

# EARNINGS CONFERENCE CALL

Q3 23'24

February 9<sup>th</sup>, 2024

raízen

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This presentation contains estimates and forward-looking statements regarding our strategy and opportunities for future growth. Such information is mainly based on our current expectations and estimates or projections of future events and trends, which affect or may affect our business and results of operations. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to us. Our estimates and forward-looking statements may be influenced by the following factors, among others: (1) general economic, political, demographic and business conditions in Brazil and particularly in the geographic markets we serve; (2) inflation, depreciation and devaluation of the real; (3) competitive developments in the ethanol and sugar industries; (4) our ability to implement our capital expenditure plan, including our ability to arrange financing when required and on reasonable terms; (5) our ability to compete and conduct our businesses in the future; (6) changes in customer demand; (7) changes in our businesses; (8) government interventions resulting in changes in the economy, taxes, rates or regulatory environment; and (9) other factors that may affect our financial condition, liquidity and results of our operations.

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



# CONSISTENT PERFORMANCE DELIVERING SOLID RESULTS



## Mobility

Consistency in profitability



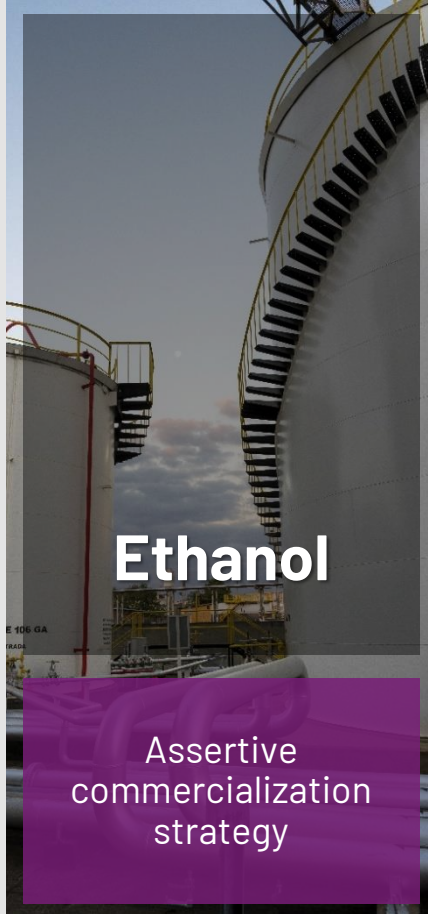
## Productivity Journey

Record sugarcane crushing and yields



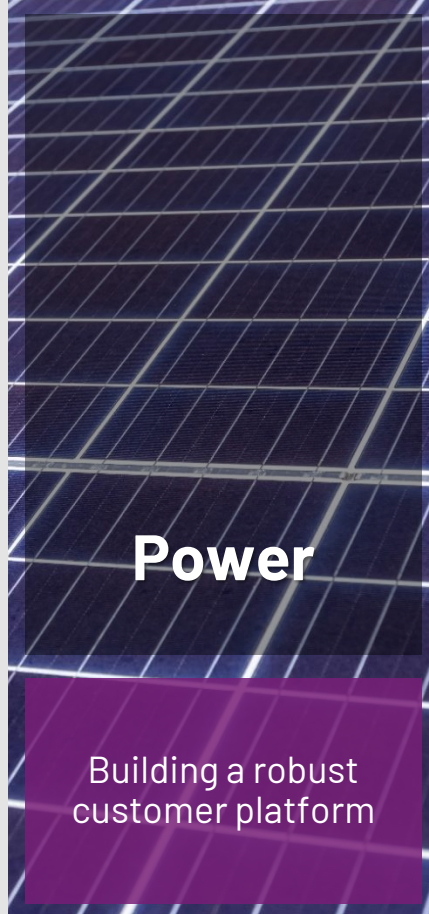
## Sugar

Favorable cycle with record profitability



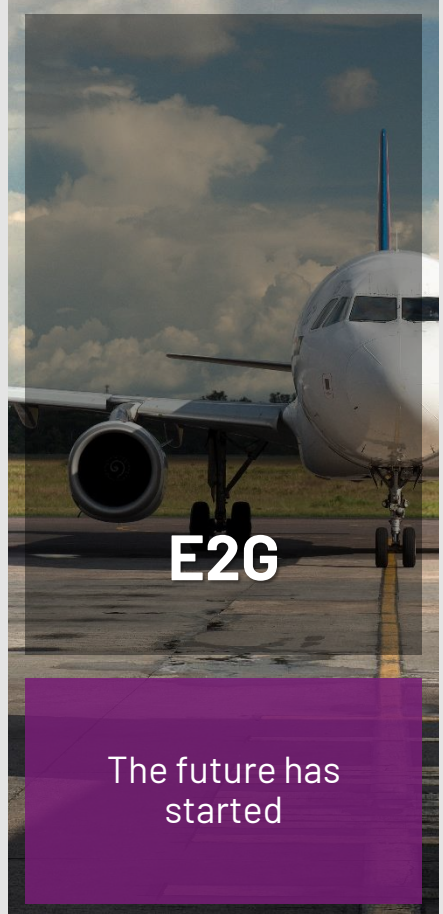
## Ethanol

Assertive commercialization strategy



## Power

Building a robust customer platform



## E2G

The future has started

## Capital Structure

Discipline, Coherence and Investment Grade

# CONSOLIDATED RESULTS

## Net Revenue

**BRL 58.5 Bn** (-3% YoY)

## Adj. Net Income

**BRL 754 Mn** (+3x YoY)

## Leverage

**1.9x** (vs. 2.5x YoY)

## Adj. EBITDA – Recurring CAPEX

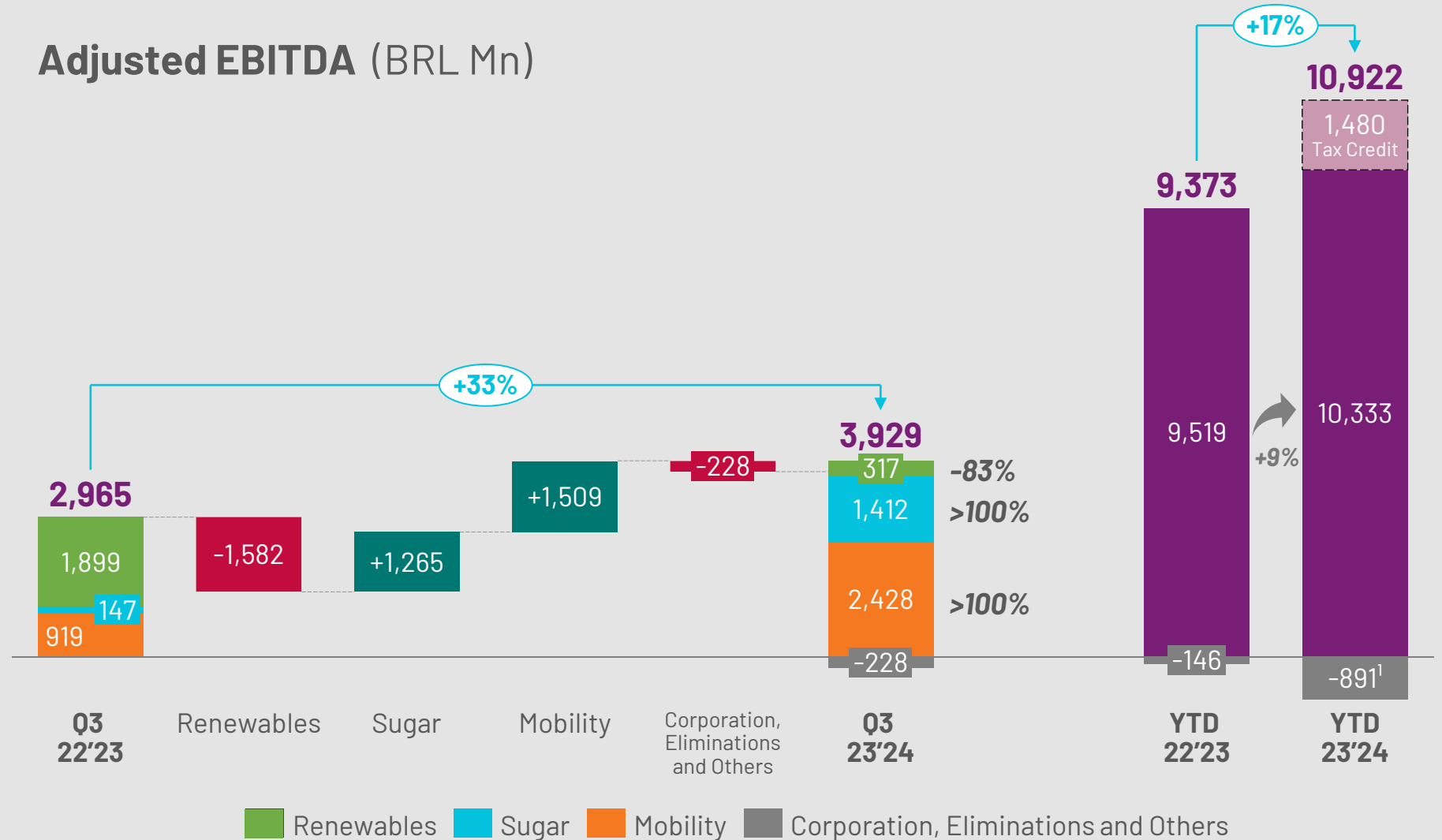
**BRL 2.3 Bn** (>100% YoY)

## CAPEX

**BRL 3.0 Bn** (-2% YoY)

Delivering performance and robust results, following the trend of this crop year

### Adjusted EBITDA (BRL Mn)



Notes: (1) Corporation, Eliminations and Others, excluding tax credit.

# MOBILITY



## Brazil

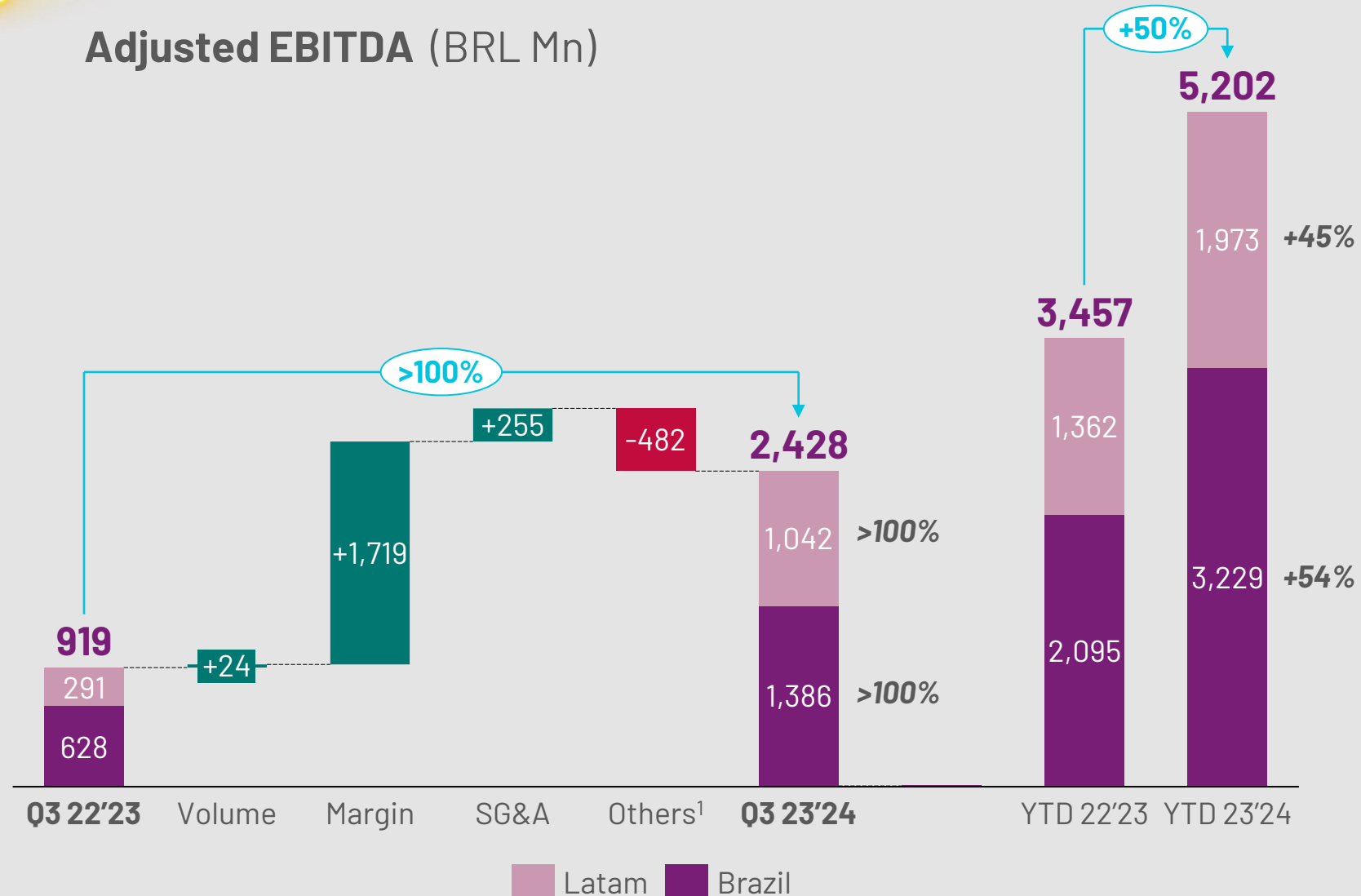
- Assertiveness in supply and commercialization strategy
- Investments in Shell Integrated Offer reaching +6,900 stations
- Selectivity in B2B, enhancing the relationship and margins
- Lubricants delivering solid results

## Latam

- Fundamentals evolving even in a complex environment
- Consistency in our positioning

## Profitability advances consistently both Brazil and Latam

### Adjusted EBITDA (BRL Mn)



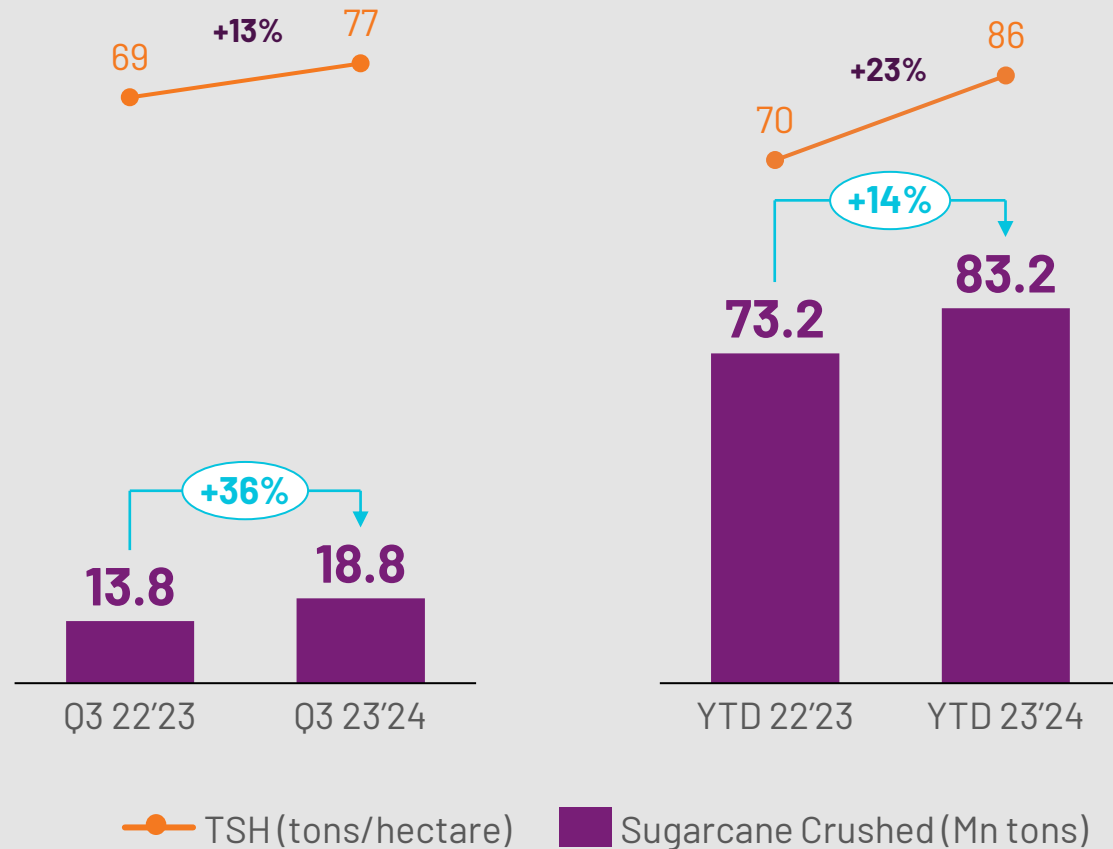
Notes: (1) One-off effects and Lubricants EBITDA

# Agroindustrial Performance

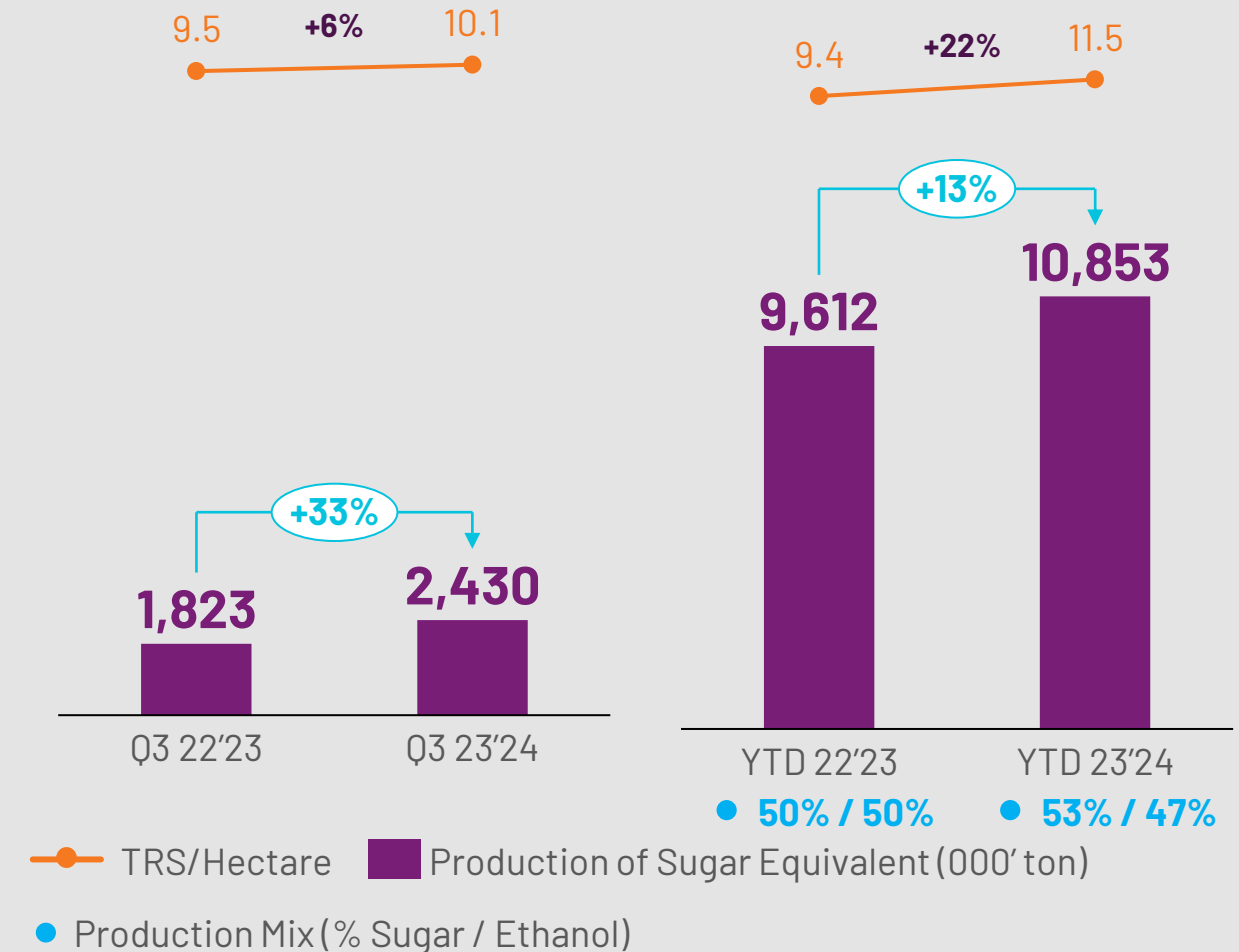
Delivering more value from our biological asset via operational leverage

## TSH and Sugarcane crushing

✓ All-time record crushing and TSH



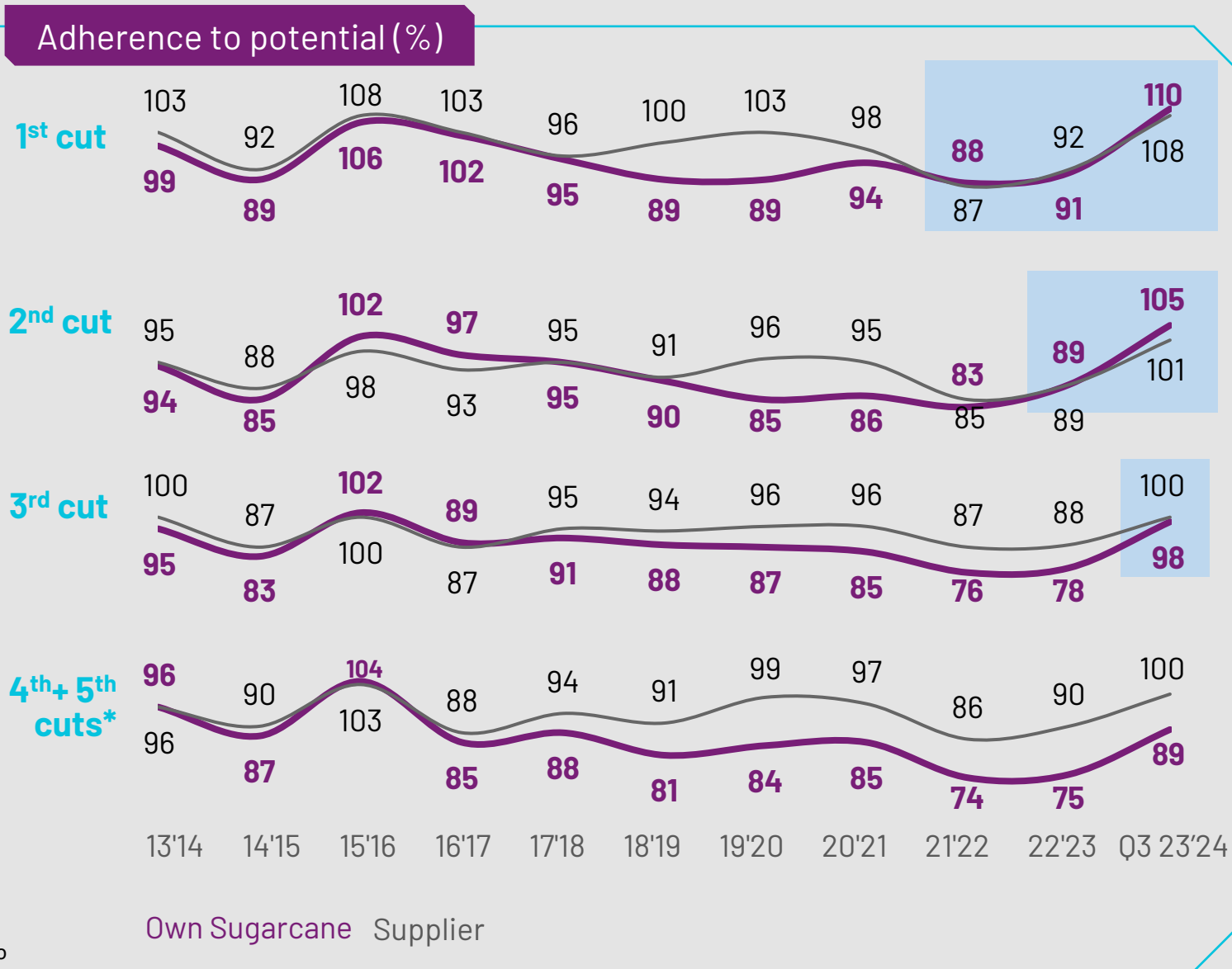
## Productivity





# Agroindustrial Performance | TSH

On track to full recovery by 2025'26 with higher availability of products for sale, operational efficiency and cost dilution



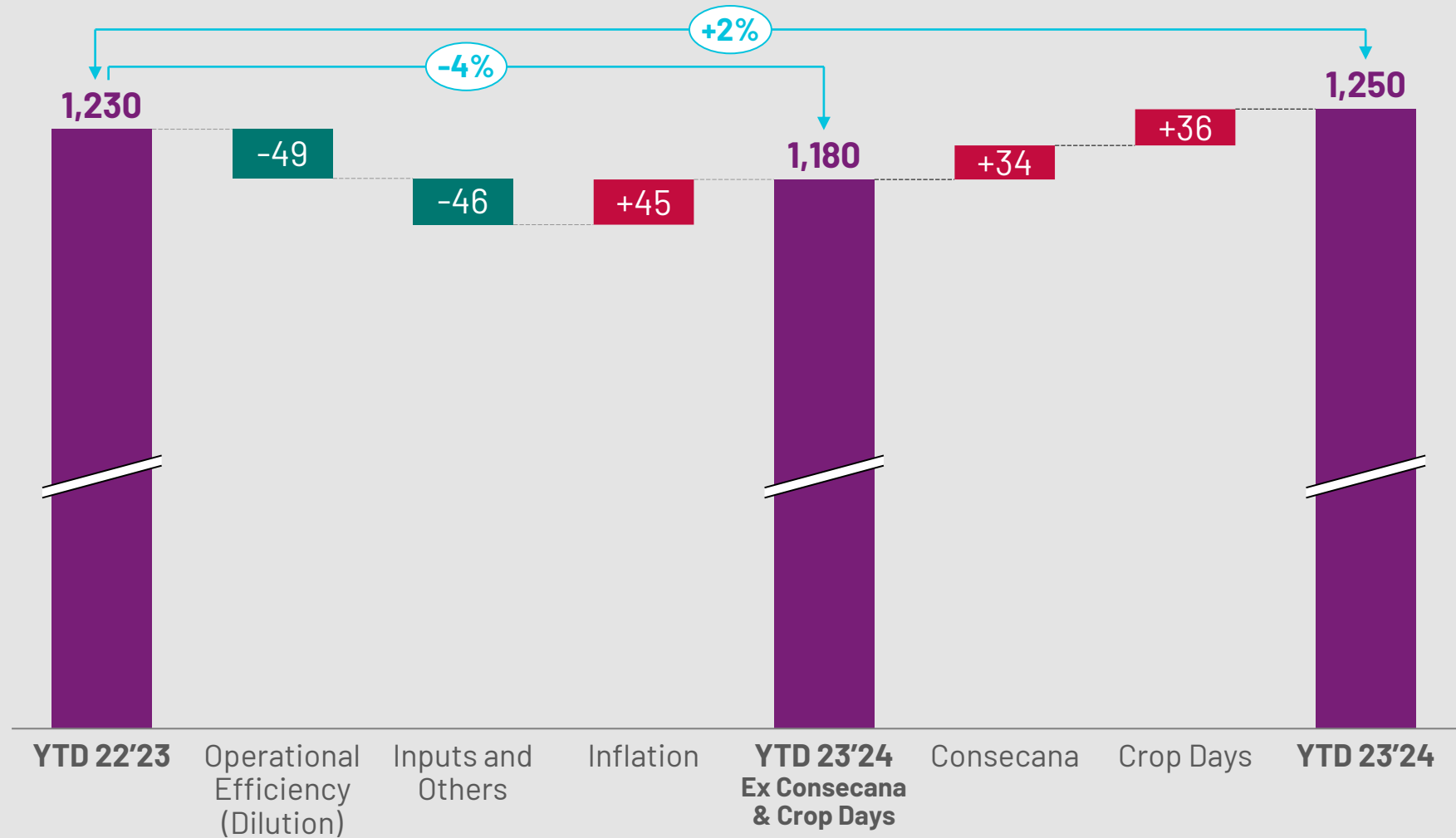
- ~66% of sugarcane already in potential**
- 25%** **REVISION OF PROCESSES**  
Planting, crop treatment and harvesting
- 18%** **EFFICIENCY KPIs**  
Long-term alignment
- 22%** **OPERATIONAL EXCELLENCE**  
Technology applied in field
- QUALITY IN THE FIELD**  
New control processes

Note: Chart with all units that operate with own cane - 23'24 YTD. Includes acquisitions over the years; We have sugarcane fields in 6+ cuts that are not represented in the chart.

# OPERATIONAL LEVERAGE DILUTING COSTS

- Operating leverage was able to absorb the inflationary effects
- Additional crop period and increase in Consecana impacted costs – favoring margins ahead

Cost of Agroindustrial Production (BRL/tons)



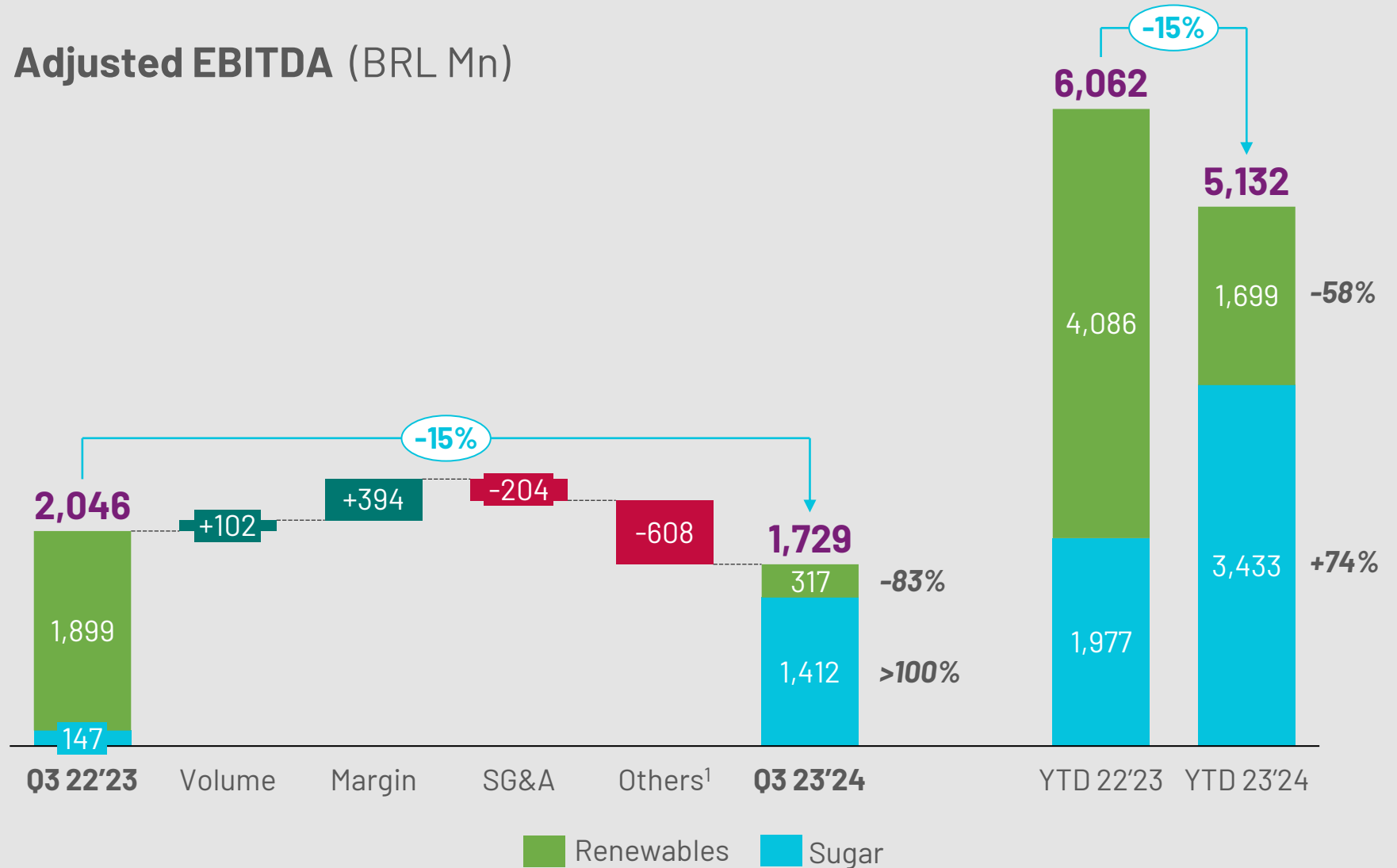


# RENEWABLES & SUGAR

- Fundamentals of market supply and demand support a superior profitability cycle in Sugar
- Assertive commercialization strategy aligned with the price scenario on Ethanol
- Lower sales volume and stock levels above historical average reflect our strategy

## Strong evolution in sugar margins with tactical positioning in ethanol

Adjusted EBITDA (BRL Mn)



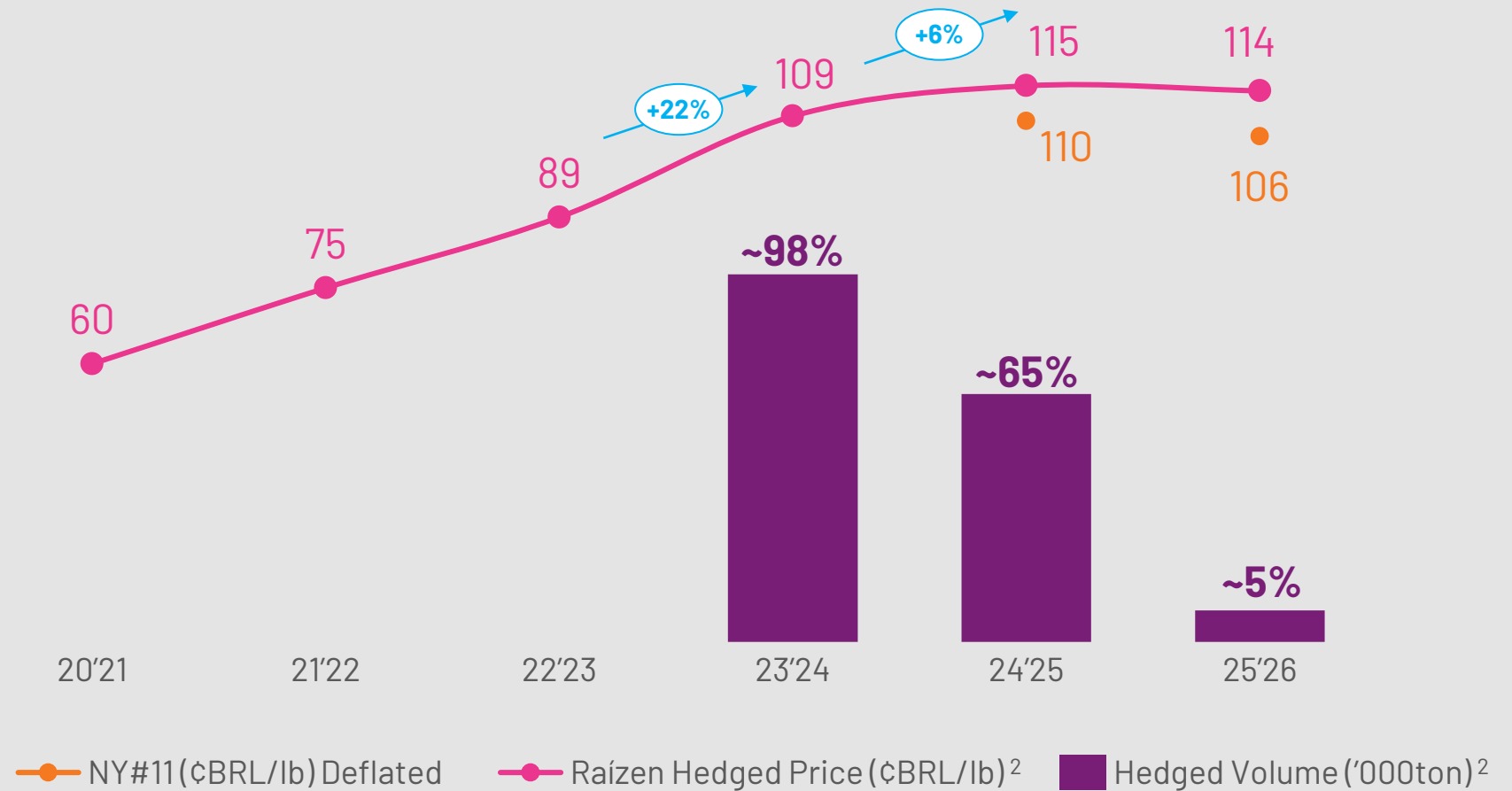
Notes: (1) One-off effects: phasing of results on sugar resale between Q3 and Q4

# SUGAR HEDGE

- Upside on future hedges supporting our constructive outlook for sugar prices and improving further future returns
- S&D dynamics is sustaining backwardation forward market curve for Sugar

## Predictability in pricing management

### Current Hedges <sup>1</sup>

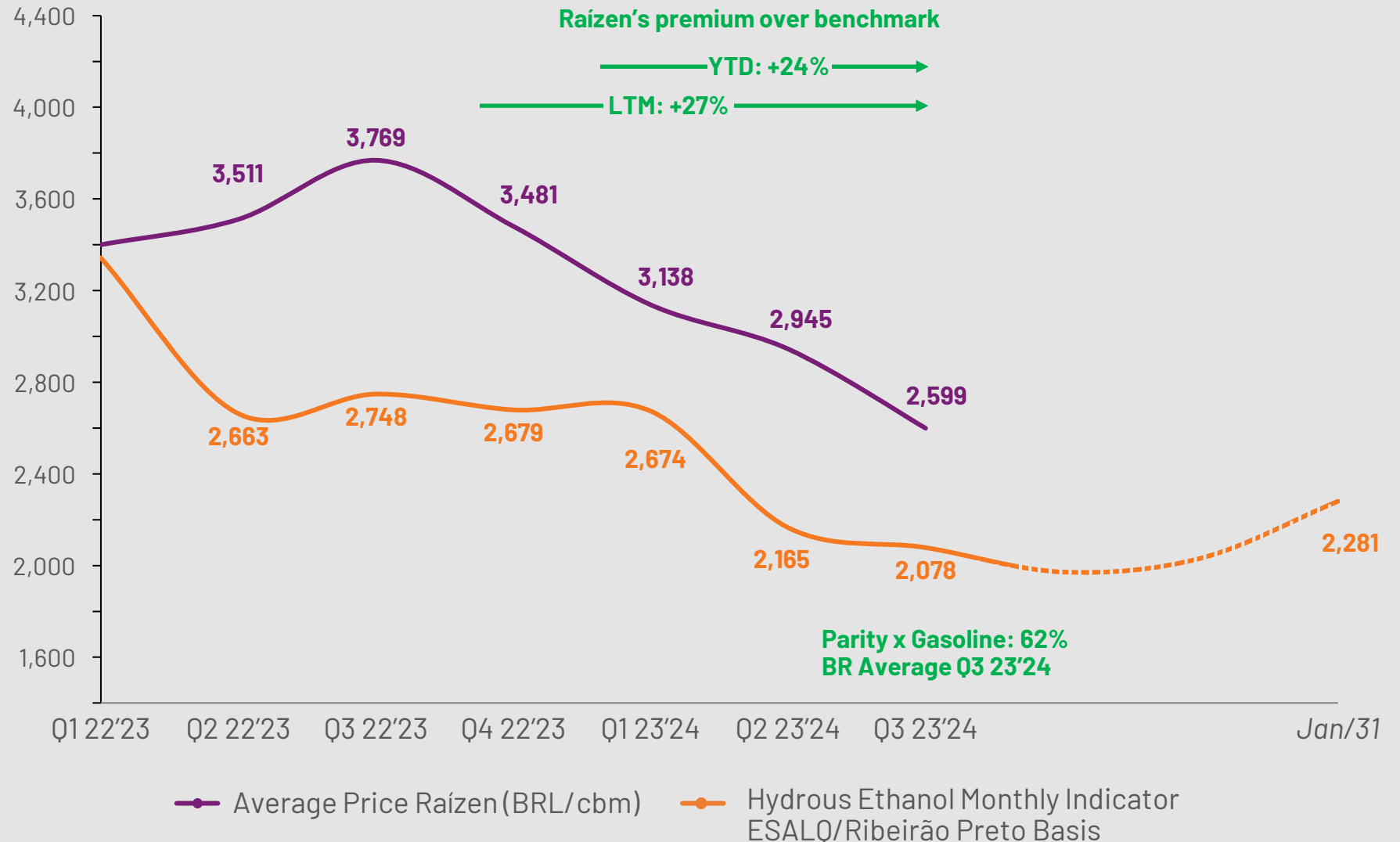


Notes: (1) Average hedged prices include polarization premium; (2) Volumes and prices referred to own sugarcane hedges; (3) More details can be found in Note 27 of the Financial Statements.

# ETHANOL PRICES

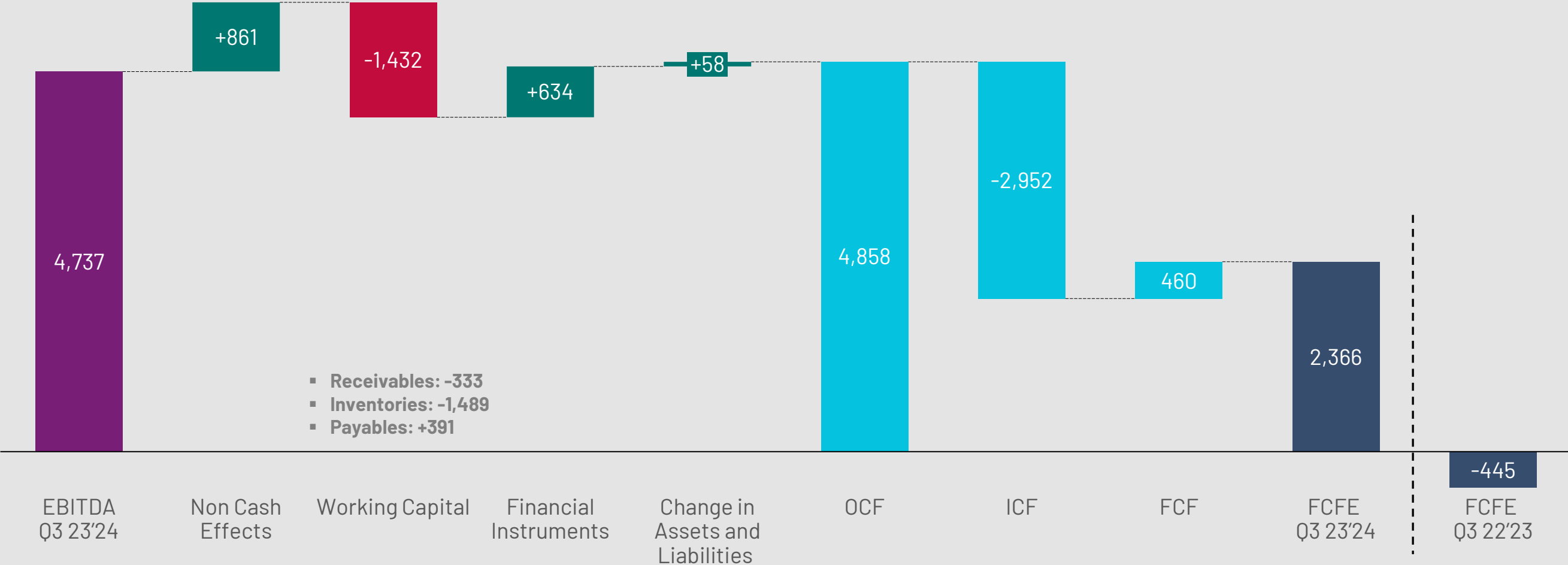
- Integrated positioning with special ethanol portfolio for different applications and geographies
- Assertive strategy for positioning stocks for sale during intercrop
- Value generation and risk mitigation with higher returns over local market prices

## Raízen's Ethanol Average Price vs. ESALQ Hydrous Price (BRL/cbm)



# Expansion of cash flow generation supported by the results of our businesses, monetization of tax credits and disciplined capital allocation

## Cash Flow Reconciliation (BRL Mn)



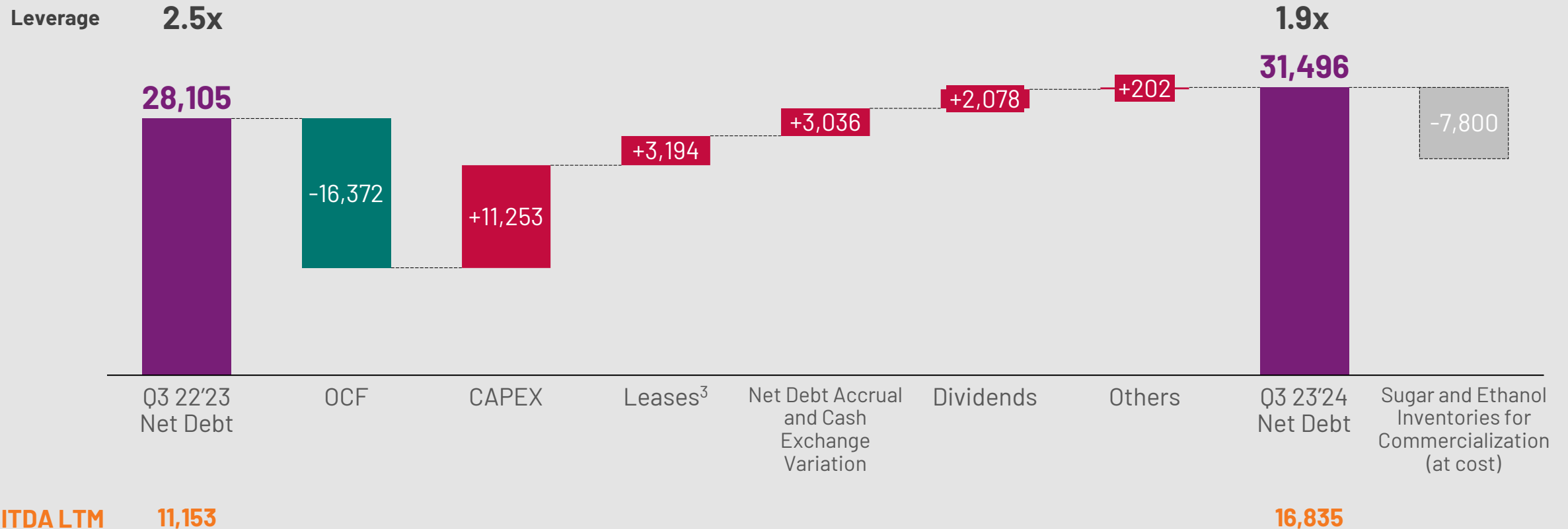


# Net Debt Evolution

Prudential approach to sustain investment cycle






## Net Debt<sup>1</sup> (BRL Mn) | Leverage<sup>2</sup>

Debt maturity: ~3.3 years






# Better performance with discipline to manage risks

## OPPORTUNITIES

-  **Mobility BR and LATAM: New level of margins**
-  **Expenditure Management and Operational Simplification Program**
-  **Portfolio recycling and taxes monetization**
-  **Sugarcane agricultural yields**
-  **Sugar: favorable pricing cycle and hedging performance**

## CHALLENGES

-  **Ethanol Price Cycle & Commercialization**
-  **Volatility and externalities of Mobility BR market**
-  **Macroeconomic and political scenario – ARG/ PY**
-  **Higher interest rates (Brazil and abroad)**
-  **Tax Reform and its developments in Brazil**

**GUIDANCE IS REITERATED, LOOKING INTO THE RANGE LOW END**

# Q&A

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**Ricardo Mussa**

CEO



**Carlos Moura**

CFO and IRO



**Phillipe Casale**

IR Director



# APPENDIX

Q3 23'24

February 9<sup>th</sup>, 2024

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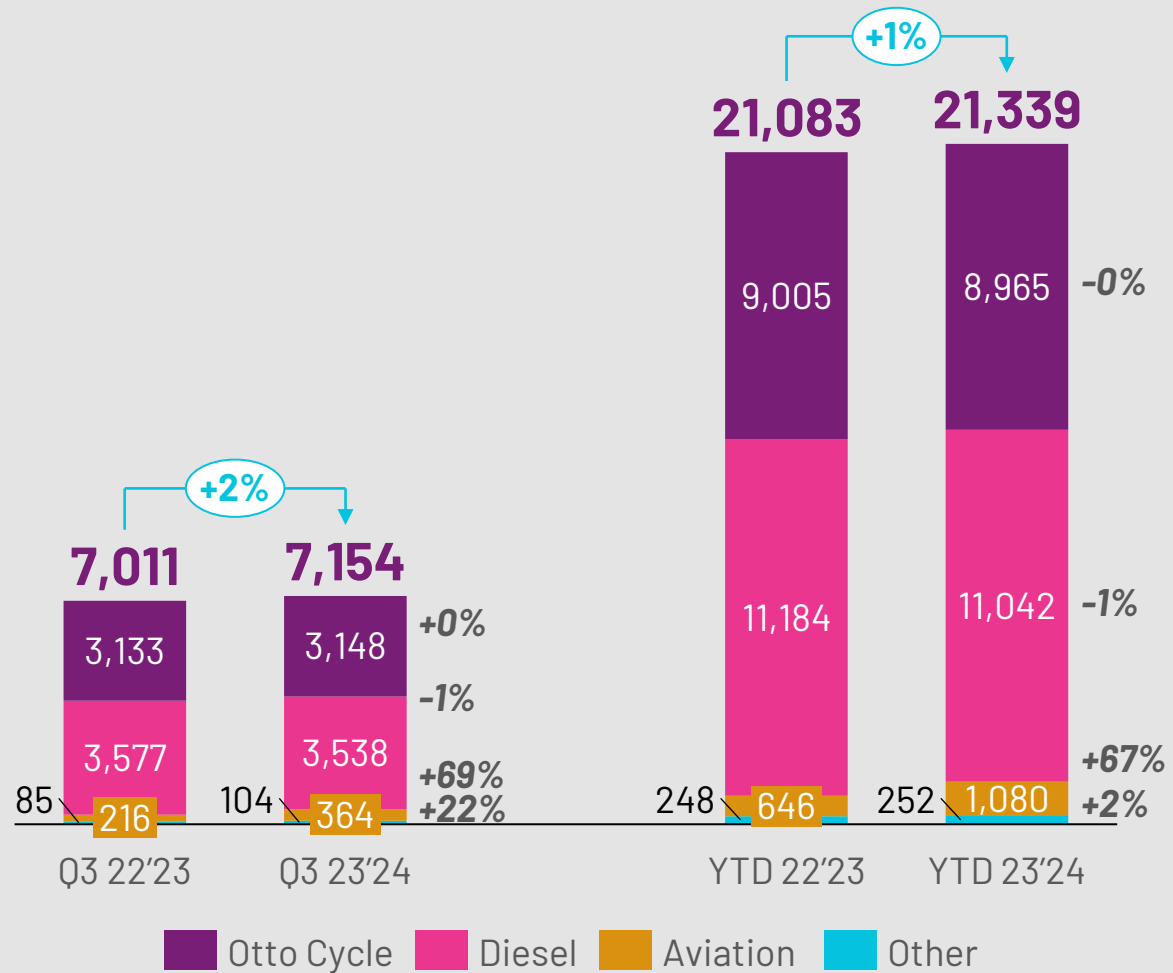


# Mobility Brazil

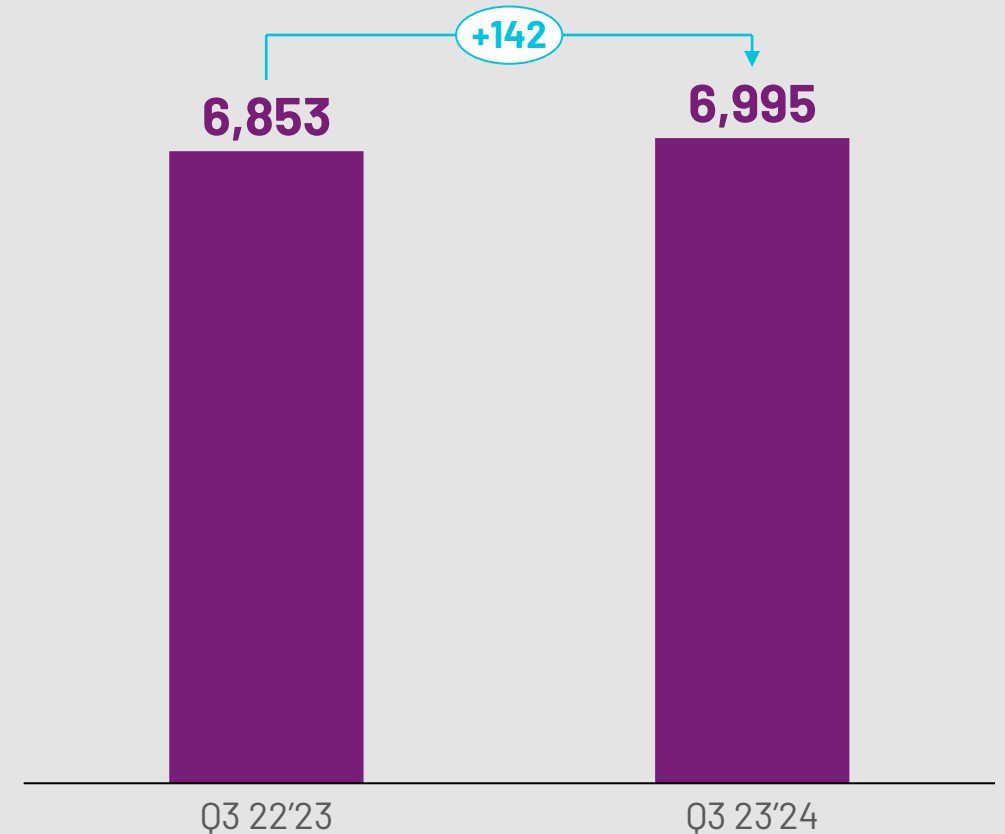
Focus on the network growth



Total Sales Volume ('000 cbm)



Service Stations Evolution (# sites)



# Mobility Brazil + Latam

Expanding the value of network



**+46 Mn**  
transactions LTM

**+BRL 9.3 Bn**  
transacted on the platform LTM

**~5%**  
Revenue of Sales



**Most valuable brand in the sector for 9 consecutive years <sup>(1)</sup>**



**20.9%**

In Brazil's market preference <sup>1</sup>

**1,647**

Stores



**+25 stores** LTM



**440**  
Markets

**Accelerated and sustained growth** to lead the market

- **TOP OF MIND** brand (43%) extending the leadership it has since 2017<sup>1</sup>
- **Preferred** and **most considered** by Brazilians<sup>1</sup>
- Recognized for having the **best digital experience** per app<sup>1</sup>
- Recognized for **offering quality** products and services<sup>1</sup>

# Ethanol: Raízen's Unique Stream

Value Generation and  
Risk Mitigation

## DESTINATIONS

## APPLICATIONS



**Industrial**  
40%



50% Brazil



50% Asia, Central  
America, EU



Beverages



Bioplastics



Cosmetics and  
Pharmaceuticals



Sanitization



**Anhydrous**  
40%



50% Brazil



50% USA, EU, Asia  
Export



Octane booster  
for fuels



Low carbon fuel  
solution



**Hydrous**  
20%



100%

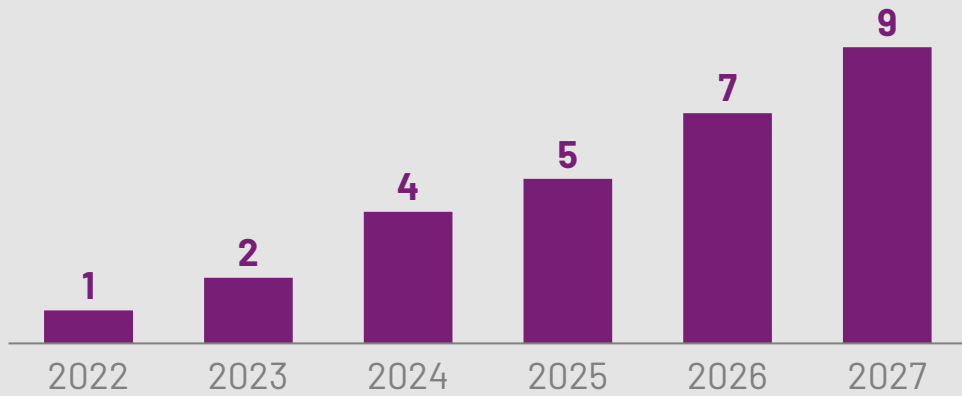
Hydrous Ethanol  
Brazil



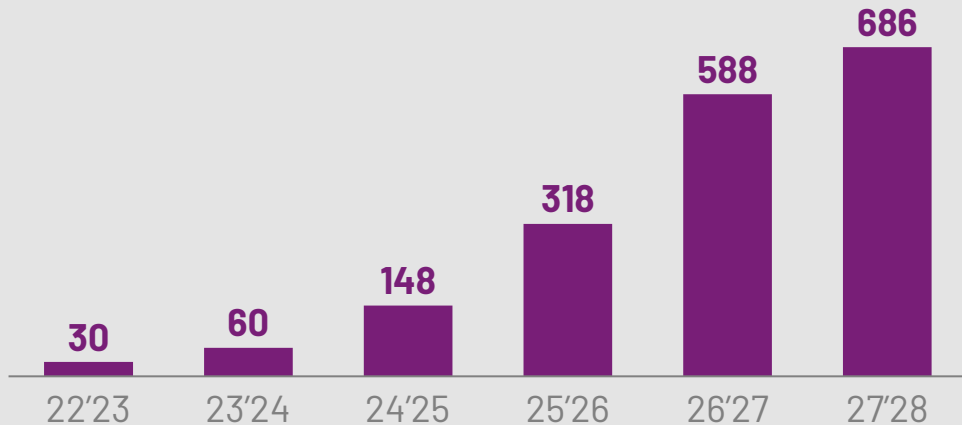
Ethanol Fuel

# E2G Update

**Estimated Number of Operational Plants by Year End (# Units)**



**Production Capacity by Crop Year ('000 cbm)**



**Project Status (February 2024)**

#	Plant	City/State	Beginning of Construction	Status	Conclusion of Construction (Crop Year Estimate)	Nominal Capacity ('000 cbm)
1	Costa Pinto	Piracicaba/SP	-	Operational	-	30
2	Bonfim	Guariba/SP	2021	100%	23'24	82
3	Barra	Barra Bonita/SP	2022	50%	24'25	82
4	Univalem	Valparaíso/SP	2022	45%	24'25	82
5	Vale do Rosário	Morro Agudo/SP	2023	15%	25'26	82
6	Gasa	Andradina/SP	2023	10%	25'26	82
7	Caarapó	Caarapó/MS	2024	Project Phase	26'27	82
8	Tarumã	Tarumã /SP	2024	Project Phase	26'27	82
9	TBD	TBD	-	Project Phase	27'28	82

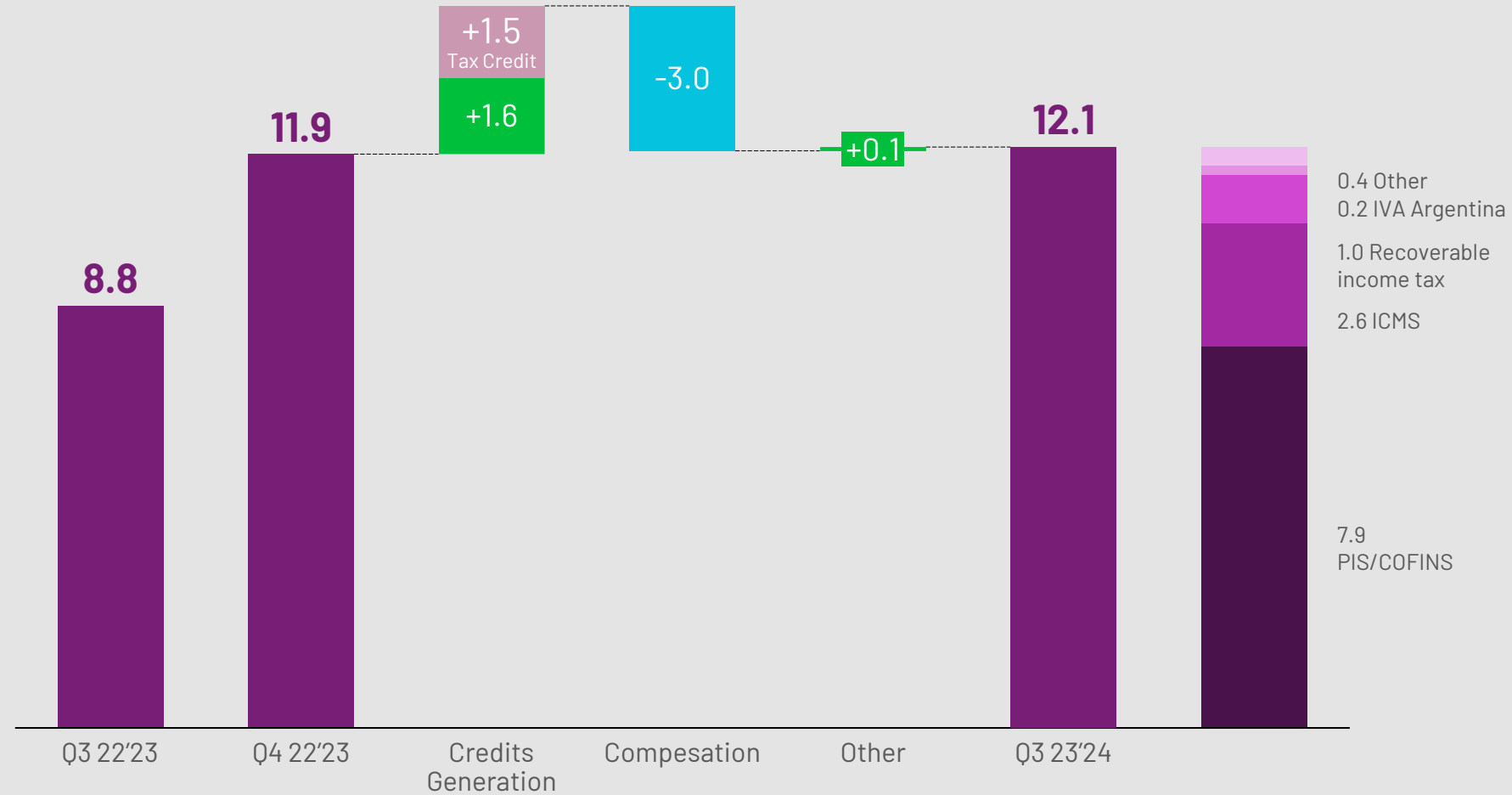


# RECOVERABLE TAXES

Liquidity levers supporting our balance sheet

## Pace of compensation has been confirmed

Outstanding as of December 31, 2023 (BRL Bn)



Notes: Information Disclosure at note 8 of the Financial Statements

# Capital Allocation

## Discipline and Coherence

### Priority I

**Preserve Investment Grade through investment cycle**

- Leverage in between 1.6x and 1.8x - Net Debt/ EBITDA end of crop year
- Weighted Average Debt Maturity higher than 5 years
- Strengthening the balance sheet over the years (Tax monetization)

### Priority II

**Capex allocation in order to implement business strategy for value creation**

- Journey to improve Agricultural Yields
- E2G (9 plants ready and operational until 27'28)
- Argentina Refinery Revamp (efficiency improvements)
- Expanding Shell network
- Power : Resizing the business

### Priority III

**Exercising Optionalities**

- Buyback programs/ Dividends
- Strategic and Opportunistic M&A
- Recycling our portfolio (joint-ventures, partnerships, divestments etc)

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*Reshaping the future of  
energy*