possible likelihood of loss are disclosed in notes, considering the best information available up to the disclosure date.

Contingent assets are not recognized but are disclosed in notes when the inflow of economic benefits is considered probable, and the amounts are material. If the inflow of economic benefits is practically certain, which, in general, considers the final and unappealable court decision, and whose value can be reliably measured, the related asset ceases to be a contingent asset and its recognition is adequate.

(p) Employee benefits

The Company and its subsidiaries have defined benefit and defined contribution supplementary pension plans, in addition to other post-employment benefits, for which studies and actuarial calculations are prepared annually by an independent professional, which are reviewed by Management.

For the defined contribution, the expense is recognized in profit or loss when it occurs, while, for the defined benefit, the Company recognizes a liability based on a methodology that considers a series of factors that are determined by actuarial calculations, which use certain assumptions to determine the cost (or revenue) for the pension plan.

Actuarial gains or losses arising from adjustments and changes in actuarial assumptions are recorded directly in equity as other comprehensive income, when incurred.

Past service costs are immediately recognized in the statement of income.

(q) Share-based payment

The share-based equity settled payment plan is measured based on the fair value on the date the shares are granted and recognized as personnel expenses, with a corresponding increase in equity, over the period in which the employees unconditionally become entitled to the benefits.

The amount recognized as an expense is adjusted to reflect the number of shares for which the service conditions and non-market vesting conditions are expected to be met, so that the amount ultimately recognized as an expense is based on the number of shares that do meet the related service conditions and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no modification for differences between expected and actual benefits.

When the terms of an equity-settled transaction are modified (for example, by plan modifications), the recognized minimum expense is the fair value at the date of grant, provided that the original vesting conditions are met. An additional expense, measured at the modification date, is recognized for any modification that increases the fair value of share-based payments or that otherwise benefits employees. When a grant is canceled by the entity or counterparty, any remaining element of the grant's fair value is immediately recognized as an expense in the statement of income.

The fair value of the amount payable to employees in relation to the share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities during the period in which employees unconditionally acquire the right to payment. The liability is remeasured at each reporting date and at the settlement date, based on the fair value of the share appreciation rights. Any changes in the fair value of the corresponding liabilities are recognized in the statement of income as personnel expenses.

(r) Treasury shares

Treasury shares represent shares that are bought back by Raízen, recognized at acquisition cost and less equity, and are available for specific and limited purposes. No gain or loss is recognized in the statement of income on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration is recognized in other capital reserves.

(s) Income tax and social contribution

Income tax and social contribution income (expenses) for the year comprise current and deferred taxes. Income taxes are recognized in the statement of income, except to the extent they relate to items directly recognized in equity or comprehensive income, as applicable. In this case, the taxes are also recognized in equity or comprehensive income.

Current and deferred income tax and social contribution are determined based on the tax legislation enacted or substantially enacted at the date of the statement of financial position in the countries where the Company entities operate and generate taxable profit. Management regularly assesses the positions assumed in the income tax calculations with respect to situations in which applicable tax regulations give rise to different interpretations, and records provisions, when appropriate, based on estimated amounts payable to tax authorities.

Income tax is calculated on taxable profit at a rate of 15%, plus surtax of 10% on profit exceeding R$240 over 12 months, whereas social contribution tax is calculated at a rate of 9% on taxable profit, both recognized on an accrual basis. In other words, the Company is subject to a theoretical combined tax rate equivalent to 34%.

Deferred income tax and social contribution related to income tax and social contribution tax losses and temporary differences are stated net in the statement of financial position when there is a legal right and the intention to offset them when calculating current taxes, related to the same legal entity and the same tax authority.

Accordingly, deferred tax assets and liabilities in different entities or different countries are usually presented separately, and not on a net basis. Deferred taxes are calculated based on the rates established upon their realization and are reviewed annually.

Tax prepayments or current amounts subject to offsetting are stated under current or non-current assets, according to their estimated realization.

(t) Capital and remuneration to shareholders

Capital is represented by common and preferred shares. Incremental expenses directly attributable to the issue of shares, when incurred, are presented as a deduction from equity, as additional capital contribution, net of tax effects.

The only class A preferred share, as well as each common share, entitles to one vote in resolutions at the Company's general meetings, as well as fixed annual dividends of R$ 0.01 (one cent). Additionally, non-voting class D and E preferred shares entitle the shareholder Shell to the receipt of fixed annual dividends. Such classes of preferred shares A, D and E were fully converted into common shares and/or repurchased as per the Annual and Extraordinary General Meeting ("AEGM") held on June 1, 2021.

Distribution of profits to the shareholders is made in the form of dividends and/or interest on own capital based on the limits defined in the Company's bylaws and the laws in force. They are classified as cash flow from financing activities, when paid.

(u) <u>Earnings per share</u>

Basic earnings per share are calculated by dividing the profit for the year attributable to the Company's shareholders by the weighted average number of shares (common and preferred) outstanding during the year.

Diluted earnings per share are calculated by adjusting the profit and the weighted average number of shares, taking into account the conversion of all potential shares with a dilutive effect (equity instruments, contracts capable of resulting in the issuance of shares and/or restricted shares within share-based payment plans).

(v) <u>Business combinations and goodwill</u>

The Company adopts the acquisition method to account for business combinations. The consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities assumed, and any equity instruments issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement, where applicable. Acquisition-related costs are recorded in the statement of income as incurred. Identifiable assets acquired; liabilities (including contingent) assumed in a business combination are initially measured at fair value on the acquisition date.

The Company recognizes the noncontrolling interest in the acquiree, both for its fair value and for the proportional portion of the noncontrolling interest in the fair value of the acquiree's net assets. Measurement of the noncontrolling interest is determined for each acquisition made.

The excess of the consideration transferred and of the fair value on the date of acquisition of any previous equity interest in the acquiree in relation to the fair value of the Company's interest in the net identifiable assets acquired is recorded as goodwill. When applicable, in acquisitions in which the Company attributes fair value to noncontrolling interests, the determination of goodwill also includes the value of any noncontrolling interest in the acquiree, and goodwill is determined considering the interest of the Company and of noncontrolling interests. When the consideration transferred is less than the fair value of the net assets of the acquiree, the difference is recognized directly in the statement of income for the year as a bargain purchase.

(w) Environmental issues

The Company minimizes the risks associated with environmental issues through operating procedures and controls and investments in pollution control systems and equipment. The Company records a provision for loss on environmental expenses, under Other liabilities, to the extent that it is necessary to conduct environmental remediation of the damage caused.

(x) Segment information

An operating segment is a component of the Company that conducts business activities from which revenues may be obtained and expenses incurred, including revenues and expenses related to transactions with other Company components. All operating income of the operating segments is frequently reviewed by the Company's CEO and by the Board of Directors for purposes of decisions concerning funds to be allocated to the segment and performance evaluation, and for which individual financial information is available.

2.4. Impacts of the new CPC/IFRS and ICPC/IFRIC on the financial statements

The following amendments were adopted for the first time by Raízen for the year beginning on April 1, 2022:

- **Annual improvements - 2018-2020 cycle:** In May 2020, the IASB issued the following amendments as part of the annual improvement process:

(i) **IFRS 9/CPC 48 – Financial Instruments:** IFRS 9/CPC 48 - Financial instruments: clarifies which fees should be included in the 10% test for derecognition of financial liabilities.

(ii) **IFRS 16/CPC 06 (R2) – Leases:** Amendment to example 13 in order to exclude the example of lessor payments related to leasehold improvements.

- **Amendments to IAS 37/CPC 25 – Provisions, Contingent Liabilities and Contingent Assets:** In May 2020, the IASB issued this amendment to clarify that, for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes the incremental costs of fulfilling such contract and an allocation of other costs directly related to its fulfillment.

- **Amendments to IAS 16/CPC 27 - Property, Plant and Equipment:** In May 2020, the IASB issued an amendment that prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds of the sale of items produced while the asset is being prepared for its intended use. Such proceeds and related costs must be recognized in the statement of income for the year.

- **Amendments to IFRS 3/CPC 15 - Business Combinations** Issued in May 2020, the amendments replace a reference to a previous version of the conceptual framework with a reference to the current version.

- **IFRS 1/CPC 37 First Time Adoption of International Financial Reporting Standards:** Simplifies the application of said standard by a subsidiary that adopts IFRS for the first time after its parent company, with respect to measurement of cumulative translation differences.

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- **IAS 41/CPC 29 - Biological assets and agricultural products:** Removes the requirement to exclude taxes on profit from cash flow estimates when measuring the fair value of biological assets and agricultural produce, thus aligning the fair value measurement requirements in IAS 41 with those of other IFRS standards.

The aforementioned amendments and improvements did not have material impacts for the Company.

2.5. New CPC/IFRS and ICPC/IFRIC (IFRS' Interpretations Committee) applicable to financial statements

The following amendments to standards have been issued by the IASB but are not yet effective for the year ended March 31, 2023. Although encouraged by the IASB, early adoption of the standards in Brazil is not permitted by the CPC:

- **Amendments to IAS 1 - Classification of liabilities as current or non-current (equivalent to revision 20 of the Brazilian Accounting Pronouncements Committee):** In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1, equivalent to CPC 26, to specify the requirements for classifying liabilities as current or non-current. The amendments clarify what is meant by a right to defer settlement, that a right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood that an entity will exercise its deferral right, and also that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. Amendments are effective for periods beginning on or after January 1, 2023, and should be applied retroactively, as regards the Company, as from April 1, 2023.

- **Amendments to IAS 8 - Definition of accounting estimates (equivalent to revision 20 of the Brazilian Accounting Pronouncements Committee):** In February 2021, the IASB issued amendments to IAS 8 (equivalent to CPC 23), in which it introduces the definition of 'accounting estimates. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. They also explain how entities use measurement techniques and inputs to develop accounting estimates. The effective date of application of this amendment is January 1, 2023, and, in the case of the Company, April 1, 2023.

- **Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies (equivalent to revision 20 of the Brazilian Accounting Pronouncements Committee):** In February 2021, the IASB issued amendments to IAS 1 (equivalent to CPC 26 (R1)) and IFRS Practice Statement 2 Making Materiality Judgments, in which it provides guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The effective date of application of this amendment is January 1, 2023, and, in the case of the Company, April 1, 2023.

In thousands of Reais - R$, unless otherwise indicated

- **Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (equivalent to revision 20 of the Brazilian Accounting Pronouncements Committee):** In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The Company is currently reviewing the accounting policy disclosures to confirm whether they are consistent with the required amendments. However, no material impacts are expected for the Company from the amendments mentioned above.

There are no other IFRS/CPC standards or IFRIC/ICPC interpretations not yet effective that could have a significant impact on the Company's financial statements.

3. Cash and cash equivalents

	Index	Consolidated weighted average yield 2023	2022	Individual 2023	2022	Consolidated 2023	2022
Bank, cash and others				294,568	152,080	5,159,881	4,182,878
Financial investments in CDB (Bank deposit certificate) commitments and others (1)	CDI	101.2%	98.7%	157,375	425,924	3,573,515	4,051,690
Total financial investments				157,375	425,924	3,573,515	4,051,690
Total cash and cash equivalents				451,943	578,004	8,733,396	8,234,568
Domestic (local currency)				80,196	459,610	3,613,035	4,281,058
Abroad (foreign currency) (Note 27.d)				371,747	118,394	5,120,361	3,953,510
				451,943	578,004	8,733,396	8,234,568

(1) Correspond substantially to fixed income investments in first-class financial institutions, with daily yield and liquidity.

4. Securities and restricted cash

(a) Securities

	Index	Consolidated weighted average yield 2023	2022	Individual 2023	2022	Consolidated 2023	2022
Financial treasury bill ("LFT")	SELIC	100%	100%	-	-	8,751	87,529
Debentures (1)	IPCA	100%	-	-	-	118,954	-
Investment funds (2)	CDI + 4% p.a.	100%	-		-	48,824	-
				-	-	176,529	87,529
Current				-	-	(8,751)	(87,529)
Non-current				-	-	167,778	-

In thousands of Reais - R$, unless otherwise indicated

(1) Refers to the issuance of simple and non-convertible debentures, with unsecured guarantee, in a single series, for private placement, with payments of annual installments as from May 2024 and final maturity in 2051,

(2) Refer to subsidiary RESA' shareholding in an investment fund with receivables, with annual remuneration based on CDI plus annual interest of approximately 4%, with maturity in up to 5 years,

(b) Restricted cash

	Index	Consolidated weighted average yield 2023	2022	Individual 2023	2022	Consolidated 2023	2022
Financial investments linked to financing	CDI	100.7%	99.1%	-	-	1,651	67
Financial investments linked to derivative operations (Note 27.g)(1)	CDI	100.7%	99.1%	37,092	24,512	62,110	100,821
Margin deposits in derivative transactions (Note 27.g)(2)				74,840	301,543	1,210,849	2,178,744
				111,932	326,055	1,274,610	2,279,632
Domestic (local currency)				40,911	24,512	67,288	100,888
Abroad (foreign currency) (Note 27.d)				71.021	301,543	1,207,322	2,178,744
				111,932	326,055	1,274,610	2,279,632

(1) Refers to financial investments in CDB conducted with top-tier banks, pledged as collateral for derivative instrument transactions.

(2) Margin deposits in derivative transactions refer to margin calls at a commodity exchange and are exposed to the dollar and commodities fluctuation in derivative transactions.

5. Trade accounts receivable and advances from clients

(a) Trade accounts receivable

	Individual 2023	2022	Consolidated 2023	2022
Domestic (local currency)	2,669,805	2,473,947	4,628,253	3,920,718
Abroad (foreign currency) (Note 27.d)	30,956	2,568	4,016,404	2,529,851
Other accounts receivable (1)	244,063	265,770	485,711	366,267
Allowance for expected credit losses	(150,338)	(133,568)	(210,020)	(178,998)
	2,794,486	2,608,717	8,920,348	6,637,838
Current	(2,526,795)	(2,338,361)	(8,423,769)	(6,271,015)
Non-current	267,691	270,356	496,579	366,823

(1) Other accounts receivable substantially refer to installments of overdue debts and sales of real estate properties, through security interest, guarantees and collaterals.

The Company does not have notes given as collateral. The maximum exposure to credit risk at the statement of financial position date is the carrying amount of each class of trade accounts receivable.

The maturity of trade accounts receivable is as follows:

In thousands of Reais - R$, unless otherwise indicated

	Individual		Consolidated	
	2023	2022	2023	2022
Falling due	2,441,995	2,327,776	8,289,328	6,123,548
Overdue:				
Within 30 days	37,917	38,987	200,452	145,487
From 31 to 90 days	64,962	35,725	90,442	59,327
From 91 to 180 days	36,163	33,070	54,168	59,367
Over 180 days	363,787	306,727	495,978	429,107
	2,944,824	2,742,285	9,130,368	6,816,836

For long-overdue notes with no allowance for expected credit losses, the Company has security interest, such as mortgages and letters of credit.

The allowance for expected credit losses was calculated based on the credit risk analysis, which includes the history of losses, the individual situation of clients, the situation of the economic group to which the clients belong, the security interest for debts and, where applicable, the assessment of legal advisors.

The allowance for expected credit losses is considered sufficient by management to cover any losses on receivables. Changes in this allowance for the years ended March 31, 2023, and 2022 are as follows:

	Individual	Consolidated
As of March 31, 2021	(110,917)	(131,701)
Provision contributed through corporate reorganization of RESA	-	(26,143)
Business combination	-	(10,746)
Provision for expected credit losses	(74,707)	(104,403)
Reversal and write-off	52,056	92,255
Effect of foreign currency translation and others	-	1,740
As of March 31, 2022	(133,568)	(178,998)
Business combination (Note 30.b)	-	(2,492)
Provision for expected credit losses	(53,144)	(99,988)
Reversal and write-off	36,374	70,846
Effect of foreign currency translation	-	612
As of March 31, 2023	(150,338)	(210,020)

(b) Advances from clients

As of March 31, 2023, the Company had R$ 61,972 and R$ 3,546,985, in the parent company Raízen and in the Consolidated financial statements, respectively (R$ 54,398 and R$ 4,796,239 in the parent company Raízen and in the Consolidated financial statements in 2022) recorded under "Advances from clients", which refer mainly to amounts received from clients from the domestic market and abroad for the purchase of sugar, ethanol and energy, with final maturity through 2023. During the year ended March 31, 2023, the advances on performance of commodities export were fully settled,

In thousands of Reais - R$, unless otherwise indicated

6. Inventories

	Individual		Consolidated	
	2023	2022	2023	2022
Finished products:				
Diesel (2)	1,440,736	1,246,900	3,629,856	2,846,277
Gasoline (2)	1,126,638	1,266,737	1,870,090	2,011,989
Jet fuel	217,389	190,247	295,178	234,516
Petroleum by-products (1)	28,030	31,214	628,936	280,940
Ethanol	128,306	206,373	1,005,956	2,359,159
Sugar	-	-	529,619	686,022
Oil (crude oil)	-	-	509,527	418,453
Products in process	-	-	752,577	344,331
Warehouse and others	31,901	42,048	1,008,385	750,258
	2,973,000	2,983,519	10,230,124	9,931,945

(1) Refers substantially to inventories of fuel oil, lubricants and asphalt,

(2) The parent company Raízen designates at fair value the inventories and highly probable purchases of oil by-products with pegged derivatives. The main risk management objective (Note 27.e) is that inventories be recognized at a floating price, as will be Raízen's sales revenue upon completion of the sale. As of March 31, 2023, and 2022, such inventories include fair value measurement, considering a level-2 hierarchy, as follows:

						Individual
	Cost value		Fair value		Income (loss) (1)	
	2023	2022	2023	2022	2023	2022
Finished products:						
Diesel	1,455,485	1,251,259	1,440,736	1,246,900	(10,390)	(20,560)
Gasoline	1,114,840	1,270,474	1,126,638	1,266,737	15,535	(35,316)
	2,570,325	2,521,733	2,567,374	2,513,637	5,145	(55,876)

						Consolidated
	Cost value		Fair value		Income (loss) (1)	
	2023	2022	2023	2022	2023	2022
Finished products:						
Diesel	3,644,605	2,850,636	3,629,856	2,846,277	(10,390)	(20,560)
Gasoline	1,858,292	2,015,726	1,870,090	2,011,989	15,535	(35,316)
	5,502,897	4,866,362	5,499,946	4,858,266	5,145	(55,876)

(1) Recognized under "Costs of products sold, and services provided".

As of March 31, 2023, inventories are stated net of estimated loss with realization and slow-moving and/or obsolete inventories, amounting to R$ 416 and R$ 78,657 in the Parent company Raízen and Consolidated financial statements, respectively (R$ 222 and R$ 73,902 in 2022). Changes in the referred to losses for the years ended March 31, 2023, and 2022 are shown below:

In thousands of Reais - R$, unless otherwise indicated

	Individual	Consolidated
As of March 31, 2021	(20,606)	(21,690)
Loss contributed through corporate reorganization of RESA	-	(22,539)
Business combination	-	(11,689)
Estimated loss	(252)	(57,891)
Reversal and write-off	20,636	38,366
Effect of foreign currency translation and others	-	1,541
As of March 31, 2022	(222)	(73,902)
Business combination	-	(7,517)
Estimated loss	(19,015)	(153,857)
Reversal and write-off	18,821	158,438
Effect of foreign currency translation and others	-	(1,819)
As of March 31, 2023	(416)	(78,657)

The estimated loss reversals, in the consolidated amounts of R$158,438 and R$38,366, for the years ended March 31, 2023, and 2022, respectively, refer to inventory write-offs due to items sold and/or consumed.

7. Biological assets

Raízen's biological assets comprise unharvested cane cultivated in sugarcane crops, which will be used as a raw material source in the production of sugar, ethanol and bioenergy upon harvesting.

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

The main assumptions used in determining the fair value, determined by level 3 of the fair value hierarchy, were:

	Consolidated	
	2023	2022
Estimated harvest area (hectares)	629,290	650,598
Number of total recoverable sugar ("ATR") per hectare	11.28	10.27
Projected average ATR price per kg (R$/kg)	1.23	1.28
Annual discount rate (based on Weighted Average Capital Cost – WACC)	8.62%	7.68%

In the year ended March 31, 2023, the Company reviewed the assumptions used to calculate the biological asset, the main impacts of which were: (i) increase in agricultural costs; and (ii) decrease in the average ATR price, influenced by the price of ethanol, and by the price of Very High Polarization ("VHP") sugar, in line with what has been observed in recent months as well as new dollar price projections.

In thousands of Reais - R$, unless otherwise indicated

Changes in biological assets are as follows:

	Consolidated	
	2023	**2022**
Opening balance	3,913,957	-
Net assets contributed through corporate reorganization of RESA	-	1,288,025
Business combination (Note 30.a)	-	844,329
Additions to sugarcane treatments	1,976,352	1,198,604
Absorption of harvested sugarcane costs	(1,561,035)	(791,525)
Change in fair value, net of realization	(188,809)	1,374,524
As of March 31, 2023	4,140,465	3,913,957

The estimated fair value could increase (decrease) if:

- The estimated ATR price was higher (lower);
- The projected productivity (tons per hectare and quantity of ATR) was higher (lower); and
- The discount rate was lower (higher),

The operational activities of sugarcane planting are exposed to variations resulting from climate changes, pests, diseases, and forest fires, among other natural forces,

Historically, climatic conditions can cause volatility in the sugar-energy sector and, consequently, in the Company's operating results, as they influence crops by increasing or reducing harvests.

8. Recoverable taxes

	Individual		Consolidated	
	2023	**2022**	**2023**	**2022**
ICMS (i)	1,338,914	918,962	2,530,065	1,908,241
PIS and COFINS (ii)	5,258,782	1,961,219	6,869,082	2,933,464
IVA (iii)	-	-	673,790	381,173
Others	10,571	6,441	550,484	222,377
Estimated loss on realization of taxes (iv)	(23,497)	(23,497)	(28,324)	(28,324)
	6,584,770	2,863,125	10,595,097	5,416,931
Current	(1,502,073)	(1,595,810)	(4,336,386)	(3,325,080)
Non-current	5,082,697	1,267,315	6,258,711	2,091,851

In thousands of Reais - R$, unless otherwise indicated

The movement of the main taxes to be recovered is detailed below:

					Individual
	ICMS	**PIS and COFINS**	**Others**	**Profit tax credits (Note 17.b)**	**Total**
As of March 31, 2021	828,321	1,066,908	6,405	198,642	2,100,276
Credit generation (1)	92,637	1,055,727	-	163,463	1,311,827
Offset/ liquidation	-	(362,559)	-	(19,055)	(381,614)
Monetary update	474	-	-	9,887	10,361
Others	(2,470)	201,143	36	-	198,709
As of March 31, 2022	918,962	1,961,219	6,441	352,937	3,239,559
Credit generation (1)	420,643	4,496,149	-	180,294	5,097,086
Offset/ liquidation	-	(1,198,586)	-	(25,567)	(1,224,153)
Monetary update	826	-	-	31,143	31,969
Others	(1,517)	-	4,130	-	2,613
As of March 31, 2023	1,338,914	5,258,782	10,571	538,807	7,147,074

(1) Includes balance of ICMS reimbursements and refunds.

						Consolidated
	ICMS	**PIS and COFINS**	**IVA**	**Others (2)**	**Profit tax credits (Note 17.b)**	**Total**
As of March 31, 2021	1,201,349	1,486,050	384,101	85,047	310,856	3,467,403
Tax credits from corporate reorganization of RESA	255,163	449,807	-	113,744	341,382	1,160,096
Business Combination	111,490	32,884	-	51,937	70,525	266,836
Credit generation (1)	1,744,148	1,374,550	546,575	35,713	639,809	4,340,795
Offset/ liquidation	(1,474,972)	(472,106)	(479,551)	(40,674)	(697,758)	(3,165,061)
Monetary update	1,048	55,287	-	-	23,337	79,672
Others	70,015	6,992	(69,952)	(23,390)	(10,479)	(26,814)
As of March 31, 2022	1,908,241	2,933,464	381,173	222,377	677,672	6,122,927
Business Combination	14,873	-	-	-	897	15,770
Credit generation (1)	1,451,458	5,716,616	934,535	187,189	785,478	9,075,276
Offset/ liquidation	(928,739)	(1,796,381)	(666,739)	(34,494)	(226,945)	(3,653,298)
Monetary update	3,465	8,417	-	-	58,868	70,750
Others	80,767	6,966	24,821	175,412	(18,987)	268,979
As of March 31, 2023	2,530,065	6,869,082	673,790	550,484	1,276,983	11,900,404

(1) Includes reimbursements and refunds of ICMS;
(2) Substantially represented by credits of: IPI, Reintegra and others.

(i) ICMS

It arises from interstate operations for the distribution of oil by-products, in which the tax burden of the receiving state is lower than that retained by the supplier, according to Agreement No, 110/07. The reimbursement takes place through formalization of a process with the States, whereby after the request is approved, the payment is made by the substitute taxpayer, in this case the refinery, by means of a credit in a bank checking account and ICMS credits granted by the states, as provided for in Constitutional Amendment No.123/22 ("EC No.123/2022") (Note 20.d.i).

To use ICMS credit balances, the Company is internally reviewing certain activities, in particular the logistics of operations with changes in supply hubs. In addition, there are requests for special regimes from certain state tax authorities, requests for authorization to transfer balances between branches in the same state and analysis of credit sales to third parties.

The ICMS recoverable balance presented in these financial statements reflects the amount that the Company expects to realize, less the provision for loss on credits, for which management has no expectation to realize them.

(ii) PIS and COFINS

ICMS on the PIS and COFINS tax bases

On March 15, 2017, the Federal Supreme Court of Brazil ("STF") completed the judgment of Appeal No. 574,706 and, under general resonance, established the thesis that the ICMS does not make up the PIS and COFINS tax base, since this amount does not represent the Company's revenue/billing. In other words, taxpayers have the right to exclude the ICMS amount recorded in the invoice from the PIS and COFINS tax base.

In 2018, the Company recognized credits referring to periods after March 2017, based on the decision handed down on that date by the STF. In addition, the amounts recognized, referring to prior periods, for the group companies that have been awarded favorable final decisions on the referred matter, that is, a res judicata decision, were calculated based on the accounting and tax systems, considering the ICMS amount recorded in invoices. The accuracy of amounts was evaluated by crosschecking the information with the relevant accessory obligations.

Since adoption of the PIS and COFINS noncumulative regime, the Company has been pleading in court the right to exclude ICMS from the PIS and COFINS tax base and concluded that the legal certainty necessary for the recognition of said credits had been reached, due to certain res judicata decisions handed down on lawsuits for the entire period after 5 years of the date of distribution of the lawsuits in court and, in the case of decisions not yet final, credits after October 2, 2017, prospectively, according to the conclusion of the leading case granting the appeal to taxpayers, for which amounts were recorded in tax assets.

On May 13, 2021, the STF concluded the judgment on the modulation of the effects of the decision that excluded the ICMS from the PIS and COFINS tax base (Appeal No. 574,706) and confirmed that the ICMS to be considered is that recorded in the invoice, and not the ICMS amount paid, recognizing credits of this nature for the period from April 2011 to December 2014.

Complementary Law 192/2022 ("LC 192/22")

On March 11, 2022, LC 192/22 was published, aiming at reducing the tax burden on the oil and gas supply chain. Article 9 of the law established the reduction to zero by December 31, 2022, of PIS and COFINS rates levied on diesel oil, biodiesel and Liquefied Petroleum Gas (LPG), while ensuring that the credits linked to the entire economic chain would remain unaffected.

In thousands of Reais - R$, unless otherwise indicated

On May 18, 2022, Provisional Measure 1,118/22 ("MP 1,118/22") was published, excluding the right to PIS and COFINS credits arising from purchases of diesel oil, LPG and biodiesel. Following this act by the Executive Branch, on June 2, 2022 a claim brought on grounds of unconstitutionality (ADI No. 7181) was filed, which challenged said provision in MP 1,118/22, On June 21, 2022, at a Plenary Meeting the Federal Supreme Court (STF) upheld, by unanimous vote, the decision previously issued by a single judge at a court of appeals level which considered said MP as unconstitutional on the grounds that it did not comply with the principle under which no new increases in social contributions may be collected in a period of less than ninety days after the publication of the respective statute.

As a result of the injunction and because MP 1,118/22 was not converted into law, the wording of LC 192/22 remained in force, which assured to all legal entities in the fuel chain, including Raízen subsidiaries, that PIS and COFINS credits linked to such operations would remain unaffected in the period from March 11, 2022 (date on which LC 192/22 was published) to August 15, 2022 (ninety days after the date of publication of MP 1,118/22, which limited the right to credit by taxpayers), when it started to generate effects, according to the STF's decision.

Therefore, Raízen and its subsidiaries, supported by external and internal legal specialists, recognized in profit or loss for the year ended March 31, 2023, PIS and COFINS credits in the consolidated amount of R$ 3,766,224 matched against "Recoverable taxes", of which R$ 1,298,323 in current assets and R$ 2,467,901 in non-current assets. Additionally, during the year ended March 31, 2023, the Company and its subsidiaries used the amount of R$1,107,149 represented, substantially, by credits of this nature to offset IRPJ and CSLL payable balances.

The recoverable balance of PIS and COFINS presented in these financial statements reflects the amount that the Company expects to realize, less the provision for loss of credits for which Management does not expect to realize, when applicable. Considering Management's estimates, the realization of PIS and COFINS credits is expected to be up to 10 years.

(iii) IVA

This refers to the federal tax applicable in Argentina and Paraguay on commercial transactions with clients and suppliers, whose triggering event, determination, and payment takes place monthly.

(iv) Estimated loss on realization of taxes

Changes in estimated loss on realization of taxes are as follows:

	Individual	Consolidated
As of March 31, 2021	(23,725)	(28,781)
Reversal of estimated loss, net	228	457
As of March 31, 2022	(23,497)	(28,324)
Reversal (set up) of estimated loss, net	-	-
As of March 31, 2023	(23,497)	(28,324)

In thousands of Reais - R$, unless otherwise indicated

9. Related parties

(a) Summary of balances with related parties

	Individual		Consolidated	
	2023	2022	2023	2022
Assets				
Assets classified by currency:				
Domestic (local currency)	1,398,965	1,502,102	1,847,682	1,832,077
Abroad (foreign currency) (Note 27.d)	250,553	164,098	332,802	253,561
	1,649,518	1,666,200	2,180,484	2,085,638
Commercial and administrative transactions (3)				
Rumo Group	223,554	296,509	281,450	339,443
Agricopel Group	9,471	5,128	114,833	53,125
Raízen Energia S.A. and its subsidiaries	59,311	71,692	-	-
Shell Group	178,718	134,547	339,039	250,908
Raízen Mime Combustíveis S.A.	92,865	153,035	-	-
Petróleo Sabbá S.A.	192,312	198,285	-	-
Others	77,745	39,081	52,625	45,045
	833,976	898,277	787,947	688,521
Framework agreement and others (4)				
Shell Brazil Holding B.V.	625,608	651,482	625,749	652,165
Shell Brasil Petróleo Ltda.	132,633	100,897	132,633	100,897
Cosan S.A.	9,502	11,833	580,287	635,200
Others	45,000	-	53,868	8,855
	812,743	764,212	1,392,537	1,397,117
Preferred shares (5)				
Raízen Mime Combustíveis S.A.	2,799	3,711	-	-
	2,799	3,711	-	-
Total assets	1,649,518	1,666,200	2,180,484	2,085,638
Current	(855,035)	(984,683)	(1,020,519)	(975,556)
Non-current	794,483	681,517	1,159,965	1,110,082

In thousands of Reais - R$, unless otherwise indicated

	Individual 2023	2022	Consolidated 2023	2022
Liabilities				
Liabilities classified by currency:				
Domestic (local currency)	8,191,969	3,068,935	2,192,053	2,438,410
Abroad (foreign currency) (Note 27.d)	3,669,326	3,981,313	3,345,404	2,579,290
	11,861,295	7,050,248	5,537,457	5,017,700
Asset management (1)				
Raízen Energia S.A. and its subsidiaries	7,025,523	1,815,681	-	-
Rio Power Participações S.A.	-	-	-	1,846
Others	-	-	40	-
	7,025,523	1,815,681	40	1,846
Financial transactions (2)				
Raízen Fuels Finance S.A. ("Raízen Fuels")	1,798,297	2,097,508	-	-
Others	-	-	9	9
	1,798,297	2,097,508	9	9
Commercial and administrative transactions (3)				
Raízen Energia S.A. and its subsidiaries	144,409	146,941	-	-
Rumo Group	21,444	16,101	112,362	64,058
Petróleo Sabbá S.A.	49,702	66,941	-	-
Raízen Mime Combustíveis S.A.	21,791	15,977	-	-
Raízen Argentina S.A.	15,541	10,803	-	-
Blueway Trading Importação e Exportação S.A.	578,194	496,349	-	-
Shell Group	1,858,254	1,872,434	3,333,211	2,567,919
Others	10,364	11,352	53,046	42,042
	2,699,699	2,636,898	3,498,619	2,674,019
Framework agreement (4)				
Shell Brasil Petróleo Ltda.	3,243	154,283	3,243	154,313
Shell Brazil Holding B.V.	32,986	51,135	32,986	51,135
Cosan S.A.	46	45	572,078	665,435
Others	12,511	12,448	12,719	12,656
	48,786	217,911	621,026	883,539
Preferred shares and others (5)				
Shell Brazil Holding B.V.	184,654	173,497	184,654	173,497
	184,654	173,497	184,654	173,497
Corporate reorganization (6)				
Uniduto Logística S.A.	-	-	-	1,095
Logum Logística S.A.	-	-	-	7,070
	-	-	-	8,165
Lease liabilities (Note 15.b) (7)				
Saturno Investimentos Imobiliários Ltda.	104,336	108,753	-	-
Radar Propriedades Agrícolas S.A.	-	-	255,129	245,595
Aguassanta Desenvolvimento Imobiliário S.A.	-	-	133,530	157,340
Nova Agrícola Ponte Alta S.A.	-	-	132,591	153,959
Aguassanta Agrícola S.A.	-	-	73,220	107,124
Jatobá Propriedades Agrícolas Ltda.	-	-	84,163	95,899
Nova Amaralina S.A. Propriedades Agrícolas	-	-	65,271	79,189
Proud Participações S.A.	-	-	63,230	74,872
Terrainvest Propriedades Agrícolas S.A.	-	-	60,244	75,539
Águas da Ponte Alta S.A.	-	-	62,398	67,653
Bioinvestiments Negócios e Participações S.A.	-	-	62,056	71,654
Seringueira Propriedades Agrícolas Ltda.	-	-	49,789	61,148
Others	-	-	191,488	86,653
	104,336	108,753	1,233,109	1,276,625
Total liabilities	11,861,295	7,050,248	5,537,457	5,017,700
Current	(8,278,807)	(3,517,885)	(2,363,289)	(1,746,606)
Non-current	3,582,488	3,532,363	3,174,168	3,271,094

In thousands of Reais - R$, unless otherwise indicated

(1) Asset management

The amounts recorded in liabilities refer to funds received for conducting asset management activities, In the year ended March 31, 2023, the Company recorded net financial expenses of R$ 921,574 (net financial expenses of R$ 22,317 in 2022), as a result of these activities under the terms of the asset management agreement.

The remuneration and expenses related to this contract are calculated by applying effective interest determined by the Interbank Deposit Certificate (CDI) market rate on the outstanding monthly balances of the asset management, with maturities agreed between the parties that do not exceed 12 months.

(2) Financial transactions

As of March 31, 2023, and 2022, the amount recorded in liabilities in the Parent company Raízen statements refers mostly to pre-export financing ("PPE") agreements payable to the indirect subsidiary Raízen Fuels, as shown below:

Agreement	Currency	Principal in foreign currency	Maturity	Index	2023	2022
PPE	US$	350,000	01/20/2027	-	1,798,297	1,778,576
PPE (a)	€	60,000	09/21/2022	Euribor	-	318,932
					1,798,297	2,097,508
			Current		(20,157)	(336,116)
			Non-current		1,778,140	1,761,392

(a) On September 20, 2022, the Company made the payment of this agreement in the amounts of R$ 312,464 and R$ 1,710, principal and interest, respectively.

As of March 31, 2023, the average effective annual interest rate of these agreements is 5.83% (4.80% in 2022).

Fair value

						Individual	
		Amount raised, updated		Fair value (1)		Financial income (expenses)	
Type	**Classification**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
PPE	Fair value through profit or loss	-	1,990,941	-	2,097,508	106,567	184,715
		-	**1,990,941**	**-**	**2,097,508**	**106,567**	**184,715**

(1) As of March 31, 2022, this included balance of fair value measurement, determined by level 2 of the fair value hierarchy, in the amount of R$ 106,567.

(3) Commercial, administrative, and other transactions

The amounts recorded in assets refer to commercial transactions for the sale of products, such as gasoline, diesel, jet fuel, ethanol, sugar, and other materials, as well as advances for acquisition of sugarcane and cargo handling at ports.

The amounts recorded in liabilities refer to commercial transactions for the purchase of products and provision of services such as: ethanol, diesel, gasoline, road and rail freight, storage, sugar, sugarcane, advances from clients for sugar exports, and granting of licenses for use of the Shell brand (Note 13).

(4) Framework agreement and others

The amounts recorded in assets and liabilities refer, substantially, to balances recoverable (from) or refundable (to) Raízen's shareholders, as they relate to the period prior to the formation of Raízen.

On March 7, 2023, in the minutes of the meeting of the Board of Directors of the jointly owned subsidiary "Rede Integrada de Lojas de Conveniência e Proximidade S.A.", an advance for future capital increase ("AFAC") was approved, in the amount of R$ 45,000, which were paid on March 17, 2023.

(5) Preferred shares and others

The balance stated in the asset of parent company as of March 31, 2023, and 2022 refers to credits of preferred shares receivable from Raízen Mime related to the gain from certain divestments made by the same.

On August 29, 2022, the shareholders of Raízen Mime approved at the AGOE the allocation of preferred class B dividends to the Company, in the amount of R$957, which were fully received on March 31, 2023.

On March 31, 2023, preferred class B dividends were allocated to the Company, in the amount of R$912 (R$957 in 2022), which will be submitted for approval at a shareholders' meeting.

The balance presented in the consolidated liabilities arises, substantially, from tax credits to be reimbursed to Shell, when effectively used by Raízen, determined by the balances of tax losses and negative basis of social contribution from periods prior to the formation of Raízen.

(6) Corporate reorganization

The amount recorded in liabilities refers to the capital to be paid up in these associates. During the year ended March 31, 2023, the capital amounts were fully paid up.

(7) Lease liabilities

Changes in lease liabilities in the years ended March 31, 2023, and 2022 are as follows:

In thousands of Reais - R$, unless otherwise indicated

	Individual	Consolidated
As of March 31, 2021	107,359	-
Leases from corporate reorganization of RESA	-	1,214,333
Additions	-	39,176
Write-offs	-	(21,779)
Payments	(18,194)	(200,608)
Interest	9,426	87,135
Remeasurements	10,162	158,368
As of March 31, 2022	108,753	1,276,625
Additions	-	216,519
Write-offs	-	(88,278)
Payments	(19,691)	(281,622)
Interest	9,409	106,049
Remeasurements	5,865	3,816
As of March 31, 2023	104,336	1,233,109
Current	(11,778)	(233,626)
Non-current	92,558	999,483

(b) Transactions with related parties (8)

	Individual		Consolidated	
	2023	2022	2023	2022
Sale of goods				
Rumo Group (4)	2,462,559	1,754,837	2,479,338	1,763,028
Shell Group (7)	2,681,058	1,408,872	4,976,702	2,918,726
Agricopel Group (5)	273,674	229,416	1,830,092	1,451,163
Raízen Energia S.A. and its subsidiaries	1,244,714	770,261	-	143,610
Petróleo Sabbá S.A.	5,712,994	4,498,138	-	-
Raízen Mime Combustíveis S.A.	3,975,525	3,246,611	-	-
Others	336,473	128,897	197,747	275,141
	16,686,997	12,037,032	9,483,879	6,551,668
Purchase of goods and services				
Raízen Energia S.A. and its subsidiaries (6)	(3,089,975)	(1,992,302)	-	(1,729,349)
Shell Group (7)	(78,045)	(6,479)	(8,772,894)	(3,566,685)
Rumo Group (4)	(244,894)	(178,663)	(788,147)	(535,496)
Agricopel Group (5)	(114,923)	(71,934)	(183,992)	(125,281)
Blueway Trading Importação e Exportação S.A. (6)	(7,664,986)	(6,525,467)	-	-
Petróleo Sabbá S.A. (6)	(2,079,600)	(1,462,568)	-	-
Raízen Mime Combustíveis S.A.	(362,624)	(352,774)	-	-
Others	(95,646)	(570,129)	(520,174)	(80,202)
	(13,730,693)	(11,160,316)	(10,265,207)	(6,037,013)
				-
Financial income (expenses) (1)				**-**
Raízen Energia S.A. and its subsidiaries	(987,649)	510,672	-	315,642
Shell Group (7)	(158,111)	(112,875)	(157,304)	(112,651)
Others	(6,978)	(9,272)	(97,498)	(94,469)
	(1,152,738)	388,525	(254,802)	108,522

In thousands of Reais - R$, unless otherwise indicated

	Individual		Consolidated	
	2023	2022	2023	2023
Revenues from services and others (2)				
Petróleo Sabbá S.A.	14,527	11,413	-	-
Raízen Argentina S.A.	18,746	18,834	-	-
Raízen Mime Combustíveis S.A.	6,714	6,829	-	-
Shell Aviation Limited	150	305	150	305
Shell Brazil Holding B.V.	19,371	12,530	19,824	12,530
Raízen Paraguay S.A.	-	1,708	-	-
Comgás – Companhia de Gás de São Paulo	-	-	15,024	21,967
Rumo Group	-	-	32,651	26,562
Shell Brasil Petróleo Ltda.	1,914	9,213	1,914	9,214
Cosan Lubrificantes e Especialidades S.A.	-	-	14,159	8,453
Others	9,327	3,374	57,285	15,922
	100,093	64,206	141,007	94,953
Service expenses (3)			-	-
Raízen Energia S.A. and its subsidiaries	(173,041)	(165,230)	-	(30,312)
Shell Brands International AG	(69,244)	(100,500)	(216,798)	(221,180)
Shell Brasil Petróleo Ltda.	-	(6,431)	30	(6,431)
Shell International Petroleum	(3,344)	(6,811)	(6,340)	(11,175)
Others	(373)	(5,599)	(2,841)	(4,971)
	(246,002)	(284,571)	(225,949)	(274,069)

(1) Financial income (expenses). net correspond mostly to: (i) interest and exchange differences of PPEs. raised with the indirect subsidiary Raízen Fuels; (ii) gains (losses) from the asset management agreement entered between the companies; (iii) interest on accounts payable to Shell for brand licensing; and (iv) other exchange variations.

(2) These refer to: (i) lubricant sales commissions to Shell; and (ii) collection of expenses with the sharing of corporate. management and operating costs.

(3) These refer to: (i) expenses with the sharing of corporate, management and operating costs with RESA; and (ii) expenses with technical support, maintenance of the billing and collection process, commissions on the sale of jet fuel and secondees to Shell.

(4) "Rumo Group" refers to the railway and port operations represented, mainly, by the following companies: Rumo S.A. Elevações Portuárias S.A. Logispot Armazéns Gerais S.A. Rumo Malha Sul S.A. Rumo Malha Oeste S.A. Rumo Malha Paulista S.A. Rumo Malha Norte S.A. Rumo Malha Central S.A. Portofer Transporte Ferroviário Ltda. ALL Armazéns Gerias Ltda. Terminal São Simão S.A. América Latina Logística Intermodal S.A and Brado Logística S.A.

(5) "Agricopel Group" refers to sales of fuel represented by the companies Agricopel Comércio de Derivados de Petróleo Ltda. Posto Agricopel Ltda. Agricopel Diesel Paraná Ltda. and Blue Administradora de Bens Ltda. whose relationship takes place through FIX Investimentos Ltda. which is the noncontrolling shareholder of Raízen Mime.

(6) The Company's purchase transactions with the subsidiaries Blueway. Sabbá and Raízen Trading LLP, subsidiary of RESA, are substantially represented by those originating from imports of ethanol and oil and its derivatives in the foreign market.

(7) "Shell Group" refers to the commercial transactions conducted by Shell Aviation Limited. Shell Overseas Investments B.V., Shell Trading Rotterdam, Shell Companhia Argentina, and Shell Trading US Company, and granting of the license to use the Shell brand by Shell Brands International AG.

(8) Transactions with related parties are entered into on an arm's length basis, in line with those prevailing in the market or that the Company would conduct with third parties.

(c) Guarantees

Considering that Raízen operates a centralized corporate treasury area, the Company is the guarantor of certain debts of its subsidiary RESA.

(d) Officers and members of the Board of Directors

Fixed and variable compensation to key management personnel of Raízen, including statutory officers and members of the Board of Directors, recognized in profit or loss for the years ended March 31, 2023, and 2022, is as follows:

In thousands of Reais - R$, unless otherwise indicated

	2023	**2022**
Regular compensation	(75,580)	(74,766)
Bonuses and other variable compensation	(69,489)	(84,802)
Share-based payment (Note 21)	(13,085)	(24,540)
Total compensation	(158,154)	(184,108)

The Company shares the corporate, management and operating costs and structures with its subsidiary RESA. Key management personnel include mostly RESA employees, and the costs are transferred to the Company through the issue of debt note. In April and May 2021, the Company recognized in the consolidated statement of income the amount of R$ 11,897 related to these expenses transferred by RESA and that include key management personnel. As from June 1, 2021, with the corporate reorganization of RESA, these expenses are fully eliminated in the consolidation.

10. Assets from contracts with clients

	Individual	**Consolidated**
As of March 31, 2021	2,270,068	2,730,497
Business combination	-	285,291
Additions	515,292	724,290
Amortization (1)	(434,281)	(579,822)
Effect of foreign currency translation	-	(73,663)
As of March 31, 2022	2,351,079	3,086,593
Business combinations (Notes 30.b and 30.d)	-	14,478
Additions	529,411	824,925
Amortization (1)	(470,830)	(615,494)
Effect of foreign currency translation	-	(79,235)
As of March 31, 2023	2,409,660	3,231,267
Current	(442,383)	(577,133)
Non-current	1,967,277	2,654,134

(1) Recognized in the statement of income for the year under "Net operating revenue" (Note 22),

In thousands of Reais - R$, unless otherwise indicated

11. Investments

Individual

	Country	Business activity	Equity interest	Investments		Equity accounting result	
				2023	2022	2023	2022
Book value							
Subsidiaries							
Raízen Argentina and subsidiaries	Argentina	Fuel trade and refining	100.00%	3,324,959	3,254,752	(180,366)	194,066
Raízen Energia S.A. (2)	Brazil	Production of sugar and renewables	100.00%	22,140,276	13,530,784	676,367	1,168,492
Raízen Centro-Sul S.A. (2)	Brazil	Production of sugar and renewables	100.00%	-	7,105,946	(191,647)	947,557
Raízen Paraguay S.A.	Paraguay	Fuel trade	50.00%	138,832	143,973	(11,300)	24,283
Payly Holding Ltda.	Brazil	Payment institution	100.00%	-	-	(11,611)	-
Petróleo Sabbá S.A.	Brazil	Fuel trade	80.00%	1,329,188	1,126,936	266,050	290,879
Raízen Mime Combustíveis S.A.	Brazil	Fuel trade	76.00%	272,141	206,961	104,075	104,756
Blueway Trading Importação e Exportação S.A.	Brazil	Import and export	99.99%	704,500	1,193,071	213,450	293,790
Sabor Raiz Alimentação S.A.	Brazil	Meal	69.35%	237	250	(13)	(76)
Saturno Investimentos Imobiliário Ltda.	Brazil	Real estate investments	99.99%	234,916	209,665	25,488	16,943
				28,145,049	26,772,338	890,493	3,040,690
Joint venture							
Rede Integrada de Lojas de Conveniência e Proximidade S.A. ("Grupo Nós")	Brazil	Convenience and proximity stores	50.00%	145,248	190,499	(45,251)	(11,946)
Associates							
Navegantes Logística Portuária S.A.	Brazil	Port operation	33.33%	22,478	21,689	(11,211)	(3,090)
Nordeste Logística I S.A.	Brazil	Port operation	33.33%	5,797	4,266	2,494	2,145
Nordeste Logística II S.A.	Brazil	Port operation	33.33%	18,965	13,639	(2,341)	(899)
Nordeste Logística III S.A.	Brazil	Port operation	33.33%	16,623	11,750	(460)	320
				63,863	51,344	(11,518)	(1,524)
				28,354,160	27,014,181	833,724	3,027,220
Appreciation of assets, net attributed to subsidiaries and joint ventures							
Raízen Argentina and subsidiaries (1)				325,713	351,958	(79,401)	(124,491)
Raízen Centro-Sul S.A. (1) and (2)				-	61,064	(7,878)	(61,978)
Raízen Paraguay S.A. (1)				67,305	65,062	(1,990)	4,619
Raízen Mime Combustíveis S.A.				655	2,636	(1,981)	(2,632)
Grupo Nós				480,278	495,639	(15,361)	(15,361)
				873,951	976,359	(106,611)	(199,843)
Goodwill on investments							
Raízen Argentina and subsidiaries (1)				275,804	262,292	-	-
Raízen Paraguay S.A. (1)				330,026	334,525	-	-
Payly (1) (Note 30.e)				75,744	-	-	-
Raízen Centro-Sul S.A. (Note 30.a) (2)				-	757,487	-	-
				681,574	1,354,304	-	-
Total investments				29,909,685	29,344,844	727,113	2,827,377

(1) As of March 31, 2023, said appreciation and goodwill are stated net of deferred tax liabilities, in the amount of R$ 213,285 (R$ 214,188 in 2022), In the year ended March 31, 2023, the impact of these taxes on realization of appreciation totaled R$ 36,248 (R$ 61,830 in 2022) and was recognized in profit or loss for the year under Deferred income and social contribution taxes.

(2) As mentioned in Note 1.3, on October 1, 2022, the Company approved a capital increase in the direct subsidiary RESA through the contribution of all common shares representing the capital stock of Raízen Centro-Sul.

In thousands of Reais - R$, unless otherwise indicated

(a) Consolidated

	Country	Business activity	Equity interest	Investments 2023	Investments 2022	Equity accounting result 2023	Equity accounting result 2022
Book value							
Joint ventures							
Grupo Nós	Brazil	Convenience and proximity stores	50.00%	145,248	190,499	(45,251)	(11,946)
CGB Caruaru Energia Ltda.	Brazil	Energy	50.00%	2,221	3,506	(288)	-
J.F Energia S.A.	Brazil	Energy	50.00%	4,395	2,352	1,302	-
Rio Power Participações S.A.	Brazil	Energy	57.89%	10,479	9,388	1,074	-
				162,343	205,745	(43,163)	(11,946)
Associates							
Termap S.A.	Argentina	Sea terminal	3.50%	376	323	-	-
Latitude Logística Portuária S.A.	Brazil	Port operation	50.00%	7,877	10,190	(2,313)	1,111
Navegantes Logística Portuária S.A.	Brazil	Port operation	33.33%	22,478	21,689	(11,211)	(3,090)
Nordeste Logística I S.A.	Brazil	Port operation	33.33%	5,797	4,266	2,494	2,145
Nordeste Logística II S.A.	Brazil	Port operation	33.33%	18,965	13,639	(2,341)	(899)
Nordeste Logística III S.A.	Brazil	Port operation	33.33%	16,623	11,750	(460)	320
Centro de Tecnologia Canavieira S.A.	Brazil	R&D	20.86%	184,967	169,220	21,725	24,054
Logum Logística S.A.	Brazil	Logistics	30.00%	313,623	312,059	(57,035)	(51,304)
Uniduto Logística S.A.	Brazil	Logistics	46.48%	48,560	48,338	(8,855)	(8,080)
Gera Soluções e Tecnologia S.A.	Brazil	Energy	30.00%	7,732	3,939	(12,397)	-
Dunamis SPE S.A.	Brazil	Energy	1.00%	1,048	-	(30)	-
				628,046	595,413	(70,423)	(35,743)
				790,389	801,158	(113,586)	(47,689)
Appreciation of assets, net attributed to joint venture and associates							
Grupo Nós				480,278	495,639	(15,361)	(15,361)
CGB Caruaru Energia Ltda.				5,819	-	(233)	-
Gera Soluções e Tecnologia S.A.				3,056	-	(123)	-
J.F Energia S.A.				5,731	-	(230)	-
Rio Power Participações S.A.				13,938	-	(559)	-
				508,822	495,639	(16,506)	(15,361)
Goodwill on investments							
Uniduto Logística S.A.				5,676	5,676	-	-
Centro de Tecnologia Canavieira S.A.				51,946	51,946	-	-
Gera Soluções e Tecnologia S.A.				22,018	-	-	-
				79,640	57,622	-	-
Total investments				1,378,851	1,354,419	(130,092)	(63,050)

In thousands of Reais - R$, unless otherwise indicated

(b) Changes in investments

	Individual	Consolidated
As of March 31, 2021	6,725,377	757,228
Additions	6,013,700	114,846
Contribution of investment in RESA by shareholders Shell and Cosan	5,727,866	517,929
Business combination	6,392,903	28,509
Goodwill arising from business combination (*)	1,133,652	-
Equity accounting result	2,827,377	(63,050)
Share of equity of investees	1,486,391	-
Effect of redemption of preferred shares at subsidiary	2,220	-
Effect of transaction between shareholders at subsidiary	(7,423)	-
Dividends	(174,237)	(1,767)
Effect of foreign currency translation and others	(782,982)	724
As of March 31, 2022	29,344,844	1,354,419
Business combination (Note 30)	17,731	51,708
Goodwill arising from business combination (Notes 30.a, 30.b and 30.e) (*)	(7,599)	-
Equity accounting result	727,113	(130,092)
Share of equity of investees (3)	260,708	(3,191)
Additions (1)	25,000	111,929
Capital reduction (2)	(700,000)	-
Dividends	(109,886)	(7,494)
Effect of foreign currency translation and others	351,774	1,572
As of March 31, 2023	29,909,685	1,378,851

(*) Reclassified to Intangible assets, in the consolidated statements.

(1) The additions to the investment conducted in the years ended March 31, 2023, and 2022 were:

As of March 31, 2023

- Capital contributions in cash were made in associates Nordeste Logística II S.A., Nordeste Logística III S.A. and Navegantes Logística Portuária S.A. in the amounts of R$ 7,667, R$ 5,333 and R$ 12,000, respectively;
- Capital increases in associates Logum Logística S.A. (“Logum”) and Uniduto Logística S.A. (“Uniduto”), in the amounts of R$ 58,599 and R$ 9,078, fully paid up through a current account. In the fiscal year the amounts of R$ 7,070 and R$ 1,095 were also paid up in currency in the same associates, these amounts were recorded as unpaid capital, in “Related parties”, as of March 31, 2022 (Note 9.a.6); and
- Capital increases in other investees in the amount of R$ 19,252, fully paid up through a current account.

As of March 31, 2022

- Capital contributions in cash were made in associates Navegantes Logística Portuária S.A., Nordeste Logística I S.A., Nordeste Logística II S.A. and Nordeste Logística III S.A. in the amounts of R$ 3,700, R$ 1,333, R$ 6,900 and R$ 1,767, respectively;

In thousands of Reais - R$, unless otherwise indicated

- Capital contributions in cash to the subsidiaries Blueway and RESA, in the amounts of R$750,000 and R$ 5,250,000, respectively,

- Capital increases in cash in the indirect associates Uniduto e Logum in the amounts of R$ 12,903 and R$ 83,243, respectively;

- On August 10, 2021, the acquisition of all shares issued by Raízen Centro-Sul by the Company was concluded, for the amount of R$6,929,180. Additionally, on November 1, 2021, 50% of the equity interest in the capital of Raízen Paraguay S.A. was acquired by the Company for the net present value of R$ 599,097; and

- In March 2022, the Company approved a capital increase in the associate Latitude Logística Portuária S.A. in the amount of R$ 5,000, through payment of grant credits.

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

(2) On March 16, 2023, an EGM approved a capital reduction in the subsidiary Blueway in the amount of R$ 700,000, upon payment cash made to the Company on March 23, 2023.

(3) Refers to gains (losses) from financial instruments designated as hedge accounting, net of deferred taxes, effects of foreign currency translation, and of actuarial revaluation recognized in comprehensive income and effects of capital transaction of Raízen's subsidiaries and involving interest of non-controlling shareholders.

(c) Selected information of the "Grupo Nós"

The table below summarizes the financial information of the "Grupo Nós", based on the financial statements, adjusted by the recognition of fair value adjustments on the date of establishment of the joint venture and by differences in accounting policies, when applicable. The table also reconciles the summarized financial information at the carrying amount of the interest held by Raízen in the joint venture.

	2023	2022
Current assets	232,783	311,040
Non-current assets	624,081	333,963
Current liabilities	(285,393)	(112,571)
Non-current liabilities	(275,557)	(145,525)
Consolidated equity	295,914	386,907
Attributable to non-controlling shareholders	(5,418)	(5,909)
Attributable to controlling shareholders	290,496	380,998
Equity interest of Raízen	50.00%	50.00%
Share of equity	145,248	190,499
Appreciation and remeasurement at fair value	532,762	532,762
Accumulated amortization of appreciation	(52,484)	(37,123)
Appreciation and remeasurement, net	480,278	495,639
Carrying amount of the equity interest	625,526	686,138

In thousands of Reais - R$, unless otherwise indicated

	2023	2022
Net operating revenue	558,335	261,910
Consolidated loss for the period	(89,401)	(21,611)
Capital transactions	1,316	-
Attributable to non-controlling shareholders	(2,417)	(2,280)
Attributable to controlling shareholders	(90,502)	(23,891)
Equity interest of Raízen	50.00%	50.00%
Equity accounting result	(45,251)	(11,946)

(d) Selected information on associates and other joint ventures

The table below describes the financial information of the Company's main associates and other joint ventures:

					2023
	Assets	Liabilities	Equity	Net operating revenue	Income/(loss)
Latitude Logística Portuária S.A. (1)	77,919	(62,165)	(15,754)	13,091	(4,626)
Navegantes Logística Portuária S.A. (1)	175,269	(107,828)	(67,441)	-	(33,636)
Nordeste Logística I S.A. (1)	40,803	(23,411)	(17,392)	19,918	7,483
Nordeste Logística II S.A. (1)	78,620	(21,720)	(56,900)	3,334	(7,024)
Nordeste Logística III S.A. (1)	75,428	(25,553)	(49,875)	13,011	(1,380)
Centro de Tecnologia Canavieira S.A.	1,007,678	(120,971)	(886,707)	313,037	105,411
Logum Logística S.A. (1)	3,529,780	(2,503,369)	(1,026,411)	251,941	(170,926)
Uniduto Logística S.A. (1)	104,543	(56)	(104,487)	-	(19,054)
Iogen Energy Corporation (2)	38,359	(400,476)	362,117	-	(1,476)
CGB Caruaru Energia Ltda. (1)	13,838	(9,395)	(4,443)	-	(576)
J.F Energia S.A. (1)	10,215	(1,424)	(8,791)	4,263	2,604
Rio Power Participações S.A. (1)	34,311	(16,210)	(18,101)	5,114	1,855
Gera Soluções e Tecnologia S.A. (1)	36,833	(11,059)	(25,774)	-	(41,324)

					2022
	Assets	Liabilities	Equity	Net operating revenue	Income/(loss)
Latitude Logística Portuária S.A. (1)	73,106	(52,726)	(20,380)	8,757	2,222
Navegantes Logística Portuária S.A. (1)	171,917	(106,843)	(65,074)	-	(9,271)
Nordeste Logística I S.A. (1)	69,870	(57,073)	(12,797)	16,381	6,436
Nordeste Logística II S.A. (1)	55,456	(14,535)	(40,921)	3,135	(2,697)
Nordeste Logística III S.A. (1)	74,913	(39,659)	(35,254)	10,222	960
Centro de Tecnologia Canavieira S.A.	910,117	(98,557)	(811,560)	367,427	132,145
Logum Logística S.A. (1)	3,226,669	(2,269,038)	(957,631)	177,416	(196,396)
Uniduto Logística S.A. (1)	106,378	(2,371)	(104,007)	-	(19,663)
Iogen Energy Corporation (2)	34,065	(384,082)	350,017	-	(219)
CGB Caruaru Energia Ltda. (1)	15,861	(8,849)	(7,012)	7	6
J.F Energia S.A. (1)	8,516	(3,812)	(4,704)	-	-
Rio Power Participações S.A. (1)	25,836	(9,615)	(16,221)	-	-
Gera Soluções e Tecnologia S.A. (1)	14,566	(1,435)	(13,131)	-	-

(1) The fiscal year of these investees ends on December 31 of each year,

(2) Shared controlled company, in which the Company holds 50% of the common shares, whose fiscal year ends on August 31 of each year. The Company did not recognize an estimated loss of equity in subsidiaries, since it is not responsible for legal or constructive (non-formalized) obligations to make payments on behalf of this company,

In thousands of Reais - R$, unless otherwise indicated

12. Property, plant, and equipment

								Individual
	Land	Buildings and improvements	Machinery, equipment, and facilities	Vehicles	Furniture, fixtures, and IT equipment	Construction in progress	Others	Total
Cost or valuation:								
As of March 31, 2021	354,780	407,127	1,164,739	127,122	27,567	206,601	17,049	2,304,985
Additions	-	291	-	1	11	209,132	-	209,435
Write-offs	(12,041)	(4,348)	(11,400)	(520)	(184)	-	(12)	(28,505)
Estimated loss, net	1	(2,568)	(1,062)	-	(143)	(61)	-	(3,833)
Transfers (1)	3,608	41,615	68,743	3,066	4,648	(130,896)	-	(9,216)
As of March 31, 2022	346,348	442,117	1,221,020	129,669	31,899	284,776	17,037	2,472,866
Additions	3,924	-	-	-	-	197,629	-	201,553
Write-offs	(7,856)	(3,231)	(5,775)	(921)	(398)	-	-	(18,181)
Estimated loss, net	-	-	(3,371)	-	(3)	-	-	(3,374)
Transfers (1)	-	36,575	104,071	2,979	6,708	(159,538)	-	(9,205)
As of March 31, 2023	342,416	475,461	1,315,945	131,727	38,206	322,867	17,037	2,643,659
Accumulated depreciation:								
As of March 31, 2021	-	(61,332)	(634,609)	(77,388)	(17,584)	-	(14,570)	(805,483)
Depreciation in the year	-	(13,050)	(74,157)	(7,624)	(4,452)	-	(1,112)	(100,395)
Write-offs	-	2,171	11,559	480	154	-	10	14,374
Transfers (1)	-	(304)	325	4	(25)	-	-	-
As of March 31, 2022	-	(72,515)	(696,882)	(84,528)	(21,907)	-	(15,672)	(891,504)
Depreciation in the year	-	(14,129)	(77,097)	(6,997)	(6,158)	-	(831)	(105,212)
Write-offs	-	946	3,522	908	391	-	-	5,767
As of March 31, 2023	-	(85,698)	(770,457)	(90,617)	(27,674)	-	(16,503)	(990,949)
Net residual value								
As of March 31, 2023	342,416	389,763	545,488	41,110	10,532	322,867	534	1,652,710
As of March 31, 2022	346,348	369,602	524,138	45,141	9,992	284,776	1,365	1,581,362

(1) Refers, substantially, to transfers of construction in progress to the corresponding asset categories after being capitalized, including transfers of software costs to "Intangible assets".

In thousands of Reais - R$, unless otherwise indicated

	Land and rural properties	Buildings and improvements	Machinery, equipment, and facilities	Aircraft, vessels and vehicles	Furniture, fixtures, and IT equipment	Construction in progress	Sugarcane planting	Frequently replaced parts and components	Others	Consolidated Total
Cost or valuation:										
As of March 31, 2021	1,229,147	1,480,296	5,007,731	147,660	71,456	886,253	-	-	30,236	8,852,779
Net assets contributed through corporate reorganization of RESA	45,186	1,997,343	9,794,613	567,031	229,847	957,433	7,159,787	1,560,173	36,597	22,348,010
Business combination	93,598	446,489	2,020,194	18,929	12,527	80,774	495,869	111,895	5,601	3,285,876
Additions	24	18,857	123,401	2,956	7,395	2,617,467	906,822	1,400,229	16,533	5,093,684
Write-offs	(16,267)	(9,415)	(149,648)	(44,945)	(3,664)	(17,400)	(24,170)	-	(12)	(265,521)
Constitution of estimated loss, net)	(2,809)	(25,617)	(20,125)	10,020	(315)	17,378	-	-	-	(21,468)
Transfers (1)	8,405	289,140	1,076,446	12,516	45,671	(1,531,254)	-	(753,028)	(4,790)	(856,894)
Effect of foreign currency translation and others	(149,982)	(184,035)	(794,461)	(8,405)	(10,516)	(184,613)	-	-	(14,971)	(1,346,983)
As of March 31, 2022	1,207,302	4,013,058	17,058,151	705,762	352,401	2,826,038	8,538,308	2,319,269	69,194	37,089,483
Business combination (Note 30)	3,757	48,269	87,304	18	1,120	15,677	-	-	-	156,145
Additions	3,924	26,135	74,964	980	5,378	5,291,671	1,490,683	1,591,022	12,245	8,497,002
Write-offs	(46,904)	(21,665)	(278,942)	(60,181)	(9,113)	(14,524)	(6,103)	-	(200)	(437,632)
Reversal of estimated loss, net	(330)	5,023	8,844	3,043	1,340	-	-	-	192	18,112
Transfers (1)	3,335	84,266	1,318,885	22,741	43,643	(1,816,507)	643	(1,545,102)	239,869	(1,648,227)
Effect of foreign currency translation and others	51,860	74,358	287,271	3,062	3,673	69,330	-	-	(2,002)	487,552
As of March 31, 2023	1,222,944	4,229,444	18,556,477	675,425	398,442	6,371,685	10,023,531	2,365,189	319,298	44,162,435
Accumulated depreciation:										
As of March 31, 2021	-	(233,543)	(1,815,926)	(77,161)	(41,617)	-	-	-	(14,889)	(2,183,136)
Net assets contributed through corporate reorganization of RESA	-	(566,239)	(4,330,178)	(315,309)	(163,427)	-	(5,039,227)	(903,459)	(26,375)	(11,344,214)
Business combination	-	4,723	(3,641)	(37)	(197)	-	-	-	-	848
Depreciation in the year	-	(147,800)	(1,142,647)	(54,051)	(37,048)	-	(524,562)	(791,131)	(10,609)	(2,707,848)
Write-offs	-	4,030	117,405	37,393	2,107	-	-	-	12	160,947
Transfers (1)	-	(125)	7,987	(2,356)	(741)	-	-	753,025	100	757,890
Effect of foreign currency translation and others	-	73,703	406,657	5,171	5,250	-	-	-	101	490,882
As of March 31, 2022	-	(865,251)	(6,760,343)	(406,350)	(235,673)	-	(5,563,789)	(941,565)	(51,660)	(14,824,631)
Depreciation in the year	-	(171,837)	(1,212,553)	(64,204)	(43,482)	-	(813,854)	(1,566,256)	(22,184)	(3,894,370)
Write-offs	-	11,563	228,082	57,193	10,822	-	-	-	85	307,745
Transfers (1)	-	26,819	(43,882)	(114)	5,382	(3,079)	-	1,566,318	(85)	1,551,359
Effect of foreign currency translation and others	-	(29,192)	(150,324)	(1,963)	(1,872)	-	-	-	197	(183,154)
As of March 31, 2023	-	(1,027,898)	(7,939,020)	(415,438)	(264,823)	(3,079)	(6,377,643)	(941,503)	(73,647)	(17,043,051)
Net residual value:										
As of March 31, 2023	1,222,944	3,201,546	10,617,457	259,987	133,619	6,368,606	3,645,888	1,423,686	245,651	27,119,384
As of March 31, 2022	1,207,302	3,147,807	10,297,808	299,412	116,728	2,826,038	2,974,519	1,377,704	17,534	22,264,852

(1) Refers, substantially, to transfers of construction in progress to the corresponding asset categories after being capitalized, including transfers of software costs to "Intangible assets".

In thousands of Reais - R$, unless otherwise indicated

Construction in progress

The balances of construction in progress refer mainly to: (i) construction of E2G plant; (ii) expansion of the bioenergy park (Barra Mansa 1 Project – Paraguaçu); (iii) construction of solar energy generation and distribution plants; (iv) irrigation implementation and expansion projects; (v) improvements in irrigation systems (economizers); (vi) construction and expansion of biogas plants; (vii) construction of solar energy plants; (viii) investments in industrial maintenance and improvement, agricultural automation, in addition to Safety, Health and Environment and administrative investments; (ix) projects for the construction of new fuel distribution terminals and expansion, modernization and improvement of existing terminals; (x) investment in service stations under the Shell banner; (xi) investments in large clients (B2B), such as acquisition and installation of equipment, installation of gas stations in these large consumer clients; and (xii) expansion, modernization and improvement of airports, such as the acquisition of supply vehicles, expansion of fire hydrant networks and supply points. During the year ended March 31, 2023, several projects were concluded, totaling R$ 1,816,507 (R$ 1,531,254 in 2022).

Capitalization of borrowing costs

In the year ended March 31, 2023, consolidated borrowing costs at Raízen totaled R$ 74,233 (R$ 71,200 in 2022). As of March 31, 2023, the weighted average annual rates of financial charges for certain debts were 12.42% (6.36% in 2022).

13. Intangible assets

					Individual
	Software license	Goodwill	Brands	Others	Total
Cost or valuation:					
As of March 31, 2021	385,627	439,585	532,078	351	1,357,641
Additions (1)	104,816	-	1,722,993	-	1,827,809
Transfers (2)	8,999	-	-	-	8,999
As of March 31, 2022	499,442	439,585	2,255,071	351	3,194,449
Additions	166,620	-	-	-	166,620
Write-offs	(1,095)	-	-	-	(1,095)
Transfers (2)	9,205	-	-	-	9,205
As of March 31, 2023	674,172	439,585	2,255,071	351	3,369,179
Accumulated amortization:					
As of March 31, 2021	(237,089)	-	(527,705)	-	(764,794)
Amortization in the year	(37,364)	-	(118,505)	-	(155,869)
As of March 31, 2022	(274,453)	-	(646,210)	-	(920,663)
Amortization in the year	(53,861)	-	(132,538)	-	(186,399)
Write-offs	250	-	-	-	250
As of March 31, 2023	(328,064)	-	(778,748)	-	(1,106,812)
Net residual value:					
As of March 31, 2023	346,108	439,585	1,476,323	351	2,262,367
As of March 31, 2022	224,989	439,585	1,608,861	351	2,273,786

(1) On May 20, 2021, Raízen signed the renewal of the license agreement for use of the Shell brand with Shell Brands, for a minimum period of 13 (thirteen) years, renewable in certain cases, subject to the compliance with certain conditions established in the agreement.

(2) These refer to amounts transferred from "Property, plant and equipment" account.

In thousands of Reais - R$, unless otherwise indicated

Consolidated

	Software license	Goodwill	Brands	Contractual relationships with clients	Operating authorization	Granting rights and others	Sharecropping agreements	Sugarcane supply agreements	Right of use - public concessions	Technology	Total
Cost or valuation:											
As of March 31, 2021	435,486	780,019	532,348	412,035	-	26,361	-	-	-	-	2,186,249
Net assets contributed through corporate reorganization of RESA	354,445	1,978,731	-	16,196	-	29,276	18,122	181,516	12,542	185,136	2,775,964
Business combination	8,844	1,297,156	60,746	-	-	-	-	-	1,470	-	1,368,216
Additions (1)	131,968	-	1,722,993	-	-	28,769	-	-	-	-	1,883,730
Capital contribution	-	-	-	-	-	(5,000)	-	-	-	-	(5,000)
Transfers (2)	97,053	-	-	-	-	-	-	-	-	-	97,053
Effect of foreign currency translation and others	(11,384)	(120,424)	(10,189)	(67,962)	-	(1,170)	-	-	-	-	(211,129)
As of March 31, 2022	1,016,412	3,935,482	2,305,898	360,269	-	78,236	18,122	181,516	14,012	185,136	8,095,083
Business combination (Note 30)	7,709	(107,815)	-	35,062	124,711	-	-	-	-	-	59,667
Additions (3)	225,051	-	37,332	45,000	-	-	-	-	-	-	307,383
Write-offs	(1,095)	-	-	-	-	-	-	-	-	-	(1,095)
Transfers (2)	97,219	-	-	-	-	(57,202)	-	-	-	-	40,017
Effect of foreign currency translation and others	5,241	33,672	1,845	24,777	-	(478)	-	-	-	-	65,057
As of March 31, 2023	1,350,537	3,861,339	2,345,075	465,108	124,711	20,556	18,122	181,516	14,012	185,136	8,566,112
Accumulated amortization:											
As of March 31, 2021	(245,059)	-	(527,956)	(66,796)	-	(1,220)	-	-	-	-	(841,031)
Net assets contributed through corporate reorganization of RESA	(250,270)	(431,380)	-	(3,828)	-	(21,204)	(18,078)	(121,198)	(12,542)	(114,544)	(973,044)
Amortization in the year	(88,089)	-	(122,496)	(42,617)	-	(401)	-	(8,475)	-	(13,273)	(275,351)
Transfers (2)	(5,097)	-	-	-	-	-	-	-	-	-	(5,097)
Effect of foreign currency translation and others	4,744	-	480	15,075	-	-	-	-	-	-	20,299
As of March 31, 2022	(583,771)	(431,380)	(649,972)	(98,166)	-	(22,825)	(18,078)	(129,673)	(12,542)	(127,817)	(2,074,224)
Amortization in the year	(126,570)	-	(144,861)	(35,294)	(4,830)	-	(39)	(3,841)	(977)	(18,591)	(335,003)
Write-offs	250	-	-	-	-	-	-	-	-	-	250
Transfers (2)	(351)	-	-	-	-	2,502	-	-	-	-	2,151
Effect of foreign currency translation and others	(1,739)	-	129	(6,239)	-	-	-	-	-	-	(7,849)
As of March 31, 2023	(712,181)	(431,380)	(794,704)	(139,699)	(4,830)	(20,323)	(18,117)	(133,514)	(13,519)	(146,408)	(2,414,675)
Net residual value:											
As of March 31, 2023	638,356	3,429,959	1,550,371	325,409	119,881	233	5	48,002	493	38,728	6,151,437
As of March 31, 2022	432,641	3,504,102	1,655,926	262,103	-	55,411	44	51,843	1,470	57,319	6,020,859

In thousands of Reais - R$, unless otherwise indicated

(1) On May 20, 2021, Raízen signed the renewal of the license agreement for use of the Shell brand with Shell Brands, for a minimum period of 13 (thirteen) years, renewable in certain cases, subject to the compliance with certain conditions established in the contract.

(2) These refer to amounts transferred from the line item "Property, plant and equipment" in the amount of R$ 96,868 and transfers to the line item "Right of Use" in the amount of R$ 54,700 referring to the granting of lease contracts of public infrastructure areas.

(3) On May 1, 2022, indirectly subsidiary Neolubes signed the renewal of the license agreement for use of the Shell brand with Shell Brands, for a minimum term of 13 (thirteen) years, renewable in certain cases, subject to the compliance with certain conditions established in the agreement.

Goodwill

This refers to goodwill paid for expected future profitability. As of March 31, 2023, and 2022, the balance of goodwill is as follows:

	2023	2022
On business combination of Cosan Combustíveis Lubrificantes S.A.	348,103	348,103
On acquisition of Latina	70,432	70,432
On acquisition of Raízen Argentina (1)	303,573	283,101
On acquisition of Raízen Centro-Sul (Note 30.a)	687,385	757,487
On acquisition of Raízen Paraguay (Note 30.b) (1)	313,034	313,075
On acquisition of Costa Rica Canavieira Ltda.	57,169	57,169
On acquisition of Cerrado Açúcar e Álcool S.A.	24,660	24,660
On acquisition of RESA (formerly Cosan S.A. Açúcar e Álcool)	558	558
On acquisition of Univalem S.A. Açúcar e Álcool	5,018	5,018
On acquisition of Usina Açucareira Bom Retiro S.A.	81,575	81,575
On acquisition of Usina Benálcool	149,247	149,247
On acquisition of Usina Santa Luíza	42,348	42,348
On acquisition of Usina Zanin Açúcar e Álcool	98,380	98,380
On acquisition of Vertical	4,313	4,313
On acquisition of Corona Group	380,003	380,003
On acquisition of Destivale Group	42,494	42,494
On acquisition of Mundial Group	87,435	87,435
On establishment of FBA – Franco Brasileira S.A. Açúcar e Álcool	4,407	4,407
On merger of Curupay S.A. Participações	109,841	109,841
On payment of capital at Mundial	14,800	14,800
On acquisition of Usinas Santa Cândida e Paraíso	431,272	431,272
On acquisition of RWXE	8,430	8,430
On acquisition of Ryballa	5,400	5,400
On acquisition of Gera Nex Participações (Note 30.c)	63,288	163,504
On acquisition of Payly (Note 30.e)	75,744	-
Others	21,050	21,050
	3,429,959	3,504,102

(1) As of March 31, 2023, the goodwill generated by the acquisition of Raízen Argentina and Raízen Paraguay includes the balance of the effect of foreign currency translation in the amount of R$ 81,674 and less R$ 49,845 (R$ 61,202 and less R$ 63,090 in 2022), respectively,

Impairment analysis for cash generating units containing goodwill

Raízen evaluates the recoverable amount of goodwill at least annually.

Management uses the value in use method to determine the recoverable amount, which is based on the projection of the discounted cash flows expected from the cash-generating units (CGU) determined by management based on the budgets that consider the assumptions related to each CGU, using information available in the market and prior performance.
The Company's discounted cash flows related to the CGU "Marketing and Services" of Brazil, Argentina and Paraguay were prepared for a 5-year period and carried at perpetuity without considering the real growth rate, based on past performance and expectations for market development. Cash flows arising from the continued use of related assets are adjusted for specific risks and use the post-tax discount rate, calculated at 9.16% per year (6.91% in 2022),

The main assumptions used by the Company were: (i) prices based on the market expectation, (ii) estimated growth rates for the business sector, and (iii) extrapolations of growth rates based on the Brazil, Argentina and Paraguay Gross Domestic Product (GDP). The entire future cash flow was discounted at rates that reflect specific risks related to the relevant assets in each cash-generating unit.

The discounted cash flows of the subsidiary RESA and its subsidiaries, which comprise substantially the CGUs "Sugar" and "Renewables", were prepared for a period of 25 years, in accordance with a reasonable time to recover the assets related to the activities of their economic sector. No real growth rate was considered in the year of the cash flow or in perpetuity, based on past performance and expectations for market development. The discount rate used was 9.16% per year (6.91% in 2022),

The main assumptions used for subsidiary RESA and its subsidiaries were: (i) expected price of sales of commodities over the long term; (ii) productivity in agricultural areas; (iii) performance of Total Recoverable Sugar ("TRS"); and (iv) operating and administrative costs. The entire cash flow was discounted at rates that reflect specific risks related to the relevant assets in each cash-generating unit.

As a result of the annual impairment tests, no significant losses were recognized in the years ended March 31, 2023, and 2022. The determination of the recoverability of assets depends on certain key assumptions as described above, which are influenced by the market, technological and economic conditions prevailing when such test is carried out and, therefore, it is not possible to determine whether impairment losses will occur in the future and, in the event, they occur, if they will be material.

In thousands of Reais - R$, unless otherwise indicated

14. Suppliers and advances to suppliers

(a) Suppliers

		Individual		Consolidated
	2023	2022	2023	2022
Suppliers - agreement (i)	6,440,153	6,393,207	9,681,469	9,483,222
Suppliers of materials and services (ii)	205,500	194,394	6,943,091	5,767,281
Oil products suppliers (iii)	2,188,012	1,321,980	3,489,503	2,046,248
Ethanol suppliers (iii)	692,625	773,761	798,385	879,788
Sugarcane suppliers (iv)	-	-	539,890	882,975
	9,526,290	8,683,342	21,452,338	19,059,514
Domestic (local currency)	9,518,051	8,661,726	13,911,342	11,873,453
Abroad (foreign currency) (Note 27.d)	8,239	21,616	7,540,996	7,186,061
	9,526,290	8,683,342	21,452,338	19,059,514

(i) The Company has agreements related to payments with financial institutions ("Agreements") through which certain suppliers may anticipate their receivables related to products and services provided to the Company, directly with financial institutions.

Under such Agreements, the supplier elects whether to anticipate the receivables and the financial institutions decide whether or not to acquire said credits, without interference from Raízen. The use of the Agreements does not imply any change in the notes issued by the suppliers, maintaining the conditions regarding the original amounts and payment terms which is approximately 99 days, falling within the Company's ordinary operational cycle.

(ii) Balance payable to suppliers of materials and services refers to acquisitions of machinery and equipment for the bioenergy parks, distribution bases and own reseller gas stations, as well as diverse services contracted.

(iii) The balances payable to suppliers of oil products and ethanol refer to installment purchases made by Raízen.

(iv) The sugarcane harvest period, which usually takes place between April and December of each year, generally has a direct impact on the balance with sugarcane suppliers and the respective cutting, loading and transportation services.

(b) Advances to suppliers

		Individual		Consolidated
	2023	2022	2023	2022
Performance (1)	-	-	-	3,383,055
Sugarcane (2)	-	-	401,325	691,247
Suppliers of materials and services	5,235	2,825	211,664	332,165
	5,235	2,825	612,989	4,406,467
Domestic (local currency)	5,235	2,825	521,607	4,318,161
Abroad (foreign currency)	-	-	91,382	88,306
	5,235	2,825	612,989	4,406,467
Current	(5,235)	(2,825)	(392,647)	(4,215,961)
Non-current	-	-	220,342	190,506

(1) These refer to advances on commodity export performance, backed by US dollars, related to the purchase of goods for future delivery, specifically for export purposes, which were fully performed in the year ended March 31, 2023.

In thousands of Reais - R$, unless otherwise indicated

(2) These refer to advances made to sugarcane suppliers that are monetarily adjusted on a monthly basis according to the conditions and indices specifically agreed in the contracts.

15. Leases

(a) Rights of use

As of March 31, 2023, rights of use are presented by the following underlying assets:

				Individual
	Properties	**Vehicles**	**Machinery and equipment**	**Total**
Cost or valuation:				
As of March 31, 2021	221,924	23,227	495	245,646
Additions	86,831	109	-	86,940
Write-offs	(4,005)	-	-	(4,005)
Remeasurements (1)	30,013	709	-	30,722
As of March 31, 2022	334,763	24,045	495	359,303
Additions	24,718	-	81	24,799
Write-offs	-	(7,557)	(1)	(7,558)
Remeasurements (1)	21,536	3,694	9	25,239
As of March 31, 2023	381,017	20,182	584	401,783
Accumulated amortization:				
As of March 31, 2021	(72,910)	(8,821)	(235)	(81,966)
Amortization in the year	(44,687)	(4,162)	(118)	(48,967)
Write-offs	426	-	-	426
As of March 31, 2022	(117,171)	(12,983)	(353)	(130,507)
Amortization in the year	(56,809)	(4,471)	(103)	(61,383)
Write-offs	2	7,637	-	7,639
As of March 31, 2023	(173,978)	(9,817)	(456)	(184,251)
Net residual value:				
As of March 31, 2023	207,039	10,365	128	217,532
As of March 31, 2022	217,592	11,062	142	228,796

(1) Updating of the restatement index, substantially composed of the IPCA, applicable annually.

In thousands of Reais - R$, unless otherwise indicated

	Land	Properties	Aircraft and vehicles	Machinery and equipment	Manufacturing facilities	Furniture, fixtures and IT equipment	Consolidated Total
Cost or valuation:							
As of March 31, 2021	255,281	261,859	597,687	1,090	-	-	1,115,917
Net assets contributed through corporate reorganization of RESA	7,917,099	166,496	269,291	533,870	97,324	5,021	8,989,101
Business combination	2,685,755	143	3,563	251,227	-	-	2,940,688
Additions	1,040,867	94,808	157,441	97,763	-	-	1,390,879
Write-offs	(315,255)	(4,396)	(48,082)	(22,869)	-	-	(390,602)
Remeasurements (1)	1,539,924	107,907	39,666	1,064	30,810	-	1,719,371
Transfers	-	5,013	(85)	-	-	-	4,928
Effect of foreign currency translation and others	(48,334)	(32,491)	(108,377)	(325)	-	-	(189,527)
As of March 31, 2022	13,075,337	599,339	911,104	861,820	128,134	5,021	15,580,755
Business combination (Note 30.d)	-	512	-	-	-	-	512
Additions	1,456,951	213,768	861,866	107,671	-	-	2,640,256
Write-offs	(459,078)	(2,205)	(21,214)	(24,817)	-	-	(507,314)
Remeasurements (1)	15,592	52,577	25,518	23,709	11,883	-	129,279
Transfers	(8,637)	64,810	7,645	(66)	-	-	63,752
Effect of foreign currency translation and others	13,360	13,006	37,980	85	-	-	64,431
As of March 31, 2023	14,093,525	941,807	1,822,899	968,402	140,017	5,021	17,971,671
Accumulated amortization:							
As of March 31, 2021	(47,717)	(190,594)	(365,481)	(389)	-	-	(604,181)
Net assets contributed through corporate reorganization of RESA	(1,954,345)	(54,839)	(121,375)	(117,228)	(12,719)	(903)	(2,261,409)
Amortization in the year	(1,690,149)	(137,000)	(210,318)	(147,738)	(5,679)	-	(2,190,884)
Write-offs	107,639	624	38,217	2,514	-	38	149,032
Transfers	-	(5,013)	-	-	-	-	(5,013)
Effect of foreign currency translation and others	8,950	25,224	77,070	91	-	-	111,335
As of March 31, 2022	(3,575,622)	(361,598)	(581,887)	(262,750)	(18,398)	(865)	(4,801,120)
Amortization in the year	(2,386,350)	(134,639)	(274,031)	(192,092)	(8,217)	-	(2,995,329)
Write-offs	141,268	(974)	11,484	575	-	-	152,353
Transfers	2,924	1,119	(13,086)	(9)	-	-	(9,052)
Effect of foreign currency translation and others	(3,656)	(9,662)	(29,101)	(31)	-	-	(42,450)
As of March 31, 2023	(5,821,436)	(505,754)	(886,621)	(454,307)	(26,615)	(865)	(7,695,598)
Net residual value:							
As of March 31, 2023	8,272,089	436,053	936,278	514,095	113,402	4,156	10,276,073
As of March 31, 2022	9,499,715	237,741	329,217	599,070	109,736	4,156	10,779,635

(1) Updating of the restatement index, substantially composed of the variation in the price of the Council of Sugarcane, Sugar and Ethanol Producers of the State of São Paulo ("CONSECANA") applied to lease and sharecropping agreements of RESA and its subsidiaries.

In thousands of Reais - R$, unless otherwise indicated

We present below the weighted average amortization rates by class of right of use as of March 31, 2023, and 2022:

Class	2023	2022
Land	12%	18%
Properties	16%	34%
Aircraft and vehicles	14%	22%
Machinery and equipment	15%	17%
Manufacturing facilities	6%	6%

(b) Lease liabilities

Changes in lease liabilities in the years ended March 31, 2023, and 2022 are as follows:

	Individual	Consolidated
As of March 31, 2021	78,002	486,879
Net assets contributed through corporate reorganization of RESA	-	5,757,038
Business combination	-	3,140,666
Additions	86,940	1,468,459
Write-offs	(3,730)	(224,939)
Payments	(43,906)	(2,179,271)
Interest	8,927	655,225
Amortizations by advances and others	-	(64,327)
Remeasurements (1)	20,561	1,448,099
Effect of foreign currency translation	-	(63,125)
As of March 31, 2022	146,794	10,424,704
Business combination (Note 30)	-	512
Additions	24,799	2,423,737
Write-offs	(3,116)	(304,949)
Payments	(53,830)	(2,737,691)
Interest	13,215	979,002
Amortization by advances and others	-	(117,590)
Remeasurements (1)	19,374	125,463
Effect of foreign currency translation	-	21,321
As of March 31, 2023	147,236	10,814,509
Domestic (local currency)	147,236	10,440,259
Abroad (foreign currency) (Note 27.d)	-	374,250
	147,236	10,814,509
Current	(52,049)	(2,658,519)
Non-current	95,187	8,155,990

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

The weighted average incremental rate applied to the Company's lease liabilities as of March 31, 2023, was 10.1% (9.3% in 2022), As of March 31, 2023, the maturity of consolidated lease liabilities of third parties and related parties (Note 9.a) is as follows:

In thousands of Reais - R$, unless otherwise indicated

		Consolidated
Maturity	**Present value**	**Future value**
1 to 12 months	2,892,145	3,483,761
13 to 24 months	2,053,205	2,899,494
25 to 36 months	1,729,010	2,383,116
37 to 48 months	1,472,012	1,965,098
49 to 60 months	1,057,371	1,419,557
61 to 72 months	754,666	1,018,930
73 to 84 months	510,808	707,254
85 to 96 months	383,087	530,113
97 to 120 months	485,195	690,099
More than 121 months	710,119	1,034,244
Gross amount	12,047,618	16,131,666
Potential right of PIS and COFINS recoverable (1)	1,079,787	1,439,887

(1) This refers to the potential right of PIS/COFINS credits on payments of lease calculated based on the theoretical rate of 9.25%, applicable in Brazil. The purpose of this disclosure is to comply with Memorandum Circular CVM/SNC/SEP No. 02/2019 and is only an estimate. Therefore, these credits are not those that could effectively be used by Raízen, and its subsidiaries located in Brazil in the future. In such event, the referred to credits may be materially different due to possibility of the effective rate being different from the theoretical rate or due to subsequent changes in Brazilian tax legislation.

In thousands of Reais - R$, unless otherwise indicated

16. Loans and financing

Purpose	Final maturity	Index	Annual effective average interest rate (1) 2023	Annual effective average interest rate (1) 2022	Individual 2023	Individual 2022	Consolidated 2023	Consolidated 2022
Debt classification per currency:								
Denominated in Brazilian real (R$)					792,425	775,094	13,178,849	8,667,568
Denominated in foreign currency (Note 27.d)					5,452,983	6,561,154	16,305,127	13,657,246
					6,245,408	7,336,248	29,483,976	22,324,814
Debt type (2):								
PPE	Mar/30	US$ + Libor	4.92%	2.10%	4,089,432	5,032,365	6,714,549	7,283,197
PPE	Mar/29	Fixed rate	4.10%	2.56%	1,363,551	1,338,946	3,833,982	1,338,946
PPE	May/27	SOFR	6.74%	-	-	-	253,010	-
Senior Notes Due 2027	Jan/27	US$	5.30%	5.30%	-	-	3,622,804	3,565,225
Agribusiness Receivables Certificate ("CRA")	Aug/37	IPCA	10.36%	10.35%	272,321	259,825	5,906,491	3,721,611
Agribusiness Receivables Certificate ("CRA")	Jul/29	CDI	13.18%	11.29%	520,104	515,269	1,836,809	2,297,306
BNDES	Mar/24	URTJLP	7.45%	6.08%	-	-	314	982
BNDES	Dec/30	Fixed rate	4.20%	3.66%	-	-	92,595	176,269
BNDES	Apr/24	UMBND	5.41%	5.04%	-	-	5,785	14,315
BNDES	Dec/38	IPCA	9.23%	11.72%	-	-	150,840	160,546
Advances on Exchange Contracts ("ACC")	-	Fixed rate	-	1.21%	-	189,843	-	189,843
Debentures	Mar/32	IPCA + interest	9.80%	11.26%	-	-	2,432,079	1,170,895
Term Loan Agreement	Apr/24	US$ + Libor	6.01%	2.00%	-	-	1,014,572	957,484
Rural financial product note ("CPF-R")	Nov/29	CDI	15.74%	13.42%	-	-	1,052,373	1,037,064
Schuldschein	-	Euribor	-	1.82%	-	-	-	318,931
Finep	-	Fixed rate	-	5.00%	-	-	-	22,069
Machinery and Equipment Financing (Finame)/Lease	Jul/25	Fixed rate	6.93%	6.70%	-	-	13,657	27,358
Resolution No, 2471 (PESA)	Apr/23	IGP-M	5.01%	16.51%	-	-	35,303	35,226
Resolution No, 2471 (PESA)	Oct/25	Fixed rate	3.00%	3.00%	-	-	23	30
Export Credit Notes ("NCE")	Jul/30	CDI	15.69%	-	-	-	1,652,582	-
Working capital and others	Mar/24	Fixed rate	13.13%	2.84%	-	-	866,208	7,517
					6,245,408	7,336,248	29,483,976	22,324,814
Expenses incurred with the placement of the securities:								
CRA					-	-	(2,394)	(25,316)
CPR-F					-	-	(8,570)	(9,855)
Senior Notes Due 2027					-	-	(2,622)	(3,099)
BNDES					-	-	(1,198)	(1,653)
PPE					(6,522)	(9,923)	(6,598)	(10,015)
NCE					-	-	(7,656)	-
					(6,522)	(9,923)	(29,038)	(49,938)
					6,238,886	7,326,325	29,454,938	22,274,876
Current					(1,632,367)	(213,604)	(4,855,395)	(1,565,260)
Non-current					4,606,519	7,112,721	24,599,543	20,709,616

In thousands of Reais - R$, unless otherwise indicated

(1) The annual effective interest rate corresponds to the contract fee plus Libor (London InterBank Offered Rate), Euribor (European Interbank Offered Rate), SOFR (Secured Overnight Financing Rate), URTJLP, IGP-M, UMBND, IPCA or CDI, where applicable.

(2) Loans and financing are generally guaranteed by promissory notes from Raízen. In certain cases, they also have security interest, such as: i) credit rights arising from energy trading contracts (BNDES); ii) National Treasury Certificates ("CTN") and land mortgage (PESA); iii) property, plant, and equipment; and/or iv) fiduciary alienation of financed assets (Finame/PESA).

As of March 31, 2023, overdue installments in the long term, less amortization of expenses with placement, is as follows:

Maturity	Individual	Consolidated
13 to 24 months	1,826,786	4,837,670
25 to 36 months	555,572	1,305,443
37 to 48 months	1,586,696	5,410,090
49 to 60 months	28,224	3,819,063
61 to 72 months	468,526	4,280,241
73 to 84 months	112,898	2,186,297
85 to 96 months	-	1,015,843
More than 97 months	27,817	1,744,896
	4,606,519	24,599,543

Raízen's main loans and financing are detailed below:

(a) Pre-export financing

Between 2015 and 2022, the Company and its subsidiaries entered into pre-export financing agreements with various financial institutions for financing for future export of products, including the withdrawal from credit facilities held by the Company with a syndicate of international banks. During the year ended March 31, 2023, the Company, through its subsidiaries RESA and Raízen Argentina, entered into new PPE agreements totaling R$ 4,386,107 (R$ 4,215,685 in 2022), equivalent to US$ 872,406 thousand (US$ 785,094 thousand in 2022). Outstanding PPE agreements on March 31,2023 expire in 2030.

In March 2023, the Company renegotiated the maturities of certain PPE contracts, originally scheduled for 2023 and 2025, in the amount of US$425,000 thousand, equivalent to R$2,161,185, for new maturities between 2028 and 2030, with immaterial changes to other contractual terms.

(b) Term Loan Agreement

On March 25, 2019, the indirect subsidiary Raízen Fuels took out a syndicated loan of US$ 200,000 thousand, corresponding to approximately R$ 775,00 on that date, with final maturity on April 30, 2024.

(c) Senior Notes Due 2027

In January 2017 and July 2020, the indirect subsidiary Raízen Fuels issued Senior Notes in the international market, totaling the principal amount of US$ 500,000 thousand and US$ 225,000 thousand, respectively, with payment of half-yearly interest in July each year and principal in January 2027.

In thousands of Reais - R$, unless otherwise indicated

(d) Agribusiness Receivables Certificate (CRA)

The funds raised were used in the activities conducted by the Company and its subsidiaries, substantially related to agribusiness, in the ordinary course of business. As of March 31, 2023, the CRA agreements payable are as follows:

Taken out on	Company	Issuer	Issue	Series	Maturity	Principal
May/16	RESA	RB Capital Companhia de Securitização	1st	4th	May/23	209,294
May/17	RESA	RB Capital Companhia de Securitização	1st	6th	Apr/23	738,814
May/17	RESA	RB Capital Companhia de Securitização	1st	7th	Apr/24	230,877
Dec/17	Raízen S.A.	RB Capital Companhia de Securitização	1st	11th	Dec/23	501,489
Dec/17	Raízen S.A.	RB Capital Companhia de Securitização	1st	12th	Dec/24	204,024
Mar/19	RESA	RB Capital Companhia de Securitização	6th	1st	Mar/25	300,000
Mar/19	RESA	RB Capital Companhia de Securitização	6th	2nd	Mar/26	600,000
Jul/19	RESA	True Securitizadora S.A.	6th	1st	Jul/29	228,190
Jul/19	RESA	True Securitizadora S.A.	6th	2nd	Jul/29	787,658
Jun/20	RESA	True Securitizadora S.A.	8th	2nd	Jun/27	352,426
Jun/20	RESA	True Securitizadora S.A.	8th	2nd	Jun/30	728,056
Sept/22	RESA	True Securitizadora S.A.	38th	1st	Aug/32	1,060,000
Sept/22	RESA	True Securitizadora S.A.	38th	2nd	Aug/37	940,000
						6,880,828

In May 2022, RESA settled the CRA agreement, related to the first issue of the single series signed in May 2016, in the principal amount of R$ 465,706.

(e) Debentures

Between November 2019 and April 2022, the Brazilian SEC ("CVM") granted to subsidiary RESA registration for its Public Issue of Simple Debentures, non-convertible into shares, of the unsecured type, at the nominal value of R$ 1,000,00, as shown below:

	Index	Principal	Receipt date	Maturity
4th Series	IPCA	900,000	11/28/2019	11/16/2029
5th Series	IPCA	169,518	06/15/2020	06/15/2030
7th Series I (1)	IPCA	768,094	04/13/2022	03/15/2029
7th Series II (1)	IPCA	428,591	04/13/2022	03/15/2032
		2,266,203		

(1) Contracts entered into by RESA related to the first issue of Sustainability-Linked Debentures (SLD) linked to Environmental, Social and Corporate Governance (ESG) goals,

(f) Advances on Exchange Contracts (ACC)

In May and June 2022, the subsidiary RESA raised ACCs in the amount of R$ 442,350, equivalent to US$ 90,000 thousand, which were fully settled during the year ended March 31, 2023,

(g) NCE

In July and December 2022, the subsidiary RESA raised NCEs in the amount of R$ 600,000 and R$ 1,000,000, with final maturity in July 2030 and December 2029, respectively.

In thousands of Reais - R$, unless otherwise indicated

(h) Other loans raised and/or settled in this year

In June 2022, the subsidiary RESA raised R$1,750,000 for working capital with annual fixed rate of 14.09%. This agreement was fully settled in March 2023.

In September 2022, the indirect subsidiary Raízen Fuels settled the Schuldschein agreement, signed in September 2015, in the principal amount of € 60,000 thousand, for R$ 317,842, of which R$ 316,120 refers to principal and R$ 1,722 to interest.

(i) Revolving Credit Facility

As of March 31, 2023, the revolving credit facilities taken out by the Company and not used until the closing date of these financial statements are as follows:

Beneficiary	Institution	Amount in US$	Maturity
Raízen Fuels	Syndicate of banks	300,000	Apr/2024
Raízen Fuels	Syndicate of banks	700,000	Dec/2026
		1,000,000	

(j) Covenants

The Company is not subject to compliance with financial ratios and is subject only to certain covenants of loan and financing agreements, such as cross-default and negative pledge, which have been met in accordance with contractual requirements. As of March 31, 2023, and 2022, the Company is in compliance with all covenants referring to loans, financing and debentures.

(k) Fair value

As of March 31, 2023, and 2022, the carrying amount and fair value of the loans and financing, determined by level 2 of the fair value hierarchy, are shown below:

						Individual
	Amount raised, updated		Fair value (1)		Financial income (expenses)	
Type	2023	2022	2023	2022	2023	2022
PPE	4,946,643	4,604,704	4,791,582	4,570,184	120,541	45,958
CRA	278,332	264,241	272,321	259,825	1,595	15,626
	5,224,975	4,868,945	5,063,903	4,830,009	122,136	61,584

(1) Includes a fair value assessment balance as of March 31, 2023, and 2022, amounting to R$ 161,072 and R$ 38,936, respectively,

						Consolidated
	Amount raised, updated		Fair value (1)		Financial income (expenses)	
Type	2023	2022	2023	2022	2023	2022
PPE	9,281,619	5,909,877	9,079,993	5,908,687	200,436	29,461
CRA	6,201,995	3,437,400	5,906,491	3,300,027	158,131	187,474
Term Loan Agreement	1,017,947	948,244	1,014,572	957,484	12,615	102,557
Senior Notes Due 2027	1,948,031	3,499,793	1,824,506	3,565,225	188,957	170,354
Schuldschein	-	315,524	-	318,931	3,407	16,135
Debentures	2,613,704	1,291,025	2,432,079	1,170,895	61,495	86,726
	21,063,296	15,401,863	20,257,641	15,221,249	625,041	592,707

In thousands of Reais - R$, unless otherwise indicated

(1) Includes a fair value assessment balance as of March 31, 2023, and 2022, amounting to R$ 805,655 and R$ 180,614, respectively.

Other loans and financing have no quoted value and the fair value substantially approximates their carrying amount, due to exposure to variable interest rates and the immaterial changes in the Raízen's credit risk.

17. Income tax and social contribution

(a) Reconciliation of income tax and social contribution income (expenses)

	Individual		Consolidated	
	2023	2022	2023	2022
Income before income tax and social contribution	3,047,932	2,950,800	3,263,580	4,201,852
Income tax and social contribution at nominal rate (34%)	(1,036,297)	(1,003,272)	(1,109,617)	(1,428,630)
Adjustments to calculate the effective rate:				
Government grant	41,663	-	175,489	77,018
Tax overpayment - Selic (1)	14,122	22,177	98,141	79,093
Change in rate of foreign company (2)	-	-	-	(195,038)
Unrecognized deferred taxes	-	-	3,197	86,562
Reversal of deferred taxes (3)	-	-	(94,796)	-
Effect of foreign exchange variations on assets and liabilities abroad	-	-	25,859	154,389
Interest on own capital	97,648	154,524	97,648	154,524
Difference between deemed income and taxable income rates	-	-	35,728	48,714
Equity accounting result	247,218	961,308	(44,231)	(21,437)
Others	28,840	63,481	52,328	92,516
Income tax and social contribution income (expenses)	(606,806)	198,218	(760,254)	(952,289)
Effective rate	19.9%	-6.7%	23.3%	22.7%

(1) On September 24, 2021, the Federal Supreme Court of Brazil ("STF"), upon ruling Appeal No. 1,063,187 that has not yet become final and unappealable, recognized the unconstitutionality of the IRPJ and CSLL on the Selic-based adjustment (arrears interest and monetary update) levied on tax overpayments. The Company and its subsidiaries are parties to ongoing individual lawsuits, which have not yet become final and unappealable, claiming the definitive exclusion of this tax levy. Considering the legal grounds contained in the appeal to the STF, the Company reassessed the likelihood of success, considering that it is probable that the tax treatment will be accepted, and started recognizing the credit from IRPJ and CSLL.

(2) This refers to the change in Argentine tax legislation, enacted in June 2021, which changed the income tax rate from 25% to 35%.

(3) On March 31, 2023, the indirect subsidiary Raízen Biomassa reversed the totality of the deferred tax assets due to the revision of the evaluation of its ability to recover the referred credits, resulting from projections of future taxable income.

(b) Recoverable income tax and social contribution

	Individual		Consolidated	
	2023	2022	2023	2022
IRPJ	424,652	282,819	622,058	516,398

In thousands of Reais - R$, unless otherwise indicated

CSLL	114,155	70,118	211,950	120,476
Tax credits of domestic entities	538,807	352,937	834,008	636,874
Tax credits of entities abroad	-	-	442,975	40,798
	538,807	352,937	1,276,983	677,672
Current assets	(10,821)	(352,937)	(744,795)	(605,854)
Non-current assets	527,986	-	532,188	71,818

On March 31, 2023, the indirect subsidiary Raízen Biomassa reversed all deferred tax assets, due to the review of the assessment of its ability to recover said credits, resulting from projections of future taxable income.

(c) Income tax and social contribution payable (current):

	Consolidated	
	2023	**2022**
IRPJ	27,183	118,613
CSLL	8,841	37,558
Tax debts of domestic entities	36,024	156,171
Tax debts of entities abroad	5,155	4,495
	41,179	160,666

In thousands of Reais - R$, unless otherwise indicated

(d) Deferred income tax and social contribution assets and liabilities:

					Individual					**Consolidated**
				2023	**2022**				**2023**	**2022**
Assets/(liabilities)	**Basis**	**IRPJ 25%**	**CSLL 9%**	**Total**	**Total**	**Basis**	**IRPJ 25%**	**CSLL 9%**	**Total**	**Total**
Tax losses	1,148,140	287,035	-	287,035	92,074	11,857,104	2,964,276	-	2,964,276	2,462,315
Tax losses of foreign entities	-	-	-	-	-	235,296	58,824	-	58,824	6,190
Negative basis for social contribution	1,149,644	-	103,468	103,468	33,240	12,537,478	-	1,128,373	1,128,373	836,405
Temporary differences:										
Remuneration and employee benefits	193,244	48,311	17,392	65,703	57,776	710,709	177,677	63,964	241,641	194,099
Unrealized income (loss) from derivatives	-	-	-	-	72,898	-	-	-	-	533,537
Fair value of financial liabilities	-	-	-	-	22,994	-	-	-	-	-
Lease liability and right of use	31,415	7,854	2,827	10,681	7,593	2,157,832	539,458	194,205	733,663	399,466
Tax overpayment – Selic	81,309	20,327	7,318	27,645	20,669	402,547	100,637	36,229	136,866	70,875
Share-based payment	58,003	14,501	5,220	19,721	14,384	58,003	14,501	5,220	19,721	14,384
Fair value of inventories	2,951	738	266	1,004	2,753	2,951	738	266	1,004	2,753
Exchange variation	856,909	214,227	77,122	291,349	103,410	2,252,603	563,151	202,734	765,885	492,527
Capitalized borrowing costs	10,888	2,722	980	3,702	143	-	-	-	-	-
Provisions and other temporary differences	700,159	175,040	63,014	238,054	207,988	1,840,444	460,111	165,640	625,751	779,418
Total deferred tax assets		770,755	277,607	1,048,362	635,922		4,879,373	1,796,631	6,676,004	5,791,969
Amortized tax goodwill	(940,094)	(235,024)	(84,608)	(319,632)	(319,632)	(2,535,524)	(633,881)	(228,197)	(862,078)	(787,932)
Capitalized borrowing costs	-	-	-	-		(339,609)	(84,902)	(30,565)	(115,467)	(106,490)
Biological assets	-	-	-	-	-	(2,169,382)	(542,346)	(195,244)	(737,590)	(801,785)
Refund of ICMS	(284,315)	(71,079)	(25,588)	(96,667)	(63,586)	(481,815)	(120,454)	(43,363)	(163,817)	(98,972)
Revaluation of property, plant and equipment	-	-	-	-	-	(1,165,741)	(291,435)	(104,917)	(396,352)	(527,229)
Effect on changes in depreciation rates of PPE	(351,921)	(87,980)	(31,673)	(119,653)	(91,306)	(2,966,915)	(741,729)	(267,022)	(1,008,751)	(1,033,465)
Unrealized income (loss) from derivatives	(514,638)	(128,660)	(46,317)	(174,977)	-	(410,976)	(102,744)	(36,988)	(139,732)	-
Fair value of financial liabilities	(161,076)	(40,269)	(14,497)	(54,766)	-	(686,953)	(171,738)	(61,826)	(233,564)	(57,191)
Fair value in the formation of the joint venture (Note 11.d)	(480,276)	(120,069)	(43,225)	(163,294)	(168,517)	(480,276)	(120,069)	(43,225)	(163,294)	(168,517)
Contractual relationships with clients	(155,829)	(38,957)	(14,025)	(52,982)	(57,363)	(157,994)	(39,499)	(14,219)	(53,718)	(59,549)
Fair value of property, plant and equipment items, intangible assets and others	(123,379)	(30,845)	(11,104)	(41,949)	(48,823)	(966,306)	(241,576)	(86,968)	(328,544)	(361,188)
Total deferred tax liabilities		(752,883)	(271,037)	(1,023,920)	(749,227)		(3,090,373)	(1,112,534)	(4,202,907)	(4,002,318)
Total deferred taxes		17,872	6,570	24,442	(113,305)		1,789,000	684,097	2,473,097	1,789,651
Deferred taxes - Assets, net				24,442	-				3,636,927	3,163,593
Deferred taxes - Liabilities, net				-	(113,305)				(1,163,830)	(1,373,942)
Total deferred taxes				24,442	(113,305)				2,473,097	1,789,651

In thousands of Reais - R$, unless otherwise indicated

(e) Changes in deferred taxes, net:

	Individual	Consolidated
As of March 31, 2021	(451,344)	(1,176,027)
Net assets contributed through corporate reorganization of RESA	-	2,054,100
Business combination	-	1,113,368
Credit on share issue costs (Note 20.a)	56,504	56,504
Credit in P&L	341,188	386,362
Deferred taxes on other comprehensive income	2,177	(817,507)
Effect of foreign currency translation and others	(61,830)	172,851
As of March 31, 2022	(113,305)	1,789,651
Business combination (Note 30)	-	77,624
Credit in P&L	173,779	916,353
Deferred taxes on other comprehensive income	(5,681)	(124,912)
Use of income tax and social contribution tax loss carryforwards for settlement of Refis	-	(2,833)
Effect of foreign currency translation and others	(30,351)	(182,786)
As of March 31, 2023	24,442	2,473,097

(f) Realization of deferred income tax and social contribution:

In assessing the ability to recover deferred taxes, management takes into consideration projections of future taxable profit and changes in temporary differences. Deferred tax assets are recognized only when it is probable that they will be used in the future. There is no expiration date for the use of the income tax and social contribution tax loss carryforwards balances, however the use of the tax loss carryforward is limited to 30% of annual taxable profits.

As of March 31, 2023, Raízen expects to realize deferred tax assets in certain entities, including income and social contribution tax loss carryforwards and temporary differences, as follows:

Years	Individual	Consolidated
2023 and 2024	292,886	899,781
2025	85,170	781,165
2026	341,321	482,355
2027	208,172	956,743
From 2027 onwards	120,813	3,555,960
Total	1,048,362	6,676,004

(g) Uncertain tax positions

From the perspective of the provisions of this decision and considering the Company's accounting policies, as well as Circular Letter No. 1/2023/CVM/SNC/SEP of February 13, 2023, the Company evaluated its final and unappealable legal proceedings and did not identify material impact on the individual and consolidated financial statements for the year ended March 31, 2023.

In thousands of Reais - R$, unless otherwise indicated

18. Legal disputes and judicial deposits

Breakdown of legal disputes considered as probable loss

When Raízen was set up in 2011 it was agreed that Shell and Cosan would reimburse Raízen and its subsidiaries for legal disputes that were ongoing or originated before its formation. As of March 31, 2023, and 2022, the balances of reimbursable and non-reimbursable lawsuits are described below:

		Individual		Consolidated
	2023	2022	2023	2022
Tax	436,871	428,765	607,457	608,725
Civil	271,490	225,253	443,855	463,364
Labor	43,155	35,565	787,251	672,124
Environmental	37,282	35,123	85,447	91,740
	788,798	724,706	1,924,010	1,835,953
Non-reimbursable legal disputes	60,101	54,082	991,160	913,218
Reimbursable legal disputes	728,697	670,624	932,850	922,735
	788,798	724,706	1,924,010	1,835,953

When Raízen was set up in 2011 it was also agreed that the Company and its subsidiaries would reimburse shareholders Shell and Cosan regarding the judicial deposits made on the date before its formation. As of March 31, 2023, and 2022, the balances of refundable deposits and non-refundable deposits are as follows:

		Individual		Consolidated
	2023	2022	2023	2022
Tax	39,083	26,385	537,750	469,245
Civil	10,363	14,612	41,297	79,734
Labor	12,263	10,835	165,833	174,481
	61,709	51,832	744,880	723,460
Own judicial deposits	41,282	32,497	448,541	356,426
Refundable judicial deposits	20,427	19,335	296,339	367,034
	61,709	51,832	744,880	723,460

(i) Non-reimbursable legal disputes

					Individual
	Tax	Civil	Labor	Environmental	Total
As of March 31, 2022	23,361	7,136	22,628	957	54,082
Provisioned for the year (a)	5,942	6,479	11,222	90	23,733
Reversals and write-offs (a)	(7,381)	(123)	(8,192)	(91)	(15,787)
Payments	(227)	(5,243)	(1,744)	(170)	(7,384)
Monetary update (b)	66	1,108	4,283	-	5,457
As of March 31, 2023	21,761	9,357	28,197	786	60,101

In thousands of Reais - R$, unless otherwise indicated

					Consolidated
	Tax	Civil	Labor	Environmental	Total
As of March 31, 2022	135,759	147,895	588,451	41,113	913,218
Provisioned for the year (a)	30,369	40,015	290,401	-	360,785
Reversals and write-offs (a)	(63,306)	(10,145)	(157,198)	(11,135)	(241,784)
Payments	(22,165)	(9,598)	(113,144)	(2,220)	(147,127)
Monetary and foreign exchange updates (b)	13,024	15,361	104,987	2,315	135,687
Effect of foreign currency translation	(988)	(25,597)	(4,800)	1,766	(29,619)
As of March 31, 2023	92,693	157,931	708,697	31,839	991,160

(a) Recognized in the statement of income for the year, except for the reversals of monetary update, recognized under "Financial income (expenses)".

(b) Recognized in the statement of income for the year under "Financial income (expenses)".

(ii) Reimbursable legal disputes (1)

					Individual
	Tax	Civil	Labor	Environmental	Total
As of March 31, 2022	405,405	218,117	12,935	34,167	670,624
Provisioned for the year	46,354	12,327	5,721	12,250	76,652
Reversals and write-offs	(81,159)	-	(1,759)	(4,585)	(87,503)
Payments	(1,924)	-	-	(5,336)	(7,260)
Monetary update	46,435	31,688	(1,939)	-	76,184
As of March 31, 2023	415,111	262,132	14,958	36,496	728,697

					Consolidated
	Tax	Civil	Labor	Environmental	Total
As of March 31, 2022	472,964	315,470	83,674	50,627	922,735
Provisioned for the year	65,770	27,689	9,212	12,753	115,424
Reversals and write-offs	(106,519)	(95,979)	(16,991)	(5,657)	(225,146)
Payments	(5,274)	(6,886)	(4,477)	(5,815)	(22,452)
Monetary and foreign exchange updates	87,822	45,632	7,137	1,698	142,289
As of March 31, 2023	514,763	285,926	78,555	53,606	932,850

(1) The movement does not have and will never have an effect on the result, due to the Company's right to reimbursement.

In thousands of Reais - R$, unless otherwise indicated

(iii) Total legal disputes

	Tax	Civil	Labor	Environmental	Individual Total
As of March 31, 2022	428,765	225,253	35,565	35,123	724,706
Provisioned for the year	52,296	18,807	16,941	12,341	100,385
Reversals and write-offs	(88,540)	(123)	(9,951)	(4,676)	(103,290)
Payments	(2,151)	(5,243)	(1,744)	(5,506)	(14,644)
Monetary update	46,501	32,796	2,344	-	81,641
As of March 31, 2023	436,871	271,490	43,155	37,282	788,798

	Tax	Civil	Labor	Environmental	Consolidated Total
As of March 31, 2022	608,725	463,364	672,124	91,740	1,835,953
Provisioned for the year	96,139	67,704	299,613	12,524	475,980
Reversals and write-offs	(169,825)	(106,124)	(174,189)	(16,792)	(466,930)
Payments	(27,439)	(16,484)	(117,621)	(8,035)	(169,579)
Monetary and foreign exchange updates	100,846	60,993	112,124	4,013	277,976
Effect of foreign currency translation	(989)	(25,598)	(4,800)	1,997	(29,390)
As of March 31, 2023	607,457	443,855	787,251	85,447	1,924,010

(a) Tax

	Individual		Consolidated	
	2023	2022	2023	2022
ICMS (i)	232,145	235,911	266,549	264,709
IPI (i)	91,162	81,943	167,359	135,614
PIS and COFINS (ii)	61,841	17,672	65,531	21,355
IRPJ and CSLL (ii)	35,319	87,604	35,841	88,175
Others (v)	16,404	5,635	72,177	98,872
	436,871	428,765	607,457	608,725
Non-reimbursable legal disputes	21,761	23,362	92,693	135,759
Reimbursable legal disputes	415,110	405,403	514,764	472,966
	436,871	428,765	607,457	608,725

(i) ICMS

The amount recorded as a provision for ICMS credits is represented by: a) tax assessments received that, despite being defended, are assessed as probable loss by the Company's legal advisors; (b) use of finance credits and charges in matters on which understanding of the Company's management and tax advisors differ from tax authorities' interpretations; (c) questioning of the breach of accessory obligation (CAT Ordinance) in the period from January 2001 to December 2004, related to the methodology for calculating ICMS credits in the state of São Paulo, in the monetarily adjusted amount of R$ 127,663 (R$ 121,896 in 2022).

In the year ended March 31, 2022, payments were made in the consolidated amount of R$287,313, mainly related to ICMS debts, prior to the formation of Raízen due to the enrollment in the Minas Gerais State amnesty program. Therefore, the tax contingencies were paid and reimbursed by Shell to the Company, with a consequent reduction in the balances of related parties due from contractual transactions with shareholders.

(ii) IPI

The amount recorded as a provision for IPI credits is represented by: (a) tax assessment notice received referring to imported goods and other notices; (b) offset of credits deriving from inputs used in exempt shipment; and (c) IPI *Seletividade*, a matter recently judged by the Federal Supreme Court of Brazil ("STF"), under General Resonance (RE No. 592145, matter 080) unfavorably to the taxpayer.

(iii) PIS and COFINS

The amount recorded as a provision for PIS and COFINS credits is represented by: (a) contribution from 1997 to 1999 referring to merger of company; and (b) IPI credits used to offset PIS and COFINS deriving from inputs used in exempt shipments.

(iv) IRPJ and CSLL

These refer to interlocutory decisions related to different offsets carried out by PER/DCOMP (E-Requests for Federal Tax Recovery, Refund or Offset) related to IPI credits used to offset IRPJ and CSLL. Said offset stopped being approved because a tax assessment notice was issued to stop recognition of credits based on the fact that, in the period from January 2008 to September 2010: (a) the Company did not record and pay IPI owed at the rate of 8% on certain transactions classified in TIPI (table of IPI levy); and (b) the Company did not reverse IPI credits referring to inputs used in the industrialization of certain products classified in TIPI, considering that shipment of such products is not taxed.

In the first item, the dispute occurs due to difference about classification of products as oil by-products and, in the second item, it occurs because authorities do not recognize the right to maintain IPI credits on shipment transactions that are exempt or not taxed.

(v) CIDE

The parent company Raízen provisioned CIDE on services rendered in oil and natural gas exploration and production activities conducted before the formation of Raízen, whose balance as of March 31, 2023, totals R$ 422,919 (R$ 400,554 in 2022). The amounts due were deposited in court, in the same amount, reason there will be no financial disbursement by the Company. Accordingly, both balances are presented on a net basis in these financial statements.

(b) Civil, labor, and environmental

Raízen is a party to several civil lawsuits related to compensation for property and pain and suffering damages, contractual disputes, real estate and credit recovery discussions, among others.

In thousands of Reais - R$, unless otherwise indicated

Raízen is also a party to several labor claims filed by former employees and employees of service providers who question, among others, the payment of overtime, night shift, employee's safety and health risk premiums job reinstatement, refund of deductions made in payroll of payment such as confederative association dues and union dues.

The main environmental demands are related to environmental remediation work to be conducted at filing stations, distribution bases and airports.

Legal disputes considered as possible losses and, thus, no provision for legal disputes has been recognized in the financial statements

(a) Tax

	Individual		Consolidated	
	2023	2022	2023	2022
ICMS (i)	2,558,865	2,577,980	6,561,901	6,436,674
IRPJ and CSLL (ii)	1,801,349	1,637,520	3,935,115	3,913,090
PIS and COFINS (ii)	5,183,284	4,520,078	8,160,714	7,115,541
INSS (iii)	-	-	333,188	232,596
ISS (iv)	289,117	255,231	289,117	255,393
Offsets with IPI credit - IN No. 67/1998 (v)	-	-	139,905	140,239
MP 470/2009 – debt in installment payment (vi)	-	-	246,801	243,688
IPI (vii)	35,474	34,232	287,300	394,184
Others	367,068	320,032	1,868,295	1,610,158
	10,235,157	9,345,073	21,822,336	20,341,563
Non-reimbursable legal disputes	5,700,464	4,911,844	13,894,645	12,492,413
Reimbursable legal disputes	4,534,693	4,433,229	7,927,691	7,849,150
	10,235,157	9,345,073	21,822,336	20,341,563

(i) ICMS

Refers substantially to: (i) portion related to fine of the tax assessment notice served due to the alleged nonpayment of ICMS and noncompliance with accessory obligation, in an operation involving sharecropping agreement and toll manufacturing, from May 2005 to March 2006 and May 2006 to March 2007; (ii) ICMS levied on shipping of crystallized sugar for export, which, according to the tax agent, is classified as semi-finished good and, under ICMS regulation, is subject to taxation; (iii) ICMS levied on alleged divergences in the sugar and ethanol inventories, arising from the comparison between the magnetic tax files and the Inventory Registration Books; (iv) tax assessment notices related to collection of the ICMS tax differential resulting from sales of ethanol intended to companies located in other States of the Country, which, based on a superseding rule, had their state registrations revoked; (v) ICMS requirement resulting from disallowance of diesel oil credits used in the agro-industrial production process, with a defense filed for being essential to the Company's activities, based on article 155, paragraph 2, item I of the Federal Constitution and Supplementary Law No. 87/96; (vi) ICMS credits not reversed; (vii) lack of full reversal of ICMS-ST credits for ICMS tax substitution (ICMS-ST); (viii) noncompliance with accessory obligations; (ix) ICMS-ST requirement in interstate sales to industrial clients; (x) undue use of credits from Controls for ICMS tax credits on permanent assets ("CIAP"); (xi) inventory difference; (xii) alleged undue use of credits related to ICMS-ST on diesel in the capacity of final consumer; (xiii) matching credit allegedly unduly taken; and (xiv) tax credits related to freight (transport services) allegedly unduly used since the subsequent operation is exempt or not taxed.

(ii) IRPJ, CSLL, PIS, COFINS and IOF

Main legal disputes refer to: (a) tax assessment notices on credit offsetting arising from the Semi-Annual PIS regime and offsets of federal taxes not approved by the Brazilian IRS ("RFB"), for which Raízen has been challenging these collections at the proper levels; and (b) tax assessment notices for the collection of IRPJ and CSLL for the years 2011, 2012, 2013 and 2014, derived from the exclusion of income from amortization of goodwill on investments accounted for under the equity method. This goodwill was contributed by Cosan Lubrificantes e Especialidades S.A., formerly named Cosan Combustíveis e Lubrificantes S.A., to the Company. Raízen presented an objection requesting full cancellation of the tax assessment notice issued; (c) disallowances of PIS and COFINS credits, in the non-cumulative system, provided for in Law No. 10,637/2002 and Law No. 10,833/2003. These disallowances stem, in summary, from the restrictive interpretation of the RFB regarding the concept of "inputs", as well as different interpretations of the said laws. These challenges are still at the administrative level; (d) requests for reimbursement of PIS and COFINS in connection with offsetting proceedings. After presentation of the Protest Letter in March 2013, the DRJ (Judgment Office) determined the write-off of ongoing proceedings, so that PIS and COFINS credit rights referring to certain quarters from 2008 to 2009 are recalculated; (e) in the year ended March 31, 2020, the Brazilian IRS considered as "non-declared" the requests for reimbursement and/or offsetting of non-cumulative PIS and COFINS credits with different origins (Law No. 10,637/02 and Law No. 10,833/03) for the periods from 2014 to 2016, based on the argument that the credits are linked to a lawsuit that challenges the exclusion of ICMS from the PIS and COFINS tax base. Because the understanding of the tax authorities is mistaken, Raízen continues with the administrative discussion; (f) tax assessment notices related to the unconstitutionality of expansion of PIS and COFINS tax base brought by Law No. 9,718/98, in which STF considered as unconstitutional; (g) tax assessment notices filed by the Brazilian IRS for the collection of IRPJ and CSLL from prior years relating to offsets of tax losses, deductibility of amortization expenses of certain goodwill and taxation of differences of revaluations of assets comprising property, plant and equipment; (h) lawsuit in 2018, related to the disallowance of goodwill based on expected future profitability, deducted from the IRPJ and CSLL tax base of subsidiary RESA for calendar years 2013 to 2016. The defense was presented considering that the amortization of goodwill occurred under the terms of the applicable legislation (article 386 of RIR/99 and articles 7 and 8 of Law No. 9,532/97); and (i) PIS and COFINS difference determined because of CIDE offset. For tax authorities, such deduction could only have been made in the event of payment.

(iii) INSS

Possible legal disputes related to INSS involve mainly: (i) revision of the legal disputes linked to MPS/SRP Revenue Procedure No. 03/2005, from 2005 to 2011, which are now assessed as remote loss due to the probable recognition of laches term, MPS/SRP Revenue Procedure No. 03/2005 restricted the constitutional immunity of social security taxes on export revenue, and exports are now taxed through commercial exporting companies or trading companies; (ii) requirement of the contribution for purposes of the National Rural Learning Service (SENAR) on direct and indirect export operations, where the Brazilian IRS ("RFB") understands that there is no right to constitutional immunity; and (iii) requirement of the social security tax on resale of goods in the domestic market and to third parties that are not included in the social security tax base calculation, which only applies to gross revenue resulting from the production effectively occurring in the facilities and not from purchased goods.

(iv) ISS

This refers to the collection of ISS by the cities in the state of Espírito Santo, on services rendered in sea waters (in the BC-10 block), as those cities understand that those services would have been provided within their territory and, therefore, the ISS should have been paid to those cities in that state.

(v) Offsets with IPI credit – IN 67/98

RFB Regulatory Instruction No. 67/98 brought with it the possibility of a refund of IPI collected in the period from January 14, 1992, to November 16, 1997, on amorphous refined sugar. Accordingly, subsidiary RESA, for the years in which the payment was made, pleaded to offset amounts against other taxes due. However, the Brazilian IRS dismissed requests for refund as well as an offset. Thus, subsidiary RESA administratively appealed against the dismissal.

After notification of payment of debts object of an offset in view of the changes introduced by IN SRF No. 210/02, subsidiary RESA filed a writ of mandamus with an injunction request to suspend the enforceability of offset taxes, with the aim of impeding the Public Administration from executing these debts. The injunction was granted by the competent court.

(vi) MP 470/2009 – installment payment of debts

Federal Revenue Service partially rejected requests for payment of federal tax debts in installments made by subsidiary RESA, with the argument that offered tax loss is not sufficient to settle respective debts. Subsidiary RESA and its legal advisors consider that the losses indicated existed and were available for such use.

(vii) IPI

RFB Regulatory Instruction No. 67/98 validated the procedure adopted by industrial facilities that shipped products without recording and paying IPI, related to operations with demerara, upper quality granulated sugar, special granulated sugar, extra special granulated sugar, and refined granulated sugar, carried out from July 6, 1995, to November 16, 1997, and with refined amorphous sugar carried out from January 14, 1992, to November 16, 1997. This ruling was used in the respective proceedings brought by the Brazilian Federal Revenue Services, whose likelihood of loss is classified as possible, according to the assessment of Raízen's legal advisors.

In thousands of Reais - R$, unless otherwise indicated

(b) Civil, labor, and environmental

	Individual		Consolidated	
	2023	2022	2023	2022
Civil	683,700	558,468	1,688,652	1,540,894
Labor	42,407	41,387	342,036	351,950
Environmental	1,779	1,755	173,861	201,000
	727,886	601,610	2,204,549	2,093,844
Non-reimbursable legal disputes	126,205	99,352	984,781	1,039,410
Reimbursable legal disputes	601,681	502,258	1,219,768	1,054,434
	727,886	601,610	2,204,549	2,093,844

These legal disputes substantially refer to: (a) change in risk assessment in administrative proceeding with CADE filed against Shell; (b) reparation for emergent damages; (c) loss of profits; (d) compensation for pain and suffering damages; and (e) attorney's fees.

Contingent assets

Raízen, through its subsidiary Blueway, engages in tax claims for damages related to the right to exclude the ICMS from the PIS and COFINS tax base, the realization of which is not virtually certain yet and, therefore, represent contingent assets not recognized in these financial statements. Accordingly, it is not yet possible to estimate the possible future accounting and financial effects of these claims.

19. Commitments (Consolidated)

The Company has fuel purchase agreements with third parties in order to guarantee part of its future trading, it also has contracts for rail transportation with the purpose of transporting fuel from the supply bases to the reseller stations, whose amount to be paid is determined according to the price agreed in the contract.

Raízen has stockpiling service contracts for fuels with third parties, in accordance with the logistics and storage objectives in certain regions.

Through RESA and its subsidiaries, Raízen has commitments to purchase sugarcane, fuel, industrial equipment, electric and steam energy, lease and sharecropping agreements, sugar storage, transportation and handling services.

The commitments to purchase sugarcane with third parties are intended to guarantee part of its production in subsequent harvests. The amount of sugarcane to be acquired is calculated based on the estimated amount to be milled per area based on their expected productivity where sugarcane plantations are located. The amount to be paid by RESA and its subsidiaries is determined at the end of each crop year, according to the price published by the CONSECANA (Council of Sugarcane, Sugar and Ethanol Producers in the São Paulo State – Brazil).

In thousands of Reais - R$, unless otherwise indicated

Raízen entered into agreements with the Rumo Group for the transportation and handling of sugar for exports.
As of March 31, 2023, the volumes related to purchase commitments and service agreements by crop are as follows:

Years	Sugarcane (in tons)	Fuel (in cubic meters)	Transport (in cubic meters)	Storage (in cubic meters)	Sugar transportation and handling (in tons)
2024	44,242,657	1,855,910	4,894,820	5,969,800	10,199,429
2025	38,851,678	-	4,769,622	4,355,208	1,400,000
2026	33,151,814	-	3,786,109	3,144,858	-
2027	27,219,945	-	3,786,109	2,522,360	-
2028 onwards	40,241,490	-	3,786,109	2,331,864	-
Total contracted volume	183,707,584	1,855,910	21,022,769	18,324,090	11,599,429
Total estimated payments (nominal value)	29,217,200	7,702,510	1,261,445	1,532,241	493,239

20. Equity

(a) Capital and capital reserve

As of March 31, 2023, the Company's fully subscribed and paid-up capital amounts to R$ 6,859,670 and is represented as follows:

	Common shares	%	Preferred shares	%	Total	%
						2023
Shell	4,496,786,292	50.0%	60,810,825	4.1%	4,557,597,117	44.0%
Cosan	4,496,786,292	50.0%	60,810,825	4.1%	4,557,597,117	44.0%
Treasury shares	-	-	34,284,534	2.5%	34,284,534	0.3%
Free float	-	-	1,203,030,716	89.3%	1,203,030,716	11.7%
Total shares (book-entry and no-par-value shares)	8,993,572,584	100.0%	1,358,936,900	100.0%	10,352,509,484	100.0%

	Common shares	%	Preferred shares	%	Total	%
						2022
Shell	4,496,786,292	50.0%	55,810,825	4.1%	4,552,597,117	44.0%
Cosan	4,496,786,292	50.0%	55,810,825	4.1%	4,552,597,117	44.0%
Treasury shares	-	-	6,907,800	0.5%	6,907,800	0.1%
Free float and others	-	-	1,240,407,450	91.3%	1,240,407,450	11.9%
Total shares (book-entry and no-par-value shares)	8,993,572,584	100.0%	1,358,936,900	100.0%	10,352,509,484	100.0%

At the Annual and Extraordinary General Meeting ("AEGM") held on June 1, 2021, shareholders Shell and Cosan resolved and approved the increase in the Company's capital, in the amount of R$ 5,727,866, the amounts of which allocated to capital and capital reserve were R$ 1,078,157 and R$ 4,649,709, respectively, through contribution of 100 % of the equity interest held by shareholders

Shell and Cosan with RESA. This event was made through subscription and payment of 7,332,154,111 new common registered book-entry and no-par-value shares.

At that same AEGM held on June 1, 2021, shareholders Shell and Cosan resolved and approved the conversion of the single Class A preferred share and of the 100,000 Class D preferred shares issued by the Company into one common share of the Company. The conversion of these preferred shares did not give shareholders the right to withdraw. At that same AEGM, the repurchase of all 81,897,057 Class E preferred shares issued by the Company was ratified, with their cancellation without reduction of the capital, observing the limit of the balance of profits and reserves available, except for the legal reserve, under the terms of the share purchase and sale agreement entered into by and between the Company and the shareholder of the referred to shares.

At the Extraordinary General Meeting ("EGM") held on July 12, 2021, shareholders Shell and Cosan resolved and approved the increase in the Company's capital by R$130,135, increasing it from R$3,000,000 to R$3,130,135, with bonus in preferred shares, through capitalization of part of the capital reserve balance, with issue of 121,621,650 preferred, book-entry and no-par-value shares, attributed in the proportion of 50% to each shareholder.

Also, within the scope of the public offering of shares ("IPO") of Raízen, 121,621,650 preferred shares were overallocated, in the amount of R$ 900,000, as resolved at the EGM held on July 12, 2021, for purposes of stabilization activities.

On August 3, 2021, Raízen's Board of Directors announced the setting of the IPO price per preferred share at R$ 7.40. Therefore, from August 5, 2021, the trading process of these preferred shares on B3 began, under ticker name "RAIZ4". The IPO comprised the issue of 810,811,000 preferred shares of the Company, in the amount of R$6,000,000, as part of the base offering, of which R$3,000,000 was allocated to the Capital account and R$3,000,000 to the Capital reserve account. In addition, on September 3, 2021, the Company issued 95,901,350 new supplementary preferred shares, in the total amount of R$709,670, which was fully allocated to the Capital account.

On account of the IPO, the Company incurred share issue costs amounting to R$166,188 (R$109,684 net of taxes), related to commissions to structuring banks, lawyers, auditors, fees and others. These costs were recorded in equity.

On August 10, 2021, the Board of Directors of Raízen resolved on the ratification of the exercise of subscription warrants issued by the Company on June 1, 2021, on behalf of Hédera Investimentos e Participações S.A., in the process of acquiring Biosev, with the issue of 330,602,900 preferred, book-entry and no-par value shares, equivalent to a 3,2% equity interest in Raízen's capital, at the total issue price of R$2,423,944, of which R$19,864 and R$2,404,080 were allocated to the Capital and Capital reserve accounts, respectively.

(b) <u>Dividends and interest on own capital</u>

In accordance with the Company's Bylaws and Brazilian Corporation Law, the amounts of the dividends for the years ended March 31, 2023, and 2022 were determined as follows:

In thousands of Reais - R$, unless otherwise indicated

Minimum mandatory dividend	**2023**	**2022**
Net income for the year	2,441,126	3,149,018
(-) Effect of tax incentives of the Parent Company (Note 20.d)	(122,537)	-
(-) Effect of tax incentives of subsidiaries (Note 20.d)	(235,526)	(375,803)
Common dividend distribution calculation basis	2,083,063	2,773,215
Common and preferred shares		
Minimum mandatory dividend - 1% (1)	(20,831)	(27,732)
(-) Interest on own capital	-	(741,682)
(-) Dividends paid in advance	(2,163,800)	-

Dividends and interest on own capital	**2023**	**2022**
Net income for the year basis for allocation	2,441,126	3,149,018
(-) Income reserves (Note 20.d.iii) (2)	(1,952,901)	(2,031,533)
(-) Tax incentive reserve	(358,063)	(375,803)
Additional dividends proposed (2)	(130,162)	-

1) In the years ended March 31, 2023, and 2022, dividends paid in advance and interest on own capital totaled R$ 2,163,800 and R$741,682, respectively. Accordingly, there are no mandatory minimum dividends provisioned since these repayments, related to income determined in referred to fiscal years, were higher than those determined on the percentage defined in the bylaws.

(2) As described in Note 20.d., the set-up of the income reserve for each fiscal year cannot exceed 80% of the net income for the year. Accordingly, additional proposed dividends of R$ 130,162 were accrued, which will be submitted for approval at shareholder meeting.

Changes in dividends and interest on own capital payable are as follows:

			Individual			**Consolidated**
	Dividends	**Interest on own capital**	**Total**	**Dividends**	**Interest on own capital**	**Total**
As of March 31, 2021	1,726	187,665	189,391	12,261	187,665	199,926
Dividends contributed through corporate reorganization	-	-	-	746,686	-	746,686
Prior years' dividends	1,394,018	-	1,394,018	1,407,732	-	1,407,732
Dividends for the year	-	-	-	25,541	-	25,541
Interest on own capital, net of Withholding Income Tax (IRRF)	-	631,603	631,603	-	631,603	631,603
Payments	(1,395,744)	(575,147)	(1,970,891)	(2,165,854)	(575,147)	(2,741,001)
Others	-	-	-	(825)	-	(825)
As of March 31, 2022	-	244,121	244,121	25,541	244,121	269,662
Prior years' dividends	2,163,800	-	2,163,800	2,168,038	-	2,168,038
Dividends for the year (1)	130,162	-	130,162	154,156	-	154,156
Payments	(2,163,798)	(244,102)	(2,407,900)	(2,193,214)	(244,102)	(2,437,316)
Others	-	-	-	(363)	-	(363)
As of March 31, 2023	130,164	19	130,183	154,158	19	154,177

In thousands of Reais - R$, unless otherwise indicated

(1) Consolidated dividends include dividends payable to non-controlling shareholders in the amount of R$ 23,994, which will be submitted for approval at the shareholders' meeting.

The breakdown of shareholder compensation is shown below:

				2023
Dividends and/or interest on own capital distributed in the year	**Price per share (R$)**	**Amount**	**IRRF**	**Net value**
Dividends from income reserve on 09/27/2022	0.0316	326,000	-	326,000
Dividends from income reserve on 12/02/2022	0.0890	918,800	-	918,800
Dividends from income reserve on 03/13/2023	0.0891	919,000	-	919,000
	0.0126	130,162	-	130,162
		2,293,962	-	2,293,962

				2022
Dividends and/or interest on own capital distributed in the year	**Price per share (R$)**	**Amount**	**IRRF**	**Net**
Interest on own capital on 06/30/2021	0.0065	58,497	8,775	49,722
Dividends from income reserve on 06/01/2021	0.1529	1,394,018	-	1,394,018
Interest on own capital on 09/30/2021	0.0162	168,115	24,706	143,409
Interest on own capital on 12/31/2021	0.0220	227,870	33,518	194,352
Interest on own capital on 03/31/2022	0.0278	287,200	43,080	244,120
		2,135,700	110,079	2,025,621

(c) Equity adjustments

(i) Income from financial instruments designated as hedge accounting

This refers to changes in the fair value of financial instruments arising from cash flow hedge of revenues from exports of its products and from imports of fuel.

(ii) Income (loss) from net investment hedge abroad

These refer to the effective portion with the foreign exchange differences of the hedge of the Company's net investments in a foreign entity.

(iii) Actuarial gain (loss)

These arise from gains and losses from adjustments through experience and changes in actuarial assumptions about the defined benefit plan. This component is recognized in other comprehensive income and will never be reclassified to the statement of income in subsequent years.

(iv) Effect of foreign currency translation

Cumulative translation adjustments with foreign exchange differences resulting from the translation of the financial statements of investees with functional currency different from the Parent company's currency.

In thousands of Reais - R$, unless otherwise indicated

(v) Changes in equity adjustments

	2022	Consolidated comprehensive income	2023
Actuarial gain (loss) on defined benefit plan, net	5,715	(14,693)	(8,978)
Income from financial instruments designated as hedge accounting	1,583,832	259,745	1,843,577
Loss on hedge of net investment in a foreign entity	(45,741)	-	(45,741)
Others	-	(2,900)	(2,900)
Effect of foreign currency translation	355,192	364,456	719,648
	1,898,998	606,608	2,505,606
Attributable to controlling shareholders	1,939,039	598,328	2,537,367
Attributable to non-controlling shareholders	(40,041)	8,280	(31,761)

	2021	Consolidated comprehensive income	2022
Actuarial gain on defined benefit plan, net	3,997	1,718	5,715
Income (loss) from financial instruments designated as hedge accounting	(1,374)	1,585,206	1,583,832
Loss on hedge of net investment in a foreign entity	(45,741)	-	(45,741)
Effect of foreign currency translation	1,345,546	(990,354)	355,192
	1,302,428	596,570	1,898,998
Attributable to controlling shareholders	1,302,428	636,611	1,939,039
Attributable to non-controlling shareholders	-	(40,041)	(40,041)

(d) Income reserves

(i) Tax incentive reserve

Body	Tax benefit	Balance 2023	Balance 2022
Federal Government	Sale of diesel (1)	212,722	212,722
Goiás	Goiás State Industrial Development Program (2)	212,564	106,489
Mato Grosso do Sul	Term of agreement No. 331/2008 (3)	114,666	56,592
States of the Brazilian Federation	ICMS granted credit granted - CA No. 123/2022 (4)	193,914	-
		733,866	375,803
	Use of tax incentive reserve of investees (5)	(132,267)	-
		601,599	375,803
	Effects of Parent company	122,537	-
	Effects of subsidiaries	479,062	375,803
	Total tax incentive reserve (6)	601,599	375,803

(1) Refers to the economic grant given by the federal government in diesel sales operations of direct subsidiary Blueway.

(2) Refers to the Goiás state incentive program "Produzir," which finances part of the ICMS payment,

(3) Refers to the tax benefit on sugar industrial processing operations in the state of Mato Grosso do Sul, equivalent to 67% of the ICMS debt balance and the matching credit of ethanol.

In thousands of Reais - R$, unless otherwise indicated

(4) Refers to the benefit granted by States under ICMS Agreement No. 116/2022 and Constitutional Amendment No. 123/2022 attributing granted credit (or matching credit), used in taxpayers' bookkeeping to offset ICMS debts in their ordinary calculation, resulting from hydrated ethanol production and commercialization operations.

(5) In a BoD of March 13, 2023, the allocation of dividends from the Company's income reserve was approved, for which part of the tax incentive reserve of investees was used, in the amount of R$ 132,267.

(6) During the year ended March 31, 2023, the impact of these tax incentives on the consolidated operating income was R$ 516,144 (R$ 226,524 in 2022).

(ii) Legal reserve

As of March 31, 2023, and 2022, as established in Brazilian Corporation Law, the Company did not allocate 5% of net income to the Legal reserve, due to the fact that the total balance of the legal and capital reserves has exceeded 30% of the capital amount.

(iii) Profit retention reserve

This refers to the remaining balance of the Company's net income for the year, after allocations for set up of the legal reserve and provision for mandatory minimum dividends, which was allocated to Profit retention reserve until its final allocation is approved at the Annual General Meeting. The Company's Bylaws provide that up to 80% of the profit for the year can be allocated to this reserve, for operations and new investments and projects, not exceeding 80% of the capital amount.

(e) Treasury shares

In June 2022, the Company completed the program for repurchase of forty million preferred shares of its own issue, as approved by the Board of Directors on January 6, 2022.

As mentioned in Note 1.2, on August 11, 2022, the Board of Directors approved a new program for the repurchase of shares issued by the Company of up to one hundred million preferred shares to be carried out up to February 12, 2024, aiming to meet obligations that may arise from the Company's share-based compensation plans and maximize the generation of value for shareholders through efficient capital management. At Management's discretion, the repurchased shares may be later delivered to the beneficiaries of share-based compensation programs, cancelled, sold, or held in treasury. Up to December 31, 2022, no share of this program was repurchased.

The change in treasury shares during the years ended March 31, 2023, and 2022 were as follows:

	Number	Average cost per share	Amount
As of March 31, 2022	6,907,800	5.80	40,082
Repurchase	33,092,200	5.59	185,077
Exercise of share-based payment	(5,715,466)	5.41	(30,923)
As of March 31, 2023	34,284,534	5.67	194,236

As of March 31, 2023, and 2022, the average unit cost of shares held in treasury and their market value are as follows:

	R$ per share	
	2023	2022
Average cost of shares repurchased	5.67	5.80
Market value	2.85	6.83

(f) Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to the Company's shareholders by the weighted average number of common shares issued in the year, excluding treasury shares.

	2023	2022
Numerator		
Net income for the year	2,441,126	3,149,018
Denominator		
Weighted average number of common shares outstanding (in thousands)	10,321,732	8,698,655
Basic earnings per share (R$ per share ON and PN)	0.23650	0.36201

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of outstanding shares, considering that the conversion of all shares would cause dilution.

	2023	2022
Numerator		
Net income for the year	2,441,126	3,149,018
Denominator		
Weighted average number of common shares outstanding (in thousands)	10,327,956	8,708,575
Basic earnings per share (R$ per share ON and PN)	0.23636	0.36160

21. Share-based payment

The Company offers restricted share plans linked to: (i) non-interruption of the relationship between the executive and the Company (vesting period); and (ii) achievement of performance conditions.

The fair value of grants related to the period the participant remains in the Company during the vesting period (restricted share unit - RSU) was determined based on the market value of the Company's shares in B3.

In thousands of Reais - R$, unless otherwise indicated

Regarding the portion of the plan that is linked to the performance conditions (performance share unit – PSU), the fair value was measured based on the Monte Carlo method ("MMC") considering market conditions.
As of March 31, 2023, Raízen has the following share-based payment programs and their vesting conditions in effect:

(1) **IPO Incentive (PSU):** The effectiveness of this program, as well as the beginning of the vesting period, was conditioned to the satisfactory conclusion of the initial public offering of the Company's shares. The acquisition of the right to receive shares is subject to performance conditions in five annual installments, each installment corresponding to a vesting period.

(2) **VLP 20/21 (PSU):** The delivery of shares will occur in a single installment, at the end of the 3-year period, cumulatively subject to the application of performance and permanence conditions during the vesting period.

(3) **VLP 20/21 (RSU):** Grants are subject to the maintenance of the employment relationship during the vesting period.

(4) **Transition Program – 17/18:** The purpose of this program is the migration of participants granted under the terms of the former long-term variable compensation plans to the current share-based compensation plan of Raízen, as approved at an EGM held on July 2, 2021. The delivery of shares will occur in a single installment, subject to the maintenance of the employment relationship during the vesting period.

(5) **VLP 21/22 (RSU):** RSU grants are subject to the participant's stay during the vesting period. Upon completion of this period, for each 1 (one) RSU, the participant will be entitled to receive 1 (one) share of the Company.

The table below presents the information of the agreed plans:

			In number of shares			
Program	**Lot**	**Life expectancy (years)**	**Granting of plans**	**Exercised**	**Available**	**Fair value on grant date (R$ per share)**
Incentive IPO (RSU)	1	1	406,044	(406,044)	-	7.57
Incentive IPO (PSU)	2	2	483,945	-	483,945	7.95
Incentive IPO (PSU)	3	3	801,744	-	801,744	8.17
Incentive IPO (PSU)	4	4	599,926	-	599,926	8.28
Incentive IPO (PSU)	5	5	575,135	-	575,135	8.59
VLP 20/21 (PSU)	1	3	513,788	(29,398)	484,390	8.19
VLP 20/21 (PSU)	1	3	672,603	(12,600)	660,003	7.34
Program Transition – 16/17	1	1	2,384,686	(2,384,686)	-	6.75
Program Transition – 17/18	1	2	3,638,775	(176,744)	3,462,031	6.75
VLP 18/19	1	-	2,705,994	(2,705,994)	-	4.52
VLP 21/22 (PSU)	1	3	509,102	-	509,102	4.62
VLP 21/22 (RSU)	1	3	736,867	-	736,867	4.29
			14,028,609	(5,715,466)	8,313,143	

During the year ended March 31, 2023, the Company delivered 5,715,466 preferred shares, equivalent to the amount of R$ 30,923 (R$ zero in 2022). There was no cancellation of shares in the year ended March 31, 2023.

Share-based payment expenses, included in the consolidated statement of income for the year ended March 31, 2023, were R$ 46,112 (R$ 42,305 in 2022).

In thousands of Reais - R$, unless otherwise indicated

The fair value of the PSU option plans is measured based on the MMC method. The fair value was determined by the TSR (Total Shareholder Return) and the share values of other companies, which are considered market performance conditions. The restricted shares plan considers the following assumptions:

(i) Except for "VLP 21/22", the expectation of volatility, peer alternatives were sought due to Raízen's low closing history. The Company used Cosan's volatility track record, based on the proximity between the sectors in which it operates and the fact that the shareholder Cosan holds a relevant stake in Raízen's capital stock, which indicates that Raízen's business implicitly represents part of Cosan's volatility, using the standard deviation model of daily returns for the aforementioned calculation;

(ii) The "VLP 21/22" program used the value of Raízen shares (RAIZ4) for the business day prior to the grant date;

(iii) Since the grant agreement adjusts the participant's gain in relation to the distribution of dividends during the vesting period, no adjustments were required in the amount of the assets granted resulting from the distribution of dividends;

(iv) The weighted average risk-free interest rate used was the curve of prefixed interest rate in Reais (DI estimate) observed in the open market;

(v) The fee for exit before vesting, which affects the provision for plan costs, was estimated by the Company at approximately 7%; and

(vi) There are no clauses related to share lockup.

22. Net operating revenue

The breakdown of the Company's gross revenue is shown below:

		Individual		Consolidated
	2023	2022	2023	2022
Domestic market	141,366,603	122,627,192	191,441,044	160,851,877
Foreign market	3,054,395	1,433,474	69,860,145	46,948,992
Income (loss) from financial instruments	-	-	(839,203)	(2,456,473)
Gross operating revenue	144,420,998	124,060,666	260,461,986	205,344,396
Returns and cancellations	(743,220)	(520,749)	(997,542)	(655,245)
Sales taxes	(1,539,115)	(2,539,036)	(11,970,326)	(12,154,003)
Trade discounts and others	(527,270)	(485,138)	(1,046,834)	(685,452)
Amortization of assets from contracts with clients (Note 10)	(470,830)	(434,281)	(615,494)	(579,822)
Net operating revenue	141,140,563	120,081,462	245,831,790	191,269,874

23. Segment information

Segment information reporting is stated consistently with internal reports provided by key operational decision makers. The key operational decision makers, responsible for the strategic decision making, allocation of funds and for the assessment of performance of operating segments are the Chief Executive Officer (CEO) and the Board of Directors. The Company's operating segments are:

(i) **Marketing and services**: refer to the trading and sale activities of fossil and renewable fuels and lubricants, through a franchised network of service stations under the Shell brand in all the national territory and Latin America, operating in Argentina and, as of November 1, 2021, in Paraguay (Note 30.b).

(ii) **Sugar:** this refers to sugar production, sale, origination, and trading activities.

(iii) **Renewables:** this refers to: (a) ethanol production, sale, origination, and trading activities; (b) production and sale of bioenergy; (c) resale and trading of electric power; and (d) production and sale of other renewable products (solar energy and biogas). These business activities were aggregated into a single segment, as their products and services come from renewable sources, use similar technologies, and present synergies in their production and distribution process. The combination of these activities results in the portfolio of clean energy and retirement of carbon credits offered by the Company.

Operating results by segment

The performance of the segments is evaluated based on the operating income and this information is prepared based on items directly attributable to the segment, as well as those that can be allocated on a reasonable basis. During the years ended March 31, 2023, and 2022, operating income by segment is described below:

In thousands of Reais - R$, unless otherwise indicated

	Reportable segments						Reconciliation		2023
	Marketing and Services								
	Brazil	Latin America	Total	Sugar	Renewables	Total segmented	Eliminations (ii)	Not segmented	Consolidated
Net operating revenue	168,923,999	33,838,680	202,762,679	29,202,441	28,730,250	260,695,370	(14,863,580)	-	245,831,790
Cost of products sold and services provided	(160,314,380)	(32,070,450)	(192,384,830)	(27,477,691)	(25,535,120)	(245,397,641)	14,833,558	-	(230,564,083)
Gross profit	8,609,619	1,768,230	10,377,849	1,724,750	3,195,130	15,297,729	(30,022)	-	15,267,707
Selling expenses	(2,457,012)	(1,206,184)	(3,663,196)	(894,547)	(681,272)	(5,239,015)	4,133	-	(5,234,882)
General and administrative expenses	(783,380)	(368,702)	(1,152,082)	(685,045)	(703,728)	(2,540,855)	(13,009)	-	(2,553,864)
Other operating revenue, net	353,932	157,707	511,639	114,327	114,949	740,915	(3,443)	-	737,472
Equity accounting result	(74,422)	-	(74,422)	58,996	(114,650)	(130,076)	(16)	-	(130,092)
Income (loss) before financial results and income tax and social contribution	5,648,737	351,051	5,999,788	318,481	1,810,429	8,128,698	(42,357)	-	8,086,341
Financial results (i)	-	-	-	-	-	-	-	(4,822,761)	(4,822,761)
Income tax and social contribution (i)	-	-	-	-	-	-	-	(760,254)	(760,254)
Net income (loss) for the year	5,648,737	351,051	5,999,788	318,481	1,810,429	8,128,698	(42,357)	(5,583,015)	2,503,326
Other selected information:									
Depreciation and amortization	(392,485)	(716,916)	(1,108,789)	(3,433,645)	(4,110,432)	(8,652,866)	-	-	(8,653,478)
Amortization of assets from contracts with clients	(547,640)	(67,854)	(615,494)	-	-	(615,494)	-	-	(615,494)
Acquisition to property, plant and equipment and intangible assets (cash basis)	707,804	1,136,923	1,844,727	3,388,390	3,481,462	8,714,579	-	-	8,714,579
Loss arising from changes in fair value of biological assets, net of realization	-	-	-	(99,518)	(89,291)	(188,809)	-	-	(188,809)

(i) Information on financial results and income tax and social contribution (current and deferred) was not disclosed by segment due to the non-use by management of the referred to data in a segmented manner, as they are managed and analyzed on a consolidated basis in the operation.

(ii) Eliminations refer to intersegment operations.

In thousands of Reais - R$, unless otherwise indicated

									2022
	Reportable segments								
	Marketing and services						Reconciliation		
	Brazil	Latin America	Total	Sugar	Renewables	Total segmented	Eliminations (ii)	Not segmented	Consolidated
Net operating revenue	144,819,299	19,054,342	163,873,641	16,269,674	22,293,296	202,436,611	(11,166,737)	-	191,269,874
Cost of products sold and services provided	(140,612,937)	(17,197,561)	(157,810,498)	(14,512,893)	(18,390,181)	(190,713,572)	11,142,710	-	(179,570,862)
Gross profit	4,206,362	1,856,781	6,063,143	1,756,781	3,903,115	11,723,039	(24,027)	-	11,699,012
Selling expenses	(1,751,381)	(1,062,957)	(2,814,338)	(685,094)	(530,007)	(4,029,439)	1,208	-	(4,028,231)
General and administrative expenses	(528,698)	(329,541)	(858,239)	(591,148)	(510,237)	(1,959,624)	-	-	(1,959,624)
Other operating revenue, net	382,523	135,636	518,159	2,272	3,033	523,464	(1,208)	-	522,256
Equity accounting result	(27,625)	-	(27,625)	12,152	(47,577)	(63,050)	-	-	(63,050)
Income before financial results and income tax and social contribution	2,281,181	599,919	2,881,100	494,963	2,818,327	6,194,390	(24,027)	-	6,170,363
Financial results (i)	-	-	-	-	-	-	-	(1,968,511)	(1,968,511)
Income tax and social contribution (i)	-	-	-	-	-	-	-	(952,289)	(952,289)
Net income for the year	2,281,181	599,919	2,881,100	494,963	2,818, 327	6,194,390	(24,027)	(2,920,800)	3,249,563
Other selected information:									
Depreciation and amortization	(337,938)	(828,997)	(1,166,935)	(2,510,443)	(2,691,815)	(6,369,193)	(275)	-	(6,369,468)
Amortization of assets from contracts with clients	(512,411)	(67,411)	(579,822)	-	-	(579,822)	-	-	(579,822)
Acquisition to property, plant and equipment and intangible assets (cash effect)	407,298	1,033,352	1,440,650	1,849,919	1,779,642	5,070,211	-	-	5,070,211
Net gain arising from changes in fair value and realized	-	-	-	691,451	683,073	1,374,524	-	-	1,374,524

(i) Information on financial results and income tax and social contribution (current and deferred) was not disclosed by segment due to the non-use by management of the referred to data in a segmented manner, as they are managed and analyzed on a consolidated basis in the operation.

(ii) Eliminations refer to intersegment operations.

In thousands of Reais - R$, unless otherwise indicated

The Company monitors the consolidated net operating revenue, in the local and foreign markets by product, as follows:

	2023	2022
Domestic market	190,479,964	154,463,375
Foreign market	70,215,406	47,973,236
Eliminations	(14,863,580)	(11,166,737)
Net operating revenue	245,831,790	191,269,874
Reportable segments		
Marketing and services – Brazil		
Diesel	99,005,595	78,363,233
Gasoline	51,958,486	52,718,721
Ethanol	9,132,456	10,544,272
Jet fuel	5,558,512	2,647,415
Fuel oil	535,739	303,529
Lubricants	1,969.559	-
Others	763,652	242,129
	168,923,999	144,819,299
Marketing and Services – Argentina		
Diesel	13,802,632	6,917,404
Gasoline	9,817,718	6,349,058
Jet fuel	1,691,748	579,218
Fuel oil	2,712,660	1,585,343
Lubricants	1,218,704	961,383
Others	1,751,954	1,708,245
	30,995,416	18,100,651
Marketing and Services – Paraguay		
Diesel	1,917,702	548,794
Gasoline	908,076	401,778
Ethanol	17,486	3,119
	2,843,264	953,691
Sugar	29,202,441	16,269,674
Renewables		
Ethanol	23,643,526	16,650,738
Energy	3,788,560	4,003,235
Others	1,298,164	1,639,323
	28,730,250	22,293,296
Eliminations	(14,863,580)	(11,166,737)
Total	245,831,790	191,269,874

Geographically, consolidated operating revenues, net is presented as follows:

	2023	2022
Brazil	176,272,676	154,463,374
Argentina	24,249,837	17,666,806
Paraguay	2,843,264	972,786
Latin America, except for Brazil, Argentina, and Paraguay	9,668,341	3,631,544
North America	12,253,854	8,831,167
Asia	21,018,496	5,644,252
Europe	11,800,584	8,234,346
Others	2,588,318	2,992,336
	260,695,370	202,436,611
Eliminations	(14,863,580)	(11,166,737)
Total	245,831,790	191,269,874

No specific clients or group represented 10% or more of consolidated net operating revenue in the reporting years.

Operating assets by segment

The assets of the Marketing and Services segment are geographically allocated, comprising Brazil, Argentina, and Paraguay.

In addition, considering that part of the assets of RESA and its subsidiaries is also used for the production of sugar and renewables, Raízen segregated these assets by segment through the corresponding cost center in which they are allocated and/or apportionment criteria, which take into consideration the production of each product in relation to its total production.

In thousands of Reais - R$, unless otherwise indicated

2023

	Reportable segments							Reconciliation	
	Marketing and Services								
	Brazil	Argentina	Paraguay	Total	Sugar	Renewables	Total segmented	Not segmented	Consolidated
Investments	697,293	348	-	697,641	116,799	564,411	1,378,851	-	1,378,851
Property, plant, and equipment	2,348,005	5,305,249	20,780	7,674,034	8,519,751	10,925,599	27,119,384	-	27,119,384
Intangible assets	2,442,771	584,195	353,149	3,380,115	1233,737	1,537,585	6,151,437	-	6,151,437
Right of use	290,772	384,209	-	674,981	4,773,934	4,827,158	10,276,073	-	10,276,073
Total assets allocated by segment	5,778,841	6,274,001	373,929	12,426,771	14,644,221	17,854,753	44,925,745	-	44,925,745
Other current and non-current assets	-	-	-	-	-	-	-	66,625,718	66,625,718
Total assets	5,778,841	6,274,001	373,929	12,426,771	14,644,221	17,854,753	44,925,745	66,625,718	111,551,463
Total liabilities	-	-	-	-	-	-	-	(88,647,302)	(88,647,302)
Total net assets	5,778,841	6,274,001	373,929	12,426,771	14,644,221	17,854,753	44,925,745	(22,021,584)	22,904,161

2022

	Reportable segments							Reconciliation	
	Marketing and Services								
	Brazil	Argentina	Paraguay	Total	Sugar	Renewables	Total segmented	Not segmented	Consolidated
Investments	747,673	324	-	747,997	112,160	494,262	1,354,419	-	1,354,419
Property, plant, and equipment	2,045,973	4,383,451	19,645	6,449,069	6,831,657	8,984,126	22,264,852	-	22,264,852
Intangible assets	2,321,351	570,235	360,257	3,251,843	1,280,248	1,488,768	6,020,859	-	6,020,859
Right of use	136,663	327,966	-	464,629	5,095,282	5,219,724	10,779,635	-	10,779,635
Total assets allocated by segment	5,251,660	5,281,976	379,902	10,913,538	13,319,347	16,186,880	40,419,765	-	40,419,765
Other current and non-current assets	-	-	-	-	-	-	-	59,924,579	59,924,579
Total assets	5,251,660	5,281,976	379,902	10,913,538	13,319,347	16,186,880	40,419,765	59,924,579	100,344,344
Total liabilities	-	-	-	-	-	-	-	(78,085,436)	(78,085,436)
Total net assets	5,251,660	5,281,976	379,902	10,913,538	13,319,347	16,186,880	40,419,765	(18,160,857)	22,258,908

In thousands of Reais - R$, unless otherwise indicated

24. Costs and expenses by nature

Reconciliation of costs and expenses by nature

Costs and expenses are shown in the statement of income by function. The reconciliation of the Company's statement of income by nature for the years ended March 31, 2023, 2020 and 2022 is as follows:

	Individual		Consolidated	
	2023	2022	2023	2022
Fuel for resale, raw material, costs of collections and transfers	(134,222,095)	(117,098,691)	(217,228,157)	(172,465,566)
Freight	(525,752)	(388,507)	(1,245,464)	(710,312)
Depreciation and amortization	(352,994)	(305,231)	(8,653,478)	(6,369,468)
Personnel expenses	(800,754)	(653,444)	(3,692,551)	(2,774,000)
Cutting, loading and transportation	-	-	(1,616,532)	(1,103,746)
Change in the fair value of biological assets, net of realization (Note 7)	-	-	(188,809)	1,374,524
Selling expenses	(257,776)	(165,766)	(1,199,800)	(677,134)
Hired labor	(64,925)	(85,667)	(596,408)	(580,983)
Logistic expenses	(282,323)	(260,345)	(535,312)	(350,343)
Others	(202,301)	(154,630)	(3,396,318)	(1,901,689)
	(136,708,920)	(119,112,281)	(238,352,829)	(185,558,717)

Classified as:

	Individual		Consolidated	
	2023	2022	2023	2022
Cost of products sold and services provided	(134,222,095)	(117,098,691)	(230,564,083)	(179,570,862)
Selling expenses	(1,870,494)	(1,506,099)	(5,234,882)	(4,028,231)
General and administrative expenses	(616,331)	(507,491)	(2,553,864)	(1,959,624)
	(136,708,920)	(119,112,281)	(238,352,829)	(185,558,717)

25. Other operating revenue (expenses), net

	Individual		Consolidated	
	2023	2022	2023	2022
Bargain purchase gain (Note 30.d)	-	-	266,593	-
Recognition of extemporaneous tax credits and others results, net (1)	(148,142)	9,373	52,856	226,821
Gain on commercial operations	-	1,114	(56,583)	5,636
Gain (loss) on sale of property, plant, and equipment	(4,045)	(11,198)	26,560	(18,378)
Government grant	-	-	46,445	106,489
Revenues from rent and leases	52,606	44,756	47,095	39,614
Revenue from merchandising	-	-	17,403	16,136
Revenue from sale of scrap and waste	-	-	47,880	24,389
Royalty income	6,213	6,753	22,214	18,439
Commissions on sales of lubricants, cards and means of payment	5,154	6,748	6,271	9,514
Revenue from convenience products	- -	-	71,333	47,547
Reversal (set up) of estimated loss on property, plant and equipment, net	(3,374)	(3,833)	18,452	(21,468)
Other revenues, net	56,171	48,183	170,953	67,517
	(35,417)	101,896	737,472	522,256

(1) Includes recovery of tax credits mainly related to PIS, COFINS and ICMS arising from the Company's ordinary activities.

In thousands of Reais - R$, unless otherwise indicated

26. Financial results

	Individual		Consolidated	
	2023	**2022**	**2023**	**2022**
Financial expenses				
Interest	(1,571,595)	(497,080)	(3,856,161)	(1,879,776)
PIS and COFINS on financial income	(12,288)	(10,995)	(124,315)	(43,332)
Monetary variation losses	(14,343)	(25,765)	(406,862)	(463,701)
Others	(30,440)	(25,641)	(250,020)	(90,053)
	(1,628,666)	(559,481)	(4,637,358)	(2,476,862)
Fair value of financial instruments (Notes 9.a.2 and 16)	228,703	246,299	625,041	592,707
Amounts capitalized on qualifying assets	-	3	74,233	71,200
	(1,399,963)	(313,179)	(3,938,084)	(1,812,955)
Financial income				
Interest	163,804	164,781	347,432	287,030
Yields from financial investments	14,270	49,562	436,768	284,684
Monetary variation gains and others	1,746	474	35,460	3,759
	179,820	214,817	819,660	575,473
Exchange rate change, net	(580,701)	1,646,553	(672,473)	1,855,631
Net effect of derivatives	(274,563)	(2,495,845)	(1,031,864)	(2,586,660)
	(2,075,407)	(947,654)	(4,822,761)	(1,968,511)

27. 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:

- Interest rate risk
- Price risk
- Exchange rate risk
- Credit risk
- Liquidity risk

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

(b) Risk management structure

The Company has specific treasury and trading policies that define how risk management should be carried out, never operating with derivatives which are beyond the notional total of the underlying asset or liability.

In thousands of Reais - R$, unless otherwise indicated

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; and (ii) Ethanol and Oil byproducts Committee that meets monthly to assess the risks associated with the sale of ethanol and Oil byproducts and to adapt to the limits defined in the risk policies.

The financial instruments for hedging purposes are taken out by analyzing the risk exposure to which management seeks coverage.

As of March 31, 2023, and 2022, the fair values related to transactions involving derivative financial instruments for hedging purposes are presented below:

				Individual				Consolidated
		Notional		Fair value		Notional		Fair value
	2023	2022	2023	2022	2023	2022	2023	2022
Price risk								
Commodity derivatives								
Futures contracts	911,619	550,760	(12,332)	(213,492)	39,854,841	14,156,943	515,401	(1,930,960)
	911,619	550,760	(12,332)	(213,492)	39,854,841	14,156,943	515,401	(1,930,960)
Exchange rate risk								
Foreign exchange rate derivatives								
Futures contracts	222,268	180,036	1,072	681	157,492	(113,708)	956	102
Forward contracts	461,304	(6,663,596)	14,761	(515,747)	8,693,968	7,313,582	246,246	473,517
Locked-in exchange	-	-	-	-	232,716	996,082	4,344	63,014
Exchange swap	(6,706,128)	(6,569,262)	521,005	526,087	(12,104,053)	(8,938,162)	9,783	117,394
	(6,022,556)	(13,052,822)	536,838	11,021	(3,019,877)	(742,206)	261,329	654,027
Interest rate risk								
Interest rate swap	(204,024)	(204,024)	61,713	51,516	(7,583,083)	(4,206,248)	264,795	315,973
	(204,024)	(204,024)	61,713	51,516	(7,583,083)	(4,206,248)	264,795	315,973
Total			586,219	(150,955)			1,041,525	(960,960)
Current assets			92,082	154,842			6,452,593	5,409,266
Non-current assets			998,187	976,060			2,826,733	2,082,299
Total assets			1,090,269	1,130,902			9,279,326	7,491,565
Current liabilities			(88,581)	(830,748)			(6,269,699)	(7,174,053)
Non-current liabilities			(415,469)	(451,109)			(1,968,102)	(1,278,472)
Total liabilities			(504,050)	(1,281,857)			(8,237,801)	(8,452,525)
Total			586,219	(150,955)			1,041,525	(960,960)

(c) Price risk (Consolidated)

Price risk arises from the possibility of fluctuating market prices for products traded, mainly VHP sugar, refined and white sugar, diesel (heating oil), gasoline, ethanol, electric power and crude oil. These price oscillations may lead to material changes in sales revenues and costs. To mitigate this risk, the Company constantly monitors the market to anticipate price changes. As of March 31, 2023, and 2022, the Company has contracted the operations described below:

In thousands of Reais - R$, unless otherwise indicated

Price risk: commodity derivatives outstanding as of March 31, 2023

Derivatives	Long/Short	Market	Contract	Maturity	Notional (units)		Notional (R$ thousand)	Fair value (R$ thousand)
Futures	Short	ICE	Sugar#11	Apr/23 to Feb/25	9,102,977	t	18,578,941	(3,519,332)
Futures	Short	NYSE LIFFE	Sugar#5	Apr/23 to Nov/23	511,400	t	1,418,755	(183,083)
Futures	Short	OTC	Sugar#11	Apr/23 to Sept/25	2,877,702	t	5,989,089	(730,152)
Options	Short	ICE	Sugar#11	Apr/23 to Feb/24	960,572	t	(1,972,914)	(64,974)
Subtotal – sugar futures short position					13,452,651		24,013,871	(4,497,541)
Futures	Long	ICE	*Sugar#11*	Apr/23 to Sept/24	(8,714,339)	t	(16,938,219)	2,751,806
Futures	Long	NYSE LIFFE	*Sugar#5*	Apr/23 to Nov/23	(112,550)	t	(312,309)	39,968
Options	Long	OTC	*Sugar#5*	Jul/23	(5,000)	t	(23,167)	660
Options	Long	ICE	*Sugar#11*	Apr/23 to Sept/23	(883,759)	t	1,807,441	65,025
Subtotal - sugar futures long position					(9,715,648)		(15,466,254)	2,857,459
Physical fixed	Short	ICE	Sugar#11	Apr/23 to Oct/31	16,533,724	t	34,404,823	(59,408)
Physical fixed	Short	NYSE LIFFE	Sugar#5	Apr/23 to Dec/23	37,445	t	118,019	8,017
Subtotal – physical fixed sugar short position					16,571,169		34,522,842	(51,391)
Physical fixed	Long	ICE	*Sugar#11*	Apr/23 to Jun/27	(2,964,232)	t	(7,077,946)	746,464
Physical fixed	Long	NYSE LIFFE	*Sugar#5*	Apr/23 to Dec/24	(268,085)	t	(814,771)	53,538
Subtotal - physical fixed sugar long position					(3,232,317)		(7,892,717)	800,002
Subtotal – sugar futures (1)					17,075,855		35,177,742	(891,471)
Futures	Short	B3	Ethanol	Apr/23 to Dec/23	80,700	m^3	221,550	(2,787)
Futures	Short	NYMEX	Ethanol	Apr/23 to Dec/23	1,423,525	m^3	4,809,004	116,278
Futures	Short	OTC	Ethanol	Apr/23 to Dec/23	75,923	m^3	239,317	10,100
Options	Short	NYMEX	Ethanol	Apr/23 to May/23	(111,818)	m^3	188,021	5,416
Subtotal – ethanol futures short position					1,468,330		5,457,892	129,007
Futures	Long	B3	Ethanol	Apr/23 to Dec/23	(22,710)	m^3	(61,362)	189
Futures	Long	NYMEX	Ethanol	Apr/23 to Dec/23	(1,302,382)	m^3	(3,939,398)	96,406
Futures	Long	OTC	Ethanol	Apr/23 to Dec/23	(64,584)	m^3	(161,227)	(7,071)
Options	Long	NYMEX	Ethanol	Apr/23 to May/23	125,333	m^3	(219,540)	(462)
Subtotal – ethanol futures long position					(1,264,343)		(4,381,527)	89,062
Physical fixed	Short	CHGOETHNL	Ethanol	Apr/23 to Jun/30	1,062,326	m^3	4,087,206	159,994
Physical fixed	Long	CHGOETHNL	Ethanol	Apr/23 to Dec/23	(136,834)	m^3	(478,213)	1,472
Subtotal - physical fixed ethanol					925,492		3,608,993	161,466
Subtotal – ethanol futures					1,129,479		4,685,358	379,535
Futures	Short	NYMEX	Gasoline	Apr/23	62,964	m^3	212,774	(12,240)
Subtotal - gasoline futures short position					62,964		212,774	(12,240)
Futures	Long	NYMEX	Gasoline	Apr/23	(17,172)	m^3	(60,198)	62
Subtotal - gasoline futures long position					(17,172)		(60,198)	62
Subtotal - gasoline futures					45,792		152,576	(12,178)
Futures	Short	NYMEX	Heating Oil	Apr/23 to Oct/23	834,415	m^3	3,885,798	93,863
Futures	Short	ICE	Heating Oil	Apr/23 to Dec/23	273,625	m^3	1,006,636	73,437
Options	Short	NYMEX	Heating Oil	Jul/23 to Sept/23	(238,500)	m^3	611,383	(9,769)
Subtotal - heating oil futures short position					869,540		5,503,817	157,531
Futures	Long	NYMEX	*Heating oil*	Apr/23 to Oct/23	(718,832)	m^3	(3,019,474)	(76,380)
Futures	Long	ICE	*Heating oil*	Apr/23 to Dec/23	(240,487)	m^3	(868,212)	(21,197)
Options	Long	NYMEX	*Heating oil*	Apr/23 to Sept/23	178,398	m^3	(632,332)	3,053
Subtotal - heating oil futures long position					(780,921)		(4,520,018)	(94,524)
Futures	Short	ICE	Heating Oil	Apr/23 to May/23	29,100	t	83,594	1,016
Futures	Long	ICE	Heating Oil	Apr/23 to May/23	(29,680)	t	(86,171)	(1,965)
Subtotal - heating oil futures					(580)		(2,577)	(949)

In thousands of Reais - R$, unless otherwise indicated

Price risk: commodity derivatives outstanding as of March 31, 2023							
Derivatives	**Long/Short**	**Market**	**Contract**	**Maturity**	**Notional (units)**	**Notional (R$ thousand)**	**Fair value (R$ thousand)**
Physical fixed	Short	NYMEX	Heating Oil	Apr/23	59,000 m^3	217,865	(15,760)
Physical fixed	Long	NYMEX	Heating Oil	Apr/23	(95,836) m^3	(322,751)	19,090
Subtotal - physical fixed heating oil					(36,836)	(104,886)	3,330
Subtotal - heating oil futures					51,203	876,336	65,388
Physical fixed	Short	CCEE/OTC	Energy	Apr/23 to Dec/41	29,297,842 mwh	6,253,570	2,262,654
Physical fixed	Long	CCEE/OTC	Energy	Apr/23 to Sept/53	(32,855,743) mwh	(7,290,741)	(1,288,527)
Subtotal - physical fixed energy					(3,557,901)	(1,037,171)	974,127
Net exposure of commodity derivatives as of March 31, 2023						39,854,841	515,401
Net exposure of commodity derivatives as of March 31, 2022						14,156,943	(1,930,960)

(1) Includes sales of 100% traceable raw sugar produced from non-genetically modified sugarcane ("Non-GMO").

(d) Exchange rate risk (Consolidated)

Currency risk derives from the possibility of fluctuations in exchange rates used for revenue from exports, imports, debt flows and other assets and liabilities in foreign currency. The Company uses derivative operations to manage cash flow risks denominated in US dollars, net of other cash and cash equivalent flows. As of March 31, 2023, and 2022, the Company has contracted the operations described below:

Exchange rate risk: foreign exchange derivatives outstanding as of March 31, 2023							
Derivatives	**Long/Short**	**Market**	**Contract**	**Maturity**	**Notional (US$ thousand)**	**Notional (R$ thousand)**	**Fair value (R$ thousand)**
Futures	Short	B3	Commercial Dollar	Apr/23 to May/23	544,500	2,766,277	10,809
Futures	Long	B3	Commercial Dollar	Apr/23 to May/23	(513,500)	(2,608,785)	(9,853)
Options	Short	OTC	Dollar Option	Mar/24	20,646	104,890	(3,213)
Options	Long	OTC	Dollar Option	Mar/24	(20,646)	(104,890)	3,213
Subtotal - futures					31,000	157,492	956
Forward	Short	OTC	NDF	Apr/23 to Mar/25	2,147,005	10,907,643	283,349
Forward	Long	OTC	NDF	Apr/23 to Mar/24	(435,728)	(2,213,675)	(37,103)
Subtotal - forward					1,711,277	8,693,968	246,246
Exchange swap	Long	OTC	Exchange swap	Apr/24 to Mar/30	(2,382,500)	(12.104.053)	9,783
Subtotal - foreign exchange swap					(2,382,500)	(12,104,053)	9,783
Locked-in exchange	Short	OTC	Locked-in exchange	Apr/23 to Dec/26	346,768	1,761,721	(45,742)
Locked-in exchange	Long	OTC	Locked-in exchange	Apr/23 to Oct/24	(300,962)	(1,529,005)	50,086
Subtotal - Locked-in exchange					45,806	232,716	4,344
Net exposure of foreign exchange derivatives as of March 31, 2023					(594,417)	(3,019,877)	261,329
Net exposure of foreign exchange derivatives as of March 31, 2022					(156,656)	(742,206)	654,027

As of March 31, 2023, the summary of the net foreign exchange exposure of the Company's consolidated statement of financial position, considering the parity of all foreign currencies to US$, is presented below:

		2023
	R$	US$ (in thousands)
Cash and cash equivalents (Note 3)	5,120,361	1,007,866
Restricted cash (Note 4.b)	1,207,322	237,643
Foreign trade accounts receivable (Note 5.a)	4,016,404	790,568
Advances to suppliers (Note 14.b)	91,382	17,987
Related parties (Note 9.a)	(3,012,602)	(592,985)
Advances from clients	(1,546,507)	(304,406)
Suppliers (Note 14.a)	(7,540,996)	(1,484,331)
Loans and financing (Note 16)	(16,305,127)	(3,209,418)
Lease liabilities (Note 15.b)	(374,250)	(73,665)
Other liabilities (1)	(319,158)	(62,821)
Derivative financial instruments (Note 27.d) (2)		594,417
Currency exposure, net		(3,079,145)
Derivatives settled in the month following closing (3)		104,881
Net currency exposure, adjusted as of March 31, 2023 (4) / (5)		(2,974,264)
Net currency exposure, adjusted as of March 31, 2022 (5)		(3,139,209)

(1) Consideration payable for the acquisition of Raízen Paraguay;
(2) This refers to the notional amount of foreign exchange derivative transactions;
(3) Maturities as of the 1st business day of the subsequent month, whose settlement was given by reference rate of the US dollar, calculated by the Central Bank of Brazil on the last closing day of the month, quoted at R$ 5.08 (R$ 4.74 in 2022);
(4) The adjusted net currency exposure will be substantially offset in the future with highly probable future revenues of product exports and/costs of product imports;
(5) Book balance of assets and liabilities denominated in foreign currencies at the statement of financial position date.

(e) Hedge accounting effect (Consolidated)

Raízen formally designates transactions subject to hedge accounting for the purpose of hedging cash flows. The main hedges designated are sugar and ethanol revenues, as applicable, cost of by-products import, and foreign currency debt.

The impacts recognized in the Company's equity and the estimated realization in profit or loss are as follows:

In thousands of Reais - R$, unless otherwise indicated

Financial instruments	Market	Risk	Year of realization 2022/2023	2023/2024	2024/2025	Above 2025	Contributed equity valuation adjustments (1)	2023
Futures	OTC / ICE	Sugar#11	-	(868,210)	(115,601)	13,577	2,580,141	1,609,907
Futures	B3 / NYMEX / OTC	Ethanol	-	(1,820)	-	-	444,278	445,912
Option	ICE	Sugar#11	-	(11,364)	-	-	90,028	78,664
Forward	OTC / ICE	Exchange	-	371,521	117,221	302,041	(381,935)	408,848
Swap	Debt	Exchange	-	-	-	(726,937)	892,097	165,160
PPE	Debt	Exchange	-	(25,544)	-	(66,406)	178,392	86,442
			-	(535,417)	1,620	(477,725)	3,804,821	2,793,299
(-) Deferred taxes			-	182,04	(551)	162,42	(1,293,640)	(949,722)
Effect on equity in 2023			-	(353,375)	1,069	(315,298)	2,511,181	1,843,577
Effect on equity in 2022			(629.396)	14,461	34,846	(347,260)	2,511,181	1,583,832

(1) Other comprehensive income contributed by the corporate reorganization of RESA and the business combination of Raízen Centro-Sul, in the amount of R$2,366,246 and R$144,935, respectively, occurred during the fiscal year ended March 31, 2022.

Changes in consolidated balances in other comprehensive income for the year are as follows:

Cash flow hedge

	2023	2022
Balance at beginning of year	1,583,832	(1,374)
Movement occurred in the year:		
Designation as hedge accounting		
Fair value of commodity futures	(892,510)	(1,652,801)
Fair value of forward exchange contracts	102,736	1,446,942
	(789,774)	(205,859)
Realizations and write-offs of commodities and foreign exchange results		
Net operating revenue	1,169,822	2,689,750
Cost of products sold and services provided	14,093	(36,916)
Other operating expenses, net	(589)	(45,147)
Total movements occurred during the year (before deferred taxes)	393,552	2,401,828
Effect of deferred taxes on equity adjustments	(133,807)	(816,622)
	259,745	1,585,206
Balance at end of year	1,843,577	1,583,832

For the year ended March 31, 2023, there were no reclassifications to financial results referring to ineffective portions of the structures designated as cash flow hedges.

Fair value hedge

The parent company Raízen designates at fair value the inventories and highly probable purchases of oil by-products with pegged derivatives. Risk management is primarily intended for recognizing inventory at a floating price, as Raízen's sales revenue will be upon sale of products to its clients. Hedge accounting aims to minimize any type of mismatching in the statement of income for the year, causing both the derivatives and the inventory to be recorded at fair value, whose positive impact in the year ended March 31, 2023, was R$ 5,145 (negative impact of R$

In thousands of Reais - R$, unless otherwise indicated

55,876 in 2022). As of March 31, 2023, the fair value measurement balance of inventories is decreased by R$ 2,952 (decreased by R$ 8,097 in 2022).

(f) Interest rate risk (Consolidated)

The Company monitors fluctuations in variable interest rates related to certain debts, especially those linked to Libor and IPCA, SOFR 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:

					Interest rate risk: Interest derivatives outstanding as of March 31, 2023		
Derivatives	**Long/Short**	**Market**	**Contract**	**Maturity**	**Notional (US$ thousand)**	**Notional (R$ thousand)**	**Fair value (R$ thousand)**
Interest rate swap	Long	OTC	Interest rate swap	May/23 to Aug/37	(1,492,615)	(7,583,083)	264.795
Total interest swap					(1.492.615)	(7.583.083)	264,795
Net exposure of interest derivatives as of March 31, 2023						(7.583.083)	264,795
Net exposure of interest derivatives as of March 31, 2022						(4,206,248)	315,973

In thousands of Reais - R$, unless otherwise indicated

(g) Summary of hedge effects on the consolidated profit or loss for the year

Selected result information	Exposure	Hedge	Hedge effects on the consolidated profit or loss: Exchange	Commodities	Interest	Total	Result excluding hedge effects	2023
Net operating revenue	Operating income	Cash flow and fair value	844,185	(2,234,068)	-	(1,389,883)	247,221,673	245,831,790
Cost of products sold and services provided	Operating income	Cash flow and fair value	(10,784)	(616,094)	-	(626,878)	(229,937,205)	(230,564,083)
Gross profit (loss)			833,401	(2,850,162)	-	(2,016,761)	17,284,468	15,267,707
Other operating revenue (expenses), net	Operating income	Cash flow	591	-	-	591	736,881	737,472
Income (loss) before financial results and income tax and social contribution			833,992	(2,850,162)	-	(2,016,170)	10,102,511	8,086,341
Financial results								
Financial expenses	Interest and foreign exchange variations on loans and financing	Fair value	534,568	-	90,475	625,043	(4,563,127)	(3,938,084)
Exchange variations	Foreign exchange variations on loans and financing	Cash flow	5,077	-	-	5,077	(677,550)	(672,473)
Net effect of derivatives	Interest and foreign exchange variations on loans and financing	Cash flow and fair value	(779,604)	(122,005)	(130,255)	(1,031,864)	-	(1,031,864)
			(239,959)	(122,005)	(39,780)	(401,744)	(5,240,677)	(5,642,421)
Income (loss) before income tax and social contribution			594,033	(2,972,167)	(39,780)	(2,417,914)	5,681,494	3,263,580

In thousands of Reais - R$, unless otherwise indicated

Selected result information	Exposure	Hedge	Hedge effects on the consolidated profit or loss: Exchange	Commodities	Interest	Total	Income excluding hedge effects	2022
Net operating revenue	Operating income	Cash flow and fair value	(49,527)	(2,827,890)	-	(2,877,417)	194,147,291	191,269,874
Cost of products sold and services provided	Operating income	Cash flow and fair value	55,743	(970,786)	-	(915,043)	(178,655,819)	(179,570,862)
Gross profit (loss)			6,216	(3,798,676)	-	(3,792,460)	15,491,472	11,699,012
Other operating revenue (expenses), net	Operating income	Cash flow	44,031	1,114	-	45,145	477,111	522,256
Income (loss) before financial results and income tax and social contribution			50,247	(3,797,562)	-	(3,747,315)	9,917,678	6,170,363
Financial results								
Financial expenses	Interest and foreign exchange variations on loans and financing	Fair value	318,506	-	274,200	592,706	(2,405,661)	(1,812,955)
Exchange variations	Foreign exchange variations on loans and financing	Cash flow	(12,360)	-	-	(12,360)	1,867,991	1,855,631
Net effect of derivatives	Interest and foreign exchange variations on loans and financing	Cash flow and fair value	(1,921,090)	54,435	(445,546)	(2,312,201)	(274,459)	(2.586.660)
			(1,614,944)	54,435	(171,346)	(1,731,855)	(812,129)	(2,543,984)
Income (loss) before income tax and social contribution			(1,564,697)	(3,743,127)	(171,346)	(5,479,170)	9,681,022	4,201,852

In thousands of Reais - R$, unless otherwise indicated

The breakdown of commodity hedge effects on the consolidated operating income, during the year ended March 31, 2023, and 2022, is shown below:

	Sugar	Ethanol	Petroleum and its derivatives	Total commodities
Net operating revenue	(2,257,626)	23,558	-	(2,234,068)
Cost of products sold and services provided	(482,287)	376,472	(510,279)	(616,094)
Gross profit (loss)	(2,739,913)	400,030	(510,279)	(2,850,162)
Income (loss) before financial results and income tax and social contribution	(2,739,913)	400,030	(510,279)	(2,850,162)

	Sugar	Ethanol	Petroleum and its derivatives	Total commodities
Net operating revenue	(1,987,316)	(840,574)	-	(2,827,890)
Cost of products sold and services provided	(85,279)	(144,303)	(741,204)	(970,786)
Gross profit (loss)	(2,072,595)	(984,877)	(741,204)	(3,798,676)
Other operating revenue, net	-	1,114	-	1,114
Income (loss) before financial results and income tax and social contribution	(2,072,595)	(983,763)	(741,204)	(3,797,562)

(h) Credit risk (Consolidated)

A substantial part of the sales made by the Company and its subsidiaries is to a select group of highly qualified counterparties.

Credit risk is managed by specific rules for client acceptance, credit analysis and establishment of exposure limits per client, 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 established 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 in the year, 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 – ICE US and NYMEX, Chicago - CBOT, Chicago - CME, and London - LIFFE commodity futures and options markets, as well as in the over the counter (OTC) market with selected counterparties. The Company operates exchange rate and commodity derivatives in over-the-counter markets registered with B3, mainly with the main national and international banks considered Investment Grade by international rating agencies.

Guarantee margins (Restricted cash, Note 4.b) - Derivative transactions on commodity exchanges (ICE US, NYMEX, LIFFE and B3) require guarantee margins. The total consolidated margin deposited as of March 31, 2023, amounts to R$ 1,272,959 (R$ 2,279,565 in 2022), of which R$ 62,110 (R$ 100,821 in 2022) in restricted financial investments and R$ 1,210,849 (R$ 2,178,744 in 2022) in margin on derivative transactions.

In thousands of Reais - R$, unless otherwise indicated

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

Credit risk on cash and cash equivalents is mitigated through the conservative distribution of investment funds and CDBs 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.

(i) Liquidity risk (Consolidated)

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 approach to this risk consists of prudential management that guarantees sufficient liquidity to meet its obligations when they fall due, under normal and stress conditions, without causing unacceptable losses or risking damage to 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 states the main financial liabilities contracted by maturity:

					2023	2022
	Up to 1 year	Up to 2 years	From 3 to 5 years	Above 5 years	Total	Total
Loans and financing	5,252,175	5,660,658	14,716,070	16,089,102	41,718,005	28,473,070
Suppliers (Note 14)	21,452,338	-	-	-	21,452,338	19,059,514
Lease liabilities from third parties and related parties (1) (Note 15.b)	3,483,761	2,899,494	5,767,771	3,980,640	16,131,666	15,402,520
Derivative financial instruments (Note 27.b)	6,269,699	626,903	1,150,055	191,144	8,237,801	8,452,525
Related parties (1)	2,140,033	160,663	633,267	3,470,788	6,404,751	5,961,712
Other liabilities (2)	91,447	91,447	182,894	-	365,788	426,402
	38,689,453	9,439,165	22,450,057	23,731,674	94,310,349	77,775,743

(1) Except lease liabilities with related parties.
(2) Consideration payable for the acquisition of Raízen Paraguay.

(j) Fair value (Consolidated)

The fair value of financial assets and liabilities is the amount for which a financial instrument may be exchanged in a current transaction between willing parties, other than a forced sale or settlement. The fair value of cash and cash equivalents, trade accounts receivable, suppliers, related parties and other short-term obligations approximates the respective carrying amount. The fair value of long-term assets and liabilities does not differ significantly from their carrying amount.

In thousands of Reais - R$, unless otherwise indicated

The fair value of loans and financing is obtained by determining the present value of future cash flows of obligations using, for this purpose, interest rate curves (according to contracted indexes). These financial instruments are substantially subject to variable interest rates (Note 16), resulting in a fair value approximates the amounts recorded in the financial statements.

Derivatives measured by valuation techniques with observable market data refer mostly to swaps and forward contracts. The most frequently applied valuation techniques include forwards and swap pricing models, using present value calculation. The models include various inputs, including in connection with the creditworthiness of the counterparties, spot and forward foreign exchange rates, interest rate curves and forward rate curves of the hedged commodity.

The categories of the main consolidated financial instruments are presented as follows:

	2023			2022		
Financial assets	**Amortized cost**	**Fair value through profit or loss**	**Total**	**Amortized cost**	**Fair value through profit or loss**	**Total**
Cash and cash equivalents (Note 3)	5,159,881	-	5,159,881	4,182,878	-	4,182,878
Financial investments (Note 3)	-	3,573,515	3,573,515	-	4,051,690	4,051,690
Financial treasury bill ("LFT")	-	8,751	8,751		87,529	87,529
TVM except LFT	167,778	-	167,778	-	-	-
Restricted cash (Note 4.b)	1,212,500	62,110	1,274,610	2,178,744	100,888	2,279,632
Trade accounts receivable (Note 5)	8,920,348	-	8,920,348	6,637,838	-	6,637,838
Derivative financial instruments (Note 27.b)	-	9,279,327	9,279,327	-	7,491,565	7,491,565
Related parties (Note 9)	2,180,484	-	2,180,484	2,085,638	-	2,085,638
Total financial assets	17,640,991	12,923,703	30,564,694	15,085,098	11,731,672	26,816,770
Financial liabilities						
Loans and financing (Note 16)	(9,197,289)	(20,257,641)	(29,454,930)	(7,053,700)	(15,221,249)	(22,274,949)
Derivative financial instruments (Note 27.b)	-	(8,237,800)	(8,237,800)	-	(8,452,525)	(8,452,525)
Suppliers (Note 14.a)	(21,452,338)	-	(21,452,338)	(19,059,514)	-	(19,059,514)
Other liabilities	(319,158)	-	(319,158)	(359,478)	-	(359,478)
Related parties (Note 9)	(5,537,457)	-	(5,537,457)	(5,017,700)	-	(5,017,700)
Total financial liabilities	(36,506,242)	(28,495,441)	(65,001,683)	(31,490,392)	(23,673,774)	(55,164,166)

Fair value hierarchy

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments by the 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; and
- Level 3: techniques using inputs that have a significant effect on the fair value recorded that are not based on observable market data.

As of March 31, 2023, the hierarchies used in the valuation techniques of the Company's financial instruments are described below:

In thousands of Reais - R$, unless otherwise indicated

Financial instruments measured at fair value	Level 1	Level 2	Total
Financial investments (Note 3)	-	3,573,515	3,573,515
LFT (Note 4.a)	-	8,751	8,751
Financial investments - restricted cash (Note 4.b)	-	62,110	62,110
Derivative financial assets (Note 27.b)	5,169,214	4,110,113	9,279,327
Loans and financing (Note 16)	-	(20,257,641)	(20,257,641)
Derivative financial liabilities (Note 27.b)	(5,630,013)	(2,607,787)	(8,237,800)
Total as of March 31, 2023	(460,799)	(15,110,939)	(15,571,738)
Total as of March 31, 2022	(2,350,439)	(9,591,663)	(11,942,102)

During the years ended March 31, 2023, and 2022, there were no transfers between these levels to determine the fair value of financial instruments.

(k) Sensitivity analysis (Consolidated)

Raízen adopted three scenarios for its sensitivity analysis, one probable and two (possible and remote) that may have adverse effects on the fair value of its financial instruments. The probable scenario was defined based on the commodities futures market curves for sugar, ethanol, diesel (heating oil), US dollar and other currencies on March 31, 2023, 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 product price curves and US dollar, which were calculated based on the probable scenario.

Sensitivity analysis table

(1) Changes in fair value of derivative financial instruments

			Impact on profit or loss (*)			
	Risk factors	Probable scenario	Possible scenario +25%	Fair value balance	Remote scenario +50%	Fair value balance
Price risk						
Commodity derivatives						
Futures contracts:						
Purchase and sale commitments	Sugar price increase	(891,471)	(8,934,741)	(9,826,212)	(17,869,482)	(18,760,953)
Purchase and sale commitments	Ethanol price increase	379,535	(1,083,286)	(703,751)	(2,166,572)	(1,787,037)
Purchase and sale commitments	Gasoline price decrease	(12,178)	19,124	6,946	38,248	26,070
Purchase and sale commitments	Heating oil price increase	65,388	(220,936)	(155,548)	(441,872)	(376,484)
Purchase and sale commitments	Energy price decrease	974,127	(902,599)	71,528	(1,805,198)	(831,071)
		515,401	(11,122,438)	(10,607,037)	(22,244,876)	(21,729,475)
Foreign exchange rate risk						
Foreign exchange rate derivatives						
Futures contracts:						
Purchase and sale commitments	US$/R$ exchange rate increase	956	(39,509)	(38,553)	(79,018)	(78,062)
Forward contracts:						
Purchase and sale commitments	US$/R$ exchange rate increase	256,762	(1,709,848)	(1,453,086)	(3,419,696)	(3,162,934)
Purchase and sale commitments	€/US$ exchange rate increase	(10,484)	(428,917)	(439,401)	(857,834)	(868,318)
Purchase and sale commitments	€/R$ exchange rate decrease	(32)	(2,200)	(2,232)	(4,400)	(4,432)
Exchange swaps:						
Purchase and sale commitments	€/US$ exchange rate increase	4,344	(287,551)	(283,207)	(575,103)	(570,759)
Locked-in exchange						
Purchase and sale commitments	US$/R$ exchange rate decrease	9,783	(2,993,640)	(2,983,857)	(5,987,280)	(5,977,497)
		261,329	(5,461,665)	(5,200,336)	(10,923,331)	(10,662,002)

In thousands of Reais - R$, unless otherwise indicated

	Risk factors	Probable scenario	Possible scenario +25%	Fair value balance	Remote scenario +50%	Fair value balance
					Impact on profit or loss (*)	
Interest rate risk						
Interest swap:						
Purchase and sale commitments	Interest rate decrease	264,795	47,867	312,662	95,735	360,530
		264,795	47,867	312,662	95,735	360,530
Total		1,041,525	(16,536,236)	(15,494,711)	(33,072,472)	(32,030,947)

(*) Projected result considering a horizon of up to 12 months from March 31, 2023.

As of March 31, 2023, the commodity and foreign exchange futures curves used in the sensitivity analysis are described below:

Risk factors	Index	Position	Probable	Possible	Scenarios Remote
Sugar price increase	R$/ton	Short	2,289	2,861	3,434
Ethanol price increase	R$/ m^3	Short	3,604	4,505	5,406
Gasoline price decrease	R$/ m^3	Long	3,264	2,448	1,632
Heating oil price increase	R$/ m^3	Short	4,980	6,226	7,471
Energy price decrease	R$/mwh	Long	168	126	84
Exchange rate increase	US$/R$	Short	4.78	5.97	7.17
Exchange rate increase	€/US$	Short	1.05	1.31	1.58
Exchange rate decrease	€/R$	Long	5.67	4.25	2.83
Exchange rate decrease	US$/R$	Long	5.08	3.81	2.54
Interest rate decrease	(%) per year	Long	13.65	10.24	6.82

(2) Foreign exchange exposure, net

The probable scenario considers the position as of March 31, 2023. The effects of the possible and remote scenarios that would be posted to the consolidated statement of income as foreign exchange gains (losses) are described below:

Net foreign exchange exposure as of March 31, 2023	Asset/liability balances	Possible scenario +25%	Remote scenario +50%	Possible scenario -25%	Remote scenario -50%
		Effect of exchange rate changes			
Cash and cash equivalents (Note 3)	5,120,361	1,280,090	2,560,181	(1,280,090)	(2,560,181)
Restricted cash (Note 4.b)	1,207,322	301,831	603,661	(301,831)	(603,661)
Foreign trade accounts receivable (Note 5.a)	4,016,404	1,004,101	2,008,202	(1,004,101)	(2,008,202)
Advances to suppliers (Note 14.b)	91,382	22,846	45,691	(22,846)	(45,691)
Related parties (Note 9.a)	(3,012,602)	(753,151)	(1,506,301)	753,151	1,506,301
Advances from clients	(1,546,507)	(386,627)	(773,254)	386,627	773,254
Suppliers (Note 14.a)	(7,540,996)	(1,885,249)	(3,770,498)	1,885,249	3,770,498
Loans and financing (Note 16)	(16,305,127)	(4,076,282)	(8,152,564)	4,076,282	8,152,564
Lease liabilities (Note 15.b)	(374,250)	(93,563)	(187,125)	93,563	187,125
Other liabilities (1)	(319,158)	(79,790)	(159,579)	79,790	159,579
Impact on statement of income for the year		(4,665,794)	(9,331,586)	4,665,794	9,331,586

(1) Consideration payable for the acquisition of Raízen Paraguay.

As of March 31, 2023, the rates used in the mentioned sensitivity analysis were as follows:

In thousands of Reais - R$, unless otherwise indicated

	R$/US$
Probable, statement of financial position balance	5.08
Possible scenario +25%	6.35
Remote scenario +50%	7.62
Possible scenario -25%	3.81
Remote scenario -50%	2.54

(3) Interest rate sensitivity

As of March 31, 2023, the probable scenario considers the weighted average post-fixed annual interest rate on loans and financing, and for financial investments and securities (except LFT), the CDI and IPCA 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:

				Interest rate sensitivity	
	Probable scenario	Possible scenario +25%	Remote scenario +50%	Possible scenario -25%	Remote scenario -50%
Financial investments (including LFT)	480,974	120,244	240,487	(120,244)	(240,487)
Debentures (securities)	5,532	1,383	2,766	(1,383)	(2,766)
Investment funds (securities)	8,699	1,687	3,374	(1,687)	(3,374)
Restricted financial investments (restricted cash)	8,527	2,132	4,264	(2,132)	(4,264)
Post-fixed loans and financing	(2,133,702)	(533,426)	(1,066,851)	533,426	1,066,851
Additional impact on income for the year	(1,629,970)	(407,980)	(815,960)	407,980	815,960

As of March 31, 2023, we applied the following rates and assumptions in the sensitivity analysis:

					Scenarios
	Probable	Possible 25%	Remote 50%	Possible -25%	Remote -50%
101% of the accumulated CDI - % per year	13.43%	16.78%	20.14%	10.07%	6.71%
100% of the accumulated CDI + 4% per year	17.82%	21.27%	24.73%	14.36%	10.91%
Accumulated IPCA - % per year	4.65%	5.81%	6.98%	8.14%	9.30%
Weight post-fixed annual interest rate on loans and financing	8.65%	10.81%	12.97%	6.48%	4.32%

(I) Capital management (Consolidated)

The Company's objective when managing its capital structure is to ensure the continuity of its operations and finance investment opportunities, maintaining a healthy credit profile and offering an adequate return to its shareholders.

Raízen has a relationship with the main local and international rating agencies, as shown below:

In thousands of Reais - R$, unless otherwise indicated

Agency	Scale	Rating	Outlook	Date
Fitch	National	AAA (bra)	Stable	August/2022
	Global	BBB	Stable	August/2022
Moody's	National	AAA,Br	Stable	September/2022
	Global	Baa3	Stable	February/2023
Standard & Poor's	National	brAAA	Stable	November/2022
	Global	BBB-	Stable	November/2022

Raízen monitors its capital through a combined treasury management of its business, using a leverage ratio represented by net debt divided by equity.

The Company's net debt is calculated as the total of loans and financing with the market, net of cash and cash equivalents, investments and trade notes held as collateral for debt items and derivative financial instruments taken out to hedge the indebtedness.

Financial leverage ratios as of March 31, 2023, and 2022 were calculated as follows:

	2023	2022
Third party capital		
Loans and financing (Note 16)	29,454,938	22,274,876
(-) Cash and cash equivalents (Note 3)	(8,733,396)	(8,234,568)
(-) LFT (Note 4.a)	(176,529)	(87,529)
(-) Financial investments linked to financing (Note 4.b)	(1,651)	(67)
(-) National Treasury Certificates – CTN	(34,940)	(31,126)
(-) Foreign exchange and interest rate swaps and other derivatives	(147,303)	(94,207)
	20,361,119	13,827,379
Own capital		
Equity		
Attributable to Company's controlling shareholders	22,251,749	21,648,413
Interest of non-controlling shareholders	652,412	610,495
	22,904,161	22,258,908
Total own capital and third parties	43,265,280	36,086,287
Leverage ratio	47.06%	38.32%

28. Retirement supplementation plan

(a) Pension fund

Variable contribution

The Company sponsors the Retirement Plan Raiz, administered by Raizprev – Entidade de Previdência Privada, a closed nonprofit supplementary pension plan entity.

In thousands of Reais - R$, unless otherwise indicated

The Entity has administrative, equity and financial autonomy, and its objective is to administer and provide private pension plans, as defined in the Benefit Plan Regulations.

The Company has legal and contractual obligations that could give rise to the need to make additional extraordinary contributions in case of shortfall. In the year ended March 31, 2023, the contribution recognized as an expense totaled R$ 32,141 (R$ 21,314 in 2022).

The subsidiary Raízen Centro-Sul granted its employees a defined contribution private pension plan. Contribution has been suspended since April 1, 2022 and the plan is closed to new participants, which ended on March 24, 2023.

The subsidiary Raízen Centro-Sul's expense with the private pension plan totaled R$ 742 in the period from August 10 to March 31, 2022. Due to the plan's characteristics and design, Raízen Centro-Sul does not have any future obligation arising from post-employment or actuarial benefits.

Pension and healthcare plan of subsidiary Raízen Argentina

Raízen Argentina granted pension plans to non-union employees with defined and non-financed benefit. These plans are effective but closed to new participants since the end of 2014. The healthcare coverage of retired employees is an inherited and frozen benefit, whose cost is equally apportioned between the Company and the former employees.

(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.

29. Insurance

Raízen has an insurance and risk management program that provides coverage and protection compatible with its assets and operation.

The insurance coverage taken out is based on a careful study of risks and losses conducted by local insurance advisors, and the types of insurance taken out are considered sufficient by management to cover claims, if any, considering the nature of the activities of the Company and its subsidiaries, which are described below:

Insurance type	Coverage	Value
Operational risks	Fire, lightning, explosion, among others	2,352,476
General civil liability	Third-party claims	530,200
		2,882,676

In thousands of Reais - R$, unless otherwise indicated

30. Business combination

(a) Acquisition of Raízen Centro-Sul by Raízen

On August 10, 2021, the acquisition by the Company of all shares issued by Raízen Centro-Sul was conducted.

On May 11, 2022, the Company and the sellers signed the settlement agreement and the amendment to the acquisition contract of Raízen Centro-Sul, whereby a price adjustment in favor of Raízen was established in the amount of R$ 78,326, equivalent to US$ 15,000 thousand, which will be received in five annual installments, with final maturity in 2026.

On June 6, 2022, the Company received the first installment of the price adjustment, amounting to R$ 14,386, according to the maturity established in such agreement. Additionally, on February 10, 2023, Hédera Investimentos e Participações S.A. advanced the payment of the remaining balance of the price adjustment due to Raízen, in the amount of R$ 62,774.

On August 9, 2022, the Company concluded the procedures for allocating the purchase price for the acquisition of Raízen Centro-Sul. Accordingly, the consideration for the acquisition of Raízen Centro-Sul totaled R$ 687,385 (preliminary goodwill of R$ 757,487 in 2022).

During the year ended March 31, 2023, the movement of the final goodwill generated in said acquisition is as follows:

Movement	**Amount**
Consolidated net assets	6,171,693
Consideration before the price adjustment	6,929,180
Preliminary goodwill generated on the acquisition as of March 31, 2022	**757,487**
Movement of goodwill:	
Price adjustment in favor of Raízen	(78,326)
Present value adjustment of the price adjustment	10,913
Allocation of surplus value of property, plant and equipment (Note 12)	(4,074)
Deferred tax on the allocation of surplus value (Note 17.d)	1,385
Total movement of goodwill (Notes 11.c and 13)	(70,102)
Final goodwill generated on the acquisition of Raízen Centro-Sul	**687,385**

The valuation techniques used to measure the fair value of property, plant and equipment were as follows:

Assets acquired	Valuation technique
Property, plant, and equipment (**)	Market comparison technique and cost technique: the valuation model considers the market prices quoted for comparable items, when available, and the depreciated replacement cost, when applicable. The depreciated replacement cost reflects adjustments of physical deterioration, as well as the functional and economic obsolescence. In the final allocation, fair value of property, plant, and equipment items on the acquisition date totaled R$ 3,022,727, which represented surplus value of R$ 158,573 (R$ 154,499 in 2022) to be depreciated based on the assets' useful lives of approximately 14 years.

In thousands of Reais - R$, unless otherwise indicated

(1) In the final allocation of the goodwill, on the mentioned surplus value, deferred tax liabilities were recorded in the amount of R$ 53,915 (R$ 52,530 in 2022).

(b) Acquisition of Raízen Paraguay's fuel distribution network in Paraguay by Raízen

On November 1, 2021, the Company acquired a 50% interest in the capital of Raízen Paraguay, a company headquartered in Paraguay.

On June 23, 2022, the Company and the sellers signed the price adjustment agreement, whereby a price adjustment in favor of Raízen was established in the amount of R$ 12,752, equivalent to US$ 2,255 thousand, deducted from the portion paid by Raízen during the year ended March 31, 2023.

On September 27, 2022, the Company concluded the procedures for allocating the purchase price for the acquisition of Raízen Paraguay. Accordingly, the final goodwill generated on the acquisition of Raízen Paraguay totaled R$ 362,924 (preliminary goodwill of R$ 376,165 in 2022).

During the year ended March 31, 2023, the movement of the final goodwill generated in said acquisition is as follows:

Movement	Amount
Consolidated net assets	442,419
Equity interest of Raízen	50%
Share in consolidated net assets	221,210
Consideration before the price adjustment	597,375
Preliminary goodwill generated on the acquisition of Raízen Paraguay as of March 31, 2022	**376,165**
Movement of goodwill:	
Price adjustment in favor of Raízen	(12,752)
Present value adjustment of the price adjustment	964
Allocation of the surplus value of assets from contracts with clients and others	(2,201)
Deferred tax on the allocation of surplus value (Note 17.d)	748
Total movement of goodwill (Notes 11.c and 13)	(13,241)
Final goodwill generated on the acquisition of Raízen Paraguay	**362,924**

In the final allocation of the goodwill of Raizen Paraguay, the Company recognized the interest of non-controlling shareholders, in the additional amount of R$ 1,453, totaling a fair value of R$ 222,663 (preliminary goodwill of R$ 221,210 in 2022).

The valuation techniques used to measure the final fair value of net assets that changed significantly in relation to those mentioned in the annual financial statements as of March 31, 2023, were as follows:

Assets acquired	Valuation techniques
Assets from contracts with clients (1)	Exclusivity rights/Primas: Multi-Period Excess Earnings Method ("MPEEM") technique. This model estimates fair value based on discounting the business unit's future cash flow discounts. Cash flows considered revenues from the activities of Primas and their corresponding expenses in the period of 7

In thousands of Reais - R$, unless otherwise indicated

	years. In the final allocation, the fair value of Primas totaled R$ 285,291, resulting in a surplus value of R$ 227,640 (R$ 225,439 in 2022), to be amortized on a straight-line basis over the referred term.

(1) In the final allocation of the goodwill, on the mentioned surplus value and loss, deferred tax liabilities were recorded in the amount of R$ 77,970 (R$ 77,222 in 2022).

(c) Acquisition and formation of the Grupo Gera

On January 5, 2022, indirect subsidiary Biobarra Energia Ltda. ("Biobarra") concluded the acquisition and formation of the Grupo Gera.

On December 28, 2022, the Company concluded the procedures for allocating the purchase price for the acquisition of the Grupo Gera. Accordingly, the final goodwill generated on the acquisition of the Grupo Gera totaled R$ 63,288 (preliminary goodwill of R$ 163,504 in 2022).

During the year ended March 31, 2023, the movement of the final goodwill generated in said acquisition is as follows:

Movement	**Amount**
Consolidated net assets	96,963
(-) Interest of non-controlling shareholders	(2,772)
Total consideration	257,695
Preliminary goodwill generated on the acquisition as of March 31, 2022	**163,504**
Movement of goodwill:	
Price adjustment in favor of the seller (i)	22,490
Surplus value of investments (Note 11.c)	(51,708)
Surplus value of property, plant and equipment (Note 12)	(9,575)
Surplus value of intangible assets (Note 13)	(124,711)
Deferred taxes on surplus value (Note 17.d)	63,288
Total movement of goodwill (Notes 11.c and 13)	(100,216)
Final goodwill generated on the acquisition and formation of the Grupo Gera	**63,288**

(i) Price adjustments recorded in the fiscal year according to the conditions stipulated in the contract.

The valuation techniques used to measure the final fair value of the net assets acquired were as follows:

Assets acquired	Valuation techniques
Investments	Allocation of goodwill to the following assets, over which the Company does not have control: (i) operating authorization (valid until 2052): (ii) intellectual property (useful life of 10 years); and (iii) remaining goodwill.
Property, plant and equipment	Market comparison technique: the valuation model considers the market prices quoted for comparable items, when available.
Intangible assets	Operating authorization: Income approach. The enterprise value (EV) of each cash-generating plant on the Transaction date is adjusted by the surplus value of property, plant and equipment. Then, the carrying amount of each cash-generating plan is deducted, resulting in the fair value

	adjustment. The operating authorization is valid until 2052, to be amortized on a straight-line basis over the referred to period.

(1) In the final allocation of the goodwill, on the mentioned surplus value and loss, deferred tax liabilities were recorded in the amount of R$ 63,288.

(d) Acquisition of SBPL's lubricants business by Blueway

Since 2011, the Company has acted as a marketing agent for Shell brand lubricants, based on the contract signed between Raízen and Shell, which had a term of 10 (ten) years.

With maturity of this intermediation agreement on June 7, 2021, Raízen and Shell negotiated an extension of the scope of the relationship held until then, with acquisition of the totality of SBPL by Raízen.

On May 1, 2022, the acquisition of the business was concluded, through the subsidiary Blueway, in the amount of R$ 750,000 (base price), where on the acquisition transaction closing the amount of R$ 726,451 was paid less price adjustments agreed between the parties and calculated through the closing date, related to all shares of Neolubes.

The agreement provides other price adjustments, according to usual mechanisms for this type of transactions. During the year ended March 31, 2023, the Company and the sellers concluded discussions on price adjustments, resulting in an amount of R$ 5,345 in favor of SBPL, fully paid up by Blueway on September 19, 2022.

The lubricant business is now part of Raízen's portfolio, which includes the lubricant plant located in Ilha do Governador (Rio de Janeiro), the base oil terminal in Campos Elíseos, Duque de Caxias (Rio de Janeiro), the Shell Marine division of lubricants and the business of supply and distribution of Shell lubricants in Brazil.

The conclusion of this Transaction will allow Raízen the opportunity of increasing its supply of premium products to more than fifty thousand industrial and commercial clients and more than fifty million customers to whom it provides services in its network every year.

The Company identified the initial assets acquired and liabilities assumed, as well as the classification of such assets, based on the economic, political and operational conditions of Neolubes, existing on the acquisition date.

The preliminary bargain purchase gain determined by the Company on the acquisition of Neolubes' net assets was R$ 266,593, recognized in income for the year ended March 31, 2023, under "Other operating revenue (expenses), net", for which a deferred tax liability was recognized in the amount of R$ 90,641, classified in "Provisions and other temporary differences" (Note 17.d). Said economic gain of R$ 266,593 results exclusively from the net assets valuation between the signing to the referred contract date and closing date.

The net assets acquired, and preliminary bargain purchase gain are detailed as follows:

In thousands of Reais - R$, unless otherwise indicated

Accounts	Amount
Cash and cash equivalents	1,505
Trade accounts receivable (i)	517,244
Inventories	408,684
Assets from contracts with clients (Note 10)	10,076
Related parties, net	144,818
Recoverable taxes	14,873
Deferred income tax and social contribution – asset, net (Note 17)	12,203
Right of use (Note 15.a)	512
Property, plant and equipment (Note 12)	141,172
Intangible assets (Note 13)	35,062
Lease liabilities (Note 15.b)	(512)
Suppliers	(87,490)
Taxes payable	(41,658)
Payroll and related charges payable	(8,938)
Other liabilities, net	(149,162)
Net assets of Neolubes	998,389
Consideration paid	750,000
(-) Price adjustment in favor of Raízen	(23,549)
	726,451
(+) Price adjustment in favor of SBPL	5,345
Consideration paid in cash	731,796
Preliminary bargain purchase gain from Neolubes	**(266,593)**

The valuation techniques used to measure the final fair value of the net assets acquired were as follows:

Assets acquired (1)	Valuation techniques
Intangible assets	Contracts with customers and other contractual relationships: Multi-period excess earning method ("MEEM") technique this model estimates fair value based on discounting the business unit's future cash flows. Cash flows considered, substantially, future revenue linked to existing contracts with customers. In the preliminary allocation, the fair value of contracts with customers and other contractual relationships totaled R$ 35,062, fully recognized as added value to be amortized on a straight-line basis over an average period of approximately 6 years.

(1) A deferred tax liability was recorded on said capital gains, in the amount of R$ 11,921.

(i) Neolubes' accounts receivable balance, on the acquisition date, is composed of gross contractual amounts due of R$ 519,736, of which R$ 2,492 are estimated to be non-recoverable on the acquisition date.

Other assets acquired and liabilities assumed were analyzed and the respective accounting balances reflect the respective fair values.

Neolubes' net operating revenue and net income for the period from May 1 to March 31, 2023, considered from the acquisition date, amounted to R$ 2,399,963 and R$ 38,105, respectively. If the consolidation of subsidiary Neolubes had taken place since April 1, 2022, the consolidated income statement for the year ended March 31, 2023, would present consolidated net revenue of R$ 246,053,710 and consolidated net income of R$ 2,505,409.

In thousands of Reais - R$, unless otherwise indicated

These effects are preliminary, since on the date of the disclosure of these annual financial statements, the review process for the issuance of the report for allocation of the purchase price is still in progress, substantially related to the inspection of the fixed assets acquired and other analyses, and within the measurement period, as provided by IFRS 3 / CPC 15.

(e) Acquisition of Payly

On October 17, 2022, the Company informed its shareholders and the market in general that it is creating Raízen's Financial Services Unit ("Unit"), through the acquisition of Payly, a company controlled by shareholder Cosan.

The acquisition of Payly and the creation of this Unit will allow: (i) the offering of convenience and loyalty to end customer and partners, through commercial channels and platforms; (ii) proprietary data intelligence; and (iii) factoring and raising of funds from third parties, adding value to the Company's business chain.

On November 24, 2022, Brazil's Antitrust Agency (CADE) granted the definitive approval, without restrictions, of the application to conduct joint operations referring to the transaction between Raízen and the shareholder Cosan, after a period of 15 days from its publication in the Federal Gazette, on November 7, 2022.

The acquisition was subject to the fulfillment of other conditions precedent usual for this type of transaction, which were fully concluded on December 1, 2022.

On December 1, 2022, Raizen paid to Cosan R$ 87,200 for the acquisition of 100% of its interest in Payly, free of any debt, comprising the base price of R$ 78,000 and an additional R$ 9,200, provided for in the contract, related to capital contributions made by Cosan in Payly.

The preliminary fair value of assets acquired, and liabilities assumed on the acquisition date is presented below. These effects are preliminary since at the date of this disclosure the purchase price allocation procedures are still in progress.

The difference between the amount paid and the net assets at fair value resulted in the recognition of a preliminary goodwill due to expected future profitability. The goodwill allocation will be finalized after completion of the purchase price allocation procedures.

Accounts	**Amount**
Cash and cash equivalents	54,416
Securities	8,451
Property, plant and equipment (Note 12)	1,413
Intangible assets (Note 13)	7,709
Obligations with digital portfolio	(60,456)
Other liabilities, net	(77)
Consolidated net assets of Payly	11,456
Consideration paid in cash	87,200
Preliminary goodwill generated in the acquisition of Payly	**75,744**

Other assets acquired and liabilities assumed were analyzed and the respective accounting balances reflect the respective fair values.

The expected goodwill (after completion of the final purchase price allocation) is attributable to supply synergies and the profitability of the acquired business. Goodwill recognized is not expected to be deductible for income tax.

Payly's net operating revenue and loss for the period from December 1 to March 31, 2023, starting from the acquisition date, were R$ 1,060 and R$ 11,610, respectively. If the consolidation of the subsidiary had occurred since April 1, 2022, there would be no material change in revenue and consolidated results for the year ended March 31, 2023, since they do not show material revenues and results.

These effects are preliminary, since on the date of the disclosure of these annual financial statements, the review process for the issuance of the report for allocation of the purchase price is still in progress, substantially related to the inspection of the fixed assets acquired and other analyses, and within the measurement period, as provided by IFRS 3 / CPC 15.

In thousands of Reais - R$, unless otherwise indicated

31. Cash flow supplementary information

(a) Reconciliation of changes in equity with cash flows from financing activities ("FCF")

					Individual
(Assets) / Liabilities	**Lease liabilities**	**Loans and financing**	**Related parties (1)**	**Dividends and interest on own capital payable**	**Total**
As of March 31, 2022	146,794	7,326,325	4,195,439	244,121	11,912,679
Transactions with impact on FCF					
Loans and financing taken out, net of expenses	-	(1,524)	-	-	(1,524)
Amortizations of principal	-	(1,485,080)	(312,464)	-	(1,797,544)
Payments of interest	-	(304,134)	(106,555)	-	(410,689)
Amortizations of lease liabilities	(53,830)	-	(19,691)	-	(73,521)
Payments of dividends and interest on own capital	-	-	-	(2,407,900)	(2,407,900)
Asset management and others	-	-	4,288,270	-	4,288,270
	(53,830)	(1,790,738)	3,849,560	(2,407,900)	(402,908)
Other movements that do not affect the FCF					
Interest, monetary and exchange variations, net	13,215	825,436	1,157,356	-	1,996,007
Change in financial instruments fair value (Note 26)	-	(122,136)	(106,567)	-	(228,703)
Dividends and interest on own capital	-	-	-	2,293,962	2,293,962
Addition, write-off and remeasurement	41,057	-	5,865		46,922
Others	-	-	11,157	-	11,157
	54,272	703,300	1,067,811	2,293,962	4,119,345
As of March 31, 2023	147,236	6,238,887	9,112,810	130,183	15,629,116

In thousands of Reais - R$, unless otherwise indicated

						Individual
(Assets) / Liabilities	**Financial investments linked to financing**	**Lease liabilities**	**Loans and financing**	**Related parties (1)**	**Dividends and interest on own capital payable**	**Total**
As of March 31, 2021	-	78,002	6,728,601	3,765,934	189,391	10,761,928
Transactions with impact on FCF						
Loans and financing taken out, net of expenses	-	-	5,744,543	-	-	5,744,543
Amortizations of principal	-	-	(3,968,815)	(675,990)	-	(4,644,805)
Payments of interest	-		(141,519)	(122,667)	-	(264,186)
Amortizations of lease liabilities	-	(43,906)	-	(18,194)	-	(62,100)
Payments of dividends and interest on own capital	-	-	-	-	(1,970,891)	(1,970,891)
Applications (redemptions), net	1,009	-	-	-	-	1,009
Asset management and others	-	-	-	1,726,035	-	1,726,035
	1,009	(43,906)	1,634,209	909,184	(1,970,891)	529,605
Other movements that do not affect the FCF						
Interest, monetary and exchange variations, net	(1,009)	8,927	(974,900)	(310,178)	-	(1,277,160)
Change in financial instruments fair value	-	-	(61,585)	(184,714)	-	(246,299)
Dividends and interest on own capital	-	-	-	-	2,093,282	2,093,282
Addition, write-off and remeasurement	-	103,771	-	10,162		113,933
Others	-	-	-	5,051	(67,661)	(62,610)
	(1,009)	112,698	(1,036,485)	(479,679)	2,025,621	621,146
As of March 31, 2022	-	146,794	7,326,325	4,195,439	244,121	11,912,679

In thousands of Reais - R$, unless otherwise indicated

Consolidated

(Assets) / Liabilities	**Financial investments linked to financing**	**Lease liabilities**	**Loans and financing (2)**	**Lease liabilities – related parties**	**Related parties (1)**	**Dividends and interest on own capital payable**	**Total**
As of March 31, 2022	(67)	10,424,704	22,243,823	1,276,625	175,352	269,662	34,390,099
Transactions with impact on FCF							
Loans and financing taken out, net expenses	-	-	19,756,495	-	-	-	19,756,495
Amortizations of principal	-	-	(13,822,024)	-	-	-	(13,822,024)
Payments of interest	-	-	(1,620,252)	-	-	-	(1,620,252)
Amortizations of lease liabilities	-	(2,737,691)	-	(281,622)	-	-	(3,019,313)
Payments of dividends and interest on own capital	-	-	-	-	-	(2,437,316)	(2,437,316)
Applications (redemptions), net	(1,487)	-					(1,487)
Asset management and others	-	-	-	-	(3,658)	-	(3,658)
	(1,487)	(2,737,691)	4,314,219	(281,622)	(3,658)	(2,437,316)	(1,147,555)
Other movements that do not affect the FCF							
Business combination	-	512	-	-	-		512
Interest, monetary and exchange variations, net	(97)	979,002	3,445,122	106,049	-	-	4,530,076
Change in financial instruments fair value (Note 26)	-	-	(625,041)	-	-	-	(625,041)
Dividends and interest on own capital	-	-	-	-	-	2,322,194	2,322,194
Transfers	-	(132,667)	-	-	-	-	(132,667)
Addition, write-off and remeasurement	-	2,259,328	-	132,057	-	-	2,391,385
Foreign currency conversion effect and others	-	21,321	41,867	-	11,157	(363)	73,982
	(97)	3,127,496	2,861,948	238,106	11,157	2,321,831	8,560,441
As of March 31, 2023	(1,651)	10,814,509	29,419,990	1,233,109	182,851	154,177	41,802,985

In thousands of Reais - R$, unless otherwise indicated

							Consolidated
(Assets) / Liabilities	**Financial investments linked to financing**	**Lease liabilities**	**Loans and financing (2)**	**Lease liabilities – related parties**	**Related parties (1)**	**Dividends and interest on own capital payable**	**Total**
As of March 31, 2021	-	486,879	7,585,167	-	3,693,400	199,926	11,965,372
Transactions with impact on FCF							
Loans and financing taken out, net expenses	-	-	7,248,633	-	-	-	7,248,633
Amortizations of principal	-		(6,775,276)	-	-	-	(6,775,276)
Payments of interest	-		(720,202)	-	(982)	-	(721,184)
Amortizations of lease liabilities	-	(2,179,271)	-	(200,608)	-	-	(2,379,879)
Payments of dividends and interest on own capital	-	-	-	-	-	(2,741,001)	(2,741,001)
Redemption of preferred shares	1,009	-	-	-	-	-	1,009
Asset management and others	-	-	-	-	(701,340)	-	(701,340)
	1,009	(2,179,271)	(246,845)	(200,608)	(702,322)	(2,741,001)	(6,069,038)
Other movements that do not affect the FCF					-		
Net assets contributed through corporate reorganization of RESA	(39)	5,757,038	16,010,120	1,214,333	2,220	746,686	23,730,358
Business combination	-	3,140,666	-	-	-		3,140,666
Interest, monetary and exchange variations, net	(1,009)	655,225	(583,527)	87,135	(190,617)	-	(32,793)
Change in financial instruments fair value	-	-	(571,235)	-	(21,472)	-	(592,707)
Redemption of preferred shares	-	-	-	-	(2,220)	-	(2,220)
Dividends and interest on own capital	-	-	-	-	-	2,064,876	2,064,876
Transfers	-	(64,327)	-	-	-	-	(64,327)
Write-off due to consolidation	-	-	269,807	-	(2,600,968)		(2,331,161)
Addition, write-off and remeasurement	-	2,691,619	-	175,765	-	-	2,867,384
Foreign currency conversion effect and others	28	(63,125)	(219,664)	-	(2,669)	(825)	(286,311)
	(1,076)	12,117,096	14,905,501	1,477,233	(2,815,726)	2,810,737	28,493,765
					-		
As of March 31, 2022	(67)	10,424,704	22,243,823	1,276,625	175,352	269,662	34.390.099

(1) Mainly composed of asset management and financial operations balances, see Note 9.a.

(2) This is presented net of the CTN.

In thousands of Reais - R$, unless otherwise indicated

(b) Non-cash investing transactions

	Individual		Consolidated	
	2023	2022	2023	2022
Capital increase with RESA's equity interest (Note 20)	-	(5,727,866)	-	-
Consideration for the purchase of Raízen Centro-Sul with issue of Raízen's shares	-	(2,347,281)	-	-
Consideration payable for the acquisition of Raízen Paraguay	(319,158)	(359,478)	(319,158)	(390,602)
Installments receivable for the sale of participation and training of a joint venture	-	50,493	-	87,024
Depreciation of agricultural area assets capitalized as biological assets (Note 7)	-	-	(33,655)	(26,272)
Depreciation of agricultural area assets capitalized as property, plant and equipment (Note 12)	-	-	(95,956)	(104,603)
Capital contributions to be made in associates (Note 9.a)	-	-	-	(8,165)
Additions to property, plant and equipment and intangible assets	-	(1,722,993)	(82,337)	(1,722,993)
Interest capitalized as property, plant and equipment (Note 26)	-	(3)	(74,233)	(71,200)
Right of use	50,119	(114,083)	(2,437,068)	(2,789,890)
Others	870	1,380	(3,668)	(8,407)
	(268,169)	(10,219,831)	(3,046,075)	(5,035,108)

32. Subsequent events

a) Short-term loans and financing

On April 3, May 5 and May 10, 2023, the subsidiary RESA raised loans and financing, in the amount of R$3,946,093, with maturity between March 18 and 25, 2024. Such funding is in line with the deliberation and approval of the Board of Directors of March 29, 2023, regarding the obtaining of short-term financing by the Company and/or its subsidiary RESA.

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