Copersucar S.A.

Financial statements
as of March 31, 2022
A free translation of the original report in Portuguese containing financial information

KPDS 1049958

Contents

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Independent auditors' report on the individual and consolidated financial statements

To the Administrators and Board Members of
Copersucar S.A.
São Paulo – SP

Opinion

We have examined the individual and consolidated financial statements of Copersucar S.A. (“Company”), identified as Parent Company and Consolidated, respectively, comprising the balance sheet as of March 31, 2022 and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the corresponding notes, comprising the significant accounting policies and other clarifying information.

In our opinion, the aforementioned individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of Copersucar S.A. as of March 31, 2022, the individual and consolidated performance of its operations and its individual and consolidated cash flows for the year then ended, in conformity with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

Our audit was conducted 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, according to the significant ethical principles provided in the Accountant’s Code of Professional Ethics and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities according to such standards. We believe that the audit evidence 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 current year. 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.

Measurement of the fair value of future commodity purchase and sale contracts (commodity forward contracts) – individual and consolidated	
See Notes 6.(k.v) and 23 of individual and consolidated financial statements.	
Key audit matter	**How the matter was addressed in our audit**
The Company and its subsidiaries have a significant number of commodity purchase and sale contracts arising from their commodity trading activities. The Company and its subsidiaries manage their exposure to changes in commodity prices by contracting derivative financial instruments. These derivative financial instruments used to hedge the exposure of the Company and its subsidiaries to price risk are measured at fair value and changes in fair value are recorded in income (loss) as required by IFRS 9 – Financial Instruments (equivalent to Technical Pronouncement CPC 48) and CPC 46 – Fair Value Measurement. The fair value of the derivative financial instrument is estimated based on the following assumptions: percentage rate of market price volatility in recent months for sugar, ethanol and natural gas commodities applied to the probable scenario; prices quoted on the stock exchange; pure change of FOB prices (freight and lifting costs); adjusted for domestic market differences; future delivery period; place of delivery and quality of the goods. This issue was considered a key audit matter due to the nature and extent of the audit effort required to address the matter and the uncertainties related to the assumptions used to estimate the fair value of acquired assets that have a significant risk of resulting in a material adjustment in the balances of the individual and consolidated financial statements.	Our procedures included, but were not limited to: – Understanding and evaluation of the design and implementation of key controls related to the calculation of the fair value of future commodity purchase and sale contracts; – Reconciliation of the trading desk contract base with accounting records; – Matching, on a sample basis, the contract data with the information used to calculate the fair value of forward contracts, such as: product, crop year, delivery location, type of operation (purchase or sale), quantity and expiration date; – With the help of our financial instrument experts: (i) we evaluated whether the classification of the fair value level and the accounting were carried out in accordance with the policies and guidance of the Company and its subsidiaries, as well as the requirements provided for in the applicable accounting standards; and (ii) we carry out the independent recalculation of the fair value measurement, including the comparison of market inputs with external information and assess the consistency in the use of the fair value measurement methodology applied. – Assessment whether the disclosures made in the notes to the individual and consolidated financial statements are adequate in relation to the requirements of the accounting policies applicable to the transaction. Based on the evidence obtained through the procedures summarized above, we consider the fair values of the financial instruments used to manage the exposure of the Company and its subsidiaries to price change of commodities and the respective disclosures acceptable in the context of the individual and consolidated financial statements taken as a whole for the year ended March 31, 2022.

Other matters – Statement of added value

Individual and consolidated statement of added value (DVA) for the year ended March 31, 2022, prepared under responsibility of Company's management, and presented as supplementary information for IFRS purposes, were submitted to audit procedures carried out together with the audit of Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled with other financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in the Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of added value were prepared, in all material respects, in accordance with the criteria defined in this Technical Pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

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

Management is responsible for the preparation and adequate presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board (IASB), and the internal controls it deemed necessary to enable the preparation of these financial statements free of significant distortions, regardless of whether the latter were caused by fraud or error.

In the preparation of the individual and consolidated financial statements, management is responsible for the evaluation of the Company's ability to continue as going concern, disclosing, when applicable, the matters related to its going concern, and the use of this accounting basis in the preparation of the financial statements unless the management intends to liquidate the Company and its subsidiaries, or cease their operations, or do not have any realistic alternative to avoid the discontinuance of operations.

Those charged with governance of the Company and its subsidiaries are the people responsible for overseeing the process of preparation of the financial statements.

Auditors' responsibilities for the audit of the individual and consolidated financial statements

Our purposes are to obtain reasonable assurance that the individual and consolidated financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue audit report containing our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted pursuant to Brazilian and international auditing standards will always detect any existing material misstatements. Misstatements may arise from fraud or error, and are considered material when, individually or in aggregate, may influence, from a reasonable perspective, the economic decisions of users taken based on such financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain our professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.

– Obtain 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 internal control of the Company and its subsidiaries.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

– Conclude 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 ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company and its subsidiary to no longer continue as a going concern.

– Evaluate 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.

– Obtain 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 planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identified during our audit.

Ribeirão Preto, May 25, 2022

KPMG Auditores Independentes Ltda.
CRC 2SP-027666/F
(Original report in Portuguese signed by)
Fernando Rogério Liani
Accountant CRC 1SP229193/O-2

Copersucar S.A.

Balance sheets at March 31, 2022 and 2021

(In thousands of Reais)

		Consolidated		Parent company	
Assets	**Note**	**2022**	**2021**	**2022**	**2021**
Current assets					
Cash and cash equivalents	8	2,858,679	1,899,182	1,754,055	1,440,705
Interest earning bank deposits	9	131,171	434,883	131,171	434,883
Trade accounts receivable	10	3,423,340	2,510,584	1,229,443	754,505
Inventories	11	3,509,172	2,341,023	1,635,799	1,627,023
Recoverable taxes and contributions	12	185,821	198,874	179,350	193,700
Recoverable income tax and social contribution	12	152,170	79,270	104,249	123,365
Advances to suppliers		431,287	157,807	7,143	4,863
Stock exchange operations	13	663,415	183,773	423	128,693
Unrealized derivative financial instruments	23	1,835,924	1,224,277	257,480	774,469
Other accounts receivable		151,211	141,055	64,238	25,803
Total current assets		**13,342,190**	**9,170,728**	**5,363,351**	**5,508,009**
Non-current assets					
Deferred tax assets	14	850,107	1,009,004	819,303	751,104
Judicial deposits	22	16,562	55,217	1,705	40,206
Unrealized derivative financial instruments	23	398,637	202,346	376,812	145,991
Recoverable taxes and contributions	12	9,191	9,238	9,191	9,238
Other accounts receivable		15,394	5,866	328	-
Investments	15	554,148	1,514,008	3,493,681	2,679,668
Property, plant and equipment	16	852,131	880,168	6,976	5,705
Intangible assets	17	261,627	297,939	3,219	5,361
Right-of-use in leases	16	338,008	420,190	9,622	17,386
Total non-current assets		**3,295,805**	**4,393,976**	**4,720,837**	**3,654,659**
Total assets		**16,637,995**	**13,564,704**	**10,084,188**	**9,162,668**

		Consolidated		Parent company	
Liabilities	**Note**	**2022**	**2021**	**2022**	**2021**
Current liabilities					
Suppliers	18	2,987,104	3,085,684	1,087,342	1,310,587
Loans and financing	19	2,986,124	1,175,561	1,092,020	1,038,552
Lease liabilities	19	76,713	85,639	827	1,629
Labor payroll obligations		95,159	40,114	46,506	28,761
Provision for income tax and social contribution		21,472	8,021	-	-
Taxes and contributions payable	20	175,810	68,161	13	35
Stock exchange operations	13	5,007	1	5,007	-
Advances from clients	21	77,873	204,363	3,898	2,736
Dividends payable		7,421	3,051	7,421	3,051
Unrealized derivative financial instruments	23	1,321,720	1,200,950	430,591	792,890
Other accounts payable		149,834	164,876	40,440	94,408
Total current liabilities		**7,904,237**	**6,036,421**	**2,714,065**	**3,272,649**
Non-current liabilities					
Loans and financing	19	5,816,632	4,851,248	4,942,799	3,939,927
Lease liabilities	19	290,548	360,823	9,873	16,380
Employee benefits	33	43,840	54,668	-	39,234
Provisions for contingencies	22	19,759	16,915	160	129
Unrealized derivative financial instruments	23	466,043	627,237	442,238	610,599
Deferred tax liabilities	14	187,283	331,569	67,826	-
Other accounts payable		86,183	2,073	83,757	-
Total non-current liabilities		**6,910,288**	**6,244,533**	**5,546,653**	**4,606,269**
Shareholders' equity					
Capital		1,185,768	947,847	1,185,768	947,847
Capital reserve		8,153	8,153	8,153	8,153
Treasury shares		(15,140)	(15,140)	(15,140)	(15,140)
Legal reserve		91,171	52,116	91,171	52,116
Profit retention		1,289	529	1,289	529
Equity valuation adjustment		(182,412)	(11,757)	(182,412)	(11,757)
Proposed additional dividend		734,641	302,002	734,641	302,002
Shareholders' equity attributable to controlling shareholders	27	**1,823,470**	**1,283,750**	**1,823,470**	**1,283,750**
Total liabilities		**14,814,525**	**12,280,954**	**8,260,718**	**7,878,918**
Total liabilities and shareholders' equity		**16,637,995**	**13,564,704**	**10,084,188**	**9,162,668**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of income

Years ended March 31, 2022 and 2021

(In thousands of Reais)

	Note	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Net revenues	28	74,883,461	40,030,899	14,745,868	11,292,897
Unrealized derivative financial instruments	23	208,567	(1,374,286)	(219,748)	(1,183,184)
Cost of sales	29	(73,149,545)	(37,767,907)	(14,131,202)	(9,896,240)
Gross income		**1,942,483**	**888,706**	**394,918**	**213,473**
Sales expenses	29	(83,813)	(60,290)	(39,171)	(29,737)
Administrative expenses	29	(554,844)	(346,939)	(165,999)	(126,310)
Other revenues	30	70,514	87,364	23,116	2,472
Other expenses	31	(46,932)	(57,535)	(14,848)	(7,477)
Income before net financial		**1,327,408**	**511,306**	**198,016**	**52,421**
Financial revenues	32	8,166,221	14,535,914	1,569,110	977,473
Financial expenses	32	(8,551,565)	(14,687,747)	(1,836,159)	(1,055,677)
Net financial	32	**(385,344)**	**(151,833)**	**(267,049)**	**(78,204)**
Equity in net income of subsidiaries	15	(21,558)	78,675	818,622	381,079
Income (loss) before taxes		**920,506**	**438,148**	**749,589**	**355,296**
Current income tax and social contribution	33	(219,417)	(46,316)	(65,911)	-
Income tax and social contribution - deferred	33	80,028	(16,398)	97,439	20,138
Total income tax and social contribution		**(139,389)**	**(62,714)**	**31,528**	**20,138**
Net income for the year		**781,117**	**375,434**	**781,117**	**375,434**
Income (loss) attributed to					
Controlling shareholders		781,117	375,434	781,117	375,434
Net income for the year		**781,117**	**375,434**	**781,117**	**375,434**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of comprehensive income

Years ended March 31, 2022 and 2021

(In thousands of Reais)

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Net income for the year	781,117	375,434	781,117	375,434
Comprehensive income				
Reflexive accumulated translation adjustment	(17,303)	25,989	(17,303)	25,989
Exchange-rate changes on foreign investment	(343,727)	130,605	(343,727)	130,605
Non-Deliverable Forward - Investment hedge	439,618	(226,965)	439,618	(226,965)
Non-Deliverable Forward - Cash flow hedge	(6,238)	(1,369)	(5,951)	(3,280)
Swap hedge accounting	(143,782)	(31,181)	(148,177)	(31,000)
Income tax and social contribution	(98,463)	88,235	(97,067)	88,823
Total comprehensive income	**611,222**	**360,748**	**608,510**	**359,606**
Comprehensive income attributable to:				
Controlling shareholders	611,222	360,748	608,510	359,606
Total comprehensive income	**611,222**	**360,748**	**608,510**	**359,606**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of changes in shareholders' equity

Years ended March 31, 2022 and 2021

(In thousands of Reais)

		Reserves								
	Capital	**Capital reserve**	**Treasury shares**	**Legal reserve**	**Profit retention**	**Reserve for investment**	**Equity valuation adjustment**	**Retained earnings**	**Proposed additional dividend**	**Shareholders' equity attributed to controlling shareholders**
In 2020	**180,301**	**8,153**	**(15,140)**	**36,060**	**-**	**675,125**	**3,459**	**(54,324)**	**117,887**	**951,521**
Capital increase in cash	92,421	-	-	-	-	-	-	-	-	92,421
Capital increase upon translation of investment reserve	675,125	-	-	-	-	(675,125)	-	-	-	-
Payment of additional dividends proposed	-	-	-	-	-	-	-	-	(117,887)	(117,887)
Realized deemed cost	-	-	-	-	-	-	(529)	529	-	-
Comprehensive income for the year:	-	-	-	-	-	-	-	-	-	-
Reflexive accumulated translation adjustment	-	-	-	-	-	-	3,053	-	-	3,053
Hedge of a net investment in a foreign operation	-	-	-	-	-	-	(10,817)	-	-	(10,817)
Net cash flow hedge	-	-	-	-	-	-	24,077	-	-	24,077
Swap hedge accounting	-	-	-	-	-	-	(31,000)	-	-	(31,000)
Net income for the year	-	-	-	-	-	-	-	375,434	-	375,434
Distribution of income:										
Legal reserve	-	-	-	16,056	-	-	-	(16,056)	-	-
Minimum mandatory dividends (R$ 0.00226 per share)	-	-	-	-	-	-	-	(3,052)	-	(3,052)
Additional dividends proposed	-	-	-	-	-	-	-	(302,002)	302,002	-
Profit retention	-	-	-	-	529	-	-	(529)	-	-
2021	**947,847**	**8,153**	**(15,140)**	**52,116**	**529**	**-**	**(11,757)**	**-**	**302,002**	**1,283,750**
Capital increase in cash	237,921									237,921
Payment of additional dividends proposed									(302,002)	(302,002)
Realized deemed cost							(760)	760		-
Comprehensive income for the year:										-
Reflexive accumulated translation adjustment							5,957			5,957
Hedge of a net investment in a foreign operation							(7,126)			(7,126)
Net cash flow hedge							(20,549)			(20,549)
Swap hedge accounting							(148,177)			(148,177)
Net income for the year								781,117		781,117
Distribution of income:										
Legal reserve				39,055				(39,055)		-
Minimum mandatory dividends (R$ 0.00464 per share)								(7,421)		(7,421)
Additional dividends proposed								(734,641)	734,641	-
Profit retention					760			(760)		-
In 2022	**1,185,768**	**8,153**	**(15,140)**	**91,171**	**1,289**	**-**	**(182,412)**	**-**	**734,641**	**1,823,470**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of cash flows

Years ended March 31, 2022 and 2021

(In thousands of Reais)

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Cash flow from operating activities				
Net income for the year	**781,117**	**375,434**	**781,117**	**375,434**
Adjusted by:				
Equity in net income of subsidiaries	21,558	(78,675)	(818,622)	(381,079)
Subsidiary gains with exchange rate changes	192,342	(221,655)	-	-
Change in fair value of stock exchange	(1,830)	(2,536)	-	-
Depreciation and amortization	186,124	176,664	5,247	6,290
Deferred taxes	(120,378)	16,398	(97,439)	(20,138)
Interest and exchange-rate changes on loans and financing	(243,118)	317,961	65,382	309,105
Net value of write-offs of fixed and intangible assets	5,899	40,127	1,822	208
Increase in provision for contingencies	2,844	(465)	31	(384)
Employee benefits	(25,106)	35,351	(39,234)	39,234
Change in inventories' fair values	690,590	(491,814)	201,257	(349,206)
Change in fair value of derivative financial instruments	(105,158)	132,605	17,139	(95,608)
Gains in bargain purchase	-	-	(18,465)	-
Remeasurement and exchange-rate changes of lease	(983)	(107)	1,242	-
Estimated losses	19,018	1,749	1,249	41
			-	
Changes in assets and liabilities			-	
(Increase) in interest earning bank deposits	303,712	(434,883)	303,712	(434,883)
Decrease (increase) in trade accounts receivable	846,798	(1,033,243)	(476,187)	(151,258)
(Increase) Decrease in operations with related parties	(196,737)	(630,129)	13,273	(14,776)
(Increase) in inventories	(482,041)	(394,759)	(210,033)	(190,751)
(Increase) decrease in recoverable taxes	(59,800)	32,794	33,513	(23,779)
(Increase) decrease in other accounts receivable	(10,175)	28,347	(41,903)	24,812
(Increase) Decrease in advance to supplier	(77,620)	219,344	(2,280)	4,129
(Increase) decrease in stock exchange operations	(474,636)	(484,475)	133,277	(448,134)
Decrease (Increase) in judicial deposits	38,655	648	38,501	(497)
(Decrease) Increase in suppliers	(574,202)	1,601,853	(223,245)	600,355
(Decrease) Increase in social and labor obligations	(12,963)	8,297	17,745	7,484
Increase in taxes and contributions payable	135,881	33,631	33,044	632
(Decrease) increase in other accounts payable	(48,671)	71,450	29,789	(18,983)
Interest on loans and financing – paid	(488,212)	(215,134)	(373,564)	(154,873)
Income tax and social contribution paid	(132,113)	(20,782)	(33,066)	(621)
Dividends received	5,228	382,794	537,344	392,281
Net cash flow (used) in operating activities	**176,023**	**(533,210)**	**(119,354)**	**(524,966)**
Cash flows from investment activities				
Effect from acquisition of subsidiary, net of acquired cash in consolidated	999,328	-	-	-
Application of funds in investments	(105,081)	(40,862)	(881,888)	(40,863)
Application of funds in property, plant and equipment	(145,599)	(91,970)	(3,933)	(1,254)
Application of funds in intangible assets	(10,846)	(1,718)	(20)	(9)
Net cash generated (used) in investment activities	**737,802**	**(134,550)**	**(885,841)**	**(42,126)**
Cash flows from financing activities				
Capital increase	237,921	92,421	237,921	92,421
Payment of lease liability	(113,141)	(113,423)	(2,710)	(2,832)
Dividends paid	(305,052)	(119,078)	(305,052)	(119,078)
Operations with financial instrument	(249,337)	71,631	23,858	61,142
Loans and financing obtained	59,682,432	2,874,655	4,811,688	1,577,422
Payments of Borrowings and financing	(59,130,010)	(3,013,584)	(3,447,160)	(1,557,482)
Net cash generated (used) in financing activities	**122,813**	**(207,378)**	**1,318,545**	**51,593**
Net increase (decrease) in cash and cash equivalents	**1,036,638**	**(875,138)**	**313,350**	**(515,499)**
Statement of changes in cash and cash equivalents				
At the end of the year	2,858,679	1,899,182	1,754,055	1,440,705
Effect in exchange-rate changes on cash and cash equivalents	(77,141)	43,575	-	-
At the beginning of the year	1,899,182	2,730,745	1,440,705	1,956,204
Net increase (decrease) in cash and cash equivalents	**1,036,638**	**(875,138)**	**313,350**	**(515,499)**

See the accompanying notes to the financial statements.

Copersucar S.A.

Statements of added value

Years ended March 31, 2022 and 2021

(In thousands of Reais)

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Revenues				
Sale of goods, products and services	75,602,783	42,322,167	16,696,653	12,592,317
Other revenues	(493,513)	(1,042,307)	(542,962)	(67,755)
Change in fair value of financial instruments	208,567	(1,374,286)	(219,748)	(1,183,184)
Estimated allowance for doubtful accounts	(4,243)	(14,145)	(1,249)	(41)
	75,313,594	**39,891,429**	**15,932,694**	**11,341,337**
Inputs acquired from third parties				
Cost of products, goods, and services sold	(71,313,159)	(37,779,144)	(13,745,254)	(10,165,656)
Materials, outsourced services and other	(216,350)	(171,636)	(58,103)	(45,934)
Other	(18,920)	(41,730)	(5,008)	(4,013)
	(71,548,429)	**(37,992,510)**	**(13,808,365)**	**(10,215,603)**
Gross added value	**3,765,165**	**1,898,919**	**2,124,329**	**1,125,734**
Depreciation and amortization	(187,277)	(177,715)	(5,247)	(6,293)
Added value received as transfer				
Equity in net income of subsidiaries	(21,558)	78,675	818,622	381,079
Financial revenues	8,166,221	14,535,914	1,569,110	977,473
Other	62,606	86,516	21,181	2,464
	8,207,269	14,701,105	2,408,913	1,361,016
Total added value payable	**11,785,157**	**16,422,309**	**4,527,995**	**2,480,457**
Distribution of added value	**(11,785,157)**	**(16,422,309)**	**(4,527,995)**	**(2,480,457)**
Personnel				
Direct remuneration	(219,435)	(153,916)	(28,449)	(36,184)
Benefits	(242,133)	(132,535)	(106,625)	(62,698)
FGTS	(10,912)	(8,760)	(2,653)	(2,732)
	(472,480)	(295,211)	(137,727)	(101,613)
Taxes, duties and contributions				
Federal	(626,047)	(74,986)	(439,562)	16,202
State	(1,333,828)	(967,215)	(1,331,456)	(962,626)
Municipal	(14,273)	(14,074)	(323)	(373)
	(1,974,148)	(1,056,275)	(1,771,341)	(946,797)
Third parties' capital remuneration				
Interest	(8,551,565)	(14,687,747)	(1,836,160)	(1,055,677)
Rentals	(5,847)	(7,642)	(1,650)	(936)
	(8,557,412)	(14,695,389)	(1,837,810)	(1,056,613)
Remuneration of own capital				
Dividends	(302,002)	(117,887)	(302,002)	(117,887)
(Income) for the year	(479,115)	(257,547)	(479,115)	(257,547)
	(781,117)	(375,434)	(781,117)	(375,434)

See the accompanying notes to the financial statements.

Notes to the financial statements

(In thousands of Reais)

1 Operations

Copersucar S.A. ("Company"), established as a privately held corporation, is domiciled in Brazil and headquartered in the city of São Paulo (SP), at Avenue das Nações Unidas, 14.261. It is mainly engaged in: importing, exporting, trading, manufacturing, storing, loading and unloading sugar, ethanol and by-products in the domestic and foreign markets; acting as a sales representative for sugar, ethanol, and by-products; land, river and sea logistics; cargo transportation services, including hazardous cargo transportation, and acting as a multimodal transportation operator; providing technical and advisory services related to the above-mentioned activities and holding interests in the capital of other entities.

The individual and consolidated financial statements of the Company for the year ended March 31, 2022 comprise the parent company and its subsidiaries.

The Company and its subsidiaries' fiscal year ends on March 31 of each year.

Impact of Coronavirus (COVID-19) on the financial statements

Copersucar offers natural food and renewable energy to the world. Due to the essential nature of what it does, the company kept its full operations, following health protocols and ensuring the safety of employees and third parties. During the crop, important operational records were obtained, such as the largest ship loading in the country's history, with 109 thousand tons on the Cape Town vessel in August 2021.

Acquisition of Alvean's control

On March 30, 2021, Copersucar and Cargill International Luxembourg 2 S.A.R.L. entered into a definitive agreement whereby Alvean Sugar, S.L. and Alvean Sugar Intermediação e Agenciamento Ltda., a joint venture (50%-50%) between the two companies, became fully Controlled by Copersucar S.A., being fully consolidated. In the past crop, the equity method was adopted for the investees Alvean Sugar S.L. and Alvean Sugar Intermediação e Agenciamento Ltda.

2 Company's entities

Entity	**City/State - Country**	**2022**	**2021**	**Main activities**
Subsidiaries - Direct:				
Companhia Auxiliar de Armazéns Gerais S.A.	São Paulo/SP - Brazil	100.00000%	100.00000%	It is mainly engaged in the storage and operation of terminals of export of sugar and other plant-origin products, as well as the performance of port operating activities.
Copersucar Trading A.V.V.	Orangestad – Aruba	100.00000%	100.00000%	Importing and exporting sugar and ethanol, which are purchased from Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo (Cooperative).
Copersucar North America, LLC	Franklin/TN – USA	100.00000%	100.00000%	To hold capital in other companies.
Copersucar Europe Espanha	Bilbao - Spain	100.00000%	100.00000%	Originates, sell and operates in sugar and ethanol global trading.

Entity	**City/State - Country**	**2022**	**2021**	**Main activities**
Alvean Sugar Intermediação e Agenciamento Ltda.	São Paulo/SP - Brazil	100.00000%	N/A	Agency and intermediation in trading of white and raw sugar.
Alvean Sugar, S.L.	Bilbao - Spain	100.00000%	N/A	Originates, sells and acts in the global trading global of raw and white sugar.
Subsidiary - Indirect:				
Eco-Energy Global Biofuels LLC	Franklin/TN – USA	100.00000%	100.00000%	Operates in an integrated manner in the biofuel supply chain, focusing on trade, logistics and marketing services.
Sugar Express Transportes S.A.	Ribeirão Preto/SP – Brazil	100.00000%	100.00000%	Responsible for the road transport of sugar and ethanol.
Terminal de Combustível de Paulínia	Paulínia/SP - Brazil	50.00000%	50.00000%	Ethanol storage.
Associated companies:	**City/State - Country**	**2022**	**2021**	**Main activities**
Centro de Tecnologia Canavieira S.A.	São Paulo/SP - Brazil	16.93150%	16.93150%	Research and development of new technologies to be applied in the agricultural activities, logistics and manufacturing processes of the sugarcane and sugar and alcohol sectors; research and development of sugarcane varieties, especially the genetic improvement of sugarcane; control of diseases and pests, particularly for biological control purposes; and transfer of agricultural, industrial and laboratory technologies.
Uniduto Logística S.A.	São Paulo/SP - Brazil	39.07370%	39.07370%	Develops, builds and operates pipelines to move liquids for marketing in domestic and foreign markets, intermodal terminals and port terminals for the export of such liquids; moreover, to participating in other companies whose business purpose is one or more activities listed in the previous items.
Jointly controlled entities:	**City/State - Country**	**2022**	**2021**	**Main activities**
Alvean Sugar Intermediação e Agenciamento Ltda.	São Paulo/SP - Brazil	N/A	50.00000%	Agency and intermediation in trading of white and raw sugar.
Alvean Sugar, S.L.	Bilbao - Spain	N/A	50.00000%	Originates, sells and acts in the global trading global of raw and white sugar.
Logum Logística S.A.	Rio de Janeiro/RJ - Brazil	30.00000%	30.00000%	Implements the construction and operates the intermodal and multimodal networks for the transport of ethanol, oil by-products and other biofuels to the domestic and international markets; explores activities directly or indirectly related to intermodal and multimodal transport of ethanol, oil by-products and other biofuels; participates in projects whose aim is to promote the development of intermodal and multimodal transport of ethanol, oil by-products and other biofuels; imports, exports, acquires, sells, distributes or leases all the machinery and equipment related to the aforementioned activities, and exploration and development of opportunities in business related to the installation of optic fiber cables in its rights of way.

3 Acquisition of subsidiary

On March 30, 2021, Copersucar, which already held 50% of the shares of Alvean Sugar, S.L. and Alvean Sugar Intermediação e Agenciamento Ltda., announced the acquisition of the remaining 50% interest.

The Administrative Council for Economic Defense (Cade) approved the purchase by Copersucar of the shares of Cargill International Luxembourg 2 S.A.R.L, pursuant to the decision published on June 17, 2021.

With authorization from the antitrust body, Alvean became an independent subsidiary, with autonomous management and its own governance, maintaining its activities and the strength of its brand.

Copersucar became the sole shareholder of a company that handles over 12 million tons of sugar per annum, from operations in the main origination centers, reinforcing its leadership in the sale and trade of commodities globally.

Therefore, Alvean Sugar, S.L. and Alvean Sugar Intermediação e Agenciamento Ltda became direct subsidiaries of the Company.

The identifiable assets and liabilities acquired from Alvean include inputs, sales processes and organized workforce. Thus, the Company determined that, jointly, the inputs and processes acquired significantly contribute to the ability to generate revenue (outputs). Copersucar concluded that the acquired set is a business.

The Company engaged a specialized company to advise it in the preparation of the PPA (Purchase Price Allocation) report related to the transaction to meet the accounting needs, in accordance with CPC 15 and IFRS 3R and tax needs (Law 12.973/2014/Normative Instruction 1700).

In the ten months ended March 31, 2022, the acquired companies Alvean Sugar, S.L. and Alvean Sugar Intermediação e Agenciamento Ltda contributed with a net revenue of R$ 20,745,995 and income of R$ 145,376 to the consolidated financial statements. If the acquisition occurred on April 01, 2021, Management estimates that consolidated revenue would be R$ 24,942,468 and net consolidated net income would be R$ 176,751. To determine these amounts, Management considered that adjustments to fair value, provisionally made on acquisition date, would have been the same in case acquisition occurred on April 1, 2021.

(i) Acquisition of Alvean Sugar Intermediação e Agenciamento Ltda

a. Consideration transferred

The consideration transferred was R$ 50, equivalent to 50% of the investee's capital as of March 31, 2021.

b. Settlement of pre-existing relationship

There was discontinuity only in the contracts for the provision of IT services and the Geneva office (reception/etc.).

c. *Acquisition cost*

In the acquisition, there was the cost of contracting a Consulting Firm for the preparation of the PPA (Price Purchase Allocation) Report for the two companies Alvean Sugar S.L. and Alvean Sugar Intermediação e Agenciamento Ltda of R$ 130 and costs for the provision of legal services of R$ 5,818.

Identifiable assets acquired and liabilities assumed

The table that follows summarizes the assets acquired and liabilities assumed on the acquisition date.

In thousands of Reais	**50%**	**100%**
Cash and cash equivalents	170	340
Accounts receivable	751	1,502
Advances to suppliers	112	223
Property, plant and equipment	864	1,727
Other assets	143	285
Suppliers	(781)	(1,561)
Other accounts payable	(1,070)	(2,140)
Total net identifiable assets	**188**	**376**

For the Consolidation, the financial statements of June 30, 2021 were used.

(i) Measurement of fair value

To measure fair value, Management analyzed the need to adjust assets and liabilities to fair value and the existence of intangible assets, concluding tha.t the operation does not have intangible assets, due to the type of activity carried out and that there is no need to adjust the fair value of intangible assets and liabilities.

Therefore, no fair value adjustment in relation to intangible assets, such as customer relationship, non-compete agreement and brand were identified by the PPA report at Alvean Sugar Intermediação e Agenciamento Ltda.

d. *Goodwill*

The price paid by the Company by Alvean Sugar Intermediação e Agenciamento Ltda for the acquisition of control was R$ 50, and the net assets on the base date were valued at R$ 29. Therefore, goodwill was recognized as a result of the acquisition.

The table below represents the values mentioned above:

In thousands of Reais	
Consideration transferred (a)	50
Fair value of identifiable net assets – 50% (d)	(188)
Changes between the date of the report and acquisition	158
Goodwill (Note 17)	20

(ii) Acquisition of Alvean Sugar S.L.

a. *Consideration transferred*

The consideration transferred was R$ 766,756, equivalent to 50% of the investee's shareholders' equity on March 31, 2021, considering pre-established adjustments in the Share Purchase Agreement.

b. Settlement of pre-existing relationship

There was discontinuity only in the contracts for the provision of IT services and the Geneva office (reception/etc.).

c. Acquisition cost

In the acquisition, there was the cost of contracting a Consulting Firm for the preparation of the PPA (Price Purchase Allocation) Report for the two companies Alvean Sugar S.L. and Alvean Sugar Intermediação e Agenciamento Ltda of R$ 130 and costs for the provision of legal services of R$ 5,818.

Identifiable assets acquired and liabilities assumed

The table that follows summarizes the assets acquired and liabilities assumed in reais on the acquisition date.

In thousands of Reais	**50%**	**100%**
Cash and cash equivalents	376,100	752,200
Accounts receivable	888,535	1,777,070
Inventories	688,349	1,376,698
Financial assets	5,368,336	10,736,671
Advances to suppliers	97,818	195,637
Other assets	30,797	61,595
Suppliers	-237,030	-474,061
Financial liabilities	-5,110,261	-10,220,522
Loans	-1,099,889	-2,199,778
Other accounts payable	-201,753	-403,506
Total net identifiable assets	**801,002**	**1,602,004**

For the Consolidation, the financial statements of June 30, 2021 were used.

(i) Measurement of fair value

To measure fair value, Management analyzed the need to adjust assets and liabilities to fair value and the existence of intangible assets, concluding tha.t the operation does not have intangible assets, due to the type of activity carried out and that there is no need to adjust the fair value of tangible assets and liabilities.

Intangible assets	**Description**	**Does it have adjustment?**
Client relations	The Acquiree's operational activity is linked to the commercialization and trading of raw and refined sugar. As these are "commodity" operations, no "client relationship" intangible asset was identified.	No adjustments
Non-competition agreement	The purchase and sale agreement does not include a Non-Compete clause	No adjustments
Brand	Since the Acquiree's operational activity is the sale of commodities, the Brand does not represent a relevant asset and does not add value to the sales process. Thus, it was not considered as an intangible asset.	No adjustments

Therefore, no fair value adjustment in relation to intangible assets, such as customer relationship, non-compete agreement and brand were identified by the PPA report at Alvean Sugar S.L.

d. Bargain Purchase

The operation of Alvean Sugar S.L. generated a bargain purchase in the Company. The price paid for the control of Alvean was R$ 766,756 and the net assets on the base date were estimated at R$ 785,241, thus recognizing a bargain purchase gain in income (loss) for the period of R$ 18,845.

In thousands of Reais	
Consideration transferred (a)	766,756
Fair value of identifiable net assets – 50% (d)	(801,002)
Changes between the date of the report and acquisition	15,761
Bargain purchase (Note 30)	(18,845)

4 Preparation basis

a. Statement of compliance (in relation to IFRS standards and CPC standards)

The individual and consolidated financial statements were prepared in accordance with the International Financial Reporting System (IFRS) issued by the International Accounting Standards Board (IASB) and accounting practices adopted in Brazil (BR GAAP).

The Fiscal Council issued a favorable opinion on the Company's financial statements, pursuant to the meeting held on May 20, 2022.

Details on the accounting policies of the Company and its Group's investees are shown in Note 6.

All relevant information specific to the financial statements, and only such information, is evidenced, and corresponds to the information used by Management in its administration.

b. Functional and presentation currency

These individual and consolidated financial statements are presented in Reais, which is the functional currency of the all the Company's entities, except for Copersucar North America LLC, Eco-Energy Global Biofuels LLC and Alvean Sugar S.L determined by translation of balance sheet, whose functional currency is the USD. All financial information presented in Brazilian Reais has been rounded to the nearest value thousand, except otherwise indicated.

c. Use of estimates and judgments

The preparation of Company's individual and consolidated financial statements requires Management to make judgments, use estimates and adopt assumptions that affect the amounts presented for revenues, expenses, assets and liabilities, including contingent liabilities. However, uncertainty relating to these judgments, assumptions and estimates could lead to results that require a significant adjustment to the book value of certain assets and liabilities in future years.

Estimates and underlying assumptions are reviewed on an ongoing basis. Reviews of estimates are recognized on a prospective basis.

Main estimates, assumptions and significant accounting judgments: useful life of property, plant and equipment (Note 6.i.iii), useful life of intangible assets (Note 6.j.iv), inventories (Note 11), deferred tax assets and liabilities and use of tax losses (Note 14), provisions for contingencies (Note 22), financial instrument (Note 23) and operating leases (Note 34).

d. Measurement of fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The Company uses observable market data, as much as possible and the fair values are classified on hierarchical basis, according to evaluation techniques as follows:

- Level 1: prices quoted (not adjusted) in active markets for identical assets, liabilities.
- Level 2: inputs, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).

For this fiscal year ended March 31, 2022 and 2021, there are no fair value evaluations made by the Company that fits into Level 3 defined by CPC 40 (item 27A.c.).

The Company recognizes transfers between fair value hierarchic levels at the end of the financial statements year in which changes occurred.

When applicable to fair values, additional information about the assumptions made in the determination is disclosed in the notes specific to that asset or liability.

5 Measuring basis

The individual and consolidated financial statements were prepared based on the historical cost, except for the following material items recognized in the balance sheets:

- Derivative financial instruments measured at fair value;
- Non-derivative financial instruments designated at fair value through profit or loss are measured at fair value;
- Property, plant and equipment is measured at acquisition and deemed cost;
- Inventories are calculated at fair value less sales expenses, mark-to-market, except for Anhydrous compounds’ inventory, which is evaluate at average acquisition cost, not exceeding the net realizable value, as mentioned in Note 6(h).

6 Significant accounting policies

The accounting practices described below are consistently applied to all the years presented in these individual and consolidated financial statements in accordance with IFRS and the accounting pronouncements issued by the Accounting Pronouncement Committee (CPC), unless otherwise stated.

a. Consolidation basis

(i) Subsidiaries

The financial statements of the subsidiaries are included in the consolidated financial statements as from the date they start to be controlled by the Company until the date such control ceases. The accounting policies of the subsidiaries are aligned with the policies adopted by the Company.

The individual financial statements of the parent company, financial information of subsidiaries are recognized under the equity method.

(ii) Investments in jointly-controlled subsidiaries

A joint venture is a contractual agreement that joins together two or more parties for the purpose of executing a particular business undertaking which is subject to joint control.

The individual financial statements of the parent company, financial information from joint ventures are recognized under the equity method.

(iii) Investments in associated companies

Associated companies are the entities in which the Company has, directly or indirectly, significant influence but not control on financial and operating policies. Significant influence supposedly occurs when the Company holds 20% or more of the investee’s voting capital without controlling it. However, the equity percentage is an assumed concept of influence; that is, this assumption can be refuted.

In the parent company's individual financial statements, investments in associated companies are accounted for at the equity method and are initially recognized at cost. When the participation of the Company in the losses of an investee, whose shareholders' equity has been accounted for, exceeds its ownership interest in the investee recorded at the equity method, the book value of that ownership interest, including long-term investments, is reduced to zero and the recognition of additional losses is completed.

(iv) Transactions eliminated in the consolidation

Balances, transactions, revenues or expenses from intragroup transactions are eliminated in the preparation of consolidated financial statements. Unrealized gains arising from transactions with investees are eliminated against the investment. Unrealized losses are also eliminated unless the transaction shall provide evidence of asset impairment.

(v) Non-controlling interest

The Company chose to measure non-controlling interest in the acquiree at their proportion in identifiable net assets on the acquisition date. Changes to the Company’s interest in a subsidiary that do not result in loss of control are accounted for as transactions from shareholders' equity.

b. Operating revenue

(i) Trading of sugar, ethanol and natural gas

Operating revenue from sale of sugar, ethanol and natural gas in the normal course of business is measured at the fair value of the consideration received or receivable, net of returns, commercial discounts and bonus. Operating revenue is recognized when: (a) the parties to the contract approve it (in writing, verbally or according to other usual business practices) and are committed to fulfill their respective obligations; (b) the Entity can identify the rights of each party related to the goods (or services) to be transferred; (c) the entity can identify the payment terms for the goods (or services) to be transferred; (d) the contract has commercial substance (that is, the risk, timing or amount of future cash flows of the entity are expected to change as a result of the contract); and (e) it is probable that the Entity will receive the consideration to which it will be entitled in exchange for the goods or services which will be transferred to the client. When evaluating if the likelihood of receiving the consideration amount is probable, the entity shall only consider the client capacity and intention to pay such amount when due. The consideration amount to which the Entity is entitled may be lower than the price established in the contract if the consideration is variable, because the Entity may offer to the client a price reduction.

Part of the Company's operations occurs Free on Board (FOB), which is not responsible for contracting freight and insurance. Moreover, the sale is recognized when the control is transferred. For sales in the Cost, Insurance and Freight (CIF) Incoterm modality, they are only recognized after delivery of the product at the destination and include freight and insurance services (for CIF).

The subsidiary Alvean Sugar S.L. may assign the sale price equal to that of its contracts, when the sale is fixed (fixed price) or based on the spot market price (plus any premium or discount agreed in the contract), when the sale has floating prices.

For sugar and ethanol, the Company is classified as the operation's Principal, as it controls the specified asset before the asset is transferred to the client.

The subsidiary Copersucar Europe has a supply contract established with Alvean Sugar SL for 100% of sugar (according to Note 25). The Cooperative is responsible for storing this product until delivery in the Port of Santos. The sale modality is Free on Board (FOB) Incoterm and in this scenario the subsidiary is classified as Agent (intermediary) of the operation since it does not control the product before the sale to the client. For Ethanol, it is necessary to analyze each contract separately.

The Subsidiary Eco-Energy recognizes the revenue from biofuels, natural gas and energy credits when the control is transferred. The transfer of control is determined considering the client's acceptance, including when clients have legal ownership and physical possession of the product.

c. Cost of sales:

The cost of sales comprises the purchase price of the products, storage, transportation of products and any costs related to the acquisition. It also includes changes in mark-to-market valuations.

(i) Rendering of services

Income (loss) from the rendering of storage, logistics services and loading of sugar and ethanol are recognized in the same way as the criteria above (item I, "a" to "e"); however, to the service category. The performance obligation occurs when the service is provided.

d. Financial revenues and expenses

Financial revenues substantially comprise revenues from Foreign exchange gains of financial items and positive changes in the fair value of financial instruments used to hedge currency and interest rate risks, as well as gains on the settlement of these instruments. Interest revenue is recognized in profit or loss using the effective interest method.

Financial expenses substantially comprise interest expenses on loans, foreign exchange losses of financial items and negative changes in the fair value of financial instruments used to hedge currency and interest risks, as well as losses on the settlement of these instruments. Loan costs which are not directly attributable to the acquisition, construction, or production of a qualifying asset are accounted for in profit or loss using the effective interest rate method.

e. Foreign currency

(i) Foreign currency transactions

Foreign currency transactions are translated into reais—R$ (Company's functional currency) at the exchange rates on the dates of the transactions. The balances of balance sheet accounts in foreign currency are translated at the exchange rates in effect on the closing date of financial statements and the gains or losses on changes in the exchange rates are recognized in financial income (loss).

(ii) Foreign group companies

Regarding subsidiaries with Dollar as functional currency, assets and liabilities of foreign transactions are translated into Brazilian reais (parent company's functional currency) at the exchange rate prevailing on presentation date. Revenues and expenses from foreign transactions are converted into reais at the average exchange rates (sale PTAX) calculated in the year.

Regarding the subsidiaries with functional currency - reais, foreign currency differences generated in the translation to the currency presentation are recognized in the income (loss) for the year, since the functional currency of the operation abroad is the Real.

Theses exchange-rate changes are recognized in earnings or losses in the individual financial statements of the parent company or subsidiary.

For the translation of transactions in US dollar (Dollar) to the functional currency of the Company (Brazilian real), the following exchange rates were used for the Consolidated and Parent company:

	Average annual interest		Spot closing rate	
	2022	**2021**	**2022**	**2021**
R$/USD	5.3351	5.4095	4.7378	5.6973

f. Employee benefits

(i) Defined contribution plans

The Company offers to its employees a Private Defined Contribution Pension Plan, aimed to ensure to the employee the possibility of accumulating funds in order to guarantee a monthly income in the future, for the employee to maintain a dignified life standard after retirement. The Company’s pension plan is accessible to all the employees and administrators, on optional basis.

The employee who elects to join the plan may opt for two types: 1- Free Benefit Plan (PGBL) or 2- Free Benefit Life Insurance (VGBL). According to the approved rules of the plan, the employee may participate through basic or complementary contributions, and the Company contributes in parity with the basic contributions that the employee makes, up to the limit of 6% of the salary of contribution. In addition, the employee may make extraordinary contributions without compensation by the Company.

For Alvean, the benefit plan is applicable in different countries, with Switzerland being the main location. The Swiss pension plan is managed by a single pension fund separate from the group.

(ii) Profit sharing and bonuses

The employees’ participation in the profits and the variable remuneration of the executives are linked to the attainment of operating and financial goals. The Company recognizes liabilities and expenses allocated to the production cost and to general and administrative expenses when these goals are attained (Note 33).

g. Income tax and social contribution

The current and deferred income tax and social contribution charge is calculated based on tax acts in force, at the balance sheet date of countries in which the Group's entities operate and generate taxable income. Management periodically evaluates the positions taken by the Group in the calculations of income tax with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate based on the amounts expected to be paid to the tax authorities.

Income tax is computed on taxable income at the rate of 15%, plus a 10% surtax for income exceeding R$ 240 in the 12-month year, whereas social contribution is computed at the rate of 9% on taxable income, recognized on the accrual basis. Additionally, the offset of tax losses and negative basis of social contribution on net income can be carried out, limited to 30% of annual taxable income.

Expense with income tax and social contribution comprises both current and deferred taxes. Current and deferred taxes are recognized in income (loss), except for items directly recognized in shareholders' equity or in other comprehensive income.

Current tax assets and liabilities are offset only if certain criteria are met.

(i) Current tax

Current tax is the tax payable or receivable on the taxable income or loss for the year and any adjustment to taxes payable of prior years, at abovementioned rates.

(ii) Deferred tax

Deferred tax is calculated on tax losses and negative calculation basis of social contribution, as well as temporary differences between tax calculation basis of on assets and liabilities and book values of financial statements.

A deferred income tax and social contribution asset is recognized to the extent that it is probable that future taxable income will be available against which the unused tax losses and credits can be utilized.

Deferred income and social contribution tax assets are reviewed at each preparation date of financial statements and reduced when their realization is no longer probable.

h. Inventories

The Company inventory is adjusted to market value ("mark to market") less selling costs, except for Anhydrous compounds' inventory for the Domestic Market, which is evaluated at average acquisition cost, not exceeding the net realizable value. The net realizable amount is the sales price estimated for the normal course of the businesses, less estimated costs required to carry out the sale. In determining fair value, the Company uses as a reference the indices disclosed by public sources and related to the products and active markets where it operates. Changes in the fair value of these inventories are recognized in the income (loss) for the year.

i. Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment items are stated at historical acquisition or construction cost, net of depreciation and accumulated impairment losses, when applicable. Software acquired as an integral part of equipment functionalities are capitalized as part of the equipment.

The cost of property, plant and equipment includes expenditures that are directly attributable to the acquisition of an asset. The cost of assets built includes materials and direct labor; any other costs directly attributable to bringing the assets to a working condition, dismantling and restoring the site on which they are located, and loan costs on qualifiable assets.
When parts of a property, plant and equipment item have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of a property, plant and equipment item are determined by comparing the proceeds from disposal with the book value of Property, plant and equipment and are recognized net within "Other operating revenues/expenses" in the income (loss).

(ii) Subsequent costs

The replacement cost of a component of property, plant and equipment is recognized in the book value of the item when it is probable that the future economic benefits embodied in the component will flow to the Company and its cost can be reliably measured. Book value of the component that has been replaced by another component and maintenance cost are accounted for in surplus and losses for the year as incurred.

(iii) Depreciation
Property, plant and equipment items are depreciated from the date they are available for use, or, in the case of assets constructed by the Company, as of the date the construction is concluded and the asset is available for use. Depreciation is recognized in income (loss) under straight-line method in relation to estimated useful lives.

Depreciation is calculated on the depreciable values, which is the cost of an asset, or other amount that substitutes cost, less residual values.

The annual weighted average rates for the current and comparative year are as follow:

Annual weighted average rate:	**2022**	
	Consolidated	**Parent company**
Constructions and improvements	5.58%	-
Machinery and equipment	10.39%	-
Data processing equipment	9.00%	31.25%
Furniture and fixtures	9.56%	9.56%
Vehicles	12.73%	10.00%
Leasehold improvements	5.59%	5.59%

The depreciation methods, useful lives and residual values are reviewed at each reporting date, and adjusted if appropriate.

j. Intangible assets and goodwill

(i) Intangible assets with defined useful life
Intangible assets acquired by the Company with finite useful lives are measured at cost, less accumulated amortization and accumulated impairment losses, when applicable.

(ii) Intangible assets with undefined useful life

Goodwill
The goodwill calculated on the acquisition of Eco-Energy Global Biofuels, LLC shares is supported by expected future earnings. Every year and whenever there are indices of impairment loss, the Company assesses annually the likelihood of recovering the goodwill on these investments, to this end employing practices applied in the market regarding the subsidiary's cash flow.

With the acquisition of Alvean Sugar Intermediação e Agenciamento Ltda., in the current crop, a goodwill of R$ 20 was recognized in the Company.

(iii) Subsequent expenditures
Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally-generated goodwill and trademarks, are recognized in profit or loss as incurred. Book value of the intangible assets that has been replaced by another component is accounted for in surplus and losses for the year in which replacement occurred. Costs of maintenance on property, plant and equipment are charged to the income statement as incurred.

(iv) Amortization

Amortization Is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in income (loss) under "Administrative expenses" on a straight-line basis over the estimated useful lives of the intangible assets, except goodwill, as of the date they are available for use. Software estimated useful life for current and comparative years is 5 years.

k. Financial instruments

(i) Initial recognition and measurement

Trade accounts receivable and loans and financing are initially recognized on the date that they were originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to the instrument's contractual provisions.

A financial asset (unless it is trade accounts receivable without a material financing component) or a financial liability is initially measured at fair value, plus, for an item not measured at fair value through profit or loss (FVTPL), transaction costs which are directly attributable to its acquisition or issue. Trade accounts receivable without a significant financing component is initially measured at the price of operation.

(ii) Classification and subsequent measurement

In the initial recognition, a financial asset is classified as measured: at amortized cost, at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL).

Financial assets are not reclassified after initial recognition, unless the Company changes the business model for the management of financial assets, in which case all affected financial assets are reclassified on the first day of the reporting year subsequent to the change in the business model.

A financial asset is measured at amortized cost if it meets both conditions below:

- It is held within a business model whose purpose is to maintain financial assets to receive contractual cash flows.

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal value.

The Company's financial assets are measured at amortized cost since cash flows refer only to the payment of principal and interest.

A financial asset is measured at fair value through other comprehensive income (FVTOCI) if both conditions are not complied with:

- It is maintained within a business model whose purpose is achieved by both the receipt of contractual cash flows and the sale of financial assets.

- Its contractual terms generate, on specific dates, cash flows which are only payments of principal and interest on outstanding principal value.

In the initial recognition of an investment in an equity instrument not held for trading, the Company may irrevocably choose to present subsequent changes in the fair value through profit or loss (FVTPL) of the investment in other comprehensive income (FVTOCI). This choice is made on an investment basis.

All financial assets not classified as measured at amortized cost or at fair value through other comprehensive income (FVTOCI), as described above, are classified at fair value through profit or loss (FVTPL). It includes all derivative financial assets.

Financial liabilities were classified as measured as amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified as measured at fair value through profit or loss (FVTPL) if it is classified as held for trading if it is a derivative or assigned as such in initial recognition. Financial liabilities measured at FVTPL are measured at fair value and net income (loss), plus interest, is recognized in income (loss). Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in income (loss). Any gain or loss on derecognition is also recognized in income (loss).

(iii) Derecognition of a financial asset

The Company derecognizes a financial asset when the contractual rights (risks, benefits and control) to the cash flows of the asset expire or transferred to other entity.

The Company carries out transactions in which it transfers assets recognized in the balance sheet, but retains all or substantially all risks and rewards of the assets transferred. In such cases, financial assets are not derecognized.

(iv) Derecognition of a financial liability

The Company derecognizes a financial liability when its contractual obligation is settled, canceled or expires. A financial liability is also derecognized when terms are modified, and the cash flows of the liability are substantially different if a new financial liability based on the terms changed is recognized at fair value.

In the derecognition of a financial liability, the difference between the extinct book value and the consideration paid (including assets transferred that do not pass through the cash or assumed liabilities) is recognized in the income (loss).

(v) Derivative financial instruments

The Company has derivative financial instruments: futures, swaps and NDFs (Non Deliverable Forward) to hedge against interest, exchange and commodity price risks.

The objective of transactions involving derivatives is always related to the operation of the Company and the reduction of its exposure to currency and market risks, duly identified by established policies and guidelines. Income (loss) obtained from such operations are consistent with the policies and strategies defined by Management of the Company and all the gains or losses from these transactions with derivative financial instruments are recognized at its fair value.

Gains/losses related to unrealized derivative financial instruments arising from commodity price hedging are recognized in gross profit. Effects of derivatives related to foreign exchange risks of realized financial items and interest are recognized in the financial income (loss).

Derivatives are initially recognized at their fair value, while the attributable transaction costs are recognized in profit or loss when incurred. After the initial recognition, they are measured at fair value and changes accounted for in profit or loss for the year.

(vi) Hedge of foreign investment, net

The Company uses hedge accounting for foreign currency differences between the operation's functional currency abroad of the investee and functional currency of the parent company (Brazilian Real).

Within the conditions related to hedge effectiveness, exchange differences arising from the conversion of a financial liability designated as hedge, of a net investment in a foreign operation are recognized in other comprehensive income, and accumulated in equity valuation adjustments in the shareholders' equity.

(vii) Cash flow hedge

The Company uses hedge accounting for foreign currency differences and interest rates between the operation currency linked to Dollar and functional currency of the parent company (Brazilian Real).

Within the conditions related to hedge effectiveness, exchange differences arising from the conversion of a financial asset designated as hedge, of a net debt in a foreign operation are recognized in other comprehensive income, and accumulated in equity valuation adjustments in the shareholders' equity.

l. Capital

Common and preferred shares are classified as shareholders' equity.

The minimum mandatory dividends, as established in the By-laws, are recognized as liabilities. Additional dividends proposed should be approved by the Board of Directors of the Company and recognized in the shareholders' equity under this caption.

m. Impairment

The Company carries out a review on each reporting date to determine if there is any indication of impairment. This occurs when there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that such loss event has a negative effect on the projected future cash flows of that asset that can be reliably estimated. When it is possible to estimate the individual recoverable amount of an asset, the Company calculates the recoverable value of the cash generating unit to which the asset belongs.

When assessing impairment loss on an aggregate basis the Company makes use of historical trends of probability of default, the recovery term and the amounts of losses incurred. They are adjusted to reflect the management's judgment in relation to the assumptions, if the current economic and credit conditions are such that the actual losses will be higher or lower than those suggested by historical trends.

Provisions for estimated credit losses on receivables from the trade receivable portfolio are recognized in the income (loss) for the year under "Sales expenses" caption as Estimated credit losses on each year for evaluation of recoverable value, in accordance with CPC 48 – "Financial Instruments".

The recoverable value of an asset or cash-generating unit is the greater of its value in use and its fair value less selling expenses. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market conditions as to the recoverability year of capital and the risks specific to the asset or CGU (Cash Generating Unit).

The Company's corporate assets do not generate separate cash inflows. If there is indication that a corporate asset is impaired, the recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs in a reasonable and consistent manner.

An impairment loss is recognized when the book value of an asset or its CGU exceeds its recoverable value. Impairment losses are recorded in the income (loss) for the year. Impairment losses recognized for CGUs are initially allocated to reduce the book value of any goodwill attributed to the CGUs and then, if there was a remaining loss, to reduce the book value of the other assets within the CGU or group of CGUS on a pro-rata basis.

On March 31, 2022, the Company did not identify traces that the amount of these assets is lower than the realization value.

n. Provisions

A provision is recognized when the Company has a legal or constructive obligation as a result of a past event, which can be reliably estimated, and it is probable that an outflow of funds will be required to settle the obligation.

o. Leases

An agreement is or contains a lease if it transfers the right to control the use of an identified asset for a year in exchange for consideration. The Company follows the definition of lease under CPC 06 (R2) to assess whether a contract transfers the right to control the use of an identified asset.

(i) Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration of the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the value of initial measurement of the lease liability adjusted to any lease payments made to the initial date, plus any initial direct costs incurred by the lessee.

The right-of-use asset is subsequently depreciated using the straight-line method from the start date to the end of the lease term, unless the lease transfers ownership of underlying asset to the lessee at the end of lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the call option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property, plant and equipment. Moreover, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the inception date, and discounted using the interest rate implied in the lease or, if that rate cannot be immediately determined, the incremental loan rate of the Company.

The Company determines its incremental loan rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.
Lease payments included in the measurement of lease liability comprise the following:

- Fixed payments (including initial fixed payments).
- Variable lease payments based on an index or rate, initially measured based on the index or rate at the start date.

(ii) Low-value asset leases

The Company opted not to recognize the assets of right-of-use and the lease liabilities for low-value lease assets and short-term lease, including IT equipment. The Company recognizes payments of those leases as a straight-line method expense during the lease term.

(iii) Lessor

The Group subleased some of its properties. Pursuant to CPC 06(R1), lease and sublease agreements were classified as operating leases. In the transition to CPC 06 (R2), the right-of-use assets recognized from the leases are presented in investment properties and measured at fair value on said date. The Group assessed the classification of sublease agreements with reference to the right-of-use assets, and not the underlying assets, and concluded that they are operating leases in accordance with CPC 06 (R2). The Group also entered into a sublease during 2019, which was classified as a financial lease under CPC 06 (R2). The Group adopted the CPC 47 - Revenue from Contracts with Customers to allocate the consideration in the agreement to each lease and non-lease component.

p. Segment reporting

An operating segment is a component of the Company which engages in business activities from which it may earn revenues and incur expenses. Operating segments reflect the way the Company’s management reviews financial information for decision-making. Management defined the Group's operating areas based on reports employed to make decisions as follows: Trading of Sugar, Ethanol, Natural Gas and Provision of Services.

q. Statements of added value

The Company prepared individual and consolidated statements of added value in accordance with the terms of technical pronouncement CPC 09 - Statement of Added Value, which are presented as an integral part of the financial statements as accounting practices adopted in Brazil, whereas under IFRS they represent supplementary financial information.

r. New standards and interpretations not yet effective

Several new standards will become effective for the years started after April 1, 2022.

The following amended standards and interpretations were not adopted in the preparation of these financial statements and shall not have a significant impact:

a. Onerous Contract – costs to fulfill a contract (amendments to CPC 25)

These amendments specify which costs an entity must include to determine the cost of fulfilling a contract to assess if the contract is onerous. The amendments apply to annual periods beginning on or after April 01, 2022 for existing contracts, on the date such changes are adopted for the first time. On the date of initial application, the cumulative effect of applying the changes is recognized as an adjustment to the opening balance in retained earnings or other components of shareholders' equity, as appropriate. The comparisons are not restated.

b. Benchmark interest rate reform – Phase 2 (amendments to CPC 48, CPC 38, CPC 40, CPC 11 and CPC 06)

These amendments address issues that may affect financial statements as a result of Benchmark Interest Rate Reform, including effects of changes in contractual cash flows or hedge relations arising from replacement of reference interest rate by an alternative benchmark rate. The amendments provide practical expedient for certain requirements of standards CPC 48, CPC 38, CPC 40, CPC 11 and CPC 06, related to the following:

- Changes in the basis for determining the contractual cash flows of financial assets, financial liabilities, and lease liabilities; and
- Hedge accounting

(i) Change in the basis for determining cash flows

The changes will require an entity to record changes in the basis for determining the contractual cash flows of a financial asset or financial liability, required according to the reference interest rate reform, by updating the effective interest rate of the financial asset or financial liability.

As of March 31, 2022, the Company has US$ 140,000 in the Consolidated and US$ 100,000 in the Parent Company in bank loans bearing interests at LIBOR rates that will be subject to the benchmark interest rate reform. The Company is evaluating the benchmark interest rate that will replace the LIBOR and it is expected that no significant gain or loss in the modification arises due to amendments. The subsidiary Eco Energy entered into a loan agreement effective as of March 31, 2022 for US$ 140,000 indexed to SOFR (Note 19) and no retroactive adjustment was made.

There is a clause in the contracts in which the parties agree that the replacement of the benchmark interest rate will not harm both parties.

Bank loans indexed to Libor have SWAP contracts with the same counterparty, which demonstrates the low risk of this replacement for the Company.

(ii) Hedge accounting

The amendments establish exceptions to hedge accounting requirements in the following areas:

- Allow a change in the designation of a hedge relationship to reflect the changes that are required by the reform.
- When a hedged item in a cash flow hedge is altered to reflect the changes required by the reform, the amount accumulated in the cash flow hedge reserve will be considered based on the alternative reference rate at which the hedged future cash flows are determined.
- When a group of items is designated as a hedged item, and an item in the group is altered to reflect the changes that are required under the reform, the hedged items are allocated to subgroups based on the reference rates being subjected to hedging.
- If an entity reasonably expects that an alternative reference rate will be separately identifiable within a 24-month period, it is not prohibited from designating the rate as a non-contractually specified risk component if it is not separately identifiable on the designation date.

As of March 31, 2022, the Company has cash flow hedges for LIBOR risk. The Company expects the indexation of hedged items and hedge instruments to LIBOR to be replaced by the new rate. Whenever replacement occurs, the Group expects to apply amendments to the standard related to hedge accounting. However, there is uncertainty about when and how replacement can take place. When the change occurs in the hedged item or in the hedge instrument, the Company will remeasure the accumulated change in the fair value of the hedged item or in the fair value of the interest rate swap, respectively, based on the new rate. The Company does not expect the amounts accumulated in the cash flow hedge reserve to be immediately reclassified to income (loss) due to the LIBOR transition.

(iii) Disclosure

The changes will require the Company to disclose additional information about the entity's exposure to risks arising from the reference interest rate reform and related risk management activities.

(iv) Transition

The Company plans to apply the amendments as of April 1, 2022. Application of these changes will have no impact on the amounts reported for March 31, 2022 or previous periods.

c. Deferred tax related to assets and liabilities arising from a single transaction (amendments to CPC 32)

The amendments limit the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - for example, leases and dismantling cost liabilities. Changes apply to the annual periods starting on or after April 1, 2023. For leases and dismantling cost liabilities, the associated deferred tax assets and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of shareholders' equity on that date. For all other transactions, the changes apply to transactions that occur after the beginning of the earliest period presented.

The Company is assessing the impacts of excluding transactions that give rise to equal or offsetting temporary differences.

d. Other operations

- Rental concessions related to COVID-19 as of June 30, 2021 (amendment to CPC 06).
- Annual review of IFRS 2018–2020 standards.
- Property, plant and equipment: Proceeds before Intended Use (amendments to CPC 27).
- Reference to Conceptual Framework (amendments to CPC 15).
- Classification of Liabilities as Current or Non-Current (amendments to CPC 26).
- Disclosure of Accounting Policies (Amendments to CPC 26).
- Definition of Accounting Estimates (Amendments to CPC 23).

7 Operating segments

Management defined the Group's operating areas based on reports employed to make decisions as follows: Trading of Sugar and Ethanol, Natural Gas and Provision of Service.

- Trading of Sugar and Ethanol – Purchase and sale in the domestic and international market of raw sugar, white sugar, anhydrous ethanol and hydrous ethanol.
- Natural Gas - Purchase and sale of natural gas in the international market through Eco-Energy, a direct subsidiary of the Company.
- Rendering of services – Comprises the results from the provision of storage, logistics and loading services for sugar and ethanol.

The selected information on results by segment, measured based on the same accounting policies used in the preparation of the consolidated financial statements, are as follows:

	2022				**2021**			
	Sugar/Ethanol	**Natural gas**	**Services**	**Total**	**Sugar/Ethanol**	**Natural gas**	**Services**	**Total**
Net revenue (a)	53,917,117	20,746,707	428,204	75,092,028	26,239,588	11,950,476	466,549	38,656,613
Cost of sales	(52,323,521)	(20,645,262)	(180,762)	(73,149,545)	(25,730,540)	(11,733,869)	(303,498)	(37,767,907)
Gross margin	**1,593,596**	**101,445**	**247,442**	**1,942,483**	**509,048**	**216,607**	**163,051**	**888,706**

(a) The amounts shown as net revenue include the Revenue from unrealized derivative financial instruments, separately disclosed in the statements of income.

Breakdown of consolidated net operating revenue per geographic area is as follows:

Region/Country	**2022**	**2021**
United States	35,060,390	22,072,197
Brazil	14,264,483	10,730,845
China	3,346,464	-
Switzerland	2,629,770	5,457,770
Canada	2,419,788	1,278,676
Iraq	2,403,740	-
United Arab Emirates	2,243,454	-

Region/Country	2022	2021
Great Britain	2,094,863	351,895
Singapore	2,094,496	-
Egypt	1,234,013	-
Saudi Arabia	1,124,474	-
Algeria	1,010,778	-
Hong Kong	731,912	-
Bangladesh	667,322	-
Netherlands	412,768	-
Marshall Islands	393,429	-
Other	2,751,317	139,516
Total	**74,883,461**	**40,030,899**

8 Cash and cash equivalents

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Cash	26	25	26	25
Bank – Checking account	983,205	512,991	16,258	77,725
Investment fund (a)	494,301	363,175	494,301	363,175
Interest earning bank deposits	1,381,147	1,022,991	1,243,470	999,780
Total	**2,858,679**	**1,899,182**	**1,754,055**	**1,440,705**

The balances of interest earning bank deposits are represented by fixed income securities (CDB), substantially remunerated at 103% of CDI-CETIP (Certificate of Interbank Deposit/Remuneration of 101% as of March 31, 2021) changes. The balances of investment funds are remunerated by quotas, equivalent to 128% of CDI (103% as of March 31, 2021), considering the average of funds' performance in 12 months, with daily liquidity and possibility of immediate redemption with no yield fine or loss.

(a) Exclusive investment fund.

For more information on the Company's exposure to interest, foreign currency and liquidity risks, see Note 23.

9 Interest earning bank deposits

The Company has the amount of R$ 131,171 in interest earning bank deposits as of March 31, 2022 in Bank Deposit Certificates (CDB) (R$ 434,884 as of March 31, 2021), remunerated at the rate mentioned above.

10 Trade accounts receivable

	Note	Consolidated		Parent company	
		2022	**2021**	**2022**	**2021**
Domestic market clients		985,616	461,522	1013.628	464,662
Foreign market clients		2,286,642	1,871,899	-	137
Estimated losses		(41,848)	(22,830)	(2,765)	(1,516)
Related parties	25	192,930	199,993	218,580	291,222
Total		**3,423,340**	**2,510,584**	**1,229,443**	**754,505**

The Company's exposure to credit risks, as well as balances average age, currency risk and impairment losses related to trade accounts receivable are disclosed in note 23.

Trade accounts receivable are classified as receivables stated at amortized cost. The Company assessed the adjustment to present value, with the CDI – Interbank Deposit Certificate market rate, of its balances of accounts receivable as of March 31, 2022 and 2021, and concluded that the amounts substantially match the book values presented on the balance sheet.

The criteria for evaluation of the "expected credit losses" are disclosed in Note 6, item (m).

The amounts related to Estimated Losses total R$ 2,765 for the Parent Company, which refer to 0.3% of net overdue balances of Related Parties, and R$ 2,307 in the Subsidiary Companhia Auxiliar and R$ 6 in the Subsidiary Sugar Express referring to overdue trade notes, as adoption of CPC 48 - Financial Instruments. The estimated losses of the indirect subsidiary, Eco – Energy, totaled R$ 15,773 and R$ 20,998 at Alvean Sugar S.L.

11 Inventories

	Consolidated		**Parent company**	
	2022	**2021**	**2022**	**2021**
Sugar	1,608,260	844,712	578,313	844,712
Ethanol	1,623,735	1,374,024	1,054,524	780,750
RIN / LCFS	8,768	15,739	-	-
Natural Gas	250,939	91,841	-	-
Stocks, packaging, and others	17,470	14,707	2,962	1,561
Total	**3,509,172**	**2,341,023**	**1,635,799**	**1,627,023**

Sugar inventories aimed at the foreign market, in compliance with CPC 16 (R1) Inventories and CPC 47 Revenue from Contracts with Customers were not recognized, in the amounts of R$ 679,238 as of March 31, 2022 (R$ 831,977 as of March 31, 2021), respectively, due to the fact that the investee Trading Europe is an intermediary - agent of the transaction, since it does not control the product supplied by the other party (Cooperative – related party) before the asset is transferred to the final client. On March 31, 2022, there was an advance of R$ 333,666 (for this crop, the amount is eliminated in the consolidated). On March 31, 2021, there was an advance of R$ 200,332, according to Note 21 of Alvean Sugar S.L.

The inventory volumes of Anhydrous Ethanol of the Company as of March 31, 2022 and 2021 are in compliance with the requirements of ANP Resolution 67 of December 2011 (article 10), and are evaluated at average acquisition cost, not exceeding the net realizable value.

The inventories of tradable products – sugar, ethanol (except for anhydrous compounds), gasoline (and gasoline by-products), RINs and LCFS (Renewable Identification Numbers and Low Carbon Fuel Standard) are valued at fair value based on quoted market prices (mark to market) less costs to sell. On a monthly basis, the acquisition cost, without including freight and storage expenditures and recoverable taxes, is compared with the equivalent quoted market price as of the reporting date. Reference prices are available to the public and obtained from active markets, as follows:

- Prices of raw sugar contracts negotiated on the Intercontinental Exchange (ICE) (sugar contract *#11*) / NYBOT;

- Prices of domestic sugar contracts disclosed by the Center for Advanced Studies on Applied Economics (CEPEA) of the Luiz de Queiroz School of Agriculture from the University of São Paulo (USP);

- Prices of anhydrous and hydrated ethanol disclosed by the Center for Advanced Studies on Applied Economics (CEPEA) of the Luiz de Queiroz School of Agriculture from the University of São Paulo (USP);

- Prices of anhydrous ethanol over-the-counter contracts, based on *Ethanol (Platts) T2 FOB Rotterdam*, disclosed by CME Group;

- Prices of anhydrous ethanol over-the-counter contracts, based on *Chicago Ethanol (Platts) Swap Futures*, disclosed by CME Group.

- Prices of Renewable Identification Numbers (RINs)/ Low Carbon Fuel Standards (LCFs), with different expiry dates, as published by the Oil Price Information Service (OPIS)/ Heating Oil Bio Reference;

- Price of natural gas - Nymex henry hub gas futures, disclosed by the CME Group.

The adjustment amount is accounted for under "Selling costs" on the income statement for the year.

The reference prices used to determine the fair value of inventories each year are as follows - in reais (R$):

Commodity	**Market index**	**Unit**	**2022**	**2021**
Raw sugar	Sugar #11 (ICE/NYBOT)	¢lb	19.63	14.74
White sugar	Crystal Sugar (CEPEA/ESALQ)	R$/ton	2,857.20	2,083.00
Anhydrous ethanol	Anhydrous ethanol (CEPEA/ESALQ)	R$/m3	3,509.20	2,980.60
Hydrous ethanol	Hydrous ethanol (CEPEA/ESALQ)	R$/m3	3,222.90	2,676.80
Anhydrous ethanol (Europe)	Ethanol (Platts) T2 FOB Rotterdam (CME Group)	EUR/m3	1,143.15	551.89
Anhydrous ethanol (USA)	Ethanol (Platts) Chicago Platts (CME Group)	USD/GL	2.53	2.00
RIN/LCFS	OPIS / Heating Oil Reference	US$/unit	1.14	1.30
Natural gas	Nymex henry hub gas futures	USD/mmbtu	5.52	2.53

12 Recoverable taxes and contributions

	Consolidated		**Parent company**	
	2022	**2021**	**2022**	**2021**
ICMS (value added tax)	112,585	118,052	112,585	118,052
IPI	9,191	9,238	9,191	9,238
PIS	25,796	26,556	19,606	22,091
COFINS	47,433	54,107	47,152	53,558
Other	7	159	7	-
Total recoverable taxes and contributions	**195,012**	**208,112**	**188,541**	**202,939**

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
IRPJ	142,103	70,154	94,697	114,653
CSLL	10,067	9,116	9,552	8,711
Total recoverable income tax and social contribution	**152,170**	**79,270**	**104,249**	**123,364**
Total	**347,182**	**287,382**	**292,790**	**326,303**
Current	**337,991**	**278,144**	**283,599**	**317,065**
Non-current	**9,191**	**9,238**	**9,191**	**9,238**

13 Stock exchange operations

Refer to the balances receivable and payable of deposited amounts related to the premiums and adjustments paid or received in transactions with derivative instruments not settled on the Stock Exchange.

14 Deferred tax assets and liabilities

Deferred tax assets and liabilities were allocated as follows:

Consolidated	Assets		Liabilities		Assets Net	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Intangible assets	8,689	14,974	-	-	8,689	14,974
Deferred exchange-rate change	-	114,954	(38,743)	-	(38,743)	114,954
Provisions	66,008	53,685	-	-	66,008	53,685
Adjustment to fair value	16,199	92	-	(116,389)	16,199	(116,297)
Depreciation	-	-	(67,264)	(84,498)	(67,264)	(84,498)
Tax loss carryforwards	360,256	336,214	-	-	360,256	336,214
Fair value of inventories	-	-	(25,117)	(93,545)	(25,117)	(93,545)
Derivatives	-	-	(51,122)	(31,708)	(51,122)	(31,708)
Deemed cost	-	-	(5,037)	(5,429)	(5,037)	(5,429)
Hedge from foreign investment	348,972	447,437	-	-	348,972	447,437
Other	49,983	41,648	-	-	49,983	41,648
Total	**850,107**	**1,009,004**	**(187,283)**	**(331,569)**	**662,824**	**677,435**

Parent company	Assets		Liabilities		Assets Net	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Intangible assets	8,689	14,974	-	-	8,689	14,974
Deferred exchange-rate change	-	98,545	(41,606)	-	(41,606)	98,545
Provisions	46,247	38,104	-	-	46,247	38,104
Adjustment to fair value	16,233	-	-	(116,389)	16,233	(116,389)
Tax loss carryforwards	354,712	325,011	-	-	354,712	325,011
Fair value of inventories	-	-	(25,117)	(93,546)	(25,117)	(93,546)
Derivatives	-	-	(1,103)	(1,358)	(1,103)	(1,358)
Hedge from foreign investment	348,764	445,832	-	-	348,764	445,832
Other	44,658	39,931	-	-	44,658	39,931
Total	**819,303**	**962,397**	**(67,826)**	**(211,293)**	**751,477**	**751,104**

Changes in temporary differences during the year:

Consolidated	2020	Recognized in income (loss)	Recognized in other comprehensive income	2021	Corporate changes (a)	Recognized in income (loss)	Recognized in other comprehensive income	2022
Intangible assets	14,974	-	-	14,974	-	(6,285)	-	8,689
Deferred exchange-rate change	73,737	41,217	-	114,954	-	(153,697)	-	(38,743)
Provisions	16,244	37,441	-	53,685	4,392	7,932	-	66,009
Adjustment to fair value	(78,993)	(37,303)	-	(116,297)	-	132,496	-	16,200
Depreciation	(83,377)	(1,121)	-	(84,498)	-	17,234	-	(67,264)
Tax loss carryforwards	307,787	28,427	-	336,214	-	24,042	-	360,256
Fair value of inventories	25,185	(118,730)	-	(93,545)	-	68,427	-	(25,118)
Derivatives	(72,565)	40,857	-	(31,708)	-	(19,414)	-	(51,122)
Deemed cost	(5,702)	273	-	(5,429)	-	392	-	(5,037)
Hedge from foreign investment	359,202	-	88,235	447,437	-	-	(98,463)	348,974
Other	49,105	(7,459)	-	41,648	(567)	8,901	-	49,980
Total	**605,597**	**(16,398)**	**88,235**	**677,435**	**3,825**	**80,028**	**(98,463)**	**662,824**

Parent company	2020	Recognized in income (loss)	Recognized in other comprehensive income	2021	Recognized in income (loss)	Recognized in other comprehensive income	2022
Intangible assets	14,974	-	-	14,974	(6,285)	-	8,689
Deferred exchange-rate change	60,428	38,117	-	98,545	(140,151)	-	(41,606)
Provisions	13,360	24,744	-	38,104	8,143	-	46,247
Adjustment to fair value	(79,280)	(37,109)	-	(116,389)	132,621	-	16,232
Tax loss carryforwards	243,402	81,609	-	325,011	29,701	-	354,712
Fair value of inventories	25,185	(118,730)	-	(93,545)	68,428	-	(25,117)
Derivatives	(32,669)	31,311	-	(1,358)	255	-	(1,103)
Hedge from foreign investment	357,008	-	88,823	445,831	-	(97,067)	348,765
Other	39,735	196	-	39,931	4,727	-	44,658
Total	**642,143**	**20,138**	**88,823**	**751,104**	**97,439**	**(97,067)**	**751,477**

(a) Corporate changes described in Note 3.

Deferred tax assets were recognized since Management analyzed its estimates of future earnings and considered it probable that future taxable earnings against which these expenses can be charged will be available.

15 Investments

The Company recorded a gain of R$ 818,622 in parent company and loss of R$ 21,558 in consolidated as of March 31, 2022 (gain of R$ 381,079 in parent company and R$ 78,675 in consolidated as of March 31, 2021) arising from equity in net income of its associated companies, subsidiaries and joint ventures in individual financial statements.

The chart above presents a summary of the equity income of subsidiaries, associated companies and joint ventures.

	% interest	Number of shares/quotas	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Shareholders' equity	Revenues	Other income (losses)	Income or loss for the year	Equity in net income of subsidiaries	
													Parent company	**Consolidated**
2022														
Companhia Auxiliar de Armazéns Gerais **(a)**	100.00000	2,019,843	109,325	357,420	466,745	159,615	168,990	328,605	138,140	274,199	(243,632)	30,567	30,567	-
TCP – Terminal de Combustíveis Paulínia **(b)**	50.00000	33,915,816	34,093	123,172	157,265	42,903	14,306	57,209	100,056	38,772	(29,361)	9,411	4,706	4,706
Copersucar Europe Spain **(a)**	100.00000	60,000	891,909	157,645	1,049,554	656,578	78,088	734,666	314,889	12,508,692	(12,192,480)	316,212	316,212	-
Copersucar Trading A.V.V. **(a)**	100.00000	24,253,702	161,684	9,971	171,655	-	-	-	171,655	112,914	(106,015)	6,899	6,899	-
Copersucar North America LLC **(a)**	100.00000	100	2,602,411	1,088,129	3,690,540	1,844,310	1,145,244	2,989,554	700,986	36,949,300	(36,605,614)	343,686	343,686	-
CTC-Centro de Tecnologia Canavieira S.A. **(c)**	16.93155	54,307,600	415,145	510,479	925,624	79,048	23,627	102,675	822,949	421,848	(287,845)	134,003	22,689	22,689
Uniduto Logística S.A. **(c)**	39.07370	482,421,828	2,359	104,020	106,379	2,371	-	2,371	104,008	-	(20,063)	(20,063)	(7,839)	(7,839)
Logum Logística S.A. **(b)**	30.00000	6,484,259,747	138,243	3,142,544	3,280,787	202,966	2,075,274	2,278,240	1,002,547	285,109	(485,492)	(200,383)	(60,116)	(60,115)
Alvean Sugar Intermediação e Agenciamento Ltda. **(a)**	100.00000	100,000	3,591	1,608	5,199	3,134	42	3,176	2,023	19,884	(17,941)	1,943	1,943	(20)
Alvean Sugar, S.L. **(a)**	100.00000	30,856,612	4,782,640	60,493	4,843,133	3,207,300	18,176	3,225,476	1,617,658	21,018,666	(20,858,791)	159,875	159,875	16,464
Terminal de Richmond, VA **(b)**	50.00000	-	4,108	10,195	14,303	564	-	564	13,739	3,032	-	3,032	-	2,558
													818,622	**(21,558)**
													Parent company	**Consolidated**
2021														
Companhia Auxiliar de Armazéns Gerais **(a)**	100.00000	2,019,843	73,814	381,477	455,291	48,370	294,418	342,788	112,503	255,281	(242,564)	12,717	12,717	-
TCP – Terminal de Combustíveis Paulínia **(b)**	50.00000	16,957,908	9,259	127,471	136,730	17,599	19,546	37,145	99,585	26,731	(22,163)	4,568	2,284	2,284
Copersucar Europe Spain **(a)**	100.00000	60,000	560,389	383,421	943,810	429,063	199,568	628,631	315,179	19,239,560	(19,117,659)	121,901	121,901	-
Copersucar Trading A.V.V. **(a)**	100.00000	24,253,702	297,929	10,059	307,988	39,559	-	39,559	268,429	160,090	(175,490)	(15,400)	(15,400)	-
Copersucar North America LLC **(a)**	100.00000	100	3,078,977	1,283,443	4,362,420	2,785,656	1,088,954	3,874,610	487,810	23,462,953	(23,279,857)	183,096	183,097	-
CTC-Centro de Tecnologia Canavieira S.A. **(c)**	16.93155	54,307,600	363,998	480,419	844,417	83,401	46,270	129,671	714,746	343,478	(236,447)	107,031	18,122	18,122
Uniduto Logística S.A. **(c)**	39.07370	355,406,689	1,108	90,496	91,604	9	-	9	91,595	-	(24,510)	(24,510)	(9,577)	(9,577)
Logum Logística S.A. **(b)**	30.00000	4,689,858,333	103,495	2,704,510	2,808,005	360,804	1,547,986	1,908,790	899,215	426,594	(671,541)	(244,947)	(73,484)	(73,484)
Alvean Sugar Intermediação e Agenciamento Ltda. **(b)**	50.00000	100,000	11,009	1,936	12,945	3,066	38	3,104	9,841	24,294	(20,932)	3,362	1,681	1,681
Alvean Sugar, S.L. **(b)**	50.00000	764,020	11,582,639	60,056	11,642,695	9,591,226	34,121	9,625,347	2,017,348	21,068,107	(20,788,633)	279,474	139,738	139,737
Terminal de Richmond, VA **(b)**	50.00000	-	3,891	13,184	17,075	724	-	724	16,351	(175)	-	(175)	-	(88)
													381,079	**78,675**

(a) Subsidiary

(b) Joint control

(c) Associate

The table below presents the breakdown of investments:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Copersucar Trading A.V.V.	-	-	171,655	268,430
Copersucar North America LLC	-	-	702,747	487,810
Companhia Auxiliar de Armazéns Gerais	-	-	138,140	112,503
Logum Logística S.A.	300,764	268,459	300,764	268,459
Uniduto Logística S.A.	40,343	35,849	40,343	35,849
CTC - Centro de Tecnologia Canavieira S.A.	139,338	121,017	139,338	121,017
Alvean Sugar Intermediação e Agenciamento Ltda.	-	4,920	2,024	4,920
Alvean Sugar, S.L.	-	1,008,674	1,617,658	1,008,674
Copersucar Europe Espanha	-	-	314,818	315,179
TCP-Terminal de Combustíveis Paulínia	50,028	50,661	50,028	50,661
ECE-Empresa Comercializadora de Etanol S.A. (note 37)	-	-	10,000	-
	530,473	**1,489,580**	**3,487,515**	**2,673,502**
Other unconsolidated investments – valued at fair value:				
Other investments	23,675	24,428	6,166	6,166
	23,675	**24,428**	**6,166**	**6,166**
Total investments	**554,148**	**1,514,008**	**3,493,681**	**2,679,668**

Dividend distributions by the subsidiary Copersucar Trading A.V.V.

- The distribution of dividends amounting to R$ 101,500 was authorized during a Board of Directors' Meeting (RCA) held on July 30, 2021;

Dividend distributions of the jointly associated company CTC Centro de Tecnologia Canavieira

- The distribution of dividends amounting to R$ 4,359 was authorized during an Annual General Meeting held on July 21, 2021;

Distribution of dividends by the subsidiary Alvean Sugar Intermediação e Agenciamento Ltda.

In the Annual Minutes of the Shareholders’ Meeting held on May 24, 2021, the distribution of dividends in the amount of R$ 4,870 was resolved;

Distributions of the subsidiary Alvean Sugar S.L.:

In the Board of Directors' Meeting held on May 14, 2021, the distribution of dividends in the amount of R$ 127,111 was resolved;

Dividend distributions by the subsidiary Copersucar Europe Spain

The distribution of dividends amounting to R$ 194,143 was authorized during a Board of Directors' Meeting (RCA) held on July 30, 2021;

The distribution of dividends amounting to R$ 101,353 was authorized during a Board of Directors' Meeting (RCA) held on July 30, 2021;

Dividend distributions of the jointly-controlled subsidiary TCP – Terminal de Combustíveis Paulínia

The distribution of dividends amounting to R$ 868 was authorized during an Annual General Meeting held on July 06, 2021;

Logum - Share subscription

The share subscriptions carried out at the jointly-controlled subsidiary Logum Logística S.A. and approved at the Board of Directors' Meeting are as follows:

In the Board of Directors' Meeting held on April 9, 2021, the subscription of 270,000,000 shares, in the amount of R$ 16,200, was resolved.

At the EGM held on January 13, 2021, with a capital contribution on June 1, 2021, the subscription of 64,346,277 shares, in the amount of R$ 3,217 was resolved.

In the Board of Directors' Meeting held on June 9, 2021, the subscription of 72,000,000 shares, in the amount of R$ 3,600, was resolved.

At the EGM held on January 13, 2021, with a capital contribution on September 1, 2021, the subscription of 69,083,460 shares was approved, in the amount of R$ 3,454.

In the Board of Directors' Meeting held on October 27, 2021, the subscription of 96,000,000 shares, in the amount of R$ 4,800, was resolved.

At the Annual Shareholders' Meeting held on December 1, 2021, with a capital contribution on December 1, 2021, the subscription of 89,775,246 shares was approved, in the amount of R$ 4,489.

In the Board of Directors' Meeting held on October 27, 2021, the subscription of 226,259,224 shares was resolved, in the amount of R$ 11,313.

In the Board of Directors' Meeting held on December 8, 2021, the subscription of 276,000,000 shares, in the amount of R$ 13,800, was resolved.

In the Board of Directors' Meeting held on December 8, 2021, the subscription of 210,000,000 shares, in the amount of R$ 10,500, was resolved.

In the Board of Directors' Meeting held on February 8, 2022, the subscription of 354,000,000 shares, in the amount of R$ 17,700, was resolved.

In the Board of Directors' Meeting held on February 11, 2022, the total subscription of 694,471,362 shares was approved, in the total amount of R$ 34,723. The Company subscribe 208,341,409 shares, to be paid in four installments, the first on March 1, 2022, in the amount of R$ 3,347.

Uniduto - Share subscription

The share subscriptions carried out at the jointly-controlled subsidiary Uniduto and approved at the Board of Directors’ Meeting are as follows:

In the Board of Directors' Meeting held on April 12, 2021, the subscription of 20,950,916 shares was resolved, in the amount of R$ 2,109.

In the Board of Directors' Meeting held on June 14, 2021, the subscription of 4,781,607 shares was approved, in the amount of R$ 469.

In the Board of Directors' Meeting held on August 31, 2021, the subscription of 4,630,433 shares was resolved, in the amount of R$ 483.

In the Board of Directors' Meeting held on October 29, 2021, the subscription of 22,883,474 shares was resolved, in the total amount of R$ 2,099, of which R$ 625 paid in on November 16, 2021 and R$ 1,473 paid in on December 3, 2021.

In the Board of Directors' Meeting held on November 29, 2021, the subscription of 6,635,363 shares was approved, in the amount of R$ 585.

In the Board of Directors' Meeting held on December 23, 2021, the subscription of 34,529,453 shares was approved, in the total amount of R$ 3,165, of which R$ 1,367 paid in on January 5, 2022 and R$ 1,797 paid in on February 2, 2022.

In the Board of Directors’ Meeting held on February 23, 2022, the subscription of 32,649,623 shares was approved, in the total amount of R$ 2,741, of which R$ 436 paid in on February 28, 2022 and R$ 2,305 paid in on March 4, 2022.

16 Property, plant and equipment and right-of-use in lease

a. Property, plant and equipment

Consolidated	Land	Constructions and improvements	Machinery and equipment	Data processing equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Construction in progress (i)	Total
Cost									
2020	**26,715**	**167,912**	**531,066**	**1,985**	**15,471**	**27,914**	**359,429**	**113,581**	**1,244,073**
Exchange-rate change	2,041	13,943	33,674	-	1,379	1,694	8,870	12,225	73,826
Additions	-	63	3,280	160	1,712	54	3,418	83,282	91,969
Write-offs	-	(10,930)	(16,631)	(106)	(16)	(19,647)	(5,316)	(10,234)	(62,880)
Transfers	-	33,977	48,937	371	117	-	12,604	(97,628)	(1,622)
2021	**28,756**	**204,965**	**600,326**	**2,410**	**18,663**	**10,015**	**379,005**	**101,226**	**1,345,366**
Acquisitions: business combinations - Additions (ii)	-	-	646	1,031	1,433	672	10,343	26,771	40,897
Exchange-rate change	(4,050)	(33,150)	(72,854)	(1)	(2,862)	(1,351)	(18,403)	(23,628)	(156,299)
Additions	-	790	8,668	840	1,469	2,394	788	130,649	145,598
Write-offs	-	-	(4,309)	(127)	(562)	(1,172)	(5,312)	(6)	(11,487)
Transfers	981	11,948	17,232	455	159	624	6,665	(62,790)	(24,726)
2022	**25,687**	**184,553**	**549,709**	**4,610**	**18,300**	**11,181**	**373,088**	**172,223**	**1,339,350**
Depreciation									
2020	**-**	**(30,446)**	**(229,902)**	**(1,640)**	**(11,716)**	**(11,825)**	**(109,293)**	**-**	**(394,822)**
Exchange-rate change	-	(2,866)	(14,453)	-	(1,128)	(861)	(2,665)	-	(21,973)
Depreciation for the year	-	(9,772)	(38,393)	(455)	(1,434)	(2,908)	(18,192)	-	(71,155)
Write-offs	-	3,204	9,872	95	10	8,486	1,085	-	22,752
2021	**-**	**(39,880)**	**(272,876)**	**(2,000)**	**(14,268)**	**(7,107)**	**(129,067)**	**-**	**(465,198)**
Depreciation: business combinations - Additions (ii)	-	-	(332)	(824)	(884)	(232)	(3,198)	-	(5,470)
Exchange-rate change	-	7,195	33,365	(2)	2,433	1,136	6,375	-	50,502
Depreciation for the year	-	(10,155)	(38,275)	(607)	(1,623)	(1,361)	(20,580)	-	(72,601)
Write-offs	-	-	3,808	93	159	380	1,111	-	5,550
2022	**-**	**(42,841)**	**(274,309)**	**(3,340)**	**(14,185)**	**(7,185)**	**(145,360)**	**-**	**(487,219)**
Net book value									
2021	**28,756**	**165,085**	**327,452**	**410**	**4,394**	**2,907**	**249,938**	**101,226**	**880,168**
2022	**25,687**	**141,712**	**275,400**	**1,269**	**4,115**	**3,997**	**227,728**	**172,223**	**852,131**

(i) Construction in progress refers to:

(a) For Copersucar S.A. refers to expansion of projects of systemic functionalities;

(b) For Companhia Auxiliar de Armazéns Gerais refers to constructions and acquisitions for improvement in operations and security of Santos, Ribeirão Preto, and São José do Rio Preto terminals;

(c) At Eco Energy, the balance refers to the new Stockton terminal, which is due for completion in June 2022 and to projects for systemic improvements in the terminals.

(ii) Corporate changes described in Note 3.

In the Auxiliary Company, there are items pledged as collateral in the estimated amount in the contract of R$ 52,364 through loans from the FINAME facility from BNDES. This financing started in 2012 and will mature in December 2022.

Parent company	**Data processing equipment**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvements**	**Construction in progress**	**Total**
Cost						
2020	**1,260**	**1,390**	**1,796**	**2,556**	**892**	**7,894**
Additions	99	2	-	-	1,153	1,254
Write-offs	(78)	(11)	(346)	-	-	(435)
Transfers	230	116	-	342	(1,737)	(1,049)
2021	**1,511**	**1,497**	**1,450**	**2,898**	**308**	**7,664**
Additions	267	19	1,237	-	2,410	3,933
Write-offs	(54)	(296)	(624)	(1,015)	-	(1,989)
Transfers	451	105	-	1,460	(2,213)	(197)
2022	**2,176**	**1,325**	**2,064**	**3,343**	**504**	**9,412**
Depreciation						
2020	**(599)**	**(210)**	**(369)**	**-**	**-**	**(1,178)**
Depreciation for the year	(375)	(138)	(162)	(307)	-	(982)
Write-offs	71	8	122	-	-	201
2021	**(903)**	**(340)**	**(409)**	**(307)**	**-**	**(1,959)**
Depreciation for the year	(342)	(134)	(181)	(313)	-	(970)
Write-offs	23	69	194	208	-	494
2022	**(1,222)**	**(405)**	**(396)**	**(412)**	**-**	**(2,436)**
Net book value						
2021	**608**	**1,157**	**1,041**	**2,591**	**308**	**5,705**
2022	**954**	**920**	**1,667**	**2,931**	**504**	**6,976**

b. Right-of-use in leases

The Company recognized right-of-use assets in the transition to CPC 06 (R2)/IFRS 16, as the table with changes:

Parent company	**Real estate**
In 2020	**16,961**
Additions	2,611
2021	**19,572**
Additions/remeasurements	(5,841)
2022	**13,731**
Accumulated depreciation	
In 2020	**(151)**
Additions	(2,035)
2021	**(2,186)**
Additions	(1,923)
2022	**(4,109)**
2021	**17,386**
2022	**9,622**
Amortization period	9 years

Consolidated	**Real estate and land**	**Vehicles and wagons**	**Warehouses**	**Machinery and equipment**	**Total**
Cost					
2020	**124,674**	**164,070**	**181,421**	**25,356**	**495,521**
Additions	21,316	(9,319)	30,484	13,640	56,121
2021	**145,990**	**154,751**	**211,905**	**38,996**	**551,642**
Acquisitions: business combinations (i)	21,473	-	-	-	21,473
Additions	3,416	(2,719)	24,975	10,256	35,928
2022	**170,879**	**152,032**	**236,880**	**49,252**	**609,043**
Accumulated depreciation					
2020	**(8,835)**	**(34,722)**	**(31,839)**	**(10,361)**	**(85,757)**
Additions	(11,775)	(29,905)	(35,096)	(3,673)	(80,449)
2021	**(20,610)**	**(64,627)**	**(66,935)**	**(14,034)**	**(166,206)**
Acquisitions: business combinations (i)	(6,518)	-	-	-	(6,518)
Additions	(11,891)	(21,110)	(29,103)	(5,608)	(67,712)
2022	**(39,019)**	**(85,737)**	**(96,038)**	**(19,642)**	**(240,436)**
Exchange-rate change					
2021	6,953	12,406	14,346	1,050	34,755
Additions	(17,369)	(17,268)	(26,831)	(3,886)	(65,354)
2022	**(10,416)**	**(4,862)**	**(12,485)**	**(2,836)**	**(30,599)**
Total right-of-use in 2021	**132,333**	**102,530**	**159,316**	**26,011**	**420,190**
Total right-of-use in 2022	**121,444**	**61,433**	**128,357**	**26,774**	**338,008**
Amortization period	3–20 years	up to 5 years	up to 5 years	1–4 years	

(i) Corporate changes described in Note 3.

17 Intangible assets

Consolidated	Software	Brands	Goodwill	Relationship with clients and others	Total
Cost					
2020	**77,726**	**11,119**	**246,452**	**84,467**	**419,764**
Exchange-rate change	3,206	1,094	23,637	8,455	36,392
Additions	1,717	-	-	-	1,717
Transfers	1,623	-	-	-	1,623
2021	**84,272**	**12,213**	**270,089**	**92,922**	**459,496**
Acquisitions: business combinations - Additions	306	-	-	-	306
Exchange-rate change	(6,554)	(2,105)	(45,486)	(16,270)	(70,415)
Additions (a)	10,826	-	20	-	10,846
Transfers	24,726	-	-	-	24,726
2022	**113,576**	**10,108**	**224,623**	**76,652**	**424,959**
Amortizations					
2020	**(66,063)**	**(7,912)**	**-**	**(61,230)**	**(135,205)**
Exchange-rate change	(2,878)	(849)	-	(6,596)	(10,323)
Write-offs	-	-	-	-	-
Amortization for the year	(5,899)	(1,204)	-	(8,926)	(16,029)
2021	**(74,840)**	**(9,965)**	**-**	**(76,752)**	**(161,557)**
Depreciation: business combinations - Additions	(2,138)	-	-	-	(2,138)
Exchange-rate change	5,993	1,869	-	14,434	22,296
Write-offs	38	-	-	-	38
Amortization for the year	(12,192)	(1,162)	-	(8,617)	(21,971)
2022	**(83,139)**	**(9,258)**	**-**	**(70,935)**	**(163,332)**
Net book value					
2021	**9,432**	**2,248**	**270,089**	**16,170**	**297,939**
2022	**30,437**	**850**	**224,623**	**5,717**	**261,627**

The amortization period is mentioned in note 6 j. iv.

The recoverable value of an asset or cash-generating unit is the greater of its value in use and its fair value less sales expenses.

(a) Goodwill additions refer to the acquisition of Alvean Sugar Intermediação e Agenciamento Ltda mentioned in Note 3.

After the acquisition of Eco-Energy, through Copersucar North America in the 12/13 crop, it added some cash generating units in its business, such as natural gas, logistics and terminals.

Parent company	Software	Brands	Goodwill	Total
Cost				
2020	**44,123**	**137**	**-**	**44,260**
2021	**45,181**	**137**	**-**	**45,318**
Additions	-	-	20	20
Write-offs	-	-	-	-
Transfers	197	-	-	197
2022	**45,378**	**137**	**20**	**45,535**
Amortizations				
2020	**(36,707)**	**-**	**-**	**(36,707)**
Write-offs	-	-	-	-
Amortization for the year	(3,250)	-	-	(3,250)
2021	**(39,957)**	**-**	**-**	**(39,957)**
Write-offs	-	-	-	-
Amortization for the year	(2,359)	-	-	(2,359)
2022	**(42,316)**	**-**	**-**	**(42,316)**
Net book value				
2021	**5,224**	**137**	**-**	**5,361**
2022	**3,062**	**137**	**20**	**3,219**

18 Suppliers

	Note	Consolidated		Parent company	
		2022	**2021**	**2022**	**2021**
Suppliers		1,903,559	1,961,769	3,704	42,361
Related parties	25	1,083,545	1,123,915	1,083,638	1,268,226
Total		**2,987,104**	**3,085,684**	**1,087,342**	**1,310,587**

The balances of suppliers and related parties mainly correspond to the item “Accounts payable for sugar, ethanol and natural gas purchases".

The exposure of the Company to liquidity risks related to accounts payable to suppliers and other accounts payable, is disclosed in Note 23.

19 Loans and financing and lease liabilities

a. Loans and financing

This note provides information on contract terms of loans bearing interest, which are measured at the amortized cost. For more information on the Company's exposure to interest, foreign currency and liquidity risks, see Note 23.

					Consolidated		Parent company	
Description	**Currency**	**Index**	**Average annual interest rate**	**Maturity year**	**2022**	**2021**	**2022**	**2021**
Foreign direct loan	EUR	Fixed rate	0.73%	2022–2023	234,136	298,091	234,136	298,091
Foreign direct loan	US$	Fixed rate	2.41%	2022–2025	1,157,161	573,523	1,157,161	573,523
Foreign direct loan	US$	Fixed rate/Libor	1.65%	2022–2023	474,671	427,521	474,671	427,521
Working capital	US$	Fixed rate/Libor	2.46%	2022	1,703,196	-	-	-
Working capital	CNY	Fixed rate/LPR	4.05%	2022	82,138	-	-	-
Working capital	US$	Fixed rate/SOFR	2.99%	2022–2024	654,990	788,159	-	-
Working capital	US$	Fixed rate	2.80%	2022–2024	119,978	-	-	-
NCE - Export Credit Note	US$	Fixed rate/Libor	1.56%	2022–2024	189,723	228,106	-	-
BNDES-FINEN	R$	Fixed rate	2.50%	2022	2,475	1,135	-	-
BNDES-FINEN	R$	Fixed rate/TJLP	7.66%	2022–2024	15,349	30,798	-	-
BNDES-FINEN	R$	TJLP	5.89%	2022–2024	89	132	-	-
CDCA - Agribusiness credit receivables certificate	R$	Fixed rate	6.96%*	2022–2025	1,362,891	2,799,405	1,362,891	2,799,405
CDCA - Agribusiness credit receivables certificate	R$	Fixed rate/CDI	9.71%*	2022–2027	2,064,523	544,427	2,064,523	544,427
CRA - Certificate of Agribusiness receivables	R$	Fixed rate/IPCA	9.55%*	2022–2028	541,822	-	541,822	-
NCE - Export Credit Note	R$	Fixed rate/CDI	12.06%*	2022–2024	154,436	-	154,436	-
NCE - Export Credit Note	R$	CDI	9.40%*	2022–2024	45,178	335,512	45,179	335,512
Total loans and financing					**8,802,756**	**6,026,809**	**6,034,819**	**4,978,479**
Current liabilities					**2,986,124**	**1,175,561**	**1,092,020**	**1,038,552**
Non-current liabilities					**5,816,632**	**4,851,248**	**4,942,799**	**3,939,927**

(*) Including operating costs.

Copersucar S.A.'s foreign currency loans are hedged in accordance with Note 23 – ***Foreign currency exposure*** item.

Some Copersucar S.A. loans are hedged pursuant to Note 23 – ***Rate instrument*** item.

Terms and schedule of debt amortization

Terms and conditions of outstanding loans are as follows:

Consolidated	2022		2021	
	Book value	Fair value	Book value	Fair value
Working capital (in US$)	2,478,163	2,478,163	788,159	788,159
Working capital (in CNY)	82,138	82,138	-	-
Foreign direct loan (in USD and EUR)	1,865,969	1,875,312	1,299,135	1,111,340
Export credit note (in US$)	189,723	191,849	228,106	191,003
BNDES - FINEM	17,913	17,913	32,065	32,065
CDCA - Agribusiness credit receivables certificate	3,427,414	3,410,532	3,343,832	3,566,257
CRA - Certificates of Agribusiness receivables	541,822	568,226	-	-
Export Credit Note	199,614	202,793	335,512	334,703
Total	**8,802,756**	**8,826,926**	**6,026,809**	**6,023,527**

Parent company	2022		2021	
	Book value	Fair value	Book value	Fair value
Foreign direct loan (in USD and EUR)	1,865,968	1,875,312	1,299,135	1,111,340
CDCA - Agribusiness credit receivables certificate	3,427,414	3,410,533	3,343,832	3,566,257
CRA - Certificates of Agribusiness receivables	541,822	568,226	-	-
Export Credit Note	199,615	202,793	335,512	334,703
Total	**6,034,819**	**6,056,864**	**4,978,479**	**5,012,300**

Maturities of the principal and interest of borrowings as of March 31, 2022

	Consolidated	Parent company
Up to 06 months	2,270,400	476,035
06–12 months	715,724	615,985
01–02 years	1,450,407	1,231,399
02–05 years	4,025,224	3,370,399
05–06 years	341,003	341,001
Total	**8,802,756**	**6,034,819**

The Company and its subsidiaries have non-financial covenants in loan and financing agreements in effect which were complied with. There are no agreements in force with restrictive clauses (covenants), except for Eco-Energy, related to financial indicators.

Guarantees

(i) Guarantees are provided on contracting of bank credit facilities needed to maintain parent company and subsidiaries’ cash balance, however, there are guarantees received and granted to the related party. Of the amount presented above, R$ 6,207,996 is guaranteed by the related party - Cooperative (refer to Note 25).Reconciliation of equity changes with cash flows from financing activities:

Consolidated	**Bank loans**
2020	**6,100,848**
Loans and financing obtained	2,874,655
Payments of Borrowings and financing	(3,013,584)
Total changes in financing cash flows	**(138,929)**
Other changes	
Interest and exchange-rate changes on loans and financing	286,727
Interest paid on loans and financing	(215,134)
Other changes	(6,703)
Other change total	**64,890**
2021	**6,026,809**
Loans and financing obtained	59,682,432
Payments of Borrowings and financing	(59,130,010)
Total changes in financing cash flows	**552,422**
Other changes	
Interest and exchange-rate changes on loans and financing	(243,118)
Interest paid on loans and financing	(488,212)
Other changes	2,954,855
Other change total	**2,223,525**
2022	**8,802,756**

Parent company	**Bank loans**
2020	**4,805,682**
Loans and financing obtained	1,577,422
Payments of Borrowings and financing	(1,557,482)
Total changes in financing cash flows	**19,940**
Other changes	
Interest and exchange-rate changes on loans and financing	307,730
Interest paid on loans and financing/lease	(154,873)
Other change total	**152,857**
2021	**4,978,479**
Loans and financing obtained	4,812,929
Payments of Borrowings and financing	(3,447,160)
Total changes in financing cash flows	**1,365,769**
Other changes	
Interest and exchange-rate changes on loans and financing	64,135
Interest paid on loans and financing/lease	(373,564)
Other change total	**(309,429)**
2022	**6,034,819**

b. Lease liabilities

The Company leases the following assets:

The area located in Santos Port of approximately 50,392 square meters is used to store and export bulk goods, where its facilities are built by means of a concession contract up to 2036.

Equipment for storage and handling of products (wheel loaders and tractors) used at the Transshipment Terminals in Ribeirão Preto-SP and São José do Rio Preto-SP, as well as at the Sugar Export Terminal in Santos-SP.

Waste cleaning and suction equipment (suction truck and sweeper truck) used in the Sugar Export Terminal in Santos-SP.

Property comprising two floors of the undertaking called Condomínio WT Morumbi in São Paulo-SP, with a total area of 3,059 square meters, intended for the Company's administrative activities, effective until 2029.

Through its indirect subsidiary Eco-Energy, the Company is the lessee of equipment for ethanol and gasoline storage and moving (tank-cars, trucks, railroad wagons, tanks and transshipment equipment), and office equipment; it also rents a property in the city of Franklin, TN, USA, for administrative purposes.

The discount rates for the property in the Parent Company is 7.81%, and 9.31% and 12.15% for machinery and equipment in Santos. At the subsidiary Eco-Energy, the discount rates are as follows: 8% - real estate; 6% - wagons; 7% - warehouses; and 6% of machinery and equipment.

Parent company	**Minimum future payments of leases**	**Interest**	**Present value of minimum lease payments**
2022			
<01 year	1,607	780	827
1–5 years	8,035	2,804	5,231
>5 years	5,223	581	4,642
Total	**14,866**	**4,166**	**10,700**

Parent company	**Minimum future payments of leases**	**Interest**	**Present value of minimum lease payments**
2021			
<01 year	2,932	1,303	1,629
1–5 years	11,727	3,814	7,913
>5 years	9,529	1,062	8,467
Total	**24,188**	**6,179**	**18,009**

Consolidated	Minimum future payments of leases	Interest	Present value of minimum lease payments
2022			
<01 year	99,735	22,993	76,741
1–5 years	222,001	57,854	164,147
>5 years	180,281	53,908	126,373
Total	**502,016**	**134,756**	**367,261**

Consolidated	Minimum future payments of leases	Interest	Present value of minimum lease payments
2021			
<01 year	113,548	27,909	85,639
1–5 years	283,279	70,825	212,454
>5 years	217,776	69,407	148,369
Total	**614,603**	**168,141**	**446,462**

20 Taxes and contributions payable

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
ICMS (value added tax)	94	58,541	-	-
ISS	1,105	1,290	13	35
Inc. tax / social contribution	40,787	-	-	-
Taxes on investees abroad (i)	120,736	-	-	-
Other	13,089	8,330	-	-
Total current	**175,810**	**68,161**	**13**	**35**
Total	**175,810**	**68,161**	**13**	**35**

(i) Alvean Sugar S.A. and Copersucar North America.

21 Advances from clients

	Note	Consolidated		Parent company	
		2022	**2021**	**2022**	**2021**
Domestic market clients		4,801	4,031	3,898	2,736
Foreign market clients (1)		73,072		-	
Related parties	25	-	200,332	-	-
Total		**77,873**	**204,363**	**3,898**	**2,736**

As of March 31, 2021, the advance of R$ 200,332 is prepayment for products not yet shipped by the Company.

(1) This amount refers to advances from Alvean's clients in dollars, in the amount of US$ 15,423.

22 Provision for contingencies

Management, based on information from its legal advisors, analyzed the outstanding legal proceedings, and in respect of tax and labor claims previous experience with regards to amounts claimed, recorded provisions for amounts considered sufficient to cover estimated losses from current lawsuits, as follows:

	Consolidated			Parent company	
	Tax	**Labor**	**Total**	**Labor**	**Total**
2020	**12,818**	**4,562**	**17,380**	**513**	**513**
Provisions formed and restatements during the year	14	991	1,005	8	8
Provisions used during the year	-	(1,470)	(1,470)	(392)	(392)
2021	**12,832**	**4,083**	**16,915**	**129**	**129**
Provisions formed and restatements during the year	3,289	2,402	5,691	50	50
Provisions used during the year	(54)	(2,793)	(2,847)	(19)	(19)
2022	**16,067**	**3,692**	**19,759**	**160**	**160**

In relation to the contingencies presented above, there are judicial deposits for the Consolidated and Parent Company totaling R$ 16,562 and R$ 1,705, respectively as of March 31, 2022 (R$ 55,217 and R$ 40,206 as of March 31, 2021).

The Company has other tax, civil and labor proceedings, whose assessments, carried out by its legal advisors, are considered to have a possible risk of loss, as presented in the table below:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Labor	116,570	128,986	105,657	115,336
Tax	113,718	117,995	101,626	88,510
Environmental/Civil	38,816	38,917	24,838	25,023
Total	**269,104**	**285,898**	**232,120**	**228,869**

23 Financial instruments

a. Classification of financial instruments and fair value

During the years ended March 31, 2022 and 2021, no reclassification of financial instruments was performed.

Fair value vs. book value

The fair values of the financial assets and liabilities, together with the book values presented in the balance sheet, are as follows:

Consolidated	**Book value**		**Fair value**	
	2022	**2021**	**2022**	**2021**
Fair value (a)				
Interest earning bank deposits (Notes 08 and 09)	2,006,620	1,821,049	2,006,620	1,821,049
Inventories	3,509,172	2,341,023	3,509,172	2,341,023
Stock exchange derivative - assets	663,415	183,773	663,415	183,773
Unrealized derivative financial instruments - assets	2,234,561	1,426,623	2,234,561	1,426,623
Stock exchange derivative – liabilities	5,007	1	5,007	1
Unrealized derivative financial instruments - liabilities	1,787,763	1,828,187	1,787,763	1,828,187
Amortized cost				
Bank – checking account	983,230	513,016	983,230	513,016
Trade accounts receivable	3,423,340	2,510,584	3,423,340	2,510,584
Advances to suppliers	431,287	157,807	431,287	157,807
Other accounts receivable	166,605	146,921	166,605	146,921
Suppliers	2,987,104	3,085,684	2,987,104	3,085,684
Loans and financing	8,802,756	6,026,809	8,826,926	6,023,527
Advances from clients	77,873	204,363	77,873	204,363
Other accounts payable	236,017	166,949	236,017	166,949

Parent company	**Book value**		**Fair value**	
	2022	**2021**	**2022**	**2021**
Fair value (a)				
Interest earning bank deposits (Notes 08 and 09)	1,868,943	1,797,838	1,868,943	1,797,838
Inventories	1,635,799	1,627,023	1,635,799	1,627,023
Stock exchange derivative - assets	423	128,693	423	128,693
Unrealized derivative financial instruments - assets	634,292	920,460	634,292	920,460
Stock exchange operations – liabilities	5,007	-	5,007	-
Unrealized derivative financial instruments - liabilities	872,829	1,403,489	872,829	1,825,326
Amortized cost				
Bank – checking account	16,283	77,750	16,283	77,750
Trade accounts receivable	1,229,443	754,505	1,229,443	754,505
Advances to suppliers	7,143	4,863	7,143	4,863
Other accounts receivable	64,566	25,803	64,566	25,803
Suppliers	1,087,342	1,310,587	1,087,342	1,310,587
Loans and financing	6,034,819	4,978,479	6,056,864	5,012,300
Advances from clients	3,898	2,736	3,898	2,736
Other accounts payable	124,197	94,408	124,197	94,408

(a) the table above provides an analysis of financial instruments that are measured at fair value after first-time recognition, grouped in Level 2 based on the observable level of fair value. The descriptions of the hierarchies are shown in note 3 d.

Fair values are substantially equivalent to book values presented in the balance sheet, except for loans aforementioned.

b. Risk management

The Company, following the best market practices, has a risk management system that identifies, assesses and protects it from financial risks, market risks – such as commodity prices, interest rates and foreign exchange – liquidity risk and operating risk, to which it understands to be exposed due to the nature of its business and operating structure. The Company's Management defines the operating strategies, risk limits and use of capital in the Global Risk Policy and Financial Policy, as well as the rules for monitoring and reporting. Risk management policies are reviewed and approved by the Board of Directors annually.

As part of the Company's governance structure, the Risk Management area reports to the Financial Executive Board, Strategy, Participation and Plant Relationship area and it is responsible for monitoring and reporting the main risks incurred by Copersucar to the business areas, Executive Board and Audit Committee, Risk and Finance Management.

Audit, Risk Management and Finance Committee

The Company is in line with the best Corporate Governance practices. It also has an Audit, Risk Management and Financial Committee that advises the Board of Directors on finance, audit, risk and internal control matters. The Committee is composed of at least three (3) members, all members or appointed members of the Board of Directors and/or Advisory Board and/or appointed by them, elected by the Board of Directors for a term of office of two (2) years, and reelection is permitted. Members meet monthly, and extraordinary calls may be made. Any change in the Risk Global Policy or in the Financial Policies should be recommended by the Committee and approved by the Board of Directors.

The Audit and Internal Controls area is responsible for evaluating the Company's internal control environment and proposing improvements in this environment, when necessary.

Credit risk

It is the risk of Company's financial loss if a client or a counterpart fails to fulfill its contractual obligations arising mainly from trade accounts receivable.

In order to reduce this risk, Copersucar establishes a credit limit for term purchases and for such, adopts the practice of performing a detailed analysis of the equity and financial position of its clients, besides permanently following up their debt balance. The Company has a Credit Committee comprised by the Commercial, Financial and Risk Management that evaluate credit requests. The analyses are valid for up to one year and are basically composed of three parameters: (i) quantitative analysis that includes a careful evaluation of the economic and financial indexes, related to the balance sheets for the last three years; (ii) qualitative analysis that must contain consultations to tax bodies, consultation of restrictive information and payment behavior, client's relevance within the industry in which it operates, time in the market, commercial references; and (iii) analysis of guarantees, examined by Finance and Legal areas and requested under the criteria defined by Management.

(i) Trade accounts receivable

Management seeks to mitigate credit risk by monitoring sales financing terms by business segment. The average collection period for the domestic market is 40 days for sugar clients and 15 days for ethanol clients.

Maximum credit risk exposure is substantially focused on financial instruments below:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Interest earning bank deposits (Notes 08 and 09)	2,006,620	1,821,049	1,868,943	1,797,838
Bank – checking account	983,230	513,016	16,283	77,750
Trade accounts receivable	3,423,340	2,510,584	1,229,443	754,505
Advances to suppliers	431,287	157,807	7,143	4,863
Stock exchange operations	663,415	183,773	423	128,693
Unrealized derivative financial instruments - assets	2,234,561	1,426,623	634,292	920,460
Other accounts receivable	166,605	146,921	64,566	25,803

The interest earning bank deposit operations follow rules established in the financial policy regarding maximum concentration and minimum rating of a financial institution (first line), being then dispersed in several financial institutions classified as investment grade by rating agencies.

Impairment losses

Trade accounts rec mature as follows:

Consolidated	**2022**		**2021**	
	Gross	**Estimated losses**	**Gross**	**Estimated losses**
Not overdue	3,349,114	(39,533)	2,465,777	(1,504)
Overdue (days):				
00–30	58,906	(6)	45,551	(21,320)
31–120	20,726	(4)	10,714	-
>120	36,442	(2,304)	11,372	(6)
Total	**3,465,188**	**(41,848)**	**2,533,414**	**(22,830)**

Parent company	**2022**		**2021**	
	Gross	**Estimated losses**	**Gross**	**Estimated losses**
Not overdue	1,223,887	(2,754)	749,095	(1,504)
Overdue (days):				
00–30	6,289	(5)	2,261	(6)
31–120	62	-		
>120	1,970	(6)	4,665	(6)
Total	**1,232,208**	**(2,765)**	**756,021**	**(1,516)**

The expense on the formation of estimated credit losses was recorded under “Sales expenses” caption in the statement of income. Whenever provisioned amounts is not expected to be recovered, the amount in this caption is realized against the definite write-off of the receivable, and this provision becomes tax deductible.

Liquidity risk

Liquidity risk is the risk of the Company encountering difficulties in performing the obligations associated with its financial liabilities. The Company's approach in liquidity management is to guarantee that it always has sufficient liquidity to perform its obligations upon maturity, under normal and stress conditions, without causing unacceptable losses or with a risk of sullying the Company's reputation. To this end, the financial policy provides for the minimum cash conditions, instruments allowed for investment and liquidity of these instruments.

We present below the contractual maturities of financial liabilities including payment of estimated interest and excluding, the impact of the negotiation agreements of currencies by the net position.

Consolidated	**Cash flow**	**< 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**>5 years**
2022						
Suppliers	2,987,104	2,987,104	-	-	-	-
Loans and financing	10,642,087	2,392,237	958,030	1,897,090	5,014,198	380,532
Lease liabilities	502,016	51,113	48,622	87,435	134,565	180,281
Advance from clients	77,873	77,873	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	575,230	540,451	34,779	-	-	-
- *Swap*	525,550	-	-	198,252	327,298	-
- Commodity future	811,062	474,592	305,197	28,204	3,068	
Other accounts payable	236,017	149,834	-	86,183	-	-
2021						
Suppliers	3,085,684	3,085,684	-	-	-	-
Loans and financing	6,026,809	346,994	828,567	2,850,271	1,975,977	25,000
Lease liabilities	446,462	43,980	41,659	83,622	128,999	148,202
Advance from clients	204,363	204,363	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	1,728,577	905,724	221,390	559,782	41,681	-
- *Swap*	13,133	887	3,111	1,800	7,335	-
- Commodity future	86,477	69,839	-	16,638	-	-
Other accounts payable	236,017	149,834	-	83,183	-	-

Parent company	**Cash flow**	**≤ 6 months**	**6–12 months**	**1–2 years**	**2–5 years**	**>5 years**
2022						
Suppliers	1,087,342	1,087,342	-	-	-	-
Loans and financing	7,837,198	596,068	844,902	1,656,323	4,359,373	380,532
Lease liabilities	14,866	804	804	1,607	4,821	6,830
Advance from clients	3,898	3,898	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	438,654	403,876	34,779	-	-	-
- *Swap*	525,550	-	-	198,252	327,298	-
Other accounts payable	124,197	40,440	-	83,757	-	-
2021						
Suppliers	1,310,587	1,310,587	-	-	-	-
Loans and financing	4,978,479	217,052	821,500	2,344,874	1,570,053	25,000
Lease liabilities	18,009	799	830	1,758	6,155	8,467
Advance from clients	2,736	2,736	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	1,320,517	497,891	221,162	559,783	41,681	-
- *Swap*	13,133	887	3,111	1,800	7,335	-
- Commodity future	69,839	69,839	-	-	-	-
Other accounts payable	94,408	94,408	-	-	-	-

Market risk

Market risk represents the likelihood of financial losses to which the Company is exposed, resulting from changes in prices and/or market rate, whether they are, volatility on commodities price, foreign exchange or interest rates (domestic or foreign). The purpose of market risk management is to control, monitor and/or mitigate all exposures to these risks so that they remain within acceptable parameters defined by the Board of Directors.

The Company purchases and sells derivatives to hedge its exposures, and meets is financial obligations to properly manage its market risks. All these actions are conducted according to guidelines established in Company's Global Risk Policy which is established by Audit and Risk Committee and approved by the Board of Directors.

(i) Currency risk

The Company is subject to foreign exchange risk deriving from differences in currency in which sales, purchases and loans and investments are denominated and the Company's respective functional currency is real (R$).

The Company uses Over-the-counter Contracts to hedge its currency risk. When necessary, these contracts are renewed on maturity.

Monetary assets and liabilities denominated in foreign currency are managed by their net exposure, through purchase and sale of foreign currency at demand or future rates (forwards), when necessary, substantially for short-term exposures.

Amounts of the Company's main bank loans in USD are hedged using swap contracts, over-the-counter contracts or are offset against assets indexed at the same currency.

Exposure to this type of risk is continuously adjusted along with the Company's normal course of business. Therefore, management of this exposure is a dynamic process conducted through derivative contracts, aiming at carrying out hedge adjustments according to the new need. The use of these derivative contracts is defined every year, at the risk limit pre-established by the Board of Directors and monitored by Executives of the Company and Audit and Risk Committee.

The Company's Global Risk Policy determines that there must be no exposure to foreign exchange risks.

c. Hedge accounting of foreign investment

The Company adopts the Hedge Accounting for Investments abroad, recording the effects of financial instruments (NDF - Non-Deliverable Forwards) designated as hedge against the exchange exposure of its investments abroad (Alvean Spain and Copersucar North America), whose functional currency is the US Dollar, in Other Comprehensive Income under Shareholders' Equity. The balance recorded as of March 31, 2022 is R$ 559,564, reducer of the shareholders' equity (R$ 844,833 as of March 31, 2021).

From the balance mentioned in the previous paragraph, there was no reclassification of shareholders' equity to income (loss) for the year. During the 2021/2022 crop, the Company reduced the amount of R$ 6,883 recorded in other comprehensive income from Hedge Accounting of investments abroad (R$ 10,817 as of March 31, 2021).

The notional of the object as of March 31, 2022 is R$ 2,286,996 (R$ 1,370,024 as of March 31, 2021, with no gross up).

d. Cash flow hedge

The subsidiary Companhia Auxiliar de Armazéns Gerais has cash flow hedge to cover exposure to changes in the exchange rate of the agreement entered into with Alvean Sugar S.L.

On March 31, 2022, the amount of R$ 20,809 was recorded in other comprehensive income of Cash flow hedge (R$ 24,077 as of March 31, 2021).

Copersucar S.A. has swap hedge accounting to hedge against its exposure of exchange-rate change in debts in dollar pegged to the Libor interest rate (adoption of CPC 48/IFRS 9, CPC 38/IAS 39 and CPC 40/IFRS 7 on Benchmark Interest Rate Reform mentioned in Note 6 a.), fixed (or not) plus exchange-rate change due to debts in CDI. Swap hedge accounting items were mentioned in the notes below for Foreign currency exposure and Interest rate risk.

On March 31, 2022, the amount of R$ 148,177 was recorded in other comprehensive income of Cash flow hedge - SWAP (R$ 31,000 as of March 31, 2021).

Foreign exchange exposure

The Company's exposure to foreign currency is substantially linked to changes in the Dollar and Euro rate on the following basis dates:

Consolidated	**2022**	**2021**
Assets		
Cash and cash equivalents	286,538	354,750
Trade accounts receivable	13,465	40,556
Inventories	68	68
Stock exchange operations	423	128,693
Recoverable taxes	3,762	1,991
Other accounts receivable	15,142	211,130
Investments	2,315,404	1,496,484
Liabilities		
Suppliers	(2,589)	(15,162)
Loans and financing	(2,055,692)	(1,527,242)
Advance from clients	(429,616)	(203,825)
Social and labor charges	(43)	(65)
Taxes and contributions payable	(19,402)	(6,986)
Stock exchange operations	(5,007)	(1)
Other accounts payable	(10,067)	(10,917)
Gross exposure of the shareholders' equity	**112,386**	**469,474**
Notional derivatives contracted to hedge against the foreign exchange risk	**(366,773)**	**(318,010)**
Net exposure (a)	**(254,387)**	**151,464**

Parent company	**2022**	**2021**
Assets		
Cash and cash equivalents	8,667	69,388
Stock exchange operations	423	128,693
Investments	2,315,404	1,496,484

Parent company	**2022**	**2021**
Liabilities		
Suppliers	-	(187,536)
Loans and financing	(1,865,969)	(1,299,135)
Stock exchange operations	(5,007)	-
Gross exposure of the shareholders' equity	**453,518**	**207,894**
Notional derivatives contracted to hedge against the foreign exchange risk	**(472,838)**	**(90,146)**
Net exposure (a)	**(19,320)**	**117,748**

(a) The aforementioned exposure amounts of US$ 21,304 (R$ 121,376) refer to the contracting of investment hedge in the crop result of the last month (March 2021) of the subsidiary Copersucar North America. The hedge contracting occurs in the following month, April 2021, when the Subsidiary sends the Report.

Amounts below comprise the Notional balance presented above:

		Consolidated		**Parent company**	
Description	**Maturity**	**2022**	**2021**	**2022**	**2021**
Foreign Exchange NDF (Investment and Goods)	2022–2023	(2,365,574)	(1,840,587)	(2,283,145)	(1,384,831)
Foreign exchange swap	2023–2028	1,998,801	1,522,577	1,810,307	1,294,685
Total		**(366,773)**	**(318,010)**	**(472,838)**	**(90,146)**
Exchange NDF (Signed contracts)		**(843,858)**	**(3,780,489)**	**(179,173)**	**(1,695,556)**
		(1,210,631)	**(4,098,499)**	**(652,011)**	**(1,785,702)**

Foreign exchange sensitivity analysis

The Company adopted three scenarios for the sensitivity analysis, being one of them the probable scenario presented below, and two other scenarios that may present the impairment of the Company's financial instruments' fair values.

Probable scenario was internally defined by Market Intelligence area and represents the Company’s expectations on this indicator change over the following 12 months. Possible and Remote scenarios are those proposed by CPC.

Methodology used was the fair value recalculation with each scenario focused on market rate on March 31, 2022 less amounts already recognized, and calculation of income value by which the Company would be affected according to each scenario. The analysis considers that all the remaining variables, especially interest rates, are kept constant.

Consolidated			**Scenarios**	
Foreign exchange risk	**Base**	**Probable**	**Increase**	**Decrease**
Scenarios and price levels	**4.7378 BRL/USD**	**5.0317 BRL/USD**	**8% 5.4342 BRL/USD**	**-8% 4.6292 BRL/USD**
Assets	2,634,801	163,445	13,074	(13,074)
Liabilities	(2,522,415)	156,473	(12,516)	12,516

Consolidated			**Scenarios**	
Foreign exchange risk	**Base**	**Probable**	**Increase**	**Decrease**
Scenarios and price levels	**4.7378 BRL/USD**	**5.0317 BRL/USD**	**8% 5.4342 BRL/USD**	**-8% 4.6292 BRL/USD**
Derivatives	(366,773)	(22,752)	(1,820)	1,820
Total effect	**(254,387)**	**297,166**	**(1,262)**	**1,262**

Brazilian Real appreciation against currencies above, on March 31, 2022, would have the same effect in the module, but with the opposite result on currencies presented above, considering that all other variables would remain constant.

(i) *Commodity price risk*

The Company maintains commodity derivatives to minimize income fluctuation caused by recognition of assets and liabilities, and rights and obligations at fair value, evaluated according to commodities' quotation disclosed by Domestic and Foreign stock exchanges (BM&F, ICE/NYBOT, OPIS, PLATTS and LIFFE) and exchange and CEPEA/ESALQ indices.

Exposure to this type of risk is continuously adjusted along with the Company's normal course of business. Therefore, management of this exposure is a dynamic process conducted through derivative contracts, aiming at carrying out hedge adjustments according to the new need.

Sugar and ethanol are traded in domestic and foreign markets and sugar sale price is formed by *Sugar #11/ICE* sugar price of the New York Stock Exchange and ethanol price is formed by the CEPEA/ESALQ index. This turns them into the main portfolio risk factors. Net exposure of sugar purchases and sales is managed and hedged by means of *Sugar #11/ICE* derivative financial instruments (future or over-the-counter) referred to the same stock exchange. Regarding ethanol, due to the lack of net derivative financial instruments for hedge, its exposure is managed/monitored so as to limit is exposure to the price change risk. Monitoring of exposure and risks is carried out through limits pre-established by the Board of Directors.

Gains or losses originated from these hedging instruments are recorded in income for the year.

To minimize the risk and volatility effects of the changes in commodity prices, particularly related to ethanol, natural gas and other commodities, the subsidiary Eco-Energy uses several derivative financial instruments, including futures traded in stock exchanges or over-the-counter, swaps and option contracts. Eco-Energy monitors and manages this exposure following its risk management global policy. As such, the Company seeks to reduce the potentially negative effects that the volatility of these markets may have on its operating income (loss).

Commodities risk

Consolidated	**Volume**		**Notional**	
	2022	**2021**	**2022**	**2021**
Forward contracts				
Long position				
Goods				
Sugar (tons)	8,002,095	6,902,710	2,591,978	501,907
Ethanol (m3)	2,295,751	2,052,998	5,389,074	5,291,645
Corn (bushel)	72,752,177	209,463,107	883,393	1,691,464
RIN (gallon per RIN)	2,000,000	13,020,000	10,080	75,396

Consolidated	**Volume**		**Notional**	
	2022	**2021**	**2022**	**2021**
LCFS (credit unit)	-	25,000	-	28,045
Natural gas (mmbtu)	239,787,419	252,352,018	3,568,958	2,056,400
Total			**12,443,483**	**9,644,857**
Future contracts (Forward)				
Short position				
Goods				
Sugar (ton)	(8,220,801)	(6,848,362)	(4,022,964)	(528,368)
Ethanol (m3)	(2,446,470)	(2,245,649)	(6,724,275)	(6,070,512)
Gasoline (m3)	(254)	-	(907)	-
Corn (bushel)	(77,511,199)	(266,145,019)	(980,850)	(2,421,682)
RIN (gallon per RIN)	(3,000,000)	(11,930,000)	(14,794)	(70,241)
LCFS (credit unit)	-	(15,000)	-	(16,152)
Natural gas (mmbtu)	(173,031,638)	(275,865,292)	(3,426,533)	(2,723,632)
Total			**(15,170,323)**	**(11,830,587)**

The Company uses basically two categories of price instruments to control commodities' exposure:

(a) Futures derivative contracts negotiated directly by the Company in Stock Exchange (ICE/NYBOT/London) or over-the-counter with prime financial institutions, including NDF (*Non-Deliverable Forward*). Although the policy permits to operate with other financial instruments, considering certain restrictions, currently the Company does not holder them in its portfolio.

(b) Forward contracts traded directly with clients and suppliers.

Fair value of futures and options derivative contracts in stock exchange is equivalent to market value for reversal of such positions. Transactions conducted in stock exchange environment need to have initial margins available and adjustments are made on a daily basis.

For over-the-counter contracts, measurement at fair value is given by market values, through public information. This measurement follows usual market models and is monthly calculated both by the Company and by banks that intermediate transactions. For these contracts, margin calls are not needed. The impact on the Company's cash flow only occurs on the settlement date of the contracts.

Measurement at fair value of forward contracts with customers and suppliers is carried at the market price on basis date. To determine market prices, the same setting indicators are used, that is Sugar #11/ICE quotations for sugar contracts. For each future contract of AA (*Against Actuals*), SEO (*Seller Execution Order*) and BEO (*Buyer Execution Order*) types, there is a physical contract with the same price and volume variables.

Forward contracts include balances related to the Supply Agreement with the Cooperative (see note 25) as well as balances related to sales to the foreign and domestic market. These volumes represent contract portion whose price is already defined according to pricing methodology of the respective contract. The calculation also considers the assumptions of pure change in FOB prices (freight costs and increases), which are adjusted to the base price of the contract, aiming to leave it on the same basis as the market price to be used.

Sensitivity analysis for commodities risk

The Company adopted a probable scenario to prepare the sensitivity analysis and present the effects of depreciation of the fair value of the Company's financial instruments.

Probable scenario was internally defined by Market Intelligence area and represents the Company's expectations on this indicator change over the following 12 months. The assumption adopted is the percentage rate of market price volatility in recent months for sugar and ethanol commodities applied to the probable scenario. The scenarios: Possible and Remote are the scenarios proposed by CVM Resolution 02/20.

Used methodology was to recalculate fair value with the change of each scenario on market rate as of March 31, 2022.

		Scenarios	
Commodities' price risk - Long position	**Rate (increase/decrease)**	**Increase**	**Decrease**
Sugar (tones)	1.15%	15,600	(15,600)
Ethanol (m3)	1.07%	126,621	(126,621)
Corn (bushell)	1.93%	3,223	(3,223)
RIN (gallon per RIN)	4.87%	39	(39)
LCFS (credit unit)	n/a	-	-
Natural gas (mmbtu)	2.39%	20,720	(20,720)
Total effect		**166,203**	**(166,203)**

		Scenarios	
Commodities' price risk - Short position	**Rate (increase/decrease)**	**Increase**	**Decrease**
Sugar (tones)	1.15%	692	(692)
Ethanol (m3)	1.07%	(84,682)	84,682
Gasoline (gallon)	2.20%	2	(2)
Corn (bushell)	1.93%	(2,577)	2,577
RIN (gallon per RIN)	4.87%	(75)	75
LCFS (credit unit)	n/a	-	-
Natural gas (mmbtu)	2.39%	5,407	(5,407)
Total effect		**(81,233)**	**81,233**

Due to this commodity (sugar) quotation behavior seasonality, this scenario is subject to changes during the year/crop.

(i) *Interest rate risk*

The Company's debt is linked to fixed and floating rates, therefore, it is exposed to interest rate fluctuations. CDI exposure risk is partially offset by interest earning bank deposits.

The purpose of managing the Company's total financial cost is to make its financial costs be in line with those practiced in the market, considering entities of similar size.

Fixed rate instruments

The Company does not record any fixed interest rate financial assets or liabilities at fair value through profit or loss. Therefore, a change in the interest rates on the reporting date would not change income (loss).

We have fixed-rate loans with a rate SWAP, as follows:

				2022	
Principal	**Index - Asset**	**Index - Liability**	**Maturity**	**Consolidated**	**Parent company**
500,000	Fixed rate 6.65%	100% CDI + 0.79%	08/07/2023	(16,862)	(16,862)
140,000	Fixed rate 6.49%	100% CDI + 0.94%	05/22/2023	(11,383)	(11,383)
200,000	Fixed rate 6.97%	100% CDI + 2.10%	12/16/2024	(26,916)	(26,916)
700,000	Fixed rate 9.47%	100% CDI + 1.85%	06/30/2025	(66,484)	(66,484)
205,400	Fixed rate 1.18%	100% CDI + 0.86%	04/03/2023	24,669	24,669
202,996	Fixed rate 2.70%	100% CDI + 1.90%	01/30/2023	(34,185)	(34,185)
570,000	Fixed rate 3.28%	100% CDI + 1.80%	07/08/2024	(128,780)	(128,780)
513,300	Fixed rate 2.79%	100% CDI + 1.57%	01/13/2025	(51,260)	(51,260)
				(311,201)	**(311,201)**

Variable rate instruments

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Financial assets	2,006,620	1,821,049	1,868,943	1,797,838
Financial liabilities	5,926,115	5,154,060	3,280,630	4,106,865

The Company performs a sensitivity analysis for financial instruments linked to variable interest rates, but Management understands that they are immaterial for disclosure, since they are partially mitigated by financial assets.

We have variable rate loans that have a rate SWAP, as follows:

				2022	
Principal	**Index - Asset**	**Index - Liability**	**Maturity**	**Consolidated**	**Parent company**
500,000	100% - IPCA + 5.28%	100% CDI + 2.31%	05/15/2028	(1,492)	(1,492)
570,000	Libor + 0.79%	100% CDI + 0.98%	05/02/2023	(104,876)	(104,876)
186,000	Libor + 1.26%	100% CDI + 1.10%	03/11/2024	1,911	-
300,000	100% CDI + 0.79%	Fixed rate 6.94%	02/06/2023	14,033	14,033
				(90,424)	**(92,335)**

Gains (losses) with unrealized derivative financial instruments

Summary of gains (losses) recorded on March 31, 2022 and 2021 that affected balance sheet, and amounts that affected the Company's accumulated income (loss) on those dates:

Consolidated	**2022**			**2021**		
	Effects on the balance sheet		**Effects on income (loss)**	**Effects on the balance sheet**		**Effects on profit or loss**
	Assets	**Liabilities**		**Assets**	**Liabilities**	
Commodities	1,331,692	931,334	208,567	829,746	86,477	(1,374,286)
	1,331,692	**931,334**	**208,567**	**829,746**	**86,477**	**(1,374,286)**
Non deliverable forwards	862,256	414,192	34,214	363,236	1,728,577	28,421

Consolidated	**2022**			**2021**		
	Effects on the balance sheet		**Effects on income (loss)**	**Effects on the balance sheet**		**Effects on profit or loss**
	Assets	**Liabilities**		**Assets**	**Liabilities**	
SWAP	40,613	442,237	478,352	233,641	13,133	(126,625)
	902,869	**856,429**	**512,566**	**596,877**	**1,741,710**	**(98,204)**
Total	**2,234,561**	**1,787,763**		**1,426,623**	**1,828,187**	
Current	**1,835,924**	**1,321,720**		**1,224,277**	**1,200,950**	
Non-current	**398,637**	**466,043**		**202,346**	**627,237**	

Parent company	**2022**			**2021**		
	Effects on the balance sheet		**Effects on income (loss)**	**Effects on the balance sheet**		**Effects on income (loss)**
	Assets	**Liabilities**		**Assets**	**Liabilities**	
Commodities	112,594	29,219	(219,748)	682,450	69,839	(1,183,184)
	112,594	**29,219**	**(219,748)**	**682,450**	**69,839**	**(1,183,184)**
Non deliverable forwards	482,995	401,372	26,191	41,107	1,320,517	109,195
SWAP	38,703	442,238	439,128	196,903	13,133	(115,174)
	521,698	**843,610**	**465,319**	**238,010**	**1,333,650**	**(5,979)**
Total	**634,292**	**872,829**		**920,460**	**1,403,489**	
Current	**257,480**	**430,591**		**774,469**	**792,890**	
Non-current	**376,812**	**442,238**		**145,991**	**610,599**	

Operating risk
Non-financial operating risk is the risk of direct or indirect losses arising from different causes related to the Company's business processes, personnel, technology and infrastructure and external factors, as those arising from legal and regulatory requirements and from generally accepted corporate behavior standards.

The purpose of the Company is to monitor possible operating risks and mitigate financial losses and damages to reputation and business continuity, thus seeking cost effectiveness and avoiding non-effective control procedures.

Capital management
Management’s policy is to maintain capital basis sufficient to maintain investor, creditor and market trust. The main objective is future development of business.

The Company operates with several financial instruments, as follows: interest earning bank deposits, receivables from clients, payables to suppliers and loans and financing. Transactions with derivative financial instruments contracted to hedge against market volatility, as well as forward merchandise purchase and sale transactions with Cooperative and clients, are also part of financial instruments' portfolio. The following hedging instruments are used for this purpose: Exchange swap, transactions with NDF - *Non-Deliverable Forwards*, futures and options of commodities and currency.

24 Contractual commitments

Sales

Considering that the Company operates mainly in the commodities market, sales are substantially made at the sales date price. However, most contracts are short-term contracts. As of March 31, 2022, sugar contracted volume for the new sugar crop is 4,230 thousand tons (4,853 thousand tons on March 31, 2021), ethanol contracted volume is 3,144 thousand m³ (2,447 thousand m³ on March 31, 2021).

Purchases

In accordance with the contract entered into by the Company and its related party - Cooperative, committed volumes on March 31, 2022 were 4,515 thousand tons of sugar (5,382 thousand tons as of March 31, 2021) and 4,306 thousand m³ of ethanol (4,385 thousand m³ as of March 31, 2021).

Logistics

The Company has strategic partnerships for the provision of railroad transportation services with the following suppliers:

América Latina Logística – ALL

- Provision of sugar transportation services in wagons of ALL railroad to Santos Port terminal (São Paulo State - SP), maturing in 2028;

- Ethanol transportation through ALL railroads with destination indicated by Copersucar. This contract effectiveness follows ALL railroad concessions.

Ferrovia Centro Atlântica – FCA

- Transportation of sugar from Ribeirão Preto (SP) terminal to Santos Port (SP) terminal, maturing in 2026.

25 Related parties

Parent company and part of the final parent company

The Company's final controlling parties are the following groups:

Shareholder	EIN	Common shares	Preferred shares	Total shares	Interest %
Açucareira Quatá S.A.	60.855.574/0001-73	198,317,594	3	198,317,597	12.409
Pedra Agroindustrial S.A.	71.304.687/0001-05	187,738,240	1	187,738,241	11.747
COCAL - Comércio e Indústria Canaã Açúcar e Álcool Ltda.	44.373.108/0001-03	146,398,062	1	146,398,063	9.1603
Ipiranga Agroindustrial S.A.	07.280.328/0001-58	116,242,957	2	116,242,959	7.2735
Usina Santa Adélia S.A.	50.376.938/0001-89	86,006,913	1	86,006,914	5.3816
Viralcool Açúcar e Álcool Ltda.	53.811.006/0001-05	80,861,098	1	80,861,099	5.0596
Usina Açucareira S. Manoel S.A.	60.329.174/0001-24	73,408,962	1	73,408,963	4.5933
Usina São José da Estiva S.A. - Açúcar e Álcool	53.172.300/0001-14	60,564,334	1	60,564,335	3.7896
Treasury shares	10.265.949/0001-77	59,280,800	9	59,280,809	3.7091

Shareholder	EIN	Common shares	Preferred shares	Total shares	Interest %
Ferrari Agroindústria S.A.	54.846.951/0001-05	58,438,046	1	58,438,047	3.6565
Usina Santo Antônio S.A.	71.324.784/0001-51	56,313,949	1	56,313,950	3.5236
Usina Cerradão Ltda.	08.056.257/0001-77	50,855,393	1	50,855,394	3.1821
Companhia Melhoramentos Norte do Paraná	61.082.962/0001-21	48,545,963	2	48,545,965	3.0376
Usina São Luiz S.A.	53.408.860/0001-25	43,341,439	1	43,341,440	2.7119
Pitangueiras Açúcar e Álcool Ltda.	44.870.939/0001-82	43,012,477	1	43,012,478	2.6913
UMOE Bioenergy S.A.	03.445.208/0001-02	40,622,093	1	40,622,094	2.5418
Companhia Agrícola Usina Jacarezinho	61.231.478/0001-17	39,662,833	1	39,662,834	2.4818
Usina Açucareira Furlan S.A.	56.723.257/0001-26	35,721,828	1	35,721,829	2.2352
Caçu Comércio e Indústria de Açúcar e Álcool Ltda.	07.996.345/0001-96	34,535,412	1	34,535,413	2.1609
Usina Uberaba S.A.	07.674.341/0001-91	32,173,956	1	32,173,957	2.0132
Pioneiros Bioenergia S.A.	51.096.477/0001-53	29,267,968	1	29,267,969	1.8313
J. Pilon S.A. - Açúcar e Álcool	47.254.396/0001-67	27,667,534	1	27,667,535	1.7312
Usina Santa Lúcia S.A.	44.207.249/0001-48	24,098,686	1	24,098,687	1.5079
Usina São Francisco S.A.	71.324.792/0001-06	12,793,609	1	12,793,610	0.8005
Irmãos Toniello Ltda.	71.321.566/0001-63	12,308,853	1	12,308,854	0.7702
Total		**1,598,178,999**	**37**	**1,598,179,036**	**100**

Remuneration of key management staff

The Company's key personnel are the president of the Board of Directors, the Executive president and officers of the following areas: Commercial and Operations, Financial, Strategy. Interests and Relationships with Plants, Legal and Governance and Human Resources areas.

Remuneration of key management personnel includes:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Short-term employee benefits (a)	23,416	9,100	6,692	9,100
Post-employment benefits	3,095	2,046	1,826	2,046
Total	**26,512**	**11,146**	**8,518**	**11,146**

(a) Includes salaries, compensation, short- and long-term benefits and post-employment benefits.

Other related party balances

	Note	Consolidated		Parent company	
		2022	**2021**	**2022**	**2021**
Current assets					
Accounts receivable					
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP		192,794	181,061	170,857	181,062
Companhia Auxiliar de Armazéns Gerais		-	-	846	778
Copersucar Trading A.V.V.		-	-	-	8,393
Alvean Sugar Intermediação e Agenciamento Ltda.		-	226	503	226
Alvean Sugar S.L.		-	18,607	-	-
Terminal de Combustíveis Paulínia		136	99	136	99
Copersucar Europe S.A.		-	-	46,237	100,664
Total	**10**	**192,930**	**199,993**	**218,580**	**291,222**
Dividends receivable					
Companhia Auxiliar de Armazéns Gerais		-	-	7,642	3,140
Terminal de Combustíveis Paulínia		4,470	-	4,470	-
Total		**4,470**	**-**	**12,112**	**3,140**
Advance to suppliers					
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP		274,940	112,920	-	-
Total		**274,940**	**112,920**	**-**	**-**

		Consolidated		Parent company	
	Note	2022	2021	2022	2021
Current liabilities					
Suppliers					
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP		1,083,386	1,121,850	1,083,386	1,121,849
Copersucar Trading A.V.V.		-	-	-	80,312
Terminal de Combustíveis Paulínia		150	195	150	195
Copersucar Europe S.A.		-	-	-	65,855
Logum Logística S.A.		8	15	8	15
Alvean Sugar S.L.		-	1,855	93	-
Total	**18**	**1,083,545**	**1,123,915**	**1,083,638**	**1,268,226**
Advance from clients					
Alvean Sugar S.L.	**21**	-	200,332	-	-

Other related party transactions

	Consolidated		Parent company	
	2022	2021	2022	2021
Value of the transaction for the year				
Sale of goods				
Copersucar Europe	-	-	63,763	513,676
Alvean Sugar S.L.	-	5,420,117	-	-
Total	**-**	**5,420,117**	**63,763**	**513,676**
Sale of services				
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP	6,872	5,046	-	-
Alvean Sugar Intermediação e Agenciamento Ltda.	-	2,508	2,359	2,508
Alvean Sugar S.L.	-	140,955	-	-
Logum Logistica S.A.	-	1,872	-	1,872
Total	**6,872**	**150,382**	**2,359**	**4,380**
Product acquisition				
Cooperativa de Prod. de Cana de Açúcar, Açúcar e Álcool do Est de SP	(20,400,153)	(16,070,198)	(15,177,529)	(11,268,458)
Total	**(20,400,153)**	**(16,070,198)**	**(15,177,529)**	**(11,268,458)**
Acquisition of Services				
Terminal de Combustíveis Paulínia	(1,875)	(2,163)	(1,875)	(2,163)
Companhia Auxiliar de Armazéns Gerais	-	-	(1,788)	(2,746)
Logum Logistica S.A.	(6,216)	(7,796)	(6,216)	(7,796)
Total	**(8,091)**	**(9,959)**	**(9,879)**	**(12,705)**
Financial – Interest receivable				
Sugar Express Transportes S.A.	-	-	-	123
Total	**-**	**-**	**-**	**123**

Related-party transactions are transactions carried out between the Parent company and its direct and indirect subsidiaries or other related parties (Cooperative) and refer basically to:

- Sale/Acquisition of assets and services – Products (sugar and ethanol) purchase and sale transactions and port services traded in accordance with contract entered into by the parties, at conditions similar to those agreed on with third parties, considering volumes, involved risks and corporate policies.

At the year-end, the subsidiary Companhia Auxiliar de Armazéns Gerais recorded accounts receivable in the amount of R$ 40,828 as “Take or Pay” with the client Alvean Sugar S.L. and R$ 2,849 with the client ED&F Man, a contractual modality where we charge a penalty for non-compliance with the expected crop increase amount, since it provides an operational structure to meet the volumes contracted by clients.

- Asset amounts - Sale of products and services; rent of properties; and transfer of shared expenses.

- Liability amounts - Purchase of products and services.

Supply contract with Cooperative

The Company has exclusivity agreements, a three-year term, being renewed each crop year.

Guarantee of products supply is linked to continuity of contract with Cooperativa. The contract also guarantees access to certain facilities that are essential to carry out the Company's business, such as those intended for storage of ethanol and sugar deriving from Cooperativa and associated plants. Prices practiced in this contract are related to CEPEA/ESALQ index.

Pursuant to the contract, guarantors of sugar and ethanol sale transactions are plants associated to Cooperativa.

Sugar supply agreement for Alvean Sugar S.L

The Company has a sugar supply agreement through its subsidiary Copersucar Europe with Alvean Sugar S.L., effective as from October 2014, with no established termination term.

The agreement aims at guaranteeing the supply of sugar from Copersucar Europe à Alvean Sugar S.L., where the parties agreed that Copersucar Europe undertakes to sell exclusively to Alvean, and it undertakes to purchase 100% of the production quota in each crop year. Prices practiced in this contract are related to CEPEA/ESALQ index (equivalents in USD).

Contract for provision of services with Terminal de Combustíveis Paulínia S.A.

The Company has a contract for the provision of services, reception, storage and handling of liquid bulk in tanks with Terminal de Combustíveis Paulínia S.A. The products aimed at Terminal de Combustíveis de Paulínia are anhydrous and hydrated.

The Company's contract with the Paulínia Fuel Terminal expires in May 2023.

Guarantees or collateral signatures received from related parties

Loans and financing listed below are collateralized by related party Cooperativa:

Borrower	Type of financing	Maturity	2022	
Cia. Auxiliar de Armazéns Gerais S.A.	NCE - Export Credit Note (in USD)	2022–2024	189,723	(2)
Cia. Auxiliar de Armazéns Gerais S.A.	BNDES - FINEM	2022–2024	17,912	(1)
Copersucar S.A.	Foreign direct loan (in EUR)	2022–2024	234,136	(2)
Copersucar S.A.	Foreign direct loan (in US$)	2022–2024	1,154,860	(2)
Copersucar S.A.	Foreign direct loan (in US$)	2022–2024	476,972	(1)
Copersucar S.A.	CDCA - Agribusiness credit receivables certificate (In BRL)	2022–2027	3,427,414	(4)
Copersucar S.A.	CRA-Certificate of Agribusiness Receivables (in reais)	2023–2028	541,822	(4)
Copersucar S.A.	NCE - Export Credit Note (In BRL)	2022–2024	45,178	(3)
Copersucar North America	Working capital (in US$)	2022–2024	119,978	(2)
Total			**6,207,996**	

(1) Promissory Note (120%) and Cooperative as Guarantor

(2) Promissory Note (100%) and Cooperative as Guarantor

(3) Aval of Cooperative / Guarantee Sugar Pledge

(4) CPR (Rural Product Bill) issued by Cooperative as a guarantee

26 Pension plan

Subsidiary Alvean has a pension plan that is operated in different countries, with Switzerland being the main location. Approximately 99% of the present value of obligations accrued to date (US$ 1.5 million) relates to the Swiss defined benefit plan. The pension plan is for life.

(i) Defined pension plan in Switzerland

In the event of contract cancellation, there is no guarantee that employee benefits can be maintained under the same conditions. Furthermore, risk and cost premiums are charged at different levels, characterizing the plan as a defined benefit plan.

The pension plan is managed by a single fund independent of the group. The fund invests the capital and provides a 100% principal and interest guarantee. The fund is responsible for the technical management and payment of the required contributions to the regulatory bodies.

The plan in question is exposed to actuarial risks such as longevity risk, exchange rate risk, interest rate risk and market risk. The group has committed to pay the annual contributions and expenses due to the pension fund and is expected to pay US$ 0.958 million in contributions to the Swiss plan in 2022.

a. Changes during the period

In thousands of Dollars	**Defined benefit plan**	**Present value**	**Amount (Assets) / Liabilities**
As of April 01, 2021	7,814	(5,246)	2,568
Impact on income (loss)	841	(232)	609
Exchange-rate change	313	(210)	103
Cost for the current period	736	-	736
Prior-year cost	(240)	-	(240)
Cost/financial revenue	32	(22)	10
Other comprehensive income	(1,258)	(24)	(1,282)
Other revenues			
- Demographic	(339)	-	(339)
- Financial	(776)	-	(776)
- Other	(143)	(24)	(168)
Other	(795)	241	(554)
Contributions paid by the employer	-	(554)	(554)
Contributions paid by the employee	472	(472)	-
Benefits paid	(1,267)	1,267	-
As of March 31, 2022	**6,602**	**(5,262)**	**1,341**
Plan not covered in Switzerland	-	-	184
Total	**-**	**-**	**1,525**

b. Plan assets

Total assets must be considered at fair value. Assets include floating reserves, employer contribution reserves, among others.

The plan's assets comprise:

In thousands of Dollars	**2022**
Insurance Contract	5,262
Total	5,262

c. *Plan definitions*

(i) *Actuarial assumptions*

	2022
Inflation	1.00%
Discount rate	1.20%
Interest rate	1.00%
Salary growth	1.00%

Demographic assumptions are based on the latest standard tables available in Switzerland (BVG 2015). As of March 31, 2022, the average term of the defined benefit obligation was 16.9 years (11.53 years in 2021).

(ii) *Sensitivity analysis*

The table with the sensitivity analysis is presented below:

In thousands of Dollars	**2022 Recalculated plan**	**2022 Recalculated Cost of service**
Rate (+0.5%)	6,078	713
Rate (-0.5%)	7,208	855
Salary (+0.5%)	6,618	784
Salary (-0.5%)	6,585	773
Life expectancy (+ 1 year)	6,676	786
Life expectancy (-1 year)	6,525	770

27 Shareholders' equity

The Company's paid-up capital is R$ 1,185,768 on March 31, 2022, represented by 1,598,179,036 (one billion five hundred ninety-eight million one hundred seventy-nine thousand and thirty-six) shares, and 1,598,178,999 (one billion five hundred ninety-eight million one hundred seventy-eight thousand nine hundred ninety-nine) common shares and 37 (thirty-seven) preferred shares, all of them nominative, registered and with no par value.

The Company is authorized to increase its capital up to the limit of R$ 2,500,000, by resolution of Board of Directors, regardless of any amendment to its bylaws.

During the year ended March 31, 2022, the Company's shareholders carried out a capital increase in the amount of R$ 237,921.

The Company's management is proposing an increase in the Company's capital within the authorized capital limit, from R$ 1,185,767 to R$ 1,507,768, with the issue of new shares, referring to the additional capital contribution from Shareholders. This increase will be submitted for approval at a Board of Directors' meeting to be held as of June 28, 2022.

Legal reserve

It is set up at the rate of 5% of the net income determined in each financial year, pursuant to article 193 of Law 6404/76 up to the limit of 20% of the capital.

Equity valuation adjustment

The reserve for equity valuation adjustments includes:

- Adjustments for the adoption of deemed cost of property, plant and equipment on the transition date;
- Reflexive accumulated translation adjustment includes foreign currency differences deriving from the translation of financial statements of foreign operations;
- Adjustment of hedge accounting of investment abroad, as described in Note 23 (item i a); and
- adjustment of the cash flow hedge as described in Note 23 (item i b).

The amounts recorded in equity valuation adjustments are reclassified to the result for the year wholly or partially, through asset impairment to which they refer.

Proposal for allocation of income (loss) for the year 2022

Net income for the year	**781,117**
- Legal reserve	(39,055)
Income distributable	**742,062**
- Minimum mandatory dividends (1%)	**(7,421)**
- Additional dividend proposed	(734,641)

28 Operating revenue

Revenue flows

The Company generates revenue mainly from sale of products (sugar, ethanol and natural gas) and their delivery to client.

	Consolidated		**Parent company**	
	2022	**2021**	**2022**	**2021**
Sales of goods	74,455,257	39,562,419	14,587,268	11,144,638
Rendering of services	428,204	468,480	158,600	148,259
Total	**74,883,461**	**40,030,899**	**14,745,868**	**11,292,897**

We present below the reconciliation between gross revenue and revenues presented in the statement of income (loss) for the year:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Tax gross revenue	76,798,784	42,330,979	16,709,041	12,606,857
Less:				
Sales taxes	(1,391,999)	(1,216,483)	(1,390,786)	(1,216,479)
Sales taxes	(32,264)	(32,478)	(17,037)	(15,186)
Returns/rebates	(12,388)	(20,748)	(12,388)	(20,748)
	75,362,133	**41,061,270**	**15,288,830**	**11,354,444**
Realized derivative financial instrument	(478,672)	(1,030,371)	(542,962)	(61,547)
Total	**74,883,461**	**40,030,899**	**14,745,868**	**11,292,897**

Breakdown of revenue from contracts with clients

The following table presents the breakdown of revenue per category of products and services.

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Breakdown per category of products				
Ethanol	28,189,285	18,361,286	11,584,920	7,672,937
Natural gas	20,860,509	12,619,132	-	-
Sugar	25,595,388	8,438,135	3,545,310	3,533,248
RIN_LCFS (registration of renewable fuel)	187,840	1,125,713	-	-
Gasoline	7,560	33,759	-	-
Corn	104,038	14,766	-	-
Realized derivative financial instrument	(489,363)	(1,030,371)	(542,962)	(61,547)
Total revenue from products	**74,455,257**	**39,562,419**	**14,587,268**	**11,144,638**
Breakdown per rendering of services				
Rendering of services	428,204	468,480	158,600	148,259
Total revenue from services	**428,204**	**468,480**	**158,600**	**148,259**
Total	**74,883,461**	**40,030,899**	**14,745,868**	**11,292,897**

29 Expenses per type

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Cost of products, except freights, transshipment and storage	(72,204,816)	(37,998,612)	(13,930,732)	(10,246,241)
Change in inventories' fair values	(690,590)	491,813	(201,257)	349,204
Depreciation and amortization	(186,124)	(176,664)	(5,247)	(6,290)
Personnel expenses	(472,480)	(295,211)	(137,729)	(101,616)
Freights, transshipment, warehousing	(63,298)	(40,603)	(28,809)	(17,300)

	Consolidated		Parent company	
	2022	2021	2022	2021
and shipping expenses				
Other expenses	(170,894)	(155,859)	(32,598)	(30,044)
Total	**(73,788,202)**	**(38,175,136)**	**(14,336,372)**	**(10,052,287)**
Classified as:				
Cost of sales	(73,149,545)	(37,767,907)	(14,131,202)	(9,896,240)
- Administrative	(554,844)	(346,939)	(165,999)	(126,310)
- Sales	(83,813)	(60,290)	(39,171)	(29,737)
Total	**(73,788,202)**	**(38,175,136)**	**(14,336,372)**	**(10,052,287)**

30 Other operating revenues

	Consolidated		Parent company	
	2022	2021	2022	2021
Legal provisions	19	1,409	19	386
Lease of real estate/railway cars	44,083	51,003	695	711
Other revenues from services	979	1,157	979	1,157
Premium for shipment anticipation (Dispatch)	1,437	831	-	-
Interest gain / Sale of goods (a)	20,926	32,619	19,018	168
Other	3,070	345	2,405	50
Total	**70,514**	**87,364**	**23,116**	**2,472**

(a) The equity gain in the amount of R$ 18,845 in 2022 is the result of the bargain purchase of Alvean Sugar S.L., as mentioned in Note 3.

On October 30, 2020, the subsidiary Eco Energy entered into a purchase agreement to sell its terminal assets located in Alexandria, VA. The sale included the right, title and interest in all of the Company's assets and property relating to business operations at the Norfolk Southern Railway facilities. The Company recorded a gain on the sale of assets of US$ 6,007 (R$ 31,867).

31 Other operating expenses

	Consolidated		Parent company	
	2022	2021	2022	2021
Expenses with ship stay in port (Demurrage)	(9,567)	(23,010)	-	-
Brokerage/rates	(16,298)	(17,778)	(4,958)	(4,011)
Donations	(3,216)	(851)	(1,935)	(9)
Labor legal claim	(2,864)	(943)	(50)	(2)
PIS and COFINS on other revenues	(2,632)	(2,632)	(2,540)	(2,540)
Other	(12,355)	(12,321)	(5,365)	(915)
Total	**(46,932)**	**(57,535)**	**(14,848)**	**(7,477)**

32 Net financial income (loss)

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Financial revenues				
Transactions with derivative asset	6,123,137	13,355,495	215,845	604,602
Foreign exchange gains	1,908,828	1,140,558	1,200,561	336,452
Asset interest	133,457	39,861	152,699	36,419
Other financial revenues	798	-	5	-
	8,166,221	**14,535,914**	**1,569,110**	**977,473**
Financial expenses				
Transactions with derivative liabilities	(6,451,347)	(13,014,920)	(458,343)	(304,043)
Foreign exchange costs	(1,470,713)	(1,372,441)	(866,607)	(541,387)
Liability interest	(540,730)	(250,487)	(483,941)	(197,998)
Financial charges on lease liability	(29,833)	(30,188)	(1,242)	(1,373)
Bank fees	(50,440)	(15,650)	(17,752)	(7,084)
Other financial expenses	(8,502)	(4,061)	(8,274)	(3,792)
	(8,551,565)	**(14,687,747)**	**(1,836,159)**	**(1,055,677)**
Total net financial income	**(385,344)**	**(151,833)**	**(267,049)**	**(78,204)**

A substantial portion of the amounts presented in the captions foreign exchange gains and losses is related to the Company’s hedge policies and respective hedged counterparties are presented in Net Sales and Cost of Sales following the accounting policies in force.

33 Expense with income tax and social contribution

The reconciliation between the tax expense as calculated by the combined statutory rates and the income tax and social contribution expense charged to net income is presented below:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Income before income tax and social contribution	920,506	438,148	749,589	355,296
Combined statutory rate	34%	34%	34%	34%
Income tax and social contribution:				
Calculated at combined statutory rate	**(312,972)**	**(148,969)**	**(254,860)**	**(120,800)**
Permanent additions/exclusions:				
Equity in net income of subsidiaries	(7,330)	26,750	278,332	129,566
Transfer price adjustment	-	(611)	-	(611)
Fines	(66)	(1)	-	-
Donations/Sponsorship	(816)	26	(664)	(3)
Other	69,397	(3,738)	4,450	(189)
Rate differential - Companies abroad	105,394	57,000	-	-
Exclusion of tax overpayments (PF & BN CSLL)	9,403	-	9,403	-
Overseas earnings	(86,468)	8,841	(88,814)	14,077
Income tax credit of subsidiaries abroad	86,405	-	86,405	-
Long-term compensation	(3,893)	(2,172)	(3,572)	(1,902)
IRPJ - PAT deductions and Sponsorship	1,557	160	848	-

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Income tax and social contribution in income (loss) for the year	(50,575)	(76,790)	120,342	6,061
Income tax and social contribution on foreign income	(88,814)	14,076	(88,814)	14,077
Effective rate	**15%**	**14%**	**-4%**	**-6%**
Current taxes	(219,417)	(46,316)	(65,911)	-
Deferred taxes	80,028	(16,398)	97,439	20,138
Total	**(139,389)**	**(62,714)**	**31,528**	**20,138**

34 Employee benefits

Other short and long-term benefits

Based on its benefit program, the Company recorded a provision for bonus that is effective for one year, for the following professionals:

	2022	**2021**
Key personnel	106,477	44,274
Other executives	27,356	11,068
	133,833	**55,342**

35 Operating leases

Leases as lessor

Through its indirect subsidiary Eco-Energy, the Company sub-rents tank-cars. Minimum future payments under non-cancelable leases are as follows:

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Up to one year	43,573	54,216	330	774
Over 1 year - up to 5 years	50,460	106,002	1,136	2,652
>5 years	2,564	5,998	2,564	4,768
Total	**96,597**	**166,216**	**4,030**	**8,194**

During the year ended March 31, 2022, the amount of R$ 44,502 (R$ 56,994 as of March 31, 2021) was recognized as rent revenue in the Company’s statement of income.

	2022	**2021**
Revenue from operating lease	44,502	56,994

36 Statement of added value - SAV

Statement of Added Value - According to the requirement of accounting practices adopted in Brazil, and as additional information for IFRS purposes, the Company prepared an individual and consolidated statement of added value.

This statement, supported by macro-economic concepts, is intended to present the Company's portion in Gross Domestic Product formation by determining values added by the Company and those received from other entities; distribution of these amounts to employees, government spheres, asset leases, loan, financing and debt security creditors, controlling and minority shareholders, and other remuneration that represents wealth transfer to third parties; said added value represents wealth created by the Company, in general, measured at revenues from sale of assets and from services provided less respective inputs acquired from third parties, including value added produced by third parties and transferred to the entity.

37 Subsequent events

On August 30, 2021, Copersucar and Vibra Energia S.A. informed the market that they had signed binding documents with the purpose of creating a Joint Venture that will operate as an Ethanol Trading Company (ECE).

The ECE was incorporated by Copersucar with a capital of R$ 10,000,000, of which Vibra Energia will acquire shares from Copersucar representing 49.99% of the capital, with Copersucar maintaining a 50.01% equity interest.

After the due approvals of the transaction by the competent authorities (Cade approved the transaction on April 11, 2022), for the start of operations, the shareholders will invest further R$ 440,000,000.00 in the new company, in proportion to their equity interests.

Moreover, there are still other operational acts for the effective operational entry of the ECE, such as obtaining the appropriate regulatory updates (ANP).

ECE will adopt the asset light model, that is, without the contribution of property, plant and equipment from its partners and will have its own governance structure.

* * *

Tomás Caetano Manzano
Chief Executive Officer

Julio Alvarez Boada
Director

Pedro Augusto Paranhos de Oliveira
Director

Accountant in charge

Vanessa Siqueira Samejima
CRC 1SP 238.292/O-0