Copersucar S.A.

Financial statements as of March 31, 2023

(A free translation of the original report in Portuguese containing individual and consolidated financial statement prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board – IASB)

Contents

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Independent auditors' report on the individual company and consolidated financial statements

(A free translation of the original report in Portuguese containing individual and consolidated financial statement prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board – IASB)

To the Management and Board of
Directors of Copersucar S.A.
São Paulo - São Paulo

Opinion

We have audited the accompanying individual (Company) and consolidated financial statements of Copersucar S.A. ("Company"), respectively considering the individual company and consolidated financial statements, which comprise the balance sheet as of March 31, 2023, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying individual company and consolidated financial statements present fairly, in all material respects, the individual company and consolidated financial position of Copersucar S.A. as of March 31, 2023, and its individual company and consolidated financial performance and cash flows for the year then ended. in accordance with Brazilian accounting policies and international financial reporting standards (IFRSs) issued by the *International Accounting Standards Board* (IASB).

Basis for opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Individual Company and Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Professional Code of Ethics for Accountants and on the professional standards issued by the Regional Association of Accountants, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual company 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 the futures purchase and sale of *commodities* (forward *commodities*) – individual company and consolidated

See notes 5. (k.vi) and 22 to the individual company 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 contracts for the future purchase and sale of *commodities* as a result of their sale of *commodities*. The Company and its subsidiaries manage their exposure to fluctuations in *commodity* prices by entering into derivative financial instruments. These derivative financial instruments used to hedge the Company's and its subsidiaries' exposure to price risk are measured at fair value and changes thereon are recognized in profit or loss as required by IFRS 9 - Financial Instruments and Technical Pronouncement CPC 48 - Financial Instruments and CPC 46 – Fair value measurement. The fair values of the derivative financial instrument are estimated according to the following assumptions: percentage rate of fluctuation in market prices over the past months for sugar, ethanol and natural gas commodities applied to the probable scenario; stock exchange prices; pure fluctuation in FOB prices (freight and increase costs); adjusted for local market differences; future delivery period; place of delivery and quality of merchandise.	Our procedures in this area included, but were not limited to: – Understanding and evaluating the design and implementation of key controls related to the calculation of the fair value of the future purchase and sale of *commodities*; – Reconciling the trading desk contract database to accounting records; – We compared contract data with the information used to calculate the fair value of forward contracts, such as: product, crop year, delivery location, type of transaction (purchase or sale), quantity and maturity date; – With the help of our experts in financial instruments: (i) we evaluated whether fair value and accounting recognition have been performed according to the policies and guidelines of the Company and its subsidiaries, as well as the requirements established in applicable accounting standards; And (ii) we recalculate the fair value independently, comparing market *inputs* with external information, and evaluating the consistency of the use of the fair value measurement methodology applied by the Company.

This matter was considered as a key audit matter due to the nature and extent of the audit effort required to address the issue and the uncertainties related to the assumptions used to estimate the fair value of acquired assets with a significant risk of resulting in a material adjustment to the balances of the individual company and consolidated financial statements.	– Checking whether the disclosures made in the individual company and consolidated financial statement notes are adequate with respect to the requirements of accounting policies applicable to the transaction. According to evidence obtained from the procedures summarized above, we considered the fair values of the financial instruments used to manage the Company's and its subsidiaries' exposure to fluctuations in *commodity* prices and their related disclosures are acceptable in the context of the individual company and consolidated financial statements for the year ended March 31, 2023 taken as a whole.

Other issues - Statement of value added

The individual company and consolidated statements of value added for the year ended March 31, 2023, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS purposes, were submitted to the same audit procedures followed together with the audit of the Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled to the other financial statements and to the accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added have been adequately prepared, in all material respects, according to the criteria set on this Technical Pronouncement and are consistent with the individual company and consolidated financial statements taken as a whole.

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

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

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

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

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

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

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

– Identify and assess the risks of material misstatement of the individual company 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 Company's and its subsidiaries' internal controls.

– 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 Company's and its subsidiaries' ability 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 individual company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiary to cease to continue as a going concern.

– Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual company 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 company and consolidated financial statements. 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 engagement.

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

Ribeirão Preto, May 22, 2023

KPMG Auditores Independentes Ltda.
CRC 2SP-027666/O-5 F SP
(Original signed in Portuguese)
Fernando Rogério Liani
Accountant CRC 1SP229193/O-2

Copersucar S.A.

Balance sheets as of March 31, 2023 and 2022

(In thousands of Reais)

Assets		**Consolidated**		**Parent company**	
Current assets	**Note**	**2023**	**2022**	**2023**	**2022**
Cash and cash equivalents	7	1,633,408	2,858,679	490,284	1,754,055
Financial investments	8	449,635	131,171	449,635	131,171
Trade receivables	9	2,705,645	3,423,340	694,896	1,229,443
Inventories	10	2,780,480	3,509,172	1,130,549	1,635,799
Recovered taxes	11	114,507	185,821	108,724	179,350
Recovered income and social contribution taxes	11	179,058	152,170	148,889	104,249
Advances to suppliers		135,024	431,287	7,245	7,143
Stock exchange transactions	12	523,063	663,415	254	423
Unrealized derivative financial instruments	22	3,472,356	1,835,924	1,255,269	257,480
Other receivables		157,114	151,211	58,698	64,238
Current assets		**12,150,290**	**13,342,190**	**4,344,443**	**5,363,351**
Non-current assets					
Deferred tax assets	13	934,332	850,107	903,603	819,303
Court deposits	21	17,278	16,562	1,747	1,705
Unrealized derivative financial instruments	22	142,721	398,637	108,056	376,812
Recovered taxes	11	9,191	9,191	9,191	9,191
Other receivables		14,227	15,394	327	328
Investments	14	798,573	554,148	4,374,498	3,493,681
Property, Plant and Equipment	15	875,386	852,131	11,225	6,976
Intangible assets	16	271,360	261,627	1,058	3,219
Right of use under lease	15	398,012	338,008	18,618	9,622
Non-current assets		**3,461,080**	**3,295,805**	**5,428,323**	**4,720,837**
Total assets		**15,611,370**	**16,637,995**	**9,772,766**	**10,084,188**

Liabilities		**Consolidated**		**Parent company**	
Current liabilities	**Note**	**2023**	**2022**	**2023**	**2022**
Trade payables	17	2,262,438	2,987,104	599,164	1,087,342
Loans and financing	18	2,108,438	2,986,124	346,686	1,092,020
Lease liability	18	92,392	76,713	1,226	827
Payroll and related charges		116,142	95,159	37,862	46,506
Provision for income and social contribution taxes		12,560	21,472	-	-
Taxes and contributions payable	19	212,871	175,810	19	13
Stock exchange transactions	12	74,783	5,007	74,783	5,007
Customer advances	20	36,243	77,873	69,465	3,898
Dividends payable		12,309	7,421	6,454	7,421
Unrealized derivative financial instruments	22	1,929,585	1,321,720	1,160,832	430,591
Other payables		177,905	149,834	46,413	40,440
Current liabilities		**7,035,666**	**7,904,237**	**2,342,904**	**2,714,065**
Non-current liabilities					
Loans and financing	18	5,306,931	5,816,632	4,697,134	4,942,799
Lease liability	18	339,007	290,548	18,730	9,873
Employee benefits	33	60,657	43,840	-	-
Provisions for contingencies	21	21,268	19,759	206	160
Unrealized derivative financial instruments	22	439,902	466,043	398,119	442,238
Deferred tax liabilities	13	108,000	187,283	19,310	67,826
Other payables		118,789	86,183	115,213	83,757
Non-current liabilities		**6,394,554**	**6,910,288**	**5,248,712**	**5,546,653**
Equity					
Capital social		1,503,608	1,185,768	1,503,608	1,185,768
Capital reserve		37,299	8,153	37,299	8,153
Treasury share reserve		-	(15,140)	-	(15,140)
Legal reserve		125,141	91,171	125,141	91,171
Retained earnings		1,818	1,289	1,818	1,289
Equity valuation adjustment		(125,695)	(182,412)	(125,695)	(182,412)
Proposed additional dividends		638,979	734,641	638,979	734,641
Equity attributable to owners of the Company	26	**2,181,150**	**1,823,470**	**2,181,150**	**1,823,470**
Total liabilities		**13,430,220**	**14,814,525**	**7,591,616**	**8,260,718**
Total liabilities and equity		**15,611,370**	**16,637,995**	**9,772,766**	**10,084,188**

The notes are an integral part of these financial statement.

Copersucar S.A.

Statements of profit or loss

Years ended March 31, 2023 and 2022

(In thousands of Reais)

		Consolidated		Parent company	
	Note	**2023**	**2022**	**2023**	**2022**
Net revenues	27	70,143,777	74,883,461	7,781,464	14,745,868
Unrealized derivative financial instruments	22	(784,889)	208,567	(169,655)	(219,748)
Cost of sales	28	(67,359,252)	(73,149,545)	(7,536,418)	(14,131,202)
Gross profit		**1,999,636**	**1,942,483**	**75,391**	**394,918**
Selling expenses	28	(111,743)	(83,813)	(27,220)	(39,171)
Administrative expenses	28	(639,192)	(554,844)	(137,081)	(165,999)
Other income	29	52,402	70,514	5,420	23,116
Other expenses	30	(57,956)	(46,932)	(31,192)	(14,848)
Profit before net finance costs		**1,243,147**	**1,327,408**	**(114,682)**	**198,016**
Finance income	31	6,123,893	8,166,221	1,216,906	1,569,110
Finance costs	31	(6,502,788)	(8,551,565)	(1,483,357)	(1,836,159)
Net finance costs	31	**(378,895)**	**(385,344)**	**(266,451)**	**(267,049)**
Share of profit of equity-accounted investees	14	(22,070)	(21,558)	976,488	818,622
Profit before tax		**842,182**	**920,506**	**595,355**	**749,589**
Current income and social contribution taxes	32	(277,509)	(219,417)	-	(65,911)
Deferred income and social contribution taxes	32	114,730	80,028	84,048	97,439
Total income and social contribution taxes		**(162,779)**	**(139,389)**	**84,048**	**31,528**
Profit for the year		**679,403**	**781,117**	**679,403**	**781,117**
Profit attributable to					
Owners of the Company		679,403	781,117	679,403	781,117
Profit for the year		**679,403**	**781,117**	**679,403**	**781,117**

The notes are an integral part of these financial statement.

Copersucar S.A.

Statements of comprehensive income

Years ended March 31, 2023 and 2022

(In thousands of Reais)

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Profit for the year	**679,403**	**781,117**	**679,403**	**781,117**
Comprehensive income				
Cumulative translation adjustment reflects	57	(17,303)	57	(17,303)
Foreign exchange gain (loss) on foreign investment	151,878	(343,727)	151,878	(343,727)
Non Deliverable Forward hedge de investment	(161,941)	439,618	(161,941)	439,618
Non Deliverable Forward hedge de fluxo de caixa	11,105	(6,238)	11,089	(5,951)
Swap hedge accounting	7,369	(143,782)	7,418	(148,177)
Income and social contribution taxes	48,779	(98,463)	48,768	(97,067)
Total comprehensive income	**736,649**	**611,222**	**736,672**	**608,510**
Total comprehensive income attributable to:				
Owners of the Company	736,649	611,222	736,672	608,510
Total comprehensive income	**736,649**	**611,222**	**736,672**	**608,510**

The notes are an integral part of these financial statements.

Copersucar S.A.

Statements of changes in equity

Years ended March 31, 2023 and 2022

(In thousands of Reais)

			Reservations								Heritage
	Capital social	**Capital to be paid in**	**Reservation of capital**	**Equity shares as of treasury**	**Reservation cool**	**Retention profit**	**Reserve for investment**	**Adjustment evaluation patrimonial**	**Profits accumulated**	**Dividend additional proposed**	**Attributable to the shareholders drivers**
In 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 proposed additional dividends	-						-	-	-	(302,002)	(302,002)
Realization of the attributable cost	-	-	-	-	-	-	-	(760)	760	-	-
Comprehensive income for the year											
											-
Cumulative translation adjustment	-	-	-	-	-	-	-	5,957	-	-	5,957
reflects	-	-	-	-	-	-	-	(7,126)	-	-	(7,126)
Net cash flow hedge of net investment in foreign operation	-	-	-	-	-	-	-	(20,549)	-	-	(20,549)
Hedge accounting of	-	-	-	-	-	-	-	(148,177)	-	-	(148,177)
the swap profit accrued	-	-	-	-	-	-	-	-	781,117	-	781,117
allocation	-	-	-	-	39,055	-	-	-	(39,055)	-	-
Statutory reserve	-	-	-	-	-	-	-	-	(7,421)	-	(7,421)
Minimum non-discretionary dividends (R$0,45967 per share) Proposed additional dividens	-	-	-	-	-	-	-	-	(734,641)	734,641	-
Retained earnings	-	-	-	-	-	760	-	-	(760)	-	-
In 2022	**1,185,768**	**-**	**8,153**	**(15,140)**	**91,171**	**1,289**	**-**	**(182,412)**	**-**	**734,641**	**1,823,470**
Capital increase in cash	346,624	(21,546)	-	-	-	-	-	-	-	-	325,078
Payment of proposed additional dividends	-	-	-	-	-	-	-	-	-	(734,641)	(734,641)
Gain (loss) on sale/cancellation of treasury shares											
Realization of	(7,238)	-	29,146	15,140	-	-	-	-	-	-	37,048
attributed cost	-	-	-	-	-	-	-	(529)	529	-	-
Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-
Cumulative translation adjustment	-	-	-	-	-	-	-	(4,257)	-	-	(4,257)
reflects	-	-	-	-	-	-	-	44,996	-	-	44,996
Net cash flow hedge of net investment in foreign operation	-	-	-	-	-	-	-	11,612	-	-	11,612
Hedge accounting on swap	-	-	-	-	-	-	-	4,895	-	-	4,895
Profit for the year	-	-	-	-	-	-	-	-	679,403	-	679,403
Profit allocation	-	-	-	-	-	-	-	-	-		
Legal Reserve	-	-	-	-	33,970	-	-	-	(33,970)	-	-
Minimum non-discretionary dividends (R$0,33420 per share)	-	-	-	-	-	-	-	-	(6,454)	-	(6,454)
Proposed additional dividends	-	-	-	-	-	-	-	-	(638,979)	638,979	-
Retained earnings	-	-	-	-	-	529	-	-	(529)	-	-
In 2023	**1,525,154**	**(21,546)**	**37,299**	**-**	**125,141**	**1,818**	**-**	**(125,695)**	**-**	**638,979**	**2,181,150**

The notes are an integral part of these financial statements.

Copersucar S.A.

Statements of cash flows

Years ended March 31, 2023 and 2022

(In thousands of Reais)

	Consolidated		Parent company	
Cash flows from operating activities	**2023**	**2022**	**2023**	**2022**
Profit for the year	**679,403**	**781,117**	**679,403**	**781,117**
Adjusted by:				
Share of profit (loss) of equity-accounted investees	22,070	21,558	(976,488)	(818,622)
Foreign exchange gain on subsidiaries	(121,962)	192,342	-	-
Change in the fair value of the stock exchange	2,226	(1,830)	-	-
Depreciation and amortization	168,414	186,124	4,476	5,247
Deferred taxes	(114,728)	(120,378)	(84,048)	(97,439)
Interest and foreign exchange gain (loss) on loans and financing	1,195,499	(243,118)	768,712	65,382
Net write-offs of property, plant and equipment and intangible assets	12,943	5,899	4,209	1,822
Increase in provision for contingencies	1,509	2,844	46	31
Employee benefits	16,817	(25,106)		(39,234)
Change in fair value of inventories	(353,116)	690,590	19,406	201,257
Change in fair value of derivative financial instruments	(658,185)	(105,158)	(60,604)	17,139
Gain on bargain purchase	-	-		(18,465)
Remeasurement and foreign exchange gain or loss on lease	22,184	(983)	-	1,242
Estimated losses	17,556	19,018	-	1,249
Changes in assets and liabilities				
(Increase) in financial investments	(318,463)	303,712	(318,464)	303,712
Decrease/(Increase) in trade receivables	700,139	846,798	554,299	(476,187)
(Increase)/Decrease in related party transactions	17,184	(196,737)	109,878	13,273
(Increase) in inventories	1,081,808	(482,041)	485,844	(210,033)
(Increase)/Decrease in recovered taxes	44,426	(59,800)	25,986	33,513
(Increase)/Decrease in other accounts receivable	(4,758)	(10,175)	(2,120)	(41,903)
(Increase)/Decrease in advance to supplier	292,011	(77,620)	(102)	(2,280)
(Increase)/Decrease in stock exchange transactions	210,128	(474,636)	69,945	133,277
Decrease/(Increase) in court deposits	(716)	38,655	(42)	38,501
(Decrease)/Increase in trade payables	(724,666)	(574,202)	(492,430)	(223,245)
(Decrease)/Increase in payroll and social charges	20,983	(12,963)	(8,644)	17,745
Increase in taxes payable	164,805	135,881	5,057	33,044
(Decrease)/Increase in other accounts payable	54,559	(48,671)	30,996	29,789
Interest on loans and financing paid	(704,560)	(488,212)	(540,056)	(373,564)
Income and social contribution taxes paid	(136,656)	(132,113)	(5,051)	(33,066)
Dividends received	-	5,228	512,407	537,344
Net cash from/ (used in) operating activities	**1,586,852**	**176,023**	**782,615**	**(119,354)**
Cash flows from investing activities				
Effect of the acquisition of subsidiary, net of cash acquired in the consolidated financial statements	-	999,328	-	-
Investments of funds	(295,808)	(105,081)	(295,038)	(881,888)
Investments in property, plant and equipment	(78,067)	(145,599)	(9,565)	(3,933)
Investments of funds in intangible assets	(4,135)	(10,846)	-	(20)
Net cash from (used in)/from investing activities	**(378,010)**	**737,802**	**(304,604)**	**(885,841)**
Cash flows from financing activities				
Capital increase	346,624	237,921	346,624	237,921
Payment of lease liabilities	(118,821)	(113,141)	(1,838)	(2,710)
Dividends paid	(742,062)	(305,052)	(742,062)	(305,052)
Transactions with financial instruments	(132,418)	(249,337)	(125,743)	23,858
Loans and financing taken	16,857,918	59,682,432	1,034,854	4,811,688
Repayments of loans and financing	(18,708,555)	(59,130,010)	(2,253,618)	(3,447,160)
Net cash from (used in)/from financing activities	**(2,497,313)**	**122,813**	**(1,741,783)**	**1,318,545**
(Decrease)/Net increase in cash and cash equivalents	**(1,288,471)**	**1,036,638**	**(1,263,771)**	**313,350**
Statement of changes in cash and cash equivalents				
At the end of the year	1,633,408	2,858,679	490,284	1,754,055
Effect of foreign exchange gain or loss on cash and cash equivalents	63,200	(77,141)	-	-
At beginning of year	2,858,679	1,899,182	1,754,055	1,440,705
(Decrease)/Net increase in cash and cash equivalents	**(1,288,471)**	**1,036,638**	**(1,263,771)**	**313,350**

The notes are an integral part of these financial statements.

Copersucar S.A.

Statements of value added

Years ended March 31, 2023 and 2022

(In thousands of Reais)

	Consolidated		Parent company	
Income	**2023**	**2022**	**2023**	**2022**
Sales of merchandise, products and services	71,213,860	75,602,783	8,632,969	16,696,653
Other income	(466,177)	(493,513)	(229,704)	(542,962)
Change in fair value of financial instruments	(784,889)	208,567	(169,655)	(219,748)
Estimated impairment loss on trade and other receivables	(14,743)	(4,243)	600	(1,249)
	69,948,051	**75,313,594**	**8,234,210**	**15,932,694**
INPUT ACQUIRED FROM THIRD PARTIES				
Cost of goods, merchandise and services sold	(66,828,488)	(71,313,159)	(7,304,690)	(13,745,254)
Third-party materials, services and others	(257,016)	(216,350)	(50,144)	(58,103)
Other	(27,822)	(18,920)	(5,498)	(5,008)
	(67,113,326)	**(71,548,429)**	**(7,360,332)**	**(13,808,365)**
GROSS VALUE ADDED	**2,834,725**	**3,765,165**	**873,878**	**2,124,329**
Depreciation and amortization	**(191,212)**	**(187,277)**	**(4,477)**	**(5,247)**
Value added received by transfer				
Share of profit of equity-accounted investees	(22,069)	(21,558)	976,489	818,622
Finance income	6,123,893	8,166,221	1,216,906	1,569,110
Other	49,623	62,606	5,248	21,181
	6,151,447	8,207,269	2,198,643	2,408,913
Total value added to be distributed	**8,794,961**	**11,785,157**	**3,068,045**	**4,527,995**
DISTRIBUTION OF VALUE ADDED	**(8,794,961)**	**(11,785,157)**	**(3,068,045)**	**(4,527,995)**
Personnel				
Direct compensation	(267,873)	(219,435)	(16,949)	(28,449)
Benefits	(269,728)	(242,133)	(89,006)	(106,625)
FGTS	(11,585)	(10,912)	(2,355)	(2,653)
	(549,186)	(472,480)	(108,310)	(137,727)
Taxes fees and contributions				
Federal	(324,376)	(626,047)	(80,542)	(439,562)
State	(717,276)	(1,333,828)	(715,184)	(1,331,456)
Municipal	(17,520)	(14,273)	(185)	(323)
	(1,059,172)	(1,974,148)	(795,910)	(1,771,341)
Return on debt capital				
Interest	(6,502,788)	(8,551,565)	(1,483,357)	(1,836,160)
Rents	(4,411)	(5,847)	(1,064)	(1,650)
	(6,507,199)	(8,557,412)	(1,484,421)	(1,837,810)
Return on equity capital				
Dividends	(645,433)	(734,641)	(638,979)	(734,641)
(Profit) in the year	(33,970)	(46,476)	(40,424)	(46,476)
	(679,403)	(781,117)	(679,403)	(781,117)

The notes are an integral part of these financial statements.

Notes to the financial statements

(In thousands of Reais)

1 Operations

Copersucar S.A. (the "Company"), set up as a closed corporation domiciled in Brazil, is headquartered and domiciled in the city of São Paulo (State of São Paulo), at Avenida das Nações Unidas, 14.261, and is primarily engaged in importing, exporting, selling, processing, keeping, unloading sugar, ethanol and by-products in local and foreign markets; representation of sugar, ethanol and by-products; land, river and sea logistics operations; transporting cargo, including dangerous and operating as a multimodal transport operator; providing technical and advisory services related to the activities mentioned above and holding ownership interest in other entities.

The Company and Consolidated financial statements for the year ended March 31, 2023 comprise the parent company and its subsidiaries.

The company's and its subsidiaries' fiscal year ends on March 31.

Increase in the supply of products

The members of Copersucar S.A. joined Usina São Luís Agroindustrial (formerly UPI São Luís) on July 1, 2022 and Usina Vale do Paraná on January 19, 2023.

During the 2022/23 cycle, Usina Passos, a branch of Ipiranga, a partner group, also started to take part in the portfolio of the offer of sugar and energy products for the company on July 15, 2022.

During the 2022/23 crop season, Top Management presented the main conditions of the proposed joining Diana Bioenergia Avanhandava S.A. ("Usina Diana") in the shareholding structure of Copersucar as from the 2023/24 crop.

Start of the operations of ECE S.A. (Evolution)

On August 1, 2022, the company that sells ethanol Evolua Ethanol (ECE S.A.) started to formally operate in the market, *joint venture* between Copersucar S.A. and Vibra Energia S.A., the Company has its own independent management and corporate governance framework. It sells ethanol produced together with the Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo (Cooperative), which used to be marketed exclusively by Copersucar S.A.

In addition, Evolua acquires the amount of other producers active in the market to meet the need for bio-fuels of Vibra Energia S.A. and other distributors that operate in the market, therefore making the Company the largest open platform for trading bio-fuels, thus connecting producers and distributors nationwide.

2 Company's entities

Entity	City/state - Country	2023	2022	Main activities
Subsidiaries - direct subsidiaries:				
Companhia Auxiliar de Armazéns Gerais S.A.	São Paulo/SP - Brazil	100.00000%	100.00000%	The port operator is primarily engaged in storing and operating terminals for the export of sugar and other products of vegetable origin.
Copersucar Trading A.V.V.	Orangestad - Aruba	100.00000%	100.00000%	Sugar and ethanol are imported and exported from Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo (Cooperative).
Copersucar North America, LLC	Franklin/TN - United States	100.00000%	100.00000%	Interest in the share capital of other companies.
Copersucar Europe Spain	Toss - Spain	100.00000%	100.00000%	Originates, markets and operates in the *global trading* of sugar and ethanol.
Alvean Sugar Intermediação e Agenciamento Ltda.	São Paulo/SP - Brazil	100.00000%	100.00000%	Intermediation of sales of white and gross sugar.
Alvean Sugar, S.L.	Toss - Spain	100.00000%	100.00000%	Originates, markets and operates in the *global trading* of gross and white sugar.
Subsidiary - indirect:				
Eco-Energy Global Biofuels LLC	Franklin/TN - United States	100.00000%	100.00000%	It operates in an integrated manner in the supply chain of biofuels and natural gas, focusing on the marketing and logistics of these products.
Sugar Express Transportes S.A.	Ribeirão Preto/São Paulo - Brazil	100.00000%	100.00000%	Responsible for the road transportation of sugar and ethanol.
Paulínia Fuel Terminal	Paulínia/SP - Brazil	50.00000%	50.00000%	Ethanol storage.

Related:	**City/state - Country**	**2023**	**2022**	**Main activities**
Centro de Tecnologia Canavieira S.A.	São Paulo/SP - Brazil	16.93150%	16.93150%	Research the development of new technologies to apply in the agricultural, logistics and industrial activities of the sugarcane and sucroenergetic sectors, research and development of varieties, particularly the genetic improvement of sugar cane, the control of diseases and pests, particularly biological control and the transfer of agricultural, industrial and laboratory technologies.
Uniduto Logística S.A.	São Paulo/SP - Brazil	39.07370%	39.07370%	Develops, builds and operates pipelines for handling liquids for sale in local and foreign markets, intermodal terminals and port terminals for the export of these liquids, and holding ownership interest in other companies whose corporate purpose is one or more of the activities referred to in previous items.

Jointly controlled subsidiaries	**/State - Country**	**2023**	**2022**	**Main activities**
ECE S.A.	São Paulo/SP - Brazil	50.01000%	N/A	Import to Brazil, export from Brazil, market and store anhydrous ethanol and hydrated ethanol in the Brazilian market.
Logum Logística S.A.	Rio de Janeiro/RJ - Brazil	30.00000%	30.00000%	Implements the construction and operations of intermodal and multimodal transportation networks for ethanol, oil by-products and other biofuels for the domestic and international market; explores directly or indirectly related services for intermodal and multimodal transportation of ethanol, oil by-products and other biofuels; takes part in projects aimed at promoting the development of intermodal and multimodal transport of ethanol, oil by-products and other biofuels; imports, exports, acquires, sells, distributes or leases all machinery and equipment used in the activities described before, and explores and develops business opportunities for the placement of fiber optic cables in their servitude ranges.

3 Basis of preparation

a. Statement of compliance (with IFRS standards and CPC standards)

The Company and Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS issued by the *International Accounting Standards Board*/IASB) and Brazilian accounting policies (BR GAAP).

The Statutory Audit Committee issued a favorable opinion on the Company and Consolidated financial statements pursuance to the meeting held on May 19, 2023.

Details about the Company's and its investees' accounting policies are presented in note five.

All significant information characteristic of individual company and consolidated financial statements, and only that information, is shown and is that used by management to run the Company.

b. Functional and presentation currency

These company and consolidated financial statements are presented in Brazilian real, which is the functional currency of all the Company's entities, except for Copersucar North America LLC, Eco-Energy Global Biofuels LLC and Alvean Sugar S.L. calculated by converting the balance sheet, whose functional currency is the US dollar. All financial information presented in real has been rounded to the nearest thousands, except when otherwise indicated.

c. Use of estimates and judgments

The preparation of the Company and Consolidated financial statements requires Management to make judgments, use estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, including contingent liabilities. However, uncertainty about those judgments, assumptions and estimates could lead to results that require a significant adjustment in the book values of certain assets and liabilities in future years.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The main estimates, Significant accounting assumptions and judgments are: useful lives of property, plant and equipment (note 5.i.iii), useful lives of intangible assets (note 5.j.iv), inventories (note 10), assets and deferred tax liabilities and utilization of tax losses (note 13), provisions for contingencies (note 21), financial instrument (note 22) and operating leases (note 22) and operating leases (note 22). 34).

d. Measurement of fair values

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 fair values are classified hierarchically according to valuation techniques in the following manner:

- Level one: quoted prices (unadjusted) in active markets for identical assets, liabilities or liabilities.

- Level two: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

  No fair value measurements are made by the Company for the year ended March 31, 2023 and 2022 that fall into Level 3 defined by CPC 40 (item 27A.c.).

  The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

  Where applicable, further information about the assumptions made in the calculation is disclosed in notes specific to that asset or liability.

4 Basis of measurement

The individual (Company) and consolidated financial statements have been prepared on the historical cost basis except for the following material items in the balance sheets:

- Derivative financial instruments are measured at fair value;
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value;
- Property and equipment are measured at acquisition cost and attributable cost;
- Inventories are measured at fair value less selling expenses, by mark to market, except for anhydrous inventory, which is stated at average acquisition cost, and do not exceed the net realizable value, as mentioned in note 5 (h).

5 Significant accounting policies

The accounting policies described in detail below are applied consistently to all years presented in these individual company and consolidated financial statements in accordance with IFRS and the accounting pronouncements issued by the Committee of Accounting Pronouncements (CPC), except when otherwise stated.

a. Basis of consolidation

(i) Subsidiaries

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The accounting policies of the subsidiaries are aligned with the policies adopted by the Company.

Financial information of subsidiaries is recognized in the individual financial statements of the parent company using the equity method.

(ii) Investments in joint subsidiaries

A *joint venture* is the contractual arrangement in which two or more parties undertake to carry out economic activities that are subject to joint control.

Financial information of the joint subsidiaries is recognized in the individual financial statements of the parent company using the equity method.

(iii) Investments in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is supposedly occurring when the Company holds 20% or more of the investee's voting capital without controlling it. However, ownership interest is a deemed concept of influence, i.e. this assumption may be refuted.

Investments in associates are accounted for using the equity method in the Parent Company's individual financial statements and are recognized initially at cost. When the Company's share of losses of an investee whose equity has been accounted for exceeds its interest in this Company accounted for on the equity method of accounting, the carrying amount of that equity interest, including any long-term investments, is reduced to zero, and additional losses are recognized.

(iv) Transactions eliminated on consolidation

Intra-group transactions, transactions, income and expenses arising from intra-group transactions are eliminated. Unrealized gains arising from transactions with investees are eliminated against the investment. Unrecognized losses are also eliminated unless the transaction provides evidence of *impairment*.

(v) Non-controlling interests

The Company has opted to measure any non-controlling interest in the acquiree at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

b. Revenue

(i) Marketing sugar, ethanol and natural gas

Revenue from the sale of sugar, ethanol and natural gas in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Operating revenue is recognized when: (a) the parties to the agreement approve the contract (in writing, verbally or in accordance with other usual business practices) and are committed to fulfilling their obligations;

(b) an entity can identify each party's rights in relation to the goods (or services) to be transferred; (c) an entity can identify the terms of payment for the goods (or services) to be transferred; (d) the contract has a commercial substance (i.e. the risk, at the time or amount of the entity's future cash flows, are expected to change as a result of the agreement); and (e) it is probable that the consideration to which the entity will be entitled in exchange for the goods or services that will be transferred to the customer. In assessing whether the possibility of collecting the consideration is probable, the entity should consider only the customer's ability and intention to pay this consideration when due. The consideration to which the entity is entitled may be lower than the price stated in the contract if the consideration is variable, as the entity may offer the customer a reduction in price.

Part of the Company's transactions are fob (*free on board*), which is not liable for freight and insurance, sales are recognized when control is transferred. Sales made through incoterm CFR/CIF (*Cost, Insurance and Freight*) are sold only after the product is delivered to the destination and includes freight and insurance services (for CIF).

Subsidiary Alvean Sugar S.L may set the sales price equal to that set for its contracts when the sale is set (fixed price) or according to the spot market price (any more premium or discount agreed on in the contract), when the sale has a floating price.

The Company classifies the Company as the principal of the operation for sugar and ethanol, because it controls the specified good before the good is transferred to the client.

Subsidiary Copersucar Europe has entered into an agreement with Alvean Sugar SL for 100% of sugar (according to note 25). The Cooperative was in charge of storing the product until it was delivered in the Port of Santos. The type of sale is through the incoterm FOB (*Free on Board*) and in this scenario the subsidiary is classified as agent (interim) of the transaction because it does not control the product before the sale to the client. Ethanol is necessary to analyze a contract.

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

c. Cost of sales

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

(i) Services

The results from the storage, logistics and increase of sugar and ethanol are recognized according to the criteria above (item i, at e), but for the category of services. The performance obligation occurs when the service is provided.

d. Finance income and finance costs

Finance income basically comprises income from exchange rate fluctuations on financial items and credit changes in the fair value of financial instruments used to hedge against currency and interest risks, as well as gains made on the settlement of these instruments. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, foreign exchange losses on financial items and changes in debt to the fair value of financial instruments used to hedge against currency and interest risks, as well as loss on the settlement of these financial instruments. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

e. Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into reais (functional currency of the Company) using the exchange rates at the dates of the transactions. The balances of foreign currency balance accounts are translated using the exchange rates in effect at the reporting date, and foreign exchange gains or losses are recognized as finance income (costs).

(ii) Group's companies abroad

For subsidiaries with functional US dollar currencies, the assets and liabilities of foreign operations are translated to real (company's functional currency) at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into real at the average exchange rates (PTAX of sales) calculated in the year.

For subsidiaries with functional and real currency, foreign currency differences arising from translation into the presentation currency are recognized in profit or loss, given that the functional currency of the foreign operation is real.

These foreign exchange gains and losses are recognized in profit or loss in the individual financial statements of the parent company or subsidiary.

The company used the following exchange rates for both the Consolidated and the Company to convert transactions into the functional currency of the Company (Real):

	Average rate annual		Closing spot rate	
	2023	**2022**	**2023**	**2022**
R$/USD	5.1552	5.3351	5.0804	4.7378

f. Employee benefits

(i) Defined contribution plans

The Company offers its employees a Defined Contribution Pension Plan whose purpose is to provide people with the possibility of amassing funds that ensure a monthly income in the future, allowing the employee to maintain a decent standard of living after retirement. The Company's retirement benefit plan is optional for all employees and managers.

Employees who choose to join the plan may choose two types: 1- Free Benefit Generator Plan (PGBL) or 2- Life Generator of Free Benefit (VGBL). Under the approved plan rules, employees may participate by making basic or supplemental contributions. The Company makes the contribution in par with the basic contributions made by the employee, up to the limit of 6% of their salary. Moreover, employees may make extraordinary contributions that do not match them.

The benefit plan applies to Alvean in different countries, and Switzerland is the main location. The Swiss pension plan is managed by a single pension fund separate from the group.

(ii) _Profit sharing and bonuses_

Employees' share of the profit sharing and executives' variable compensation are linked to the achievement of operating and financial goals. The Company recognizes a liability and an expense allocated to production cost and general and administrative expenses, when these goals are reached (note 33).

g. Income and social contribution taxes

Current and deferred income and social contribution taxes are calculated according to current tax laws on the balance sheet date of the countries in which the Group's entities operate and generate taxable profit. Management periodically evaluates positions taken by the Group when assessing income taxes with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established, when appropriate, on the basis of the estimated amounts of payment to tax authorities.

Income tax is calculated on taxable profit at the rate of 15%, plus a surtax of 10% for profit in excess of R$240 in the year for twelve (12) months, while the social contribution tax is calculated at the rate of 9% on taxable profit, recognized on the accrual basis. Moreover, the Company offsets income and social contribution tax losses limited to 30% of annual taxable profit.

Income and social contribution tax expenses consist of current and deferred taxes. Current tax and deferred tax are recognized in profit or loss, except for items directly recognized in 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 tax loss for the year, as well as any adjustment in tax payable from prior years, at the rates mentioned above.

(ii) _Deferred tax_

Deferred tax is recognized on income and social contribution tax losses and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

Deferred income and social contribution tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

h. Inventories

The Company's inventories are adjusted to market value (_mark to market_), less costs to sell, except for anhydrous inventory to be sold in the local market, which is stated at average acquisition cost, not exceeding net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. In order to calculate fair values, the Company uses as fair price benchmarks the indexes disclosed by public sources and related to the products and markets where it operates. Changes in the fair values of these inventories are recognized in profit or loss.

i. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at historic acquisition or construction cost less depreciation and any accumulated impairment losses, when applicable. *Software* acquired as an integral part of the features of an equipment is capitalized as part of the equipment.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of built assets includes materials and direct labor; any other costs directly related to bringing the assets to a working condition for operations, dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized as other operating revenues/expenses in profit or loss.

(ii) Subsequent expenditure

The replacement cost of a property and equipment item is recognized at the carrying value of the item if it is probable that the economic benefits included in the item will flow into the Company, and that its cost can be reliably measured. The carrying amount of a component that has been replaced by another and its maintenance cost are recognized in profit or loss as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is recognized in profit or loss using the straight-line method over the estimated useful lives of assets.

Depreciation is calculated on the depreciable portion of an asset (its replacement cost less the estimated residual value).

The weighted annual average rates estimated for the current and comparative years are as follows:

Weighted average annual rate:	**2023**	
	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%

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

j. Intangible assets and goodwill

(i) Definite-lived intangible assets

Intangible assets that are acquired by the Company and have definite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses, when applicable.

(ii) Intangible assets with indefinite useful lives

Goodwill

The goodwill determined on the acquisition of the shares of Eco-Energy Global Biofuels, LLC is grounded in expected future profitability. The Company tests the subsidiary for impairment annually and whenever there are signs of a decrease in value, it assesses the recoverability of the goodwill on those investments by applying to all market practices applied to the discounted cash flow of the subsidiary.

The acquisition of Alvean Sugar Intermediação e Agenciamento Ltda. during the 21/222 crop recognized goodwill of R$20 to the Company.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and trademarks, is recognized in profit or loss as incurred. The book value of an intangible asset that has been replaced by another is recognized in profit or loss for the year when the replacement occurs. Maintenance costs are recognized in profit or loss as incurred.

(iv) Amortization

Amortization is calculated on the cost of an asset or another amount that replaces it, less the estimated residual value.

Amortization is recognized in profit or loss as "Administrative expenses" using the straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful life for the current and comparative years is five (5) years for the *software.*

k. Financial instruments

(i) Recognition and initial measurement

Trade receivables and loans and financing are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

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

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortized cost, FVOCI or FVTPL.

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

A financial asset is measured at amortized cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The classification of financial assets in the Company is measured at amortized cost because cash flows are solely payments of principal and interest.

A financial asset is measured at fair value through other comprehensive income (FVOCI) if it meets both of the following conditions:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the fair value through profit or loss (FVTPL) of the investment in other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

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

Financial assets – Subsequent measurement and gains and losses

Financial assets at fair value through profit or loss(FVTPL)	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and *impairment* are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt instruments at fair value through other comprehensive income (FVOCI)	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and *impairment* are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, profit (loss) accumulated in other profit or loss other comprehensive income (OCI) is reclassified to profit or loss.
Equity instruments at fair value through other comprehensive income (FVOCI)	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income (OCI) and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement of earnings and losses
Financial liabilities are classified as measured at amortized cost or fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or 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 from the asset expire or are transferred to another entity.

The Company carries out transactions where the Company transfers assets recognized in its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets.

In such cases, financial assets are not derecognized.

(iv) Derecognition of a financial liability

The Company derecognizes a financial liability when its contractual obligations are settled, canceled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the liability are substantially different, in which case a new financial liability based on the terms changed is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(v) Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(vi) Derivative financial instruments

The Company holds derivative financial instruments: futures, *swaps* and NDFs (*Non Deliverable Forward*) to hedge *against* the risk of interest, exchange and *commodity prices*.

The purpose of derivative transactions is always related to the Company's operations and to reduce its exposure to currency and market risks, duly identified by established policies and guidelines. Results from these transactions are in line with the policies and strategies defined by the Company's Management and all gains or losses from these transactions with derivative financial instruments are recognized at fair value.

Unrealized gains/losses on derivative financial instruments arising from price hedges and exchange rate fluctuations in *commodities* are recognized in gross profit. The effects of derivatives related to exchange rate risks on realized financial items and interest are recognized as finance income (costs).

Derivatives are recognized initially at fair value and their attributable transaction costs are recognized in profit or loss, when incurred. Subsequent to initial recognition, they are measured at fair value and changes are recognized in profit or loss.

(vii) Hedge of net investment abroad

The Company applies *hedge accounting* to foreign currency differences applied to foreign currency differences applied to the foreign currency of the investee's foreign operation and the Company's functional currency (real).

Under the conditions of *hedge* effectiveness, foreign currency differences arising on the translation of a financial liability designated as *a hedge* of a net investment in a foreign operation are recognized in other comprehensive income, and are accumulated in the asset and liability valuation adjustments reserve in equity.

(viii) Cash flow hedges

The Company applies hedge accounting to foreign currency and interest rate differences between the transaction currency pegged to the US dollar and the Parent Company's functional currency (Real).

Under the conditions of hedge effectiveness, foreign currency differences arising from the translation of a financial asset designated as a hedge of a net debt to a foreign operation are recognized in other comprehensive income and are accumulated in the asset and liability valuation adjustments reserve in equity.

l. Share capital

Ordinary and preference shares are classified as equity.

Non-discretionary dividends are recognized as liabilities, according to the Company's bylaws. Proposed additional dividends should be approved by the Board of Directors and are recognized in equity on this caption.

m. Impairment loss

The Company reviews at each reporting date to determine whether there is any indication of impairment. This is occurring whenever there is objective evidence that a loss event occurred after the initial recognition of the asset and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In assessing collective impairment, the Company uses historical trends of the probability of default, the customer base by rating, according to an analysis of the credit department, the timing of recoveries and the amount of loss incurred, adjusted for Management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested historical trends.

The allowance for impairment loss on receivables arising from the commercial portfolio of trade receivables is recognized in profit or loss as "Selling expenses" as impairment losses estimated every year, according to CPC 48 / IFRS 9 - "Financial Instruments".

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 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 assessments of the exercise of capital recoverability and the risks specific to the asset or CGU (cash-generating unit).

The Company's corporate assets do not generate cash inflows individually. If there is an indication that a corporate asset demonstrates impairment, the recoverable amount is allocated to the CGU or group of CGUs to which the corporate asset belongs on a reasonable and consistent basis.

An impairment loss is recognized if the carrying amount of an asset or cash-generating facility (CGU) exceeds its recoverable amount. Impairment losses are recognized in profit or loss for the year.

Impairment losses in respect of CGUs are allocated initially to reduce the carrying amount of any goodwill allocated to the CGUs, and then, if there has been a remaining loss, to reduce the carrying amounts of the other assets within the CGU or group of CGUs on a *pro rata basis*.

On March 31, 2023, the Company did not find any signs that the value of these assets is lower than their realizable value.

n. Provisions

A provision is recognized if, because of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outpayment will be required to settle the obligation.

o. Leases

A contract is, or contains, a lease if the contract transfers the right to control the use of an identified asset for an exercise of time in exchange for consideration. To assess whether a contract transfers the right to control the use of an identified asset, the Company uses the definition of a lease in CPC 06(R2).

(i) Tenant

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their 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 amount of the initial measurement of the lease liability, adjusted for any lease payments made up to the commencement 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 commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In such 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. In addition, 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 commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes some adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments).
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

(ii) Leases of low-value assets
The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(iii) Lessor
The Company sub-leases some of its properties. Under CPC 06(R1), the head lease and sub-lease contracts were classified as operating leases. On transition to CPC 06(R2), right-of-use assets recognized from the cost of leases are presented in investment property and measured at fair value at that date. The Group assessed the classification of the sub-lease contracts with reference to the right-of-use asset rather than the underlying asset and concluded that they are operating leases under CPC 06(R2). The Group has also entered a sub-lease during 2019, which has been classified as a finance lease in CPC 06 (R2). The Group has applied CPC 47 revenue from contracts with customers to allocate the consideration in the contract to each lease and non-lease component.

p. Segment reporting
An operating segment is a component of the Company that carries out business activities to obtain revenue and incur expenses. The operating segments reflect the way management reviews the financial information for decision-making. Management defined the Group's operating segments according to the reports used for making decisions, among which: marketing sugar, ethanol, natural gas and rendering of services.

q. Statements of value added
The Company has prepared the consolidated and individual statement of value added in accordance with technical pronouncement CPC 09 - Statement of value added, which is presented as an integral part of the financial statements in accordance with Brazilian accounting policies, while under IFRS they represent additional information.

Changes in significant accounting policies

Onerous contracts on contract compliance costs (amendments to CPC 25/IAS3)
The amendment was made and for the valuation of a onerous contract, the cost of fulfilling the contract covers incremental costs and allocating other costs related to compliance with the contract.

Analyzing all contracts existing after April 1, 2022, and one concludes that none of them would be identified as onerous, i.e. there is no impact on the Company's balance sheet balances.

r. Standards and interpretations issued but not yet effective
Some standards are effective for annual periods beginning after April 1, 2023.

Classification of liabilities as current or non-current (amendments to CPC 26/IAS 1)
Amendments 2020 aim at clarifying the requirements to determine whether a liability is current or non-current and apply to the annual years beginning on or after April 1, 2023.

However, IASB subsequently proposed new amendments and the deferral of effective periods starting on or after April 1, 2024.

Therefore, the Company may not determine the impact of these changes on the individual company and consolidated financial statements in the period of initial application. The Company is closely monitoring future developments.

Deferred tax relating to assets and liabilities arising from a single transaction (amendments to CPC 32/ IAS 12)
The changes limit the scope of the initial recognition exemption to delete transactions that give rise to equal and compensatory temporary differences – e.g. leases and decommissioning cost leases and liabilities. The amendments apply to annual periods beginning on or after April 1, 2023. For leases and pension plan costs liabilities, the associated deferred tax assets and liabilities need to be recognized from the beginning of the oldest comparative period presented, with any cumulative effect recognized as an adjustment in retained earnings or other components of equity at 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 compensatory temporary differences.

The following amended standards and interpretations have not been applied in preparing these financial statements and are not expected to have a significant impact:

s. Other transactions

- IFRS 17/ CPC 50 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to CPC26/ IAS1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to CPC 23/ IAS 8).

6 Operating segments

Management defined the Group's operating segments according to the reports used for making decisions, among which: marketing sugar and ethanol, natural gas and rendering of services.

- **Sale of sugar and ethanol -** purchase and sale in local and foreign markets of gross sugar, white sugar, anhydrous ethanol and hydrated ethanol.
- **Natural Gas -** purchase and sale in the international market of natural gas through Eco-Energy, the Company's direct subsidiary.
- **Rendering of services -** comprises the results of services consisting of the storage, logistics and increase of sugar and ethanol.

Selected segment reporting information, which has been measured in accordance with the same accounting policies used in the preparation of the consolidated interim financial statements, is as follows:

	2023				2022			
	Sugar/ethanol	**Natutal gas**	**Services**	**Total**	**Sugar/ethanol**	**Natural gas**	**Services**	**Total**
Net revenue (a)	46,038,692	22,855,900	464,296	69,358,888	53,917,117	20,746,707	428,204	75,092,028
Cost of sales	(45,555,303)	(21,627,600)	(176,349)	(67,359,252)	(52,323,521)	(20,645,262)	(180,762)	(73,149,545)
Gross margin	**483,389**	**1,228,300**	**287,947**	**1,999,636**	**1,593,596**	**101,445**	**247,442**	**1,942,483**

(a) Amounts presented as net revenue include unrealized revenue from unrealized derivative financial instruments, separately disclosed in the results.

The breakdown of consolidated net revenue by geographic region is as follows:

Region/country	**2023**	**2022**
United States	37,793,193	35,060,390
Brazil	7,639,814	14,689,868
United Kingdom	3,209,630	2,094,863
Canada	2,514,361	2,419,788
China	2,437,820	3,346,464
Emir. Arab	2,208,217	2,243,454
Switzerland	2,032,779	2,204,385
Iraq	1,913,007	2,403,740
Hong Kong	1,765,061	731,912
Singapore	1,438,043	2,094,496
France	917,620	236,272
Egypt	827,816	1,234,012
Bangladesh	740,688	667,322
Saudi Arabia	719,693	1,124,474
Uzbekistan	653,950	99,910
Algeria	421,413	1,010,778
Morocco	389,104	374,025
Japan	374,353	196,573
Other	2,147,215	2,650,735
Total	**70,143,777**	**74,883,461**

7 Cash and cash equivalents

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Box	86	26	86	26
Bank - checking account	1,172,397	983,205	69,551	16,258
Investment fund (a)	-	494,301	-	494,301
Financial investments	460,925	1,381,147	420,647	1,243,470
Total	**1,633,408**	**2,858,679**	**490,284**	**1,754,055**

(a) Exclusive investment fund.

The balances of financial investments consist of fixed-rate securities in certificates of bank deposit which bear interest at a rate of 103% of the CDI-CETIP (Interbank Deposit Certificate rate, which bear interest at 103% as of March 31, 2022) . They have daily liquidity and may be redeemed immediately, without any fine or loss on yield. During the previous crop, investment fund balances bear interest at the rate of 108%, considering the funds' average performance over 12 months. They have daily liquidity and may be redeemed immediately, without any fine or loss on the yield.

For further information about the Company's exposure to interest rate, foreign currency and liquidity risks see note 22.

8 Financial investments

The Company has R$449,635 in financial investments as of March 31, 2023 of certificates of bank deposit (R$131,171 as of March 31, 2022) which bear interest at the rate as mentioned above.

During the 22/23 crop season Copersucar S.A. was part of the first "Sustainable Funding Program" carried out by Banco BTG Pactual. The program aims to promote segments such as renewable energy, energy efficiency, sustainable water and management of residual waters, clean transportation, green buildings, basic and accessible infrastructure, accessible housing, among others. BTG issued a certificate for Copersucar of a Sustainable CDB in the amount of R$50,000.

9 Trade receivables

		Consolidated		Parent company	
	Note	**2023**	**2022**	**2023**	**2022**
Domestic market clients		616,759	985,616	664,194	1013,628
Foreign market trade receivables		2,101,228	2,286,642	7,197	-
Estimated losses		(59,404)	(41,848)	(2,165)	(2,765)
Related parties	24	47,062	192,930	25,670	218,580
Total		**2,705,645**	**3,423,340**	**694,896**	**1,229,443**

The Company's exposure to credit risks, as well as the average age of balances, currency risk and impairment losses on trade receivables, are disclosed in note 22.

Trade receivables are classified as receivables stated at amortized cost. The Company evaluated the discount to present value using the interbank deposit certificate (CDI) market rate of its balances of trade receivables as of March 31, 2023 and 2022, and concluded that the amounts approximate book values presented in the balance sheet.

The criteria for assessing "ECLs" are disclosed in note 5, item (m).

The parent company's estimated losses of R$2,165, net of related parties, and R$4 in subsidiary Subsidiary Subsidiary and R$137 in subsidiary Sugar Express consist of overdue trade receivables according to the adoption of CPC 48– Financial Instruments. Estimated losses of indirect subsidiary Eco – Energy total R$16,914 and Alvean Sugar S.L R$ 40,184. Changes in losses remained in note 22 b.i.

10 Inventories

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Sugar	1,854,854	1,608,260	823,344	578,313
Ethanol	839,615	1,623,735	307,205	1,054,524
RIN / LCFS	6,969	8,768	-	-
Natural Gas	64,018	250,939	-	-
Stores, packaging and others	15,024	17,470	-	2,962
Total	**2,780,480**	**3,509,172**	**1,130,549**	**1,635,799**

Sugar inventories meant for foreign markets in compliance with CPCs 16 (R1) of Inventories and CPC 47 of Revenue from Contracts with Customers were not recognized in the amount of R$679,238 as of March 31, 2022 because the characteristics of investee Trading Europe are intermediate - agent of the transaction, because the product provided by the other party (Cooperative - related party) was transferred to the final client. No unrecognized inventories were reported for this crop.

The inventories of anhydrous ethanol as of March 31, 2023 and 2022 are in accordance with the requirements of ANP Resolution No. 67, 2011 (article 10), and are stated at average acquisition cost, not exceeding net realizable value.

The inventories of marketable products, sugar, ethanol (except anhydrous), gasoline (and gasoline by-products), RINs and LCFS (*Renewable Identification Numbers* and *Low Carbon Fuel Standard*) are valued at fair value according to market prices ("*mark to market*") less costs to sell. Acquisition costs are monthly compared, not including freight, storage and recoverable taxes, and the market price on the reporting date. Benchmark prices are public and are obtained from active markets, as follows:

- **Gross sugar contract prices traded on the ICE Mercantile Exchange -***Intercontinental Exchange* (*Sugar* #11 contract) / NYBOT;

- **Prices of sugar contracts in the local market disclosed by CEPEA/ESALQ -** Centro de Estudos Avançados em Economia Applied, department of the Escola Superior de Agricultura Luiz de Queiroz (University of São Paulo - USP);

- **The prices of anhydrous and hydrated ethanol disclosed by CEPEA/ESALQ -** Centro de Estudos Avançados em Economia Applied, department of the Escola Superior de Agricultura Luiz de Queiroz (University of São Paulo - USP);

- The prices of anhydrous ethanol contracts included in over-the-counter ethanol based agreements (Platts) T2 FOB Rotterdam, disclosed by CME Group;

- Anhydrous ethanol prices of over-the-counter agreements, based on Chicago *Ethanol* (Platts) Swap Futures, disclosed by CME Group;

- Prices of RIN/ LCFS, Renewable Identification Numbers/Low Carbon Fuel Standards, from different expiration dates as published by OPIS - Oil Price Information Service/ Heating Oil Bio Reference;

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

The adjustment is recognized as cost of sales in profit or loss.

Benchmark prices for inventory fair values are as follows for each year - in Brazilian reais:

Commodity	**Market Index**	**Unit**	**2023**	**2022**
Raw sugar	Sugar #11 (ICE/NYBOT)	¢lb	24.93	19.63
White Sugar	Crystal Sugar (CEPEA/ESALQ)	R$/Ton	2,691.80	2,857.20
Anhydrous ethanol	Anhydrous ethanol (CEPEA/ESALQ)	R$/m3	3,249.80	3,509.20
Ethanol Hydrate	Hydrated ethanol (CEPEA/ESALQ)	R$/m3	2,915.70	3,222.90
Anhydrous ethanol (Europe)	Ethanol (Platts) T2 FOB Rotterdam (CME Group)	EUR/m3	995.25	1,143.15
Anhydrous ethanol (E U A)	Ethanol (Platts) Chicago Platts (CME Group)	USD/GL	2.527	2.533
RIN/LCFS	OPIS /Heating Oil Reference	US$/unit	1.62	1.14
Natural gas	Nymex henry hub gas futures	USD/mmbtu	2.81	5.52

11 Recovered taxes

	Consolidated		**Parent company**	
	2023	**2022**	**2023**	**2022**
ICMS	84,819	112,585	84,819	112,585
IPI	9,191	9,191	9,191	9,191
PIS	11,504	25,796	6,333	19,606
COFINS	17,750	47,433	17,565	47,152
Other	434	7	7	7
Total recovered taxes and contributions	**123,698**	**195,012**	**117,915**	**188,541**
Circulating	**114,507**	**185,821**	**108,724**	**179,350**
Non-current	**9,191**	**9,191**	**9,191**	**9,191**
IRPJ	173,011	142,103	143,780	94,697
CSLL	6,047	10,067	5,109	9,552
Total recovered income and social contribution taxes	**179,058**	**152,170**	**148,889**	**104,249**
Total	**302,756**	**347,182**	**266,804**	**292,790**

12 Stock exchange transactions

Receivables and payables consist of balances receivable and payable of amounts deposited in respect of the margin, premiums and adjustments paid or received for transactions with derivative instruments not settled at the Stock Exchange.

13 Deferred tax assets and liabilities

Deferred tax assets and liabilities were attributed as follows:

	Assets		Liabilities		Net assets	
Consolidated	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Intangible	8,689	8,689	-	-	8,689	8,689
Deferred foreign exchange gain (loss)	14,350	-	-	(38,743)	14,350	(38,743)
Provisions	79,085	66,008	-	-	79,085	66,008
Adjustment to fair value	30,459	16,199	(109)	-	30,350	16,199
Depreciation	-	-	(65,747)	(67,264)	(65,747)	(67,264)
Tax losses to offset	257,867	360,256	-	-	257,867	360,256
Fair value of inventories	-	-	(18,519)	(25,117)	(18,519)	(25,117)
Derivatives	-	-	(11,838)	(51,122)	(11,838)	(51,122)
Attributable cost	-	-	(4,763)	(5,037)	(4,763)	(5,037)
Foreign investment hedge	397,534	348,972	-	-	397,534	348,972
Other	146,348	49,983	(7,024)	-	139,324	49,983
Total	**934,332**	**850,107**	**(108,000)**	**(187,283)**	**826,332**	**662,824**

	Assets		Liabilities		Net assets	
Parent company	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Intangible	8,689	8,689	-	-	8,689	8,689
Deferred foreign exchange gain (loss)	9,644	-	-	(41,606)	9,644	(41,606)
Provisions	57,033	46,247	-	-	57,033	46,247
Adjustment to fair value	30,459	16,233	-	-	30,459	16,233
Tax losses to offset	255,876	354,712	-	-	255,876	354,712
Fair value of inventories	-	-	(18,519)	(25,117)	(18,519)	(25,117)
Derivatives	-	-	(791)	(1,103)	(791)	(1,103)
Foreign investment hedge	397,534	348,764	-	-	397,534	348,764
Other	144,368	44,658	-	-	144,368	44,658
Total	**903,603**	**819,303**	**(19,310)**	**(67,826)**	**884,293**	**751,477**

Changes in temporary differences during the year:

Consolidated	**2021**	**Drive corporate (a)**	**Recognized in profit or loss**	**Recognized in other profit or loss comprehensive**	**2022**	**Recognized in profit or loss**	**Recognized in other profit or loss comprehensive**	**2023**
Intangible	14,974	-	(6,285)	-	8,689	-	-	8,689
Deferred foreign exchange gain (loss)	114,954	-	(153,697)	-	(38,743)	53,093	-	14,350
Provisions	53,685	4,392	7,932	-	66,009	13,077	-	79,086
Adjustment to fair value	(116,297)	-	132,496	-	16,200	14,150	-	30,350
Depreciation	(84,498)	-	17,234	-	(67,264)	1,518	-	(65,746)
Tax losses to offset	336,214	-	24,042	-	360,256	(102,389)	-	257,867
Fair value of inventories	(93,545)	-	68,427	-	(25,118)	6,599	-	(18,519)
Derivatives	(31,708)	-	(19,414)	-	(51,122)	39,284	-	(11,838)
Attributable cost	(5,429)	-	392	-	(5,037)	274	-	(4,763)
Foreign investment hedge	447,437	-	-	(98,463)	348,974	-	48,560	397,534
Other comprehensive income	-	-	-	-	-	-	219	219
Other	41,648	(567)	8,901	-	49,980	89,124	-	139,104
Total	**677,435**	**3,825**	**80,028**	**(98,463)**	**662,824**	**114,730**	**48,779**	**826,333**

Parent company	**2021**	**Recognized in profit or loss**	**Recognized in other profit or loss comprehensive**	**2022**	**Recognized in profit or loss**	**Recognized in other profit or loss comprehensive**	**2023**
Intangible	14,974	(6,285)	-	8,689	-	-	8,689
Deferred foreign exchange gain (loss)	98,545	(140,151)	-	(41,606)	51,250	-	9,644
Provisions	38,104	8,143	-	46,247	10,786	-	57,033
Adjustment to fair value	(116,389)	132,621	-	16,232	14,226	-	30,459
Tax losses to offset	325,011	29,701	-	354,712	(98,836)	-	255,876
Fair value of inventories	(93,545)	68,428	-	(25,117)	6,598	-	(18,519)
Derivatives	(1,358)	255	-	(1,103)	312	-	(791)
Foreign investment hedge	445,831	-	(97,066)	348,765	-	48,768	397,534
Other	39,931	4,727	-	44,658	99,711	-	144,369
Total	**751,104**	**97,439**	**(97,066)**	**751,477**	**84,047**	**48,768**	**884,294**

(a) Corporate changes described in note three.

Deferred tax assets were recognized, given that Management analyzed its estimates of future profit and considered it probable that future taxable profits would be available against which they can be used.

14 Investments

The Company recorded a gain of R$976,488 (Company) and loss of R$22,076 (Consolidated) as of March 31, 2023 (gain of R$818,622 in Company and loss of R$ 21,558 in the consolidated financial statements as of March 31, 2022) of share of profit (loss) of equity-accounted associates, subsidiaries and joint ventures in the individual financial statements.

The table below shows a summary of share of profit (loss) of equity-accounted subsidiaries, associates and joint ventures.

													Share of profit (loss) of equity-accounted investees	
2023	**Participation %**	**Number of shares/ membership units**	**Current assets**	**Non-current assets**	**Total assets**	**Current liabilities**	**Non-current liabilities**	**Total liabilities**	**Heritage liquid**	**Income**	**Other income**	**Profit or loss on exercise**	**Company**	**Consolidated**
Companhia Auxiliar de Armazéns Gerais **(a)**	100.00000	2,019,843	76,431	364,413	440,844	157,025	123,412	280,437	160,407	320,716	(290,997)	29,719	29,719	-
TCP – Paulínia Fuel Terminal **(b)**	50.00000	33,915,816	24,743	174,822	199,565	29,874	56,472	86,346	113,219	58,715	(45,552)	13,163	6,582	6,582
Copersucar Europe Espanha	100.00000	60,000	975	168,653	169,628	263	-	263	169,365	214,871	(47,846)	167,025	167,025	-
Copersucar Trading A.V.V. **(a)**	100.00000	24,253,702	167,523	8,377	175,900	-	-	-	175,900	17,220	(13,241)	3,979	3,979	-
Copersucar North America LLC **(a)**	100.00000	100	2,323,571	1,191,632	3,515,203	1,390,990	963,335	2,354,325	1,160,878	39,268,957	(38,849,060)	419,897	419,897	-
CTC-Centro de Tecnologia Canavieira S.A**. (c)**	16.93155	54,307,600	411,313	573,369	984,682	89,761	32,321	122,082	862,600	388,696	(297,260)	91,436	15,482	15,482
Uniduto Logística S.A. **(c)**	39.07370	584,339,877	2	104,541	104,543	56	-	56	104,487	-	(19,922)	(19,922)	(7,784)	(7,784)
Logum Logistics S.A. **(b)**	30.00000	8,099,639,734	131,963	3,398,397	3,530,360	216,814	2,290,903	2,507,717	1,022,643	427,403	(626,205)	(198,802)	(59,641)	(59,641)
Alvean Sugar Intermediação e Agenciamento Ltda**. (a)**	100.00000	100,000	2,920	1,753	4,673	2,967	43	3,010	1,663	22,587	(21,025)	1,562	1,562	-
Alvean Sugar, S.L. **(a)**	100.00000	30,856,612	4,718,811	44,629	4,763,440	2,801,499	39,329	2,840,828	1,922,612	21,551,134	(21,174,363)	376,771	376,771	-
ECE S.A (b)	50.01000	225,045,000	2,768,895	697	2,769,592	2,309,856,	7,447	2,317,303	452,289	5,143,961	(5,098,179)	45,782	22,896	22,896
Richmond Terminal, VA **(b)**	50.00000	-	3,765	10,135	13,900	589	508	1,097	12,803	792	-	792	-	396
													976,488	(22,070)

2022													**Parent company**	**Consolidated**
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 – Paulínia Fuel Terminal **(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 Espanha	100.00000	60,000	891,909	157,645	1,049,554	656,578	78,088	734,666	314,888	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 Logistics 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	1,617,657	21,018,666	(20,858,791)	159,875	159,875	16,464
Richmond Terminal, VA **(b)**	50.00000	-	4,108	10,195	14,303	564	-	564	13,739	3,032	-	3,032	-	2,558
													818,622	(21,558)

(a) Controlled

(b) Joint control

(c) Related

The table below shows the breakdown of investments:

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Copersucar Trading A.V.V.	-	-	175,900	171,655
Copersucar North America LLC	-	-	1,160,877	702,747
Companhia Auxiliar de Armazéns Gerais	-	-	160,408	138,140
Logum Logística S.A.	306,794	300,764	306,794	300,764
Uniduto Logística S.A.	41,883	40,343	41,883	40,343
CTC - Centro de Tecnologia Canavieira S.A.	146,030	139,338	146,030	139,338
Alvean Sugar Intermediação e Agenciamento Ltda.	-	-	1,663	2,024
Alvean Sugar, S.L.	-	-	1,922,612	1,617,658
Copersucar Europe Spain	-	-	169,365	314,818
TCP-Paulínia Fuel Terminal (note 37)	56,610	50,028	56,610	50,028
ECE S.A. (operations)	226,190	-	226,190	10,000
	777,506	**530,473**	**4,368,333**	**3,487,515**
Other unconsolidated investments – measured at fair value:				
Other investments	21,066	23,675	6,166	6,166
	21,066	**23,675**	**6,166**	**6,166**
Total investment	**798,573**	**554,148**	**4,374,498**	**3,493,681**

The table below shows the distributions of dividends and capital subscription:

Distributions of dividends from subsidiaries during the year	**2023**	**2022**
Copersucar Trading A.V.V.	-	101,500
Companhia Auxiliar de Armazéns Gerais	7,642	3,140
Alvean Sugar Intermediação e Agenciamento Ltda.	1,924	4,870
Alvean Sugar S.L	181,203	127,111
Copersucar Europe Spain	316,105	295,495

Distributions of dividends from jointly-held associates during the year	**2023**	**2022**
CTC-Centro de Tecnologia Canavieira S.A.	5,389	4,359
TCP – Paulínia Fuel Terminal	-	868

Capital sub-descriptions in joint ventures	**2023**	**2022**
Logum Logística S.A.	65,670	92,420
Uniduto Logistica S/A.	8,553	11,650

15 Property and equipment and right of use under lease

a. Property, plant and equipment

Consolidated	Land	Constructions and improvements	Machinery and equipment	Processing equipment data	Furniture and fixtures	Vehicles	Improvements on owned by third parties	Construction in use (i)	Total
Cost									
2021	**28,756**	**204,965**	**600,326**	**2,410**	**18,663**	**10,015**	**379,005**	**101,226**	**1,345,366**
Acquisitions through combinations business additions (ii)	-	-	646	1,031	1,433	672	10,343	26,771	40,897
Foreign exchange gain (loss)	(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
Low	-	-	(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**	**4,608**	**18,300**	**11,181**	**373,088**	**172,223**	**1,339,349**
Foreign exchange gain (loss) on of the subsidiary's investees	-	-	(4)	(10)	(3)	(6)	(31)	(17)	(71)
Foreign exchange gain (loss)	1,289	14,796	53,415	71	491	3,902	29,345	(43,311)	59,999
Additions	251	860	7,365	792	1,539	3,557	821	62,882	78,067
Low	289	23	1,946	(97)	1	(1,050)	-	(14,800)	(13,688)
Transfers	5,266	30,178	69,348	353	7876	14	26,134	(141,418)	9,248
2023	**32,783**	**230,410**	**681,780**	**5,713**	**21,204**	**17,598**	**429,356**	**35,559**	**1,454,402**
Depreciation									
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)
Foreign exchange gain (loss)	-	7,195	33,365	(2)	2,433	1,136	6,375	-	50,502
Depreciation of Exercise	-	(10,155)	(38,275)	(607)	(1,623)	(1,361)	(20,580)	-	(72,601)
Low	-	-	3,808	93	159	380	1,111	-	5,550
2022	**-**	**(42,841)**	**(274,309)**	**(3,340)**	**(14,185)**	**(7,185)**	**(145,360)**	**-**	**(487,219)**
Foreign exchange gain (loss) on of the subsidiary's investees	-	-	-	9	1	1	29	-	40
Foreign exchange gain (loss)	-	(2,836)	(12,873)	(64)	(346)	80	(1,862)	-	(17,901)
Depreciation of Exercise	-	(11,103)	(38,446)	(788)	(1,216)	(1,549)	(21,583)	-	(74,686)
Low	-	-	289	70	25	361	-	-	745
2023	**-**	**(56,781)**	**(325,345)**	**(4,113)**	**(15,722)**	**(8,291)**	**(168,776)**	**-**	**(579,015)**

Consolidated	**Land**	**Constructions and improvements**	**Machinery and equipment**	**Processing equipment data**	**Furniture and fixtures**	**Vehicles**	**Improvements on owned by third parties**	**Construction in use** (i)	**Total**
Net book value									
2022	**25,687**	**141,712**	**275,400**	**1,269**	**4,115**	**3,997**	**227,728**	**172,223**	**852,131**
2023	**32,783**	**173,629**	**356,435**	**1,604**	**5,482**	**9,307**	**260,581**	**35,566**	**875,386**

(i) roperty and equipment under construction consist of:

(a) Copersucar S.A. refers to projects for expanding system features;

(b) Companhia Auxiliar de Armazéns Gerais refers to construction work and acquisitions for operational and security improvements at the terminals of Santos, Ribeirão Preto and São José do Rio Preto;

(c) The balance at Eco Energy consists of the construction/placement of a new compressor for the assets in Stone Mountain and about projects for system improvements in the terminals.

(ii) Acquisitions: business combinations - consist of the acquisition of Alvean Sugar Intermediação e Agenciamento Ltda during the 21/22 crop season.

For SF2122 there were items conditionally disposed of in the contract amount of R$ 52,364 through loans of BNDES's FINAME line in subsidiary Subsidiary Companhia Auxiliar. This financing agreement started in 2012 and matured in December 2022. We do not have items conditionally disposed of for SF2223.

Company	Processing equipment data	Furniture and fixtures	Vehicles	Improvements in properties third parties	Construction in use	Total
Cost						
2021	**1,511**	**1,497**	**1,450**	**2,898**	**308**	**7,664**
Additions	267	19	1,237	-	2,410	3,933
Low	(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**
Additions	791	628	936	2,585	4,624	9,565
Low	(60)	(20)	(819)	-	(3,569)	(4,468)
Transfers	31	-	-	-	(31)	-
2023	**2,939**	**1,933**	**2,181**	**5,928**	**1,528**	**14,509**
Depreciation						
2021	**(903)**	**(340)**	**(409)**	**(307)**	**-**	**(1,959)**
Depreciation in the year	(342)	(134)	(181)	(313)	-	(970)
Low	23	69	194	208	-	494
2022	**(1,222)**	**(405)**	**(396)**	**(412)**	**-**	**(2,436)**
Depreciation in the year	(443)	(110)	(215)	(339)	-	(1,108)
Low	44	12	202	-	-	259
2023	**(1,621)**	**(503)**	**(409)**	**(752)**	**-**	**(3,284)**
Net book value						
2022	**954**	**920**	**1,667**	**2,931**	**504**	**6,976**
2023	**1,318**	**1,431**	**1,772**	**5,177**	**1,528**	**11,225**

b. Right of use under lease

The Company recognized right-of-use assets on transition to CPC 06(R2)/IFRS 16, as follows:

	Real estate
Parent company	
2021	**19,572**
Additions/remeasurements	(5,841)
2022	**13,731**
Additions/remeasurements	10,204
2023	**23,935**

	Real estate
Accumulated depreciation	
2021	**(2,186)**
Additions	(1,923)
2022	**(4,109)**
Additions	(1,208)
2023	**(5,317)**
Net book value	
2022	**9,622**
2023	**18,618**
Amortization period	8 years old

Consolidated	Property and land	Vehicles and rail cars	Warehouses	Machinery and equipment	Total
Cost					
2021	**145,990**	**154,751**	**211,905**	**38,996**	**551,642**
Acquisitions through business combinations (i)	21,473	-	-	-	21,473
Additions	3,416	(2,719)	24,975	10,256	35,928
Foreign exchange gain (loss)	(13,481)	(12,977)	(21,219)	(3,796)	(51,473)
2022	**157,398**	**139,055**	**215,661**	**45,456**	**557,570**
Additions, remeasurements and write-offs	31,044	30,171	34,133	16,611	111,960
Foreign exchange gain (loss)	6,805	9,820	15,828	1,816	34,269
2023	**195,247**	**179,046**	**265,622**	**63,883**	**703,799**
Accumulated depreciation					
2021	**(20,610)**	**(64,627)**	**(66,935)**	**(14,034)**	**(166,206)**
Acquisitions through business combinations (i)	(6,518)	-	-	-	(6,518)
Additions	(11,891)	(21,110)	(29,103)	(5,608)	(67,712)
Foreign exchange gain (loss)	3,066	8,115	8,733	960	20,874
2022	**(35,953)**	**(77,622)**	**(87,305)**	**(18,682)**	**(219,562)**
Additions, remeasurements and write-offs	(15,072)	(14,617)	(32,060)	(11,017)	(72,766)
Foreign exchange gain (loss)	(1,590)	(5,078)	(5,921)	(870)	(13,459)
2023	**(52,615)**	**(97,317)**	**(125,286)**	**(30,569)**	**(305,787)**
Total right-of-use in 2022	**121,445**	**61,433**	**128,356**	**26,774**	**338,008**
Total right-of-use in 2023	**142,632**	**81,729**	**140,336**	**33,314**	**398,012**
Amortization period	From 2 to 19 years	Within 1-5 years	12-14 years	One to four years	-

(i) Acquisitions: business combinations - consist of the acquisition of Alvean Sugar Intermediação e Agenciamento Ltda during the 21/22 crop season.

16 Intangible assets

Consolidated	**Software**	**Brands**	**Goodwill**	**Client relationship and others**	**Total**
Cost					
2021	**84,272**	**12,213**	**270,089**	**92,922**	**459,496**
Acquisitions through a combination of business additions	306	-	-	-	306
Foreign exchange gain (loss)	(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**
Acquisitions through a combination of business additions	-	-	-	-	-
Foreign exchange gain (loss)	4,317	751	16,241	5,809	27,118
Additions (a)	4,135	-	-	-	4,135
Foreign exchange gain (loss) on of the subsidiary's investees	(55)	-	-	-	(55)
Transfers	8,110	-	-	-	8,110
2023	**130,083**	**10,859**	**240,864**	**82,461**	**464,267**
Depreciation					
2021	**(74,840)**	**(9,965)**	-	**(76,752)**	**(161,557)**
Depreciation: combinations of business additions	(2,138)	-	-	-	(2,138)
Foreign exchange gain (loss)	5,993	1,869	-	14,434	22,296
Low	38	-	-	-	38
Amortization for the year	(12,192)	(1,162)	-	(8,617)	(21,971)
2022	**(83,138)**	**(9,258)**	-	**(70,935)**	**(163,332)**
Foreign exchange gain (loss) on of the subsidiary's investees	-	-	-	-	-
Foreign exchange gain (loss)	(2,618)	(688)	-	(5,307)	(8,613)
Transfers	1	-	-	-	1
Amortization for the year	(13,967)	(831)	-	(6,165)	(20,963)
2023	**(99,723)**	**(10,777)**	-	**(82,407)**	**(192,907)**
Net book value					
2022	**30,437**	**850**	**224,623**	**5,717**	**261,627**
2023	**30,360**	**82**	**240,864**	**54**	**271,360**

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

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell.

(a) Goodwill additions consist of the acquisition of Alvean Sugar Intermediação e Agenciamento Ltda for the 21/22 crop season.

After the acquisition of Eco-Energy through Copersucar North America during the 2013 crop, Copersucar Added some cash-generating units to its business, such as natural gas, logistics and terminals.

Parent company	**Software**	**Brands**	**Goodwill**	**Total**
Cost				
2021	**45,181**	**137**	**-**	**45,318**
Additions	-	-	20	20
Transfers	197	-	-	197
2022	**45,378**	**137**	**20**	**45,535**
2023	**45,378**	**137**	**20**	**45,535**
Depreciation				
2021	**(39,957)**	**-**	**-**	**(39,957)**
Amortization for the year	(2,359)	-	-	(2,359)
2022	**(42,316)**	**-**	**-**	**(42,316)**
Amortization for the year	(2,161)	-	-	(2,161)
2023	**(44,477)**	**-**	**-**	**(44,477)**
Net book value				
2022	**3,062**	**137**	**20**	**3,219**
2023	**901**	**137**	**20**	**1,058**

17 Trade payables

		Consolidated		**Parent company**	
	Note	**2023**	**2022**	**2023**	**2022**
Trade payables		1,666,559	1,903,559	3,135	3,704
Related parties	24	595,879	1,083,545	596,029	1,083,638
Total		**2,262,438**	**2,987,104**	**599,164**	**1,087,342**

The balances of trade payables and related parties basically consist of accounts payable for the acquisition of sugar, ethanol and natural gas.
The Company's exposure to liquidity risks posed by trade and other payables is disclosed in note 22.

18 Lease loans and financing and liabilities

a. Loans and financing

This note provides information about the terms of interest-bearing loan agreements, which are measured at amortized cost. For further information about the Company's exposure to interest rate, foreign currency and liquidity risks see note 22.

					Consolidated		Company	
Mode	**Currency**	**Index**	**Annual average rate of Interest**	**Year of maturity**	**2023**	**2022**	**2023**	**2022**
Direct External Loan	EUR	Fixed rate	-	-	-	234,136	-	234,136
Direct External Loan	US$	Fixed rate	2.49%	2025	1,262,017	1,157,161	1,262,017	1,157,161
Direct External Loan	US$	Taxa pre-fixada/*libor*	-	-	-	474,671	-	474,671
Working Capital	US$	Taxa Pre-fixada/*Libor/SOFR*	6.81%	2023	1,576,032	1,703,196	-	-
Working Capital	CNY	Fixed rate	3.87%	2023	74,966	82,138	-	-
Working Capital	US$	Fixed rate/SOFR	7.62%	2024	560,395	654,990	-	-
Working Capital	US$	Fixed rate	-	-	-	119,978	-	-
Export Credit Note -NCE	US$	Taxa pre-fixada/*libor*	2.62%	2024	101,934	189,723	-	-
BNDES-FINEM (National Bank for Economic and Social Development)	R$	Fixed rate	-	-	-	2,475	-	-
BNDES-FINEM (National Bank for Economic and Social Development)	R$	Fixed rate/TJLP	7.80%	2024	5,841	15,349	-	-
BNDES-FINEM (National Bank for Economic and Social Development)	R$	TJLP	6.10%	2024	44	89	-	-
CDCA - Agribusiness Receivables Certificate	R$	Fixed rate	11.62%*	2025	918,590	1,362,891	918,590	1,362,891
CDCA - Agribusiness Receivables Certificate	R$	Fixed rate/CDI rate	11.98%*	2027	2,132,144	2,064,523	2,132,145	2,064,523
CRA- Certificate of Agribusiness Receivables	R$	Fixed rate/IPCA	12.95%*	2028	574,877	541,822	574,877	541,822
Export Credit Note -NCE	R$	Fixed rate/CDI rate	14.59%*	2024	208,529	154,436	156,191	154,436
Export Credit Note -NCE	R$	CDI	-	-	-	45,178	-	45,179
Total loans and financing					**7,415,369**	**8,802,756**	**5,043,820**	**6,034,819**
Current liabilities					**2,108,438**	**2,986,124**	**346,686**	**1,092,020**
Non-current liabilities					**5,306,931**	**5,816,632**	**4,697,134**	**4,942,799**

(*) Including the costs of Operation.

The foreign currency loans of Copersucar S.A. are hedged according to note 22 - foreign ***currency exposure.***

Some loans of Copersucar S.A. are hedged according to note 22 - "***Rate instrument"***

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

	2023		2022	
Consolidated	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Working capital (in USD)	2,136,426	2,136,426	2,478,163	2,478,163
Working capital (in CNY)	74,966	74,966	82,138	82,138
Foreign direct loan (in USD and EUR)	1,262,017	1,225,864	1,865,969	1,875,312
Export Credit Note (in USD)	101,934	97,425	189,723	191,849
BNDES - FINEM	5,885	5,885	17,913	17,913
CDCA - Agribusiness Receivables Certificate	3,050,735	3,164,848	3,427,414	3,410,532
CRA - Certificate of Agribusiness Receivables	574,877	583,633	541,822	568,226
Export Credit Note	208,529	212,168	199,614	202,793
Total	**7,415,369**	**7,501,215**	**8,802,756**	**8,826,926**

	2023		2022	
Parent company	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Foreign direct loan (in USD and EUR)	1,262,017	1,225,863	1,865,968	1,875,312
CDCA - Agribusiness Receivables Certificate	3,050,735	3,164,848	3,427,414	3,410,533
CRA - Certificate of Agribusiness Receivables	574,877	583,633	541,822	568,226
Export Credit Note	156,191	159,153	199,615	202,793
Total	**5,043,820**	**5,133,497**	**6,034,819**	**6,056,864**

Maturities of the principal and interest on loans and financing as of March 31, 2023

	Consolidated	**Parent company**
Within 6 months	1,786,050	129,163
Between 6 months and 1 year	322,388	217,523
Between 1 year and 2 years	3,499,912	2,890,115
Between 2 years and 5 years	1,567,731	1,567,731
Between 5 years and 6 years	239,288	239,288
Total	**7,415,369**	**5,043,820**

The Company and its subsidiaries have non-financial *covenants* in their loan and financing agreements in effect to which they are performing. There are no contracts in effect with covenants related to financial indicators, except for Eco-Energy.

Guarantees

Guarantees are provided for the purchase of bank finance facilities required to keep the cash balance of the parent company and its subsidiaries. However, some guarantees were received and given to the related party. Of the amount presented above, the R$4,478,289 is secured by the endorsement of the related party - Cooperative (see note 25).

(i) (Reconciliation of balance sheet movements to cash flows arising from financing activities:

Consolidated	**Loans Bank**
2021	**6,026,809**
Loans and financing taken	59,682,432
Repayments of loans and financing	(59,130,010)
Total changes in financing cash flows	**552,422**
Other changes	
Interest and foreign exchange gain (loss) on loans and financing	(243,118)
Interest paid on loans and financing	(488,212)
Other changes	2,954,855
Total other changes	**2,223,525**
2022	**8,802,756**
Loans and financing taken	16,857,918
Repayments of loans and financing	(18,708,555)
Total changes in financing cash flows	**(1,850,637)**
Other changes	
Interest and foreign exchange gain (loss) on loans and financing	1,195,499
Interest paid on loans and financing	(704,560)
Other changes	(27,689)
Total other changes	**463,250**
2023	**7,415,369**

Parent company	**Loans Bank**
2021	**4,978,479**
Loans and financing taken	4,812,929
Repayments of loans and financing	(3,447,160)
Total changes in financing cash flows	**1,365,769**
Other changes	
Interest and foreign exchange gain (loss) on loans and financing	64,135
Interest paid on loans and financing/leases	(373,564)
Total other changes	**(309,429)**
2022	**6,034,819**
Loans and financing taken	1,034,854
Repayments of loans and financing	(2,253,618)
Total changes in financing cash flows	**(1,218,764)**
Other changes	
Interest and foreign exchange gain (loss) on loans and financing	768,712
Interest paid on loans and financing/leases	(540,056)
Other	(891)
Total other changes	**229,547**
2023	**5,043,820**

b. Lease liabilities

The Company leases the following assets:

Area located in the Port of Santos, in the approximate amount of 50,392 square meters, used for the storage and export of bulk goods, where the Company's facilities are built under a concession agreement until 2036.

Equipment for the storage and handling of products (shovels and tractors) used in the transshipment terminals in Ribeirão Preto, State of São Paulo and São José do Rio Preto- São Paulo and sugar export terminals in Santos-SP.

Equipment for cleaning and sucking residues (sucking truck and sweeper truck) used at the sugar export terminal in Santos, State of São Paulo.

Property comprising two floors of the project called WT Morumbi condominium in São Paulo-São Paulo, 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 holds ethanol and gasoline storage and handling equipment (tankers, trucks, railway rail cars, tanks and transshipment equipment), office equipment and leases a property in the city of Franklin-TN-EUA for administrative purposes.

The discount rates applied to the property in the parent company are 7.81% and in Santos the rate of 9.31% and 12.15% for machinery and equipment. In subsidiary Eco-Energy the discount rates are: 8% of properties; 6% of cars; 7% of warehouses; and 6% of machinery and equipment.

Consolidated	**Future payments minimum leases**	**Interest**	**Present value of minimum payments of the lease**
2023			
Less than a year	118,953	26,429	92,524
Between one and five years	267,483	67,215	200,268
More than five years	192,394	53,787	138,607
Total	**578,830**	**147,431**	**431,399**
Short-term	**-**	**-**	**92,392**
Long-term	**-**	**-**	**339,007**

Consolidated	Future payments minimum leases	Interest	Present value of minimum payments of the lease
2022			
Less than a year	99,734	22,993	76,741
Between one and five years	222,001	57,854	164,147
More than five years	180,281	53,908	126,373
Total	**502,016**	**134,755**	**367,261**
Short-term	**-**	**-**	**76,713**
Long-term	**-**	**-**	**290,548**

Parent company	Future payments minimum leases	Interest	Present value of minimum lease payments
2023			
Less than a year	2,346	1,120	1,226
Between one and five years	14,563	5,909	8,654
More than five years	11,832	1,756	10,076
Total	**28,741**	**8,785**	**19,956**
Short-term	**-**	**-**	**1,226**
Long-term	**-**	**-**	**18,730**

Parent company	Future payments minimum leases	Interest	Present value of minimum lease payments
2022			
Less than a year	1,608	781	827
Between one and five years	8,035	2,804	5,231
More than five years	5,223	581	4,642
Total	**14,866**	**4,166**	**10,700**
Short-term	**-**	**-**	**827**
Long-term	**-**	**-**	**9,873**

19 Taxes and contributions payable

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
ICMS	252	94	-	-
ISS	1,558	1,105	19	13
IR/CS	131,499	40,787	-	-
Taxes on foreign investees (i)	79,252	120,735	-	-
Other	310	13,089	-	-
Total Working Capital	**212,871**	**175,810**	**19**	**13**
Right				
Total	**212,871**	**175,810**	**19**	**13**

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

20 Customer advances

	Note	Consolidated		Parent company	
	Note	**2023**	**2022**	**2023**	**2022**
Internal market customers		2,635	4,801	-	3,898
Customers external market (a)		33,608	73,072	-	-
Related parties	24	-	-	69,465	-
Total		**36,243**	**77,873**	**69,465**	**3,898**

(a) This amount consists of advances from Alvean clients in US dollar in the amount of USD10,183 (USD15,423 as of March 31, 2022).

As of March 31, 2023, the advance of R$69,465 is the prepayment of products not yet shipped by the Company.

21 Provision for contingencies

Management, based on information from legal counselors, has analyzed outstanding legal proceedings and, with respect to tax and labor proceedings, according to its previous experience on claimed amounts, has accrued a provision in an amount considered sufficient to cover estimated losses on ongoing lawsuits, as follows:

	Consolidated			Parent company	
	Tax	**Labor**	**Total**	**Labor**	**Total**
2021	**12,832**	**4,083**	**16,915**	**129**	**129**
Provisions made and adjustments 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**
Provisions made and adjustments during the year	1,447	808	2,255	75	75
Provisions used during the year	-	(746)	(746)	(29)	(29)
2023	**17,514**	**3,754**	**21,268**	**206**	**206**

Contingencies presented above have judicial deposits for the Consolidated financial statements and individual company that make up the amounts as of March 31, 2023, of R$17,278 and R$1,747, respectively (R$16,562 and R$1,705 as of March 31, 2022).

The Company is party to other tax, civil and labor proceedings, whose assessments, made by its legal counselors, are considered to pose a risk of possible unfavorable outcome, as shown in the table below:

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Labor	107,503	116,570	96,127	105,657
Tax	111,229	113,718	102,131	101,626
Environmental/Civil	45,831	38,816	31,834	24,838
Total	**264,563**	**269,104**	**230,092**	**232,120**

22 Financial instruments

a. Classification of financial instruments and fair value

During the years ended March 31, 2023 and 2022, no financial instruments were reclassified.

Fair value versus book value

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

	Value accounting		Fair value	
Consolidated	**2023**	**2022**	**2023**	**2022**
Fair value (a)				
Financial investments (notes 08 and 09)	910,559	2,006,619	910,559	2,006,619
Inventories	2,780,480	3,509,172	2,780,480	3,509,172
Stock exchange derivatives - assets	523,063	663,415	523,063	663,415
Unrealized derivative financial instruments - assets	3,615,077	2,234,561	3,615,077	2,234,561
Stock exchange derivatives - liabilities	74,783	5,007	74,783	5,007
Unrealized derivative financial instruments - liabilities	2,369,487	1,787,763	2,369,487	1,787,763
Amortized cost				
Bank - checking account	1,172,483	983,231	1,172,483	983,231
Trade receivables	2,705,645	3,423,340	2,705,645	3,423,340
Advances to suppliers	135,024	431,287	135,024	431,287
Other receivables	171,341	166,605	171,341	166,605
Trade payables	2,262,438	2,987,104	2,262,438	2,987,104
Loans and financing	7,415,369	8,802,756	7,501,215	8,826,926
Customer advances	36,243	77,873	36,243	77,873
Other payables	296,697	236,017	296,697	236,017

	Value accounting		Fair value	
Parent company	**2023**	**2022**	**2023**	**2022**
Fair value (a)				
Financial investments (notes 08 and 09)	870,282	1,868,942	870,282	1,868,942
Inventories	1,130,549	1,635,799	1,130,549	1,635,799
Stock exchange derivatives - assets	254	423	254	423
Unrealized derivative financial instruments - assets	1,363,325	634,292	1,363,325	634,292
Stock exchange transactions - liabilities	74,783	5,007	74,783	5,007
Unrealized derivative financial instruments - liabilities	1,558,951	872,829	1,558,951	872,829
Amortized cost				
Bank - checking account	69,637	16,284	69,637	16,284
Trade receivables	694,896	1,229,443	694,896	1,229,443
Advances to suppliers	7,245	7,143	7,245	7,143
Other receivables	59,025	64,566	59,025	64,566
Trade payables	599,164	1,087,342	599,164	1,087,342
Loans and financing	5,043,820	6,034,819	5,133,497	6,056,864
Customer advances	69,465	3,898	69,465	3,898
Other payables	161,626	124,197	161,626	124,197

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

Fair values approximate book values presented in the balance sheet, except for the loans mentioned above.

Fair value was calculated according to market sources (Bloomberg/BM&FBovespa/CETIP), as well as market methodologies (estimated settlement of transactions for each maturity according to future rates projected and disclosed by the market, discounted to present value at a risk-free rate, or market prices corresponding to the maturities of each transaction estimated for that date).

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 rate and exchange rate – liquidity risk and operational risk, which it understands is exposed due to the nature of the business and its operating structure. The Company's Management defines its global risk policy and financial policy, its operational strategies, risk limits and capital use, as well as monitoring and reporting rules. Risk management policies are annually reviewed and approved by the Board of Directors.

As part of the Company's governance framework, the Risk Management Department reports to the CEO and is in charge of calculating, monitoring and reporting the main risks incurred by Copersucar to the business areas, Executive Management and Audit Committee, Risk Management and Finance.

Audit, risk management and finance committee

The Company is aligned with the best Corporate Governance practices and has an Audit, Risk Management and Finance Committee that assists the Board of Directors in addressing finance, audit, risk and internal control issues. The Committee consists of at least three (3) members, all members or appointed members of the Board of Directors and/or Advisory Council, elected for a term of two (2) years, allowing re-election. Members gather monthly and may hold extraordinary calls. Any change in the

The Global Risk Policy or Financial Policies should be recommended by the Committee and approved by the Board of Directors.

The Audit and Internal Controls Department is in charge of evaluating the Company's internal control environment and proposing improvements in this environment, when necessary.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial asset fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

In order to reduce this risk, Copersucar sets a credit limit for time purchases, and to that end follows the practice of analyzing the financial situation of its clients, and permanently tracking the clients' debit balances. The Company has a Credit Committee made up of commercial, finance and risk management officers who assess credit requests. Analyses are valid for up to one year and basically consist of three parameters: (i) a quantitative analysis that includes a careful evaluation of the business ratios of the balance sheets of the last three fiscal years; (ii) qualitative analysis that should include consultations with tax agencies, consultation about restrictive information and payment behavior, representativeness of the client in the segment in which it operates, time in the market, business references; and (iii) analyzing collateral analyzed by the Financial and Legal Departments and requested at the discretion of management.

(i) Trade receivables

Management seeks to mitigate credit risk by tracking the deadlines for financing sales by business segment. The average collection period for the local market is forty (40) days for sugar clients and fifteen (15) days for ethanol clients.

The maximum exposure to credit risk is substantially concentrated in the financial instruments below:

	Consolidated		**Parent Company**	
	2023	**2022**	**2023**	**2022**
Financial investments (notes 08 and 09)	910,559	2,006,619	870,282	1,868,942
Bank - checking account	1,172,483	983,230	69,637	16,284
Trade receivables	2,705,645	3,423,340	694,896	1,229,443
Advances to suppliers	135,024	431,287	7,245	7,143
Stock exchange transactions	523,063	663,415	254	423
Unrealized derivative financial instruments - assets	3,615,077	2,234,561	1,363,325	634,292
Other receivables	171,341	166,605	59,025	64,566

Financial investment transactions follow rules established by the financial policy, maximum concentration and minimum rating of the financial institution (first tier), and are then scattered in several financial institutions classified as having investment grade by rating agencies, such as São Fitch, Moodys and S&P.

Impairment losses

The Group has balances related to trade receivables for assessing ECLs, which is applied to a simplified methodology through a matrix of allowance grouped accounts receivable according to common characteristics of customers, such as the aging list and credit rating, allowing an analysis of the behavior of these characteristics, combined with amounts.

The aging schedule of trade receivables is as follows:

	2023		2022	
Consolidated	**Brute**	**Estimated losses**	**Brute**	**Estimated losses**
Not overdue	2,475,869	(58,413)	3,349,114	(39,534)
Past due 0–30 days	188,046	-	58,906	(6)
Past due 31–120 days	41,569	(4)	20,726	(4)
Over 120 days	59,565	(987)	36,442	(2,304)
Total	**2,765,049**	**(59,404)**	**3,465,188**	**(41,848)**

	2023		2022	
Parent company	**Brute**	**Estimated losses**	**Brute**	**Estimated losses**
Not overdue	680,593	(1,307)	1,223,887	(2,754)
Past due 0–30 days	12,359	-	6,289	(5)
Past due 31–120 days	2,174	(5)	62	-
Over 120 days	1,935	(853)	1,970	(6)
Total	**697,061**	**(2,165)**	**1,232,208**	**(2,765)**

Estimated losses

Consolidated	**2023**	**2022**
Opening Balance	(41,848)	(22,830)
Low	42,011	22,830
Addition	(59,567)	(41,848)
Ending balance	**(59,404)**	**(41,848)**

Parent company	**2023**	**2022**
Opening Balance	(2,765)	(1,516)
Low	2,712	1,516
Addition	(2,112)	(2,765)
Ending balance	**(2,165)**	**(2,765)**

The expense on the recognition of estimated credit losses was recognized as "Selling expenses" in profit or loss. When the accrued amount is not expected to be recovered, the amounts credited under the caption are realized against the final write-off of the trade receivable, and this provision becomes tax deductible.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure sufficient liquidity to meet its obligations within the maturity date, under both normal and stressed conditions, without causing losses or risking damage to the Company's reputation. To that end, the financial policy establishes minimum cash conditions, instruments allowed for the application and liquidity of these instruments.

The following are the contractual maturities of financial liabilities, including payments of incurred interest and excluding the impact of agreements for the trade of currencies at their net position.

Consolidated	**Flow of Box**	**6 months or less**	**From 6 to 12 months**	**Between 1 and two years**	**From 2 to 5 years**	**More than five years**
2023						
Trade payables	2,262,438	2,262,438	-	-	-	-
Loans and financing	8,569,925	1,956,846	486,497	4,057,143	1,872,342	197,097
Lease liability	578,830	63,675	55,772	103,323	163,666	192,394
Advances from clients	36,243	36,243	-	-	-	-
Unrealized derivative financial instruments:- NDF	348,292	333,830	-	14,462	-	-
- *Swap*	195,055	-	-	185,096	9,959	-
- Future of *commodity*	795,117	377,504	372,669	23,916	21,028	-
Other payables	296,697	177,905	-	118,792	-	-
2022						
Trade payables	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 liability	502,016	51,113	48,622	87,435	134,565	180,281
Advances from clients	77,873	77,873	-	-	-	-
Unrealized derivative financial instruments:- NDF	575,230	540,451	34,779	-	-	-
- *Swap*	525,550	-	-	198,252	327,298	-
- Future of *commodity*	811,062	474,592	305,197	28,204	3,069	-
Other payables	236,017	149,834	-	86,183	-	-

Parent company 2023	**Flow of box**	**6 months or less**	**From 6 to 12 months**	**Between 1 and two years**	**From 2 to 5 years**	**More than five years**
Trade payables	599,164	599,164	-	-	-	-
Loans and financing	6,183,774	302,894	374,469	3,436,971	1,872,342	197,098
Lease liability	28,741	957	1,389	3,641	10,922	11,832
Advances from clients	69,465	69,465	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	162,780	148,318	-	14,462	-	-
- *Swap*	195,055	-	-	185,096	9,959	-
Other payables	161,629	46,413	-	115,216	-	-
2022						
Trade payables	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 liability	14,866	804	804	1,607	4,821	6,830
Advances from clients	3,898	3,898	-	-	-	-
Unrealized derivative financial instruments:						
- NDF	438,654	403,876	34,778	-	-	-
- *Swap*	525,550	-	-	198,252	327,298	-
Other payables	124,197	40,440	-	83,757	-	-

Market risk
Market risk is the possibility of financial losses that the Company is exposed to, arising from fluctuations in market prices and/or rates, whether they are volatility in the prices of *commodities*, exchange rates or interest rates (internal or external). The objective 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 buys and sells derivatives to hedge its exposures and fulfills its financial obligations to properly manage its market risks. All these actions are carried out within the guidelines set forth by the Company's Global Risk Policy, which in turn is set by the Audit and Risk Committee and approved by the Board of Directors.

(ii) Risk Foreign exchange
The Company is subject to exchange rate risk arising from currency differences in which sales, purchases, loans and investments are denominated and the Company's related functional currency, in this case the real.

The Company uses over-the-counter contracts to hedge its currency risk. When necessary these agreements are renewed upon maturity.

Monetary assets and liabilities denominated in foreign currency are managed by their net exposure, by means of foreign currency purchases and sales at spot or future rates (forwards), if necessary, substantially for short-term exposures.

The main amounts of the Company's bank loans in US dollar are hedged using over-the-counter swap contracts or offset against assets indexed in the same currency.

Exposures to this type of risk are regularly adjusted for inflation, due to the Company's normal course of business. Therefore, the management of this exposure and its limits occur dynamically through derivative contracts with the purpose of making *hedging* adjustments according to the new need. The use of these derivative contracts is annually defined within the risk limit pre-established by the Board of Directors and monitored by the Company's executives and the Audit and Risk Committee.

The Company's Global Risk Policy defines working without exchange rate exposure.

a. *Hedge accounting* of foreign investment
The Company uses hedge accounting for investments abroad and recognizes in equity the effects of financial instruments (NDF – *Non Deliverable Forwards*) designated as a hedge against the foreign exchange exposure of its investments abroad (Alvean Espanha and Copersucar North America), whose functional currency is the US dollar. As of March 31, 2023 the balance was R$666,445, a reduction in equity (R$559,564 as of March 31, 2022).

From the balance mentioned in the previous paragraph, equity was not reclassified to profit or loss for the year. During the 22/23 crop season, the Company increased the amount of R$44,997 recognized in other comprehensive income of *hedge accounting* for investments abroad, net of taxes (decreased by R$7,126 as of March 31, 2022).

As of March 31, 2023 the notional value of the object is R$2,800,475, with no *gross-up* (R$2,286,996 as of March 31, 2022, without *gross-up*).

b. *Cash* flow hedges

Copersucar S.A. has NDF *hedge accounting* (which consists of a strategy for repurchasing the maturities of its transactions) to hedge against the exposure of foreign exchange gains and losses on assets and liabilities exposed in foreign currency, such as cash, trade receivables, trade payables and accounts payable (see note 23, foreign exchange exposure). As of March 31, 2023 these credit lines were exposed to R$555,685 as a notional value.

As of March 31, 2023, an increase of R$11,611 was recognized in other comprehensive income from cash flow hedges, net of taxes (decreased by R$20,549 as of March 31, 2022) and loss of R$21,212 of accrual in finance income (loss of R$7,512 as of March 31, 2022).

Copersucar S.A. has swap *hedge accounting* to hedge its operations against the exposure of foreign exchange gain or loss on US dollar debts pegged to Libor interest rates (adoption of CPC 48/IFRS 9 and CPC 40/IFRS 7 on Interest Rate Benchmark Reform mentioned in note 6 p.), fixed rate (or not) plus foreign exchange gain (loss) on CDI debts. Hedge *accounting* swap items were mentioned in the notes below on exposure to foreign currency and interest rate risk.

Instrument					
Type of transaction	**Main**	**Hedge accounting**	**Asset index**	**Liability index**	**Winning**
Swap	500.000	Yes	100% IPCA + 5.28%	100% permanent contract + 2.31%	15/05/2028
Swap	104.800	Yes	Libor + 1.26%	100% permanent contract + 1.10%	11/03/2024
Swap	202.996	Yes	USD +Taxa Pre 2.70%	100% permanent contract + 1.90%	08/07/2024
Swap	570.000	Yes	USD + Fixed rate of 3.28%	100% permanent contract + 1.80%	08/07/2024
Swap	520.780	Yes	USD +Taxa Pre 5.21%	100% permanent contract + 2.10%	16/12/2024
Swap	200.000	Yes	Fixed rate of 6.97%	100% permanent contract + 2.10%	16/12/2024
Swap	700.000	Yes	Fixed rate of 9.47%	100% permanent contract + 1.85%	30/06/2025

Object			
Loan	**Principal**	**Index**	**Winning**
CRA	500.000	100% IPCA + 5.28%	15/05/2028
4131	104.800	Libor + 1.26%	11/03/2024
4131	202.996	USD +Taxa Pre 2.70%	08/07/2024
4131	570.000	USD + Fixed rate of 3.28%	08/07/2024
4131	520.780	USD +Taxa Pre 5.21%	16/12/2024
CDCA	200.000	Fixed rate of 6.97%	16/12/2024
CDCA	700.000	Fixed rate of 9.47%	30/06/2025

As of March 31, 2023 losses of R$171,404 were recognized as a decrease in other comprehensive income from cash flow hedges - SWAP (R$148,177 as of March 31, 2022) and loss of R$128,485 of accrual in finance income (loss of R$222,808 as of March 31, 2022).

Foreign currency exposure

The Company's exposure to foreign currency is substantially linked to the fluctuations in the US dollar (US dollar) and euro on the base dates presented below:

Consolidated	**2023**	**2022**
Assets		
Cash and cash equivalents	676,376	286,538
Trade receivables	35,848	13,465
Inventories	68	68
Stock exchange transactions	254	423
Recoverable taxes	24,605	3,762
Other receivables	9,459	15,142
Investments	3,083,490	2,315,404
Passive		
Trade payables	(490)	(2,589)
Loans and financing	(1,363,951)	(2,055,692)
Advances from clients	(85,101)	(429,616)
Payroll and social charges	(57)	(43)
Taxes and contributions payable	(23,627)	(19,402)
Stock exchange transactions	(74,783)	(5,007)
Other payables	(6,868)	(10,067)
Gross exposure of the balance sheet	**2,275,223**	**112,386**
***Notional* derivatives employed to hedge against exchange rate risk**	**(2,329,857)**	**(366,773)**
Net exposure	**(54,634)**	**(254,387)**

Parent company	**2023**	**2022**
Assets		
Cash and cash equivalents	62,247	8,667
Stock exchange transactions	254	423
Investments	3,083,490	2,315,404
Passive		
Trade payables	-	-
Loans and financing	(1,262,017)	(1,865,969)
Stock exchange transactions	(74,783)	(5,007)
Advances from clients	(85,101)	-
Gross exposure of the balance sheet	**1,724,090**	**453,518**
***Notional* derivatives employed to hedge against exchange rate risk**	**(1,674,286)**	**(472,838)**
Net exposure	**49,804**	**(19,320)**

The amounts below make up the balance of *Notional* presented above:

		Consolidated		Parent company	
Mode	**Winning**	**2023**	**2022**	**2023**	**2022**
Foreign Exchange NDF (Investment and Merchandise)	2023 a 2024	(3,569,059)	(2,365,574)	(2,800,475)	(2,283,145)
Exchange Swap	2024 a 2025	1,239,202	1,998,801	1,126,189	1,810,307
Total		**(2,329,857)**	**(366,773)**	**(1,674,286)**	**(472,838)**
NDF for foreign exchange transactions (agreements entered into)		**(904,879)**	**(843,858)**	**(192,129)**	**(179,173)**
		(3,234,736)	**(1,210,631)**	**(1,866,415)**	**(652,011)**

Exchange rate sensitivity analysis

The Company has adopted three scenarios for the sensitivity analysis, one probable, presented below, and two that may show the effects of deterioration in the fair values of the Company's financial instruments.

The probable scenario was defined internally by the Market Intelligence Department, which represents the Company's expectation about the fluctuation in this indicator over the next 12 months. Possible and remote scenarios are the scenarios proposed by CPC 40.

The method used was to recalculate the fair value with stress of each scenario on the market rate of March 31, 2023, less the amount already recognized and calculating the profit or loss to which the Company would be affected according to each scenario. This analysis assumes that all other variables, in particular interest rates, remain constant.

Consolidated			**Scenarios**	
Foreign exchange risk	**Base**	**Likely**	**Increase**	**Reduction**
Scenarios and price levels	5.0804	5.0000	6% (5.3000)	-6% (4.7000)
	BRL/USD)	**BRL/USD)**	**BRL/USD)**	**BRL/USD)**
Assets	3,830,101	(60,613)	(3,637)	3,637
Passive	(1,554,877)	(24,607)	1,476	(1,476)
Derivatives	(2,329,857)	36,871	2,212	(2,212)
Total effect	**(54,633)**	**(48,349)**	**(51)**	**51**

As of March 31, 2023 a valuation of the Brazilian real against the above currencies would have the same effect on the module, but with an opposite result on the currencies presented above, considering that all other variables would remain constant.

(iii) Price risk commodities

The Company enters into commodity derivative *agreements* to minimize the variability in their profit or loss caused by the accounting recognition of assets and liabilities, rights and obligations at fair value, valued in accordance with *commodity prices* at the Local and International Exchanges (BM&F, ICE/NYBOT, OPIS, PLATTS and LIFFE) and indexes disclosed by CEPEA/ESALQ.

Exposures to this type of risk are regularly adjusted for inflation, due to the Company's normal course of business. Therefore, the management of this exposure occurs dynamically through derivative contracts with the purpose of making *hedging* adjustments according to the new need.

Sugar and ethanol are marketed both in local and foreign markets, and sugar is sold according to the *Sugar #11/ICE* price of the New York Stock Exchange, and ethanol using CEPEA/ESALQ. This makes these the portfolio's main risk factors. The net exposure between purchases and sales to sugar is managed and hedged (*hedged) through* Sugar #11/ICE (futures or over-the-counter*) derivative financial instruments* linked to the same Stock Exchange. Ethanol is subject to lack of net derivative financial instruments for hedging purposes, and its exposure is managed/monitored to limit its exposure to the risk of fluctuations in prices. The Bank monitors exposure and risks according to risk limits approved and pre-established by the Board of Directors.

Gains or losses arising from these hedging instruments are recognized in profit or loss.

To minimize the risk and the effects of the volatility of fluctuations in *commodity* prices, mainly related to ethanol, natural gas and other *commodities*, subsidiary Eco- Energy uses several derivative financial instruments, including futures traded on the stock exchange or over the counter, *swaps* and option contracts. Eco-Energy monitors and manages this exposure in accordance with its global risk management policy. As such, the Company seeks to reduce the potential negative effects that market volatility may have on its operating results.

Commodity risk

	Volume		**Notional**	
Consolidated	**2023**	**2022**	**2023**	**2022**
Forward contracts				
Long position				
Goods				
Sugar (tonnes)	17,307,716	8,002,095	8,368,751	2,591,978
Ethanol (m3)	1,953,697	2,295,751	5,043,574	5,389,074
Corn (bushel)	125,413,572	72,752,177	1,385,004	883,393
RIN (gallon by RIN)	3,500,000	2,000,000	29,073	10,080
LCFS (credit unit)	18	-	6,371	-
Natural gas (mmbtu)	239,827,667	239,787,419	2,447,492	3,568,958
Total			**17,280,265**	**12,443,483**

	Volume		Notional	
Consolidated	**2023**	**2022**	**2023**	**2022**
Futures contracts (*Forward*)				
Short position				
Goods				
Sugar (tonne)	(16,889,252)	(8,220,801)	(8,853,743)	(4,022,964)
Ethanol (m3)	(2,123,908)	(2,446,470)	(6,144,471)	(6,724,275)
Petrol (m3)	-	(254)	-	(907)
Corn (bushel)	(125,423,782)	(77,511,199)	(1,404,887)	(980,850)
RIN (gallon by RIN)	(4,000,000)	(3,000,000)	(37,087)	(14,794)
LCFS (credit unit)	(18)	-	(6,392)	-
Natural gas (mmbtu)	(176,505,845)	(173,031,638)	(2,170,092)	(3,426,533)
Total			**(18,616,672)**	**(15,170,323)**

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

Futures derivative contracts traded directly by the Company at the stock exchange (ICE/NYBOT/London) or over-the-counter financial institutions classified by rating agencies, such as São Fitch, Moodys and S&P.

a. including the Non Deliverable Forward *(NDF) category*. Although the policy allows it to operate with other financial instruments, considering certain restrictions, the Company does not currently have them in its portfolio.

b. Forward agreements negotiated directly with clients and suppliers.

The fair value of futures and option contracts at the stock exchange is equivalent to the market value for the reversal of these positions. Transactions carried out at the stock exchange environment require initial margins to be offered and adjustments are made daily, according to fluctuations in benchmark prices.

The fair value of over-the-counter contracts is measured at market values through public information. This measurement follows the usual market models and is monthly calculated by the Company and by the banks that broker the transactions. Margin deposits are not required for these contracts. The impact on the Company's cash flows is only on the settlement date.

The fair values of forward contracts with customers and suppliers are measured at market prices on the reporting date. In order to determine market prices, the Company uses the same fixing indicators, i.e. Sugar #11/ICE quotations for sugar contracts. For each futures contract under the AA (*Against Actuals*), SEO (*Seller Execution Order*) and BEO (*Buyer Execution Order*) types, a physical contract has 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 foreign and domestic sales. These volumes consist of the portion of contracts whose prices are already set according to the contract's pricing method. The calculation also considers the assumptions of pure fluctuation in FOB prices (freight and increase costs), which are adjusted to the base contract price in order to leave them at the same base of the market price to be used.

Sensitivity analysis for commodity risk

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

The probable scenario was defined internally by the Market Intelligence Department and represents the Company's expectation about the fluctuation in this indicator for the next 12 months. The assumption adopted is the percentage rate of volatility in market prices in recent months for sugar and ethanol commodities applied to the probable scenario. The scenarios: Possible and Remote are the scenarios proposed by CPC 40.

The method used was the recalculation of the fluctuation in the fair value of each scenario on the market rate as of March 31, 2023.

		Scenario		
Commodity price risk - Long position	**Rate (increase/decrease)**	**Likely**	**Increase**	**Reduction**
Sugar (tones)	1.01%	3,444,091	33,933	(33.933)
Ethanol (m3)	0.92%	(191,786)	(1,768)	1.768
Corn (bushell)	1.40%	243,448	3,414	(3.414)
RIN (gallon by RIN)	2.23%	356	8	(8)
LCFS (credit unit)	4.14%	716	30	(30)
Natural Gas (mmbtu)	3.47%	1,564,535	54,272	(54.272)
Total effect		**4.961.360**	**89,888**	**(89,888)**

		Scenario		
Commodity price risk - Short position	**Rate (increase/decrease)**	**Likely**	**Increase**	**Reduction**
Sugar (tones)	1.01%	2,261,821	(22,951)	22,951
Ethanol (m3)	0.92%	814,170	7,504	(7,504)
Gasoline (gallon)	1.40%	-	-	-
Corn (bushell)	2.23%	230,191	(3,228)	3228
RIN (gallon by RIN)	4.14%	3,455	77	(77)
LCFS (credit unit)	3.47%	695	(29)	29
Natural Gas (mmbtu)	1.40%	786,540	(27,283)	27,283
Total effect		**4,096,872**	**(45,910)**	**45,910**

Due to the seasonal fluctuations in *commodity* prices - sugar, this scenario may change during the year/harvest.

(iv) Risk of interest rate Interest

The Company's debt is pegged to fixed and floating rates, and therefore is exposed to changes in interest rates. The risk of exposure to the CDI is partially offset by financial investments.

The purpose of managing the Company's total finance cost is to get its finance costs in line with market prices, considering entities of a similar size.

Fixed-rate instruments

The Company does not designate any fixed-interest rate financial asset or liability as at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

We have fixed rate *swap* loans, as follows:

					2023	2023
Main	**Hedge accounting**	**Active index**	**Liability index**	**Winning**	**Consolidated balance**	**Controlling balance**
200.000	Yes	Fixed rate of 6.97%	100% permanent contract + 2.10%	16/12/2024	(17,789)	(17,789)
700.000	Yes	Fixed rate of 9.47%	100% permanent contract + 1.85%	30/06/2025	(52,165)	(52,165)
					(69,954))	**(69,954)**

Floating-rate instruments

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Financial assets	910,559	2,006,620	870,281	1,868,943
Financial liabilities	5,159,796	5,926,115	2,863,213	3,280,630

The Company conducts a sensitivity analysis of financial instruments that bear interest at floating rates. However, Management understands that they are immaterial for disclosure, considering that they are partially mitigated by financial assets.

We have loans that bear interest at a floating rate and have rate swaps, as follows:

Type of transaction	Principal	Hedge accounting	Asset index	Liability index	Winning	2023 Consolidated	2023 Parent company
Swap	500.000	Yes	100% IPCA + 5.28%	100% permanent contract + 2.31%	15/05/2028	15,941	15,941
Swap	104.800	Yes	Libor + 1.26%	100% permanent contract + 1.10%	11/03/2024	7,581	-
Swap	500.000	No	100% permanent contract + 1.75%	114.40% permanent contract	30/06/2025	(818)	(818)
Swap	202.996	Yes	USD +Taxa Pre 2.70%	100% permanent contract + 1.90%	08/07/2024	(52,257)	(52,257)
Swap	570.000	Yes	USD + Fixed rate of 3.28%	100% permanent contract + 1.80%	08/07/2024	(181,544)	(181,544)
Swap	520.780	Yes	USD +Taxa Pre 5.21%	100% permanent contract + 2.10%	16/12/2024	(19,660)	(19,660)
						(230,757)	**(238,338)**

Unrealized gains (losses) on derivative financial instruments

The table below summarizes the gains (losses) recognized as of March 31, 2023 and 2022 that affected the balance sheet and the amounts that affected the Company's accumulated results on those dates:

	2023			**2022**		
	Effects on the balance sheet			**Effects on the balance sheet patrimonial**		
Consolidated	**Assets**	**Passive**	**Effects on profit or loss**	**Assets**	**Passive**	**Effects on profit or loss**
Commodities	3,172,754	1,486,831	(784,889)	1,331,692	931,334	208,567
	3,172,754	1,486,831	(784,889)	1,331,692	931,334	208,567
Non Deliverable Forwards	418,801	558,425	95,928	862,256	414,192	34,214
SWAP	23,522	324,231	27,799	40,613	442,237	478,352
	442,323	882,656	(68,130)	902,869	856,429	512,566
Total	**3,615,077**	**2,369,487**	-	**2,234,561**	**1,787,763**	-
Circulating	**3,472,356**	**1,929,585**	-	**1,835,924**	**1,321,720**	-
Non-current	**142,721**	**439,902**	-	**398,637**	**466,043**	-

	2023			**2022**		
	Effects on the balance sheet patrimonia			**Effects on the balance sheet patrimonia**		
Parent company	**Assets**	**Passive**	**Effects on profit or loss**	**Assets**	**Passive**	**Effects on profit or loss**
Commodities	1,009,658	690,969	(169,655)	112,594	29,219	(219,748)
	1,009,658	690,969	(169,655)	112,594	29,219	(219,748)
Non Deliverable Forwards	337,725	543,751	37,342	482,995	401,372	26,191
SWAP	15,942	324,231	(88,509)	38,703	442,238	439,128
	353,667	867,982	(51,167)	521,698	843,610	465,319
Total	**1,363,325**	**1,558,951**	-	**634,292**	**872,829**	-
Circulating	**1,255,269**	**1,160,832**	-	**257,480**	**430,591**	-
Non-current	**108,056**	**398,119**	-	**376,812**	**442,238**	-

Operational risk
Operational, non-financial risk is the risk of direct or indirect losses deriving from a range of causes connected with business processes, personnel, technology and infrastructure and external factors, such as those arising from statutory and regulatory requirements and generally accepted business behavior standards.

The Company's purpose is to monitor potential operational risks to mitigate financial losses and damage to its reputation and business continuity as far as possible, therefore seeking cost efficiencies, avoiding control procedures which are not effective.

Capital management
Management's policy is to maintain a sufficient capital base to maintain investor, creditor and market confidence. The main objective is the future development of businesses.

The Company has several financial instruments, among which: financial investments, trade receivables, trade payables, loans and financing.

It is also part of the portfolio of financial instruments, transactions with derivative financial instruments that are employed to hedge against market volatility, as well as forward purchase and sale of merchandise with the Cooperative and clients. To that end the following hedging instruments are used: currency *swap*, NDF transactions – *Non-Deliverable Forwards*, futures and *commodity* and currency options.

23 Contractual commitments

Sales
Considering that the Company operates mainly in the *commodity* market, sales are basically made at the sales date price. However, most of these contracts are entered into in the short term. The volume agreed on March 31, 2023 for the new sugar crop was 5,226 thousand tonnes (4,230 thousand tons as of March 31, 2022) and for ethanol at 4,028 thousand m³ (3,144 thousand m³ as of March 31, 2022).

Shopping
According to the agreement entered into between the Company and its related party Cooperative, the sales volumes under repurchase and reverse repurchase agreements as of March 31, 2023 totaled 5,599 thousand tonnes of sugar (4,599 tonnes of sugar). 515 thousand tons as of March 31, 2022) and 4,126 thousand m³ of ethanol (4,306 thousand m³ as of March 31, 2022).

Logistics
The Company has strategic partnerships to provide railway transportation services to the following suppliers:

América Latina Logística – ALL
Providing services consisting of transporting sugar in cars through ALL's train network to the terminal of the Port of Santos, São Paulo, maturing in 2028;

Ferrovia Centro Atlântica – FCA
Transportation of sugar from the Terminal of Ribeirão Preto (São Paulo) to the terminal in the Port of Santos, State of São Paulo, maturing in 2026.

24 Related parties

Parent company and ultimate controlling party
The company's ultimate controlling parties are the groups as follows:

Shareholder	CNPJ	Ordinary shares	Preference shares	Total shares	% Participation
Açucareira Quatá S.A.	60.855.574/0001-73	234,686,828	3	234,686,831	12.3134
Pedra Agroindustrial S.A.	71.304.687/0001-05	222,167,337	1	222,167,338	11.6566
COCAL – Comércio e Indústria Canaã Açúcar e Álcool Ltda.	44.373.108/0001-03	173,245,832	1	173,245,833	9.0899
Ipiranga Agroindustrial S.A.	07.280.328/0001-58	144,046,103	2	144,046,105	7.5578
Usina Santa Adélia S.A.	50.376.938/0001-89	101,779,621	1	101,779,622	5.3402
Viralcool Açúcar e Álcool Ltda.	53.811.006/0001-05	95,690,121	1	95,690,122	5.0207
Usina Açucareira S. Manoel S.A.	60.329.174/0001-24	86,871,346	1	86,871,347	4.5580
Usina São José da Estiva S.A. – Sugar and Alcohol	53.172.300/0001-14	71,671,157	1	71,671,158	3.7604
Ferrari Agroindústria S.A.	54.846.951/0001-05	69,154,931	1	69,154,932	3.6284
Usina Santo Antônio S.A.	71.324.784/0001-51	66,641,299	1	66,641,300	3.4965
Usina Cerradão Ltda.	08.056.257/0001-77	60,181,704	1	60,181,705	3.1576
Companhia Melhoramentos Norte do Paraná	61.082.962/0001-21	57,448,751	2	57,448,753	3.0142
Usina São Luiz S.A.	53.408.860/0001-25	51,289,775	1	51,289,776	2.6911
Pitangueiras Açúcar e Álcool Ltda.	44.870.939/0001-82	50,900,485	1	50,900,486	2.6706
UMOE Bioenergy S.A.	03.445.208/0001-02	48,071,731	1	48,071,732	2.5222
Companhia Agrícola Usina Jacarezinho	61.231.478/0001-17	46,936,554	1	46,936,555	2.4627
UPI São Luis	38.278.706/0001-92	45,505,577	1	45,505,578	2.3876
Usina Açucareira Furlan S.A.	56.723.257/0001-26	42,272,813	1	42,272,814	2.2180
Caçu Comércio e Indústria de Açúcar e Álcool Ltda.	07.996.345/0001-96	40,868,821	1	40,868,822	2.1443
Usina Uberaba S.A.	07.674.341/0001-91	38,074,300	1	38,074,301	1.9977
Pioneiros Bioenergia S.A.	51.096.477/0001-53	34,635,387	1	34,635,388	1.8172
Vale do Paraná S/A Álcool e Açúcar	05.938.884/0001-43	32,819,291	1	32,819,292	1.7220
J. Pilon S.A. – Sugar and Alcohol	47.254.396/0001-67	32,741,451	1	32,741,452	1.7179
Usina Santa Lúcia S.A.	44.207.249/0001-48	28,518,116	1	28,518,117	1.4963
Usina São Francisco S.A.	71.324.792/0001-06	15,139,814	1	15,139,815	0.7944
Brothers Toniello Ltda.	71.321.566/0001-63	14,566,159	1	14,566,160	0.7643
Treasury share reserve		-	7	7	0.0000
Total		**1,905,925,304**	**37**	**1,905,925,341**	**100**

Key management personnel compensation
The Company's key personnel consist of the chairman of the Board of Directors, the Chief Executive Officer and the directors of the following departments: Commercial and Planning, Finance and Investor Relations, Legal and Governance, Personnel, Communication and Sustainability.

Key management personnel compensation comprises the following:

	Consolidated		**Parent company**	
	2023	**2022**	**2023**	**2022**
Short-term employee benefits (a)	39,948	23,416	4,517	6,692
Post-employment benefits	3,740	3,095	1,728	1,826
Total	**43,688**	**26,512**	**6,245**	**8,518**

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

Other related party balances

	Note	Consolidate The		Parent company	
		2023	2022	2023	2022
Current assets					
Trade and other receivables					
Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo		43,051	192,794	20,593	170,857
Companhia Auxiliar de Armazéns Gerais		-	-	898	846
Alvean Sugar Intermediação e Agenciamento Ltda.		-	-	167	503
Paulínia Fuel Terminal		56	136	56	136
Copersucar Europe S.A		-	-	-	46,237
ECE S.A		3,956	-	3,956	-
Total	**9**	**47,062**	**192,930**	**25,670**	**218,580**
Dividends receivable					
ECE S.A.		21,751	-	21,751	-
Companhia Auxiliar de Armazéns Gerais		-	-	7,250	7,642
Paulínia Fuel Terminal		-	4,470	-	4,470
CTC - Centro de Tecnologia Canavieira	3.677		-	3,677	-
Total		**25,428**	**4,470**	**32,678**	**12,112**
Advances to suppliers					
Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo		77,689	274,940	-	-
Total		**77,689**	**274,940**	-	-
Current liabilities					
Trade payables					
Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo		595,879	1,083,386	595,879	1,083,386
Paulínia Fuel Terminal		-	150	-	150
Copersucar Europe S.A		-	-	-	-
Logum Logística S.A.		-	8	-	8
Alvean Sugar S.L.		-	-	-	93
Companhia Auxiliar de Armazéns Gerais		-	-	150	-
Total	**17**	**595,879**	**1,083,545**	**596,029**	**1,083,638**
Advances from clients					
Alvean Sugar S.L.	**20**	-	-	69,465	-

Other related party transactions

	Consolidated		Parent company	
Transaction amount for the year	**2023**	**2022**	**2023**	**2022**
Sale of goods				
Copersucar Europe	-	-	132,074	63,763
Alvean Sugar S.L.	-	-	18,581	-
ECE S.A.	56,521	-	56,521	-
Total	**56,521**	**-**	**207,175**	**63,763**
Sales of Services				
Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo	4,701	6,872	-	-
Alvean Sugar Intermediação e Agenciamento Ltda.	-	-	1,749	2,359
ECE S.A.	5,316	-	5,316	-
Total	**10,017**	**6,872**	**7,065**	**2,359**
Acquisition of products				
Cooperativa de Produtores de Cana-de-Açúcar, Açúcar e Álcool do Estado de São Paulo	(13,616,874)	(20,400,153)	(7,271,766)	(15,177,529)
Copersucar Europe	-	-	(63,819)	-
Total	**(13,616,874)**	**(20,400,153)**	**(7,335,585)**	**(15,177,529)**
Acquisition of Services				
Paulínia Fuel Terminal	(896)	(1,875)	(896)	(1,875)
Companhia Auxiliar de Armazéns Gerais	-	-	(3,809)	(1,788)
Logum Logistics S A	(2,294)	(6,216)	(2,293)	(6,216)
Total	**(3,190)**	**(8,091)**	**(6,999)**	**(9,879)**

Related party transactions consist of transactions between the parent company and its direct and indirect subsidiaries or other related parties (Cooperatives) and basically consist of:

- **Sale/Acquisition of goods and services -** purchases and sales of products (sugar and ethanol) and port services marketed as agreed by the parties, under conditions similar to those made with third parties, considering the volumes, risks involved and corporate policies.

  By the end of the year subsidiary, Companhia Auxiliar de Armazéns Gerais, recorded trade receivables in the amount of R$20,403 as take or pay from client Alvean Sugar S.L (R$43,678 as of March 31, 2022), under a contractual agreement where applicable penalties for not complying with the quantity expected to be increased during the crop season. given that the company offers an operating structure to serve the volumes commissioned by clients.

- **Active amounts -** sale of products and services; lease of properties; and transfer of shared expenses.

- **Payables -** purchases of products and services.

Supply agreement with the cooperative

The Company has an exclusive agreement for three years and is renewed every year/crop.

Guarantees for the supply of products are linked to the maintenance of the agreement with the Cooperative. The agreement also guarantees access to certain essential facilities for the Company to carry out its business, such as those facilities for the storage of ethanol and sugar from the Cooperative and the related plants. The prices charged under this agreement are related to the CEPEA/ESALQ index.

The agreement has as intervening parties who secure the sale of sugar and ethanol to the plants associated with the Cooperative.

Agreement for the supply of sugar to Alvean Sugar S.L.

The Company has a sugar supply agreement with Alvean Sugar S.L. through its subsidiary Copersucar Europe that is effective from October 2014 with no set closing date.

The purpose of the agreement is to guarantee the supply of sugar from Copersucar Europe to Alvean Sugar S.L., whereby the parties agreed that Copersucar Europe undertakes to sell exclusively to Alvean, and the parties make the commitment to buy 100% of the production quota for each crop year. The prices charged under this agreement are related to the CEPEA/ESALQ index (equivalents in US dollars).

Service agreement with Terminal de Combustíveis Paulínia S.A. The Company has an agreement for providing services, receiving, storing and handling liquid bulk cargo in tanks with Terminal de Combustíveis Paulínia S.A. The products meant for the Paulínia Fuel Terminal are anhydrous and hydrated.

The Company's agreement with the Paulínia Fuel Terminal is effective until May 2023.

Surety bonds or sureties granted to related parties

Copersucar S.A. granted guarantees, sureties or guarantees for the loan and financing below from its related parties:

Borrower	**Type of financing**	**Winning**	**2023**	
Cia. Auxiliar de Armazéns Gerais S.A.	Export Credit Note (in BRL)	2024	52,338	**(1)**
Total			**52,338**	

(1) Copersucar S.A. as Guarantor/Guarantor

Securities, sureties and guarantees received from related parties
The loans and financing below are endorsed by the related party Cooperative:

Taker	Type of financing	Winning	2023	
Cia. Auxiliar de Armazéns Gerais S.A.	Export Credit Note (in USD)	2024	101,934	**(2)**
Copersucar S.A.	Direct External Loan (in US$)	2024	750,743	**(2)**
Copersucar S.A.	CDCA - Agribusiness Receivables Certificate (in BRL)	2022 a 2027	3,050,735	**(1)**
Copersucar S.A.	CRA- Certificate of Agribusiness Receivables (in BRL)	2026 a 2028	574,877	**(1)**
Total			**4,478,289**	

(1) Rural Producer Certificate (CPR) issued by the Cooperative as collateral

(2) Promissory note (100%) and Cooperative as guarantor/guarantor

25 Pension plan

Subsidiary Alvean has a pension plan which is run in several countries, and Switzerland is the main location. Approximately 99% of the present value of accumulated liabilities to date (US$0.87 million) consists of the defined benefit plan in Switzerland. The pension plan's for life.

(i) Pension plan defined in Switzerland:

If the agreement is canceled, there is no guarantee that the employee benefits can be kept under the same conditions. Moreover, risk and cost premiums are charged at different levels, characterizing the plan as a defined benefit plan.

The pension plan's management is managed by a single independent fund of the group. The fund invests capital and provides a guarantee of capital and interest at 100%. The fund is responsible for technical management and for paying the contributions necessary for regulatory agencies.

The plan is exposed to actuarial risks such as longevity risk, exchange rate risk, interest rate risk and market risk. The group committed to paying the annual contributions and expenses due to the pension fund, which is expected to pay $0.949 million in contribution to the Swiss plan in 2023.

a. Changes in the year

In thousands of US dollar	**Defined benefit plan**	**Present value**	**Net amount (assets)/liabilities**
As of April 1, 2021	7,814	(5,246)	2,568
Impact on profit or loss	841	(232)	609
Foreign exchange gain (loss)	313	(210)	103
Cost for the current period	736	-	736
Prior period's cost	(240)	-	(240)
Cost/Finance income	32	(22)	10
Other comprehensive income	(1,258)	(24)	(1,282)
Other income			
-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 by Switzerland	-	-	184
Total	-	-	**1,525**

In thousands of US dollar	**Defined benefit plan**	**Present value**	**Net amount (assets)/liabilities**
As of March 31, 2022	**6,602**	**(5,262)**	**1,341**
Impact on profit or loss	**612**	**(120)**	**492**
Foreign exchange gain (loss)	70	(56)	14
Cost for the current period	539	-	539
Prior period's cost	(76)	-	(76)
Cost/Finance income	79	(64)	16
Other comprehensive income	**(490)**	**(152)**	**(641)**
Other income			
-Demographic	-	-	-
-Financial	(645)	-	(645)
- Return on the plan's assets	-	(152)	(152)
-Other	155	-	155
Other	**(1,547)**	**1,030**	**(516)**
Contributions paid by the Employer	-	(516)	(516)
Contributions paid by the Employee	610	(610)	-
Benefits paid	(2,157)	2,157	-
As of March 31, 2023	**5,178**	**(4,503)**	**675**
Plan not covered by Switzerland	-	-	194
Total	-	-	**869**

b. Plan assets

Total assets should be measured at fair value. Assets include fluctuation reserves, patronages' contribution reserves, among others.

The plan's assets consist of:

In thousands of US dollar	2023	2022
Insurance contract	4,503	5,262
Total	**4,503**	**5,262**

a. Plan definitions

(i) Actuarial assumptions

	2023	2022
Inflation	1.15%	1.00%
Discount rate	1.95%	1.20%
Interest rate	1.00%	1.00%
Salary growth	1.15%	1.00%

The demographic assumptions are based on the latest standard tables available in Switzerland (BVG 2015). As of March 31, 2023, the average duration of the defined benefit obligation was 15.4 years (in 2022 it was 16.9 years).

(ii) Sensitivity analysis

Below is the table with the sensitivity analysis

In thousands of US dollar	2022 Recalculated plan	2022 Recalculated service cost
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

In thousands of US dollar	2023 Recalculated plan	2023 Recalculated service cost
Rate (+0.5%)	4,806	655
Rate (-0.5%)	5,605	764
Salary (+0.5%)	5,190	710
Salary (-0.5%)	5,165	701
Life expectancy (+ 1 year)	5,216	711
Life expectancy (-1 year)	5,138	700

26 Equity

The Company's paid-in share capital is R$1,525,154 and R$21,546 is to be paid in as of March 31, 2023, consisting of one billion nine hundred and nine hundred and twenty-five thousand three hundred and forty-one (1,905,925,341) shares, of which one billion nine hundred and five million nine hundred and twenty-five thousand three hundred and four (1,925,304) ordinary shares and thirty-seven (37) preference shares, all registered, book-entry and without par value.

The Company is authorized to increase its share capital by decision of the Board of Directors, regardless of statutory reform, up to the limit of R$2,500,000.

During the year ended March 31, 2023, the Company's shareholders increased capital by R$346,624 in local currency.

The Company's Management is proposing an increase in the Company's capital, within the authorized capital limit, from R$1,525,154 to R$1,721,587, and to issue new shares for the additional capital contribution made by shareholders. This increase will be approved at a meeting of the Board of Directors to be held on June 27, 2023.

Statutory reserve

The legal reserve is recognized at the rate of 5% of annual adjusted profit, up to the limit of 20% of share capital, pursuance to article 193 of Act No. 6,404/76.

Equity valuation adjustment

The reserve for asset and liability valuation adjustments includes:

- Adjustments for the adoption of the attributable cost of property, plant and equipment on the date of transition;
- Cumulative translation adjustment reflects foreign currency differences arising from the translation of the financial statements of foreign operations;
- Hedge *accounting* adjustment of foreign investment as described in note 23 (item i a); and
- Cash flow hedge *adjustment* as described in note 23 (item i b).

The amounts recorded in asset and liability valuation adjustments are reclassified totally or partially to profit or loss through the depreciation of the assets they refer to.

Proposed appropriation of profit for 2023

Profit for the year	**679,403**
-Statutory reserve	(33,970)
Profit to be distributed	**645,433**
- Minimum non-discretionary dividends (1%)	(6,454)
- Proposed additional dividends	638,979

27 Revenue

Revenue flows

The Company generates revenue mainly from the sale of product (sugar, ethanol and natural gas) and from providing services for delivering merchandise to the client.

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Income from goods	69,679,481	74,455,257	7,608,306	14,587,268
Services	464,296	428,204	173,158	158,600
Total	**70,143,777**	**74,883,461**	**7,781,464**	**14,745,868**

Below is the reconciliation of gross revenue to revenues reported in the statement of profit or loss for the year:

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Gross revenue for tax purposes	71,261,137	76,798,784	8,647,820	16,709,041
Less:				
Taxes on sales	(599,154)	(1,391,999)	(603,290)	(1,390,786)
Taxes on services	(36,957)	(32,264)	(18,512)	(17,037)
Returns/discounts	(14,879)	(12,388)	(14,879)	(12,388)
	70,610,147	**75,362,133**	**8,011,139**	**15,288,830**
Realized derivative financial instrument	(466,370)	(478,672)	(229,675)	(542,962)
Total	**70,143,777**	**74,883,461**	**7,781,464**	**14,745,868**

Disaggregation of revenue from contracts with customers

The table below shows the breakdown of revenues per category of products and services.

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Disaggregation by category of products				
Ethanol	21,342,555	28,189,285	4,057,382	11,584,920
Natural gas	22,808,795	20,860,509	-	-
Sugar	25,682,829	25,595,388	3,780,599	3,545,310
RIN_LCFS (registration of renewable fuels)	221,364	187,840	-	-
Petrol	7,442	7,560	-	-
Corn	98,326	104,038	-	-
Realized derivative financial instrument	(481,830)	(489,363)	(229,675)	(542,962)
Total product revenue	**69,679,481**	**74,455,257**	**7,608,306**	**14,587,268**

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Disaggregation of services				
Services	464,296	428,204	173,158	158,600
Total service revenue	464,296	428,204	**173,158**	158,600
Total	**70,143,777**	**74,883,461**	**7,781,464**	**14,745,868**

Ethanol revenue has decreased, because as mentioned in operations, in August 2022 the company's sale of the product started to be operating through ECE S.A.

28 Expense by nature

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Cost of products, except freight, transshipment and storage	(67,444,644)	(72,204,816)	(7,517,642)	(13,930,732)
Change in fair value of inventories	353,116	(690,590)	(19,406)	(201,257)
Depreciation and amortization	(190,242)	(186,124)	(4,466)	(5,247)
Personnel expenses	(549,187)	(472,480)	(108,310)	(137,729)
Freight, transshipment, storage and Boards	(97,309)	(63,298)	(17,721)	(28,809)
Other expenses	(181,921)	(170,894)	(33,174)	(32,598)
Total	**(68,110,187)**	**(73,788,202)**	**(7,700,719)**	**(14,336,372)**
Classified as:				
Cost of sales	(67,359,252)	(73,149,545)	(7,536,418)	(14,131,202)
Administrative	(639,192)	(554,844)	(137,081)	(165,999)
Sales	(111,743)	(83,813)	(27,220)	(39,171)
Total	**(68,110,187)**	**(73,788,202)**	**(7,700,719)**	**(14,336,372)**

29 Other operating income

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Provisions for legal proceedings	970	19	26	19
Lease of properties/cars	44,360	44,083	744	695
Other service income	3,476	979	3,476	979
Premium for early shipment (Despatch)	1,783	1,437	-	-
Gain on ownership interest/ sale of goods (a)	733	20,926	619	19,018
Other	1,080	3,070	555	2,405
Total	**52,402**	**70,514**	**5,420**	**23,116**

(a) Gain on interest in the amount of R$18,845 for the 2122 crop is a result of the advantageous purchase of Alvean Sugar SL.

30 Other operating expenses

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Ship stay expenses in port (Demurrage)	(11,512)	(9,567)	-	-
Brokerage fees	(13,146)	(16,298)	(4,785)	(4,958)
Donations	(1,141)	(3,216)	(170)	(1,935)
Labor lawsuit	(2,479)	(2,864)	(72)	(50)
PIS and COFINS on other revenues	(11,865)	(2,632)	(11,865)	(2,540)
Other	(17,813)	(12,355)	(14,300)	(5,365)
Total	**(57,956)**	**(46,932)**	**(31,192)**	**(14,848)**

31 Net finance income (costs)

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Finance income				
Derivative transactions receivable	5,239,950	6,123,138	652,580	215,845
Foreign exchange gains	622,745	1,908,828	326,212	1,200,561
Interest income	260,124	133,457	237,828	152,699
Other finance income	1,074	798	286	5
	6,123,893	**8,166,221**	**1,216,906**	**1,569,110**
Finance costs				
Derivative loss transactions	(4,974,090)	(6,451,347)	(407,958)	(458,343)
Foreign exchange losses	(762,080)	(1,470,713)	(460,678)	(866,607)
Interest expense	(693,070)	(540,730)	(603,141)	(483,941)
Finance charges on lease liabilities	(28,033)	(29,833)	(891)	(1,242)
Bank commissions	(42,153)	(50,440)	(7,560)	(17,752)
Other finance costs	(3,362)	(8,502)	(3,129)	(8,274)
	(6,502,788)	**(8,551,565)**	**(1,483,357)**	**(1,836,159)**
Total net finance income (costs)	**(378,895)**	**(385,344)**	**(266,451)**	**(267,049)**

A significant portion of the amounts recognized as foreign exchange gains and losses are related to the Company's *hedging* policies and their related hedged offsetting entries are presented as net sales revenue and cost of sales according to prevailing accounting policies.

32 Income and social contribution tax expenses

The reconciliation between total tax expense calculated by applying combined tax rates and the income and social contribution tax expense recognized in profit or loss is as follows:

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Book profit before income and social contribution taxes	840,046	920,506	593,219	749,589
Combined tax rate	34%	34%	34%	34%
Income and social contribution taxes:				
At the combined tax rate	(285,615)	(312,972)	(201,695)	(254,860)
Permanent add-backs/deductions:				
Share of profit of equity-accounted investees	(8,230)	(7,330)	331,280	278,332
Transfer pricing adjustment	(586)	-	-	-
Fines	(37)	(66)	-	-
Donations/Sponsorship	(405)	(816)	(58)	(664)
Other	(13,772)	69,397	(1,999)	4,450
Rate difference - foreign companies	160,866	105,394	-	-
Undue tax deductions (individuals and social contribution taxes)	-	9,403	-	9,403
Results reported abroad	(142,883)	(86,468)	(142,883)	(88,814)
Income tax credit of foreign subsidiaries	103,572	86,405	103,572	86,405
Long-term compensation	28,093	(3,893)	-	(3,572)
10% surtax	24	-	-	-
Provision for income and social contribution taxes - crop season 22/23	(22,311)	-	(22,311)	-
Provision for realization of bonus depreciation	18,130	-	18,130	-

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
IRPJ deductions - PAT and sponsorship	375	1,557	12	848
Income and social contribution taxes in profit or loss for the year	(19,895)	(50,575)	226,931	120,342
Income and social contribution taxes on foreign profits	(142,884)	(88,814)	(142,883)	(88,814)
Effective rate	**19%**	**15%**	**-13%**	**-4%**
Current taxes	**(277,509)**	**(219,417)**	**-**	**(65,911)**
Deferred taxes	**114,730**	**80,028**	**84,048**	**97,439**
Total	**(162,779)**	**(139,389)**	**84,048**	**31,528**

33 Employee benefits

Other short and long-term benefits

Relying on its benefit program, the Company accrued a provision for bonuses that mature within one year for the following professionals:

	2023	2022
Key management personnel	132,299	106,477
Other executives	33,948	27,356
	166,247	**133,833**

34 Operating leases

Leases as lessor

Through its indirect subsidiary Eco-Energy, the Company sub-leases tank vehicles. Minimum future lease payments under non-cancellable leases are as follows:

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Within one year	55,708	43,573	1,535	330
Over a year - up to five years	92,580	50,460	6,790	1,136
More than five years	6,196	2,564	6,197	2,564
Total	**154,484**	**96,597**	**14,522**	**4,030**

During the year ended March 31, 2023, R$48,227 (R$44,502 as of March 31, 2022) was recognized as rental income in the Company's statement of profit or loss.

	2023	2022
Revenue from operating leases	48,227	44,502

35 Statement of value added

Statement of value added in accordance with Brazilian accounting policies and as additional information for IFRS purposes, the Company prepared the consolidated and individual statement of value added.

This statement, grounded in macroeconomic concepts, seeks to present the Company's portion in the preparation of the Gross Domestic Product by calculating the related amounts added both by the Company and the amounts received from other entities, and distributing these amounts to its employees, government entities, lessors of assets, creditors for loans, financing and debt securities, controlling and NCI, and other compensation that accrues for the transfer of wealth to third parties, represents the wealth created by the Company, in general, measured by revenues from the sale of goods and services rendered, less the related input acquired from third parties, including value added produced by third parties and transferred to the entity.

36 Subsequent events

On April 19, 2023, Copersucar S.A. entered into a sales agreement with Ultracargo for its 50% ownership interest in Opla (Terminal de Combustíveis Paulínia S.A.). The deal totaled R$237.5 million, but is subject to the approval of the Brazilian Antitrust Authority (CADE), the other 50% will be held with BP Biofuels Brazil Investments, which used to be a partner of Opla together with Copersucar.

Opla is a storage and handling services company that operates a fuel terminal located in Paulínia, in the interior of the state of São Paulo, with a storage capacity of 180,000 cubic meters.

The sale of the asset does not affect Copersucar's ethanol storage and logistics operations, and is in line with the company's strategy for optimizing its portfolio, in which Copersucar will keep access to Opla's systems under long-term operating contracts.

Amendments to loan agreements - Copersucar S.A.

In April 2023 the loans granted by Copersucar S.A. to Banco Credit Agrícole were added for the withdrawal of the Cooperative's endorsements. As of March 31, 2023 these loans totaled R$157,699.

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Director

Julio Alvarez Boada
Director

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Director

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