Interim Financial Information

Companhia Mineira de Açúcar e Álcool Participações

September 30, 2022
with independent auditor’s review report

(A free translation from Portuguese into English of the individual and consolidated interim financial information originally issued in Portuguese)

Companhia Mineira de Açúcar e Álcool Participações

Individual and consolidated interim financial information

September 30, 2022

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MANAGEMENT REPORT | 2Q23 CROP CALENDAR YEAR

Uberaba, November 11, 2022.

Dear shareholders,

Companhia Mineira de Açúcar e Álcool Participações (CMAA), a publicly-held company registered with the Brazilian Securities and Exchange Commission (CVM) (category B), and one of the major players in the ethanol, VHP sugar and bioelectricity industries in the state of Minas Gerais, presents its consolidated results for the 2Q23 – Crop calendar (period between 4/1/2022 and 9/30/2022).

Message from Management

In a scenario of high commodity prices, mainly sugar, observed in the 2022/2023 cycle, the sugar-energy sector faces some important challenges due to the economic instability generated mainly by the Brazilian election year. Even with the deflation observed in the last quarter, the crop still has higher costs, mainly noticed in the prices of fuel and inputs, which are starting to decline slowly. In part, these higher costs are also due to the effects of the conflict between Russia and Ukraine, particularly on the global market for fossil fuels. Even with the current scenario of economic instability, we move forward confidently in the company's growth in terms of sugarcane crushing and production due to the improvement in agricultural productivity resulting from management and climatic factors. Yet, we remain very cautious regarding the economic and financial results of the 2022/2023 cycle.

According to data released by the Brazilian Sugarcane Industry Association (UNICA - União da Indústria de Cana-de-Açúcar), the mills in the Mid-South region reached processing of 405.9 million tons of sugarcane from the beginning of the cycle to the end of September 2022, 6.5% lower than in the same period of the previous cycle (with milling of 431.9 million tons). The average Total Recoverable Sugar (ATR) per ton of sugarcane was also lower in the region, accumulated at 140.9 kg/ton of sugarcane against 142.73 kg/ton of sugarcane in the previous year. Of the total processed, 45.5% of the mix was used for sugar production and 54.5% for ethanol production, thus the sugar production in this quarter was lower compared to the same period of the previous cycle, when 45.92% was used for sugar production.

In the accumulated of the harvest (6M23), the CMAA group presented crushing 3.3% lower than the previous period due to the strategy of maintaining a slower pace of processing at the beginning of the harvest to benefit from better agronomic planning, respecting the maturation of the sugarcane field. The recovery in processing volumes is already observed in the second quarter, when 3,563.3 tons of sugarcane were processed, an increase of 13.1% vis-à-vis the first quarter of the current crop and 9.4% in relation to the same quarter of the 2021/2022 cycle. Expectations for the coming months remain optimistic with the agricultural forecast of maintaining the supply of greater volumes of sugarcane than originally estimated in the industrial plan with a higher ATR concentration, even considering that the manufacturing units are preparing to end harvesting activities as from the end of November and start the off-season maintenance period to resume crushing in March/23.

CMAA prioritized the production of sugar in the second quarter, taking advantage of the favorable market conditions and in order to meet future goals set in the previous crop. There were 312.9 thousand tons of production in the quarter, an increase of 22.9% compared to the same quarter of the previous crop. In ethanol, given the market moment and future commitments, there was prioritization in hydrous ethanol production with an increase of 32.8% compared to the previous period.

In the quarter, the company recorded net revenue of R$ 602.8 million, up 7.1%, even with sugar sales volumes lower by 9.2% compared to the same prior-year period, totaling 241.9 thousand tons (against 266.3 thousand tons in 2Q22). Meanwhile, ethanol sales volume grew by around 80% in the second quarter of the crop year compared to the same prior-year period. There was also growth in sales of electricity by 20.8%, to a total of 154.2 thousand MWh, due to the improvement in energy efficiency at Vale do Pontal unit. In the period, CBIOS sales fell 32% compared to the second quarter of the previous year due to the postponement of the mandatory purchase of decarbonization credits by the distributors granted by the federal government, reducing demand in that period.

In the second quarter of 2Q23, the CMAA Group recorded a net profit of R$23.5 million reais, lower than the same prior-year period when a profit of R$115.4 million was earned, but in line with the approved budget estimates and the company's commercial strategies. One of the factors that strongly contributed to this result in 2Q23 was the effects of the variation in the fair value of biological assets, where a loss of R$ 31.4 million was recorded, -178.7% as compared to 2Q22. It is expected that this result will be reversed within this cycle as the pace of sugarcane processing, production and revenues are achieved, with expectations of higher productivity and consequent dilution of production costs and increase in sales volumes.

For the next quarters of the current year, we will maintain the strategy of maximizing installed capacity, increasing agro-industrial efficiency and keeping stringent cost control, while the cycle is heading towards its end. Navigating a challenging scenario, we seek to achieve the best results, always focused on ensuring the integrity and ideal working conditions for our employees, with strong investments in leadership training in line with the values of CMAA as a tool for development and support for growth. In addition, one of our most important operational pillars is environmental awareness, with initiatives that keep us moving towards sustainable growth, with high ESG standards. Last but not least, we remain committed to strengthening our national agribusiness and creating value for our shareholders and society in general.

2Q23 vs. 2Q22 Highlights

Processing of 3.6 million tons of sugarcane in the 2Q23, 9.4% up from the volume processed in the same period of the previous cycle, accumulating 6.7 million tons already processed in the cycle. 312.9 thousand tons of VHP sugar, 137.9 thousand cubic meters of ethanol and 156.6 thousand MWh of energy were produced in the cycle.

Net income of R$602.9 million, 7.1% up from the R$562.9 million earned in 2Q22 and 9.1% up in YTD, totaling R$1,145.4 million.

Operating Income[1] of R$ 85.3 million in 2Q23 and R$ 181.7 million in YTD (6M23), with a margin of 15.9%.

Adjusted EBITDA[2] of R$ 278.4 million, 7.2% higher than the R$ 259.8 million earned in 2Q22 and 10.1% higher than YTD (6M).

[1]Operating Income is equivalent to income before finance income and income tax and social contributic presented in the statement of income.

[2]Adjusted EBITDA is reached by deducting from EBITDA the effects of changes in the fair value of Biologica Assets and gains and losses on EBITDA investments.

About the CMAA Group

Companhia Mineira de Açúcar e Álcool Participações, based in the city of Uberaba, Minas Gerais State, is the controlling shareholder of Vale do Tijuco Açúcar e Álcool S.A. (Vale do Tijuco), Vale do Pontal Açúcar e Etanol Ltda. (Vale do Pontal), and Canápolis Açúcar e Etanol S.A.(Canápolis).

The three units are located in the region known as Triângulo Mineiro and produce sugar, anhydrous ethanol, hydrous ethanol and energy (only for consumption at Usina Canápolis), as well as by-products fusel oil and sugarcane bagasse. Vale do Tijuco, which started operating in April 2010, has a milling capacity of some 5.0 million tons of sugarcane/year. The activities of Vale do Pontal started in May 2016 and the company became part of the Group in July 2018. The milling capacity in its facilities totals some 2.7 million tons of sugarcane/year. Usina Canápolis started its activities in May 2020 and became part of the CMAA Group in September 30, 2020, with a current milling capacity of 2.0 million tons of sugarcane/year.

By the end of the second quarter of 2022/2023 cycle, the CMAA Group milled 6.7 million tons of sugarcane, and produced 528.3 thousand tons of VHP sugar, 248.8 thousand cubic meters of ethanol and 302.9 thousand MWH of energy.

Operating Performance

In the first six months of the crop, 6,713.5 thousand tons of sugarcane were processed, a reduction of 3.3% compared to the 6,943 thousand tons in the same period. In the quarter, cane of own origin processed was 17.0% higher than the same quarter of the previous crop. Third-party cane totaled 2,001.9 thousand tons (4.2% higher than the same prior-year period) representing 56.2% of the total cane processed in the quarter.

The amount of Total Recoverable Sugar (ATR) reached 152.2 kg/t in 2Q23, 4% higher compared to the 146.4 kg/t observed in 2Q22 and remain higher in the accumulated in the cycle at 2.6% (140.4 against 136.9 kg/ton).

Operational Data	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
CMAA - Consolidated						
Processed sugarcane (thousand tons)	3,563.3	3,255.7	9.4%	6,713.5	6,943.0	-3.3%
Own	1,561.3	1,334.7	17.0%	3,149.4	3,182.4	-1.0%
Third parties	2,001.9	1,921.0	4.2%	3,564.1	3,760.5	-5.2%
% Own	44%	41%	3%	47%	46%	1%
% Third parties	56%	59%	-3%	53%	54%	-1%
ATR (kg/ton of sugarcane)	152.2	146.4	4.0%	140.4	136.9	2.6%
Sugar Mix	61%	56%	5%	60%	56%	4%
Ethanol Mix	39%	44%	-5%	40%	44%	-4%
Production						
Sugar (thousand tons)	312.9	254.6	22.9%	528.3	499.3	5.8%
Anhydrous Ethanol (thousand cbm)	48.9	69.5	-29.6%	81.3	111.8	-27.3%
Hydrous Ethanol (thousand cbm)	89.0	67.0	32.8%	167.5	163.4	2.5%
Total Ethanol	137.9	136.5	1.0%	248.8	275.2	-9.6%
Energy (thousand MWh)	156.6	129.9	20.6%	302.9	265.2	14.2%
Sales						
Sugar (thousand tons)	241.9	266.3	-9.2%	369.9	403.8	-8.4%
Anhydrous Ethanol (thousand cbm)	25.6	26.1	-1.9%	43.5	47.1	-7.7%
Hydrous Ethanol (thousand cbm)	30.0	16.5	81.8%	93.2	104.9	-11.2%
Total Ethanol	55.6	42.6	30.5%	136.7	152.0	-10.1%
Energy (thousand MWh)	154.2	127.6	20.8%	297.4	260.6	14.1%
CBIOS (thousand units)	52.3	76.9	-32.0%	181.1	137.7	31.5%
Inventories						
Sugar (thousand tons)	163.9	97.6	67.9%	163.9	97.6	67.9%
Anhydrous Ethanol (thousand cbm)	41.8	66.2	-36.8%	41.8	66.2	-36.8%
Hydrous Ethanol (thousand cbm)	77.9	60.2	29.4%	77.9	60.2	29.4%
Total Ethanol	119.7	126.4	-5.3%	119.7	126.4	-5%

Sugar production in second quarter of the 2022/23 cycle was 312.9 thousand tons, a 22.9% increase over the same prior-year period. Anhydrous ethanol production totaled 48.9 thousand cbm, a 29.6% decrease over 2Q22, while the production of hydrous ethanol totaled 89 thousand cbm, a 32.8% increase over 2Q22. Due to the sugar futures entered into in the previous cycle, CMAA prioritized the production of this commodity.

In 6M23, bioenergy generation increased by 14.2% compared with 6M22, from 265.2 thousand MWh to 302.9 thousand MWh. The volumes of electric power indicated above illustrate the Company's performance with the generation and sale of its own energy.

Economic and Financial Performance

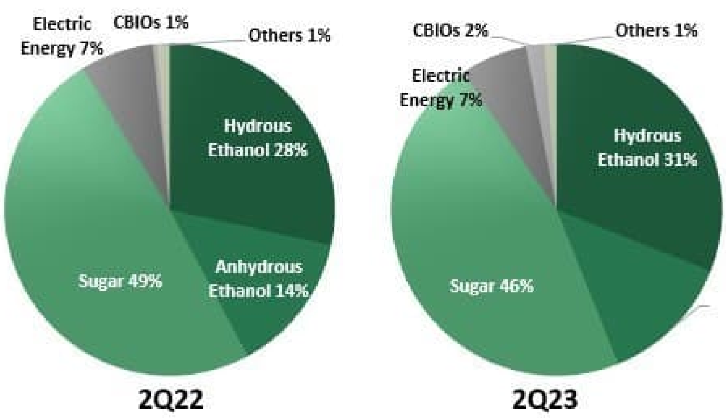
CMAA - Consolidated	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
In thousands of Reais						
Gross revenue	612,972	576,203	6.4%	1,201,895	1,114,356	7.9%
Net revenue	602,852	562,855	7.1%	1,145,396	1,049,540	9.1%
Biological Asset Fair Value at CoGS	-31,391	39,905	-178.7%	-44,599	48,131	-192.7%
CoGS w/o Biological Asset Fair Value	-422,369	-368,277	14.7%	-808,619	-704,125	14.8%
Total CoGS	-453,760	-328,372	38.2%	-853,218	-655,994	30.1%
Margin CoGS (%)	*75.3%*	*58.3%*	*17.0%*	*74.5%*	*62.5%*	*12.0%*
Gross profit	149,092	234,483	-36.4%	292,178	393,546	-25.8%
Gross margin (%)	*24.7%*	*41.7%*	*-17.0%*	*25.5%*	*37.5%*	*-12.0%*
General, selling and other expenses	-63,728	-66,548	-4.2%	-110,511	-109,193	1.2%
Operating income (loss)	85,364	167,935	-49.2%	181,667	284,353	-36.1%
Operating margin (%)	*14.2%*	*29.8%*	*-15.6%*	*15.9%*	*27.1%*	*-11.2%*
Depreciation and amortization	161,374	135,510	19.1%	317,801	261,918	21.3%
EBITDA	246,738	303,445	-18.7%	499,468	546,271	-8.6%
EBITDA margin (%)	*40.9%*	*53.9%*	*-13.0%*	*43.6%*	*52.0%*	*-8.4%*
Fair value of biological asset	31,391	-39,905	-178.7%	44,599	-48,131	-192.7%
Gains and Losses on Investments	273	-3,740	-107.3%	84	-3,925	-102.1%
ADJUSTED EBITDA	278,402	259,800	7.2%	544,151	494,215	10.1%
ADJUSTED EBITDA Margin (%)	*46.2%*	*46.2%*	*0.0%*	*47.5%*	*47.1%*	*0.4%*
Net income	23,458	115,360	-79.7%	-9,861	177,543	-105.6%
Net margin (%)	*3.9%*	*20.5%*	*-16.6%*	*-0.9%*	*16.9%*	*-17.8%*

In the second quarter of the 2022/2023 cycle, CMAA recorded net income of R$23.3 million against net income of R$115.4 million recorded in the same prior-year period. The net margin was 3.9% compared to 20.5% in the same prior-year period, the main reasons being the lower sugar billing volume, higher selling costs and negative variation in the fair value of biological assets due to the adjustment to lower price estimates (mainly ethanol) and higher costs in the future cash flow projected for its appreciation.

Revenue

Gross revenue	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
In thousands of Reais						
Domestic market	241,069	212,241	13.6%	643,127	586,153	9.7%
Hydrous ethanol	109,057	61,178	78.3%	372,878	334,969	11.3%
Anhydrous ethanol	83,060	95,011	-12.6%	155,225	167,934	-7.6%
Hedge Accounting Ethanol	-	-21,539	-100.0%	-	-32,981	-100%
VHP sugar	224	16,921	-98.7%	224	18,159	-98.8%
Electric energy	40,540	49,925	-18.8%	78,794	79,640	-1.1%
CBIOs	4,735	3,158	49.9%	21,648	5,010	332.1%
Other	3,453	7,587	-54.5%	14,358	13,422	7.0%
Foreign market	371,903	363,962	2.2%	558,768	528,203	5.8%
VHP sugar	477,714	468,307	2.0%	729,341	709,140	2.8%
Hedge Accounting VHP Sugar	-105,811	-104,345	1.4%	-170,573	-180,937	-5.7%
Total gross revenue	612,972	576,203	6.4%	1,201,895	1,114,356	7.9%
Hydrous ethanol	109,057	52,202	108.9%	372,878	316,854	17.7%
Anhydrous ethanol	83,060	82,448	0.7%	155,225	153,068	1.4%
Sugar	372,127	380,883	-2.3%	558,992	546,362	2.3%
Electric energy	40,540	49,925	-18.8%	78,794	79,640	-1.1%
CBIOs	4,735	3,158	49.9%	21,648	5,010	332.1%
Other	3,453	7,587	-54.5%	14,358	13,422	7.0%

Distribution - Gross Sales



Until September 2023, the share of each product in terms of total revenue was in line with the prior crop, considering the same comparison period. Gross revenue from the sale of ethanol increased by around 19.1%, and gross revenue from sale of sugar increased by around 2.3% in the 6M-period. Revenue from sale of power also increased by 332.1% compared with the 2021/2022 cycle period.

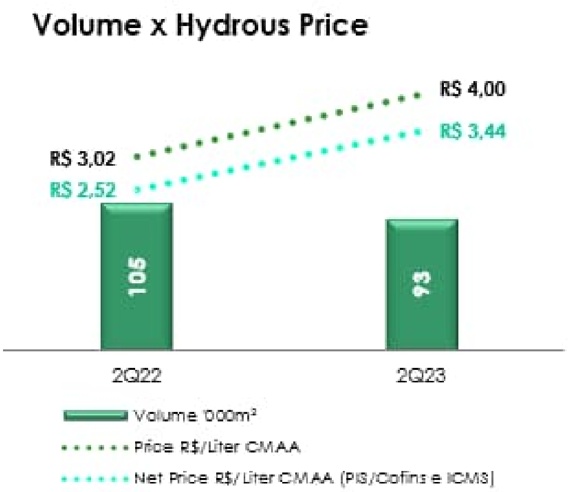
Ethanol

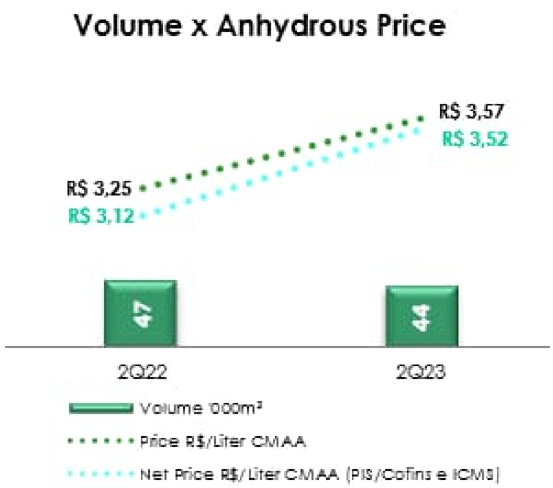
Although the beginning of the cycle was marked by higher prices, the ethanol market showed a drop in prices and demand in the second quarter due to changes in price parity with gasoline resulting from tax reliefs (ICMS, Pis and Cofins) that impacted the entire fuel marketing chain.

As part of the ethanol sales were already set at good price levels and the Company has been delivering this volume during the crop cycle, average sales prices were higher than those charged by the market, which assured us a better average price compared to same prior-year period.

As part of the gross revenues realized in the crop cycle have different tax burdens that directly impact the respective gross prices, for comparative purposes we also present the prices net of PIS, Cofins and ICMS that were adopted by CMAA in the current period and in the comparative period.

Until September, driven by the high price of sugar in the foreign market, low supply of hydrous and anhydrous ethanol, and favorable parity with gasoline prices, ethanol prices had an increase in the period. To seize this moment, CMAA sold 93.2 thousand cbm of hydrous ethanol in 2Q23, at an average price of R$4.00/liter, higher than 2Q22, at R$3.02/liter. As for anhydrous ethanol, 43.5 thousand cbm were sold at an average price of R$ 3.57, equivalent to the average price of the previous six-month period.

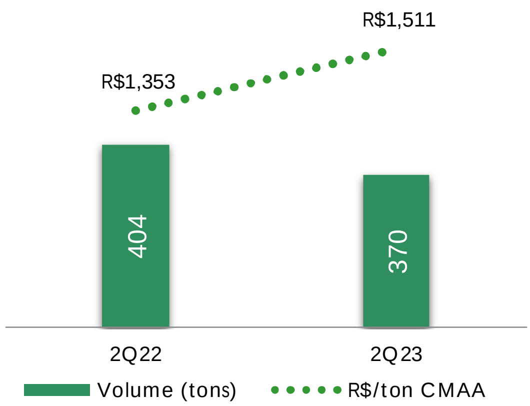




VHP

Until September 2022, 369.9 thousand tons were sold, which represents a reduction of 8.4% compared to the same period last year, due to the lower production pace in the first quarter, consequently postponing shipments to the port and embarkation. Prices adopted until 6M23 were 18.9% higher than those adopted in the same period of the previous year, at an average price of R$ 1,511 per ton, already with the impact of the Hedge Accounting carried out referring to previous years' commitments.

Sale Volume x Price - VHP



Cost of Goods Sold

CoGS	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
In thousands of Reais						
Amortization of treatment costs	48,996	32,833	49.2%	93,401	67,666	38.0%
Amortization of planting costs	30,580	27,151	12.6%	58,456	55,966	4.4%
Purchase of sugarcane on conveyor	170,194	162,963	4.4%	304,571	295,806	3.0%
Amortization of right of use and agricultural partnerships	21,928	21,393	2.5%	53,690	34,734	54.6%
Depreciation	12,896	12,044	7.1%	26,713	24,457	9.2%
Amortization of off-season costs	45,326	39,150	15.8%	82,341	74,777	10.1%
Cutting, loading and transportation (CCT) costs	70,055	57,298	22.3%	130,839	113,631	15.1%
Industrial costs	32,909	25,137	30.9%	72,982	52,384	39.3%
Cost of services rendered	5,357	4,528	18.3%	16,980	8,976	89.2%
Other costs	2,969	2,744	8.2%	6,323	4,884	29.5%
Changes in fair value of biological assets	31,390	-39,905	-178.7%	44,599	-48,131	-192.7%
PIS and COFINS credits on inputs	-18,841	-16,964	11.1%	-37,677	-29,156	29.2%
Total	453,759	328,372	38.2%	853,218	655,994	30.1%
CoGS breakdown per good						
Sugar	296,448	275,819	7.5%	475,782	410,286	16.0%
Ethanol	113,399	77,980	45.4%	301,930	265,735	13.6%
Energy	5,577	3,916	42.4%	11,217	8,537	31.4%
Other	38,335	-29,343	-230.6%	64,289	-28,564	-325%
Total CoGS	453,759	328,372	38.2%	853,218	655,994	30.1%
ATR Sold ('000 Tons)	337	344	-2.0%	593	651	-8.9%
Unit cost (CoGS Sugar and Ethanol/ATR)	1,215	1,029	18.1%	1,312	1,038	26.4%

The cost of goods sold up to September increased by 30.1% compared to the same period of the previous year, already considering the effects of changes in the fair value of biological assets. Excluding this effect, COGS increased by 14.8% (R$808.6 million against R$704.1 million) in the same period. A relevant factor for this increase in costs was the amortization of the cultivation costs of the previous period that were disbursed to ensure a better sugarcane yield, given the adverse climate conditions of the previous cycle. Also relevant are higher industrial costs (increase in the price of inputs, maintenance and labor) and CCT (diesel price and maintenance), in addition to the effects of lower dilution of fixed costs due to lower processing and production volumes in the year-to-date period.

This dilution is expected to be optimized with the increase in milling in the next months. Finally, we can highlight the increase in the ATR price compared to the same period of the previous cycle, which serves as the basis for measuring agricultural partnership contracts and agricultural leases, directly impacting the amortization of the right to use under IFRS-16. When comparing the unit cost of sugar/ethanol over the ATR sold, there was an increase of 26.4%.

Operating Expenses

The Company's selling expenses reached R$ 93.3 million in 6M23, 11.1% higher than that recorded in the same period of the previous cycle, mainly due to the increase in road and rail freight prices for shipping sugar to port terminals.

Selling expenses	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
In thousands of Reais						
Freight and carriage	53,280	44,055	20.9%	81,137	69,979	15.9%
Tariffs arising from distribution of electric power	723	1,836	-60.6%	3,145	3,925	-19.9%
Personnel expenses	1,390	1,253	10.9%	2,829	2,440	15.9%
Other selling expenses	2,279	4,343	-47.5%	4,718	6,274	-24.8%
Depreciation and amortization	777	705	10.2%	1,512	1,400	8.0%
Total	58,449	52,192	12.0%	93,341	84,018	11.1%

Administrative expenses decreased by 8% in 6M23 compared to the same prior-year six-month period. The biggest reduction occurred in Third-party services, while we had an increase in personnel expenses due to the greater number of workers in the administrative department and the effect of the collective bargaining agreement applied in the year, in addition to also higher Other administrative expenses.

Administrative expenses	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
In thousands of Reais						
Personnel expenses	6,562	5,924	10.8%	14,334	11,903	20.4%
Third-party services	4,319	8,426	-48.7%	7,449	12,818	-41.9%
Other administrative expenses	3,114	2,247	38.6%	5,944	4,328	37.3%
Depreciation and amortization	871	2,234	-61.0%	1,688	2,918	-42.1%
Total	14,866	18,831	-21.1%	29,415	31,967	-8.0%

Financial Result and Bank Indebtedness

Finance income (expenses), net	2Q23	2Q22	Var. (%)	6M23	6M22	Var. (%)
In thousands of Reais						
Finance income	115,928	48,970	136.7%	168,794	96,433	75.0%
Finance expenses	-194,608	-85,415	127.8%	-351,378	-182,426	92.6%
Total	-78,680	-36,445	115.9%	-182,584	-85,993	112.3%

The net financial result accumulated until September 30, 2022 was negative by R$ 182.6 million, 112.3% higher than the negative R$ 86.0 million reported for the same prior-year period, mainly impacted by the increase in interest rates and the future curves of CDI and IPCA on the fair value of derivative financial instruments hedging the company's debt. Finance income increased by 75%, while finance expenses increased by 92.6%. It is important to point out that the net finance income was R$ 78.7 million in 2Q23, a reduction of 24.3% compared to the first quarter of the current cycle.

Financial Results	6M23	6M22	Var. (%)
In thousands of Reais			
Interest on loans and financing	-95,969	-65,780	45.9%
Short-term investment income	18,294	6,040	202.9%
Gain/losses on fair value adjustment – derivatives	-34,863	6,798	-612.8%
Tax on Financial Transactions (IOF)	-7,311	-3,669	99.3%
Foreign exchange differences	-15,688	2,506	-726.0%
Bank fees	-8,011	-6,212	29.0%
Other finance income and expenses	2,009	-3,726	-153.9%
Fair value adjustment - leases	-41,045	-21,950	87.0%
Total	-182,584	-85,993	112.3%

Indebtedness	9/30/22	9/30/21	Var. (%)
In thousands of Reais			
ACC/CCE/NCE	137,860	196,605	-29.9%
Finame	170,467	183,238	-7.0%
Working capital	157,428	141,819	11.0%
Agribusiness Receivables Certificate ("CRA")	1,334,240	772,491	72.7%
Deferred expenses	-43,414	-21,721	99.9%
Total gross debt	1,756,581	1,272,432	38.0%
Cash and cash equivalents	269,302	347,842	-22.6%
Net Debt	1,487,279	924,590	60.9%
Capital stock	503,892	503,892	0.0%
Processed sugarcane (thousand tons)	6,714	6,943	-3.3%
ADJUSTED EBITDA	544,151	494,215	10.1%
Ratio (Net debt / Capital)	2.95	1.83	61.2%
Ratio (Net debt / Processed sugarcane – thousand tons)	221.5	133.2	66.3%
Ratio (Net debt / ADJUSTED EBITDA)	2.73	1.87	46.0%

Gross debt reached R$ 1.8 billion, an increase of 38% as at September 30, 2022. Net debt reached R$ 1.5 billion at September 30, 2022, 60.9% higher than that recorded at September 30, 2021 due to the reduction in cash, reflecting the company's strategy in advancing payment of dividends to shareholders, advance on settlement of export prepayment (PPE), management of very short-term payments and receivables, and high volumes of inventories to be realized until the end of the current year.< Moreover, the company continues investing in growth, in the maintenance of industrial parks, in the increase of sugarcane production areas, and in the gradual irrigation project at Vale do Pontal Plant, which consequently demanded new funding.

It is important to mention that in the Company's Risk Management there is a breakdown between loans negotiated in different indices, partially insured by the IPCA, partially insured by the CDI and partially insured by fixed interest rates. Since these interest rate swap transactions are often executed by means other than the original transaction and produce fair value results calculated by future curves and become fully effective only at the moment of financial settlement, the gains and/or losses of these swap instruments require specific analysis to better understand our actual responsibility.

In the period ended September 30, 2022, Ernst & Young Auditores Independentes S.S. did not provide services other than audit services.

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A free translation from Portuguese into English of Independent Auditor's Review Report on Quarterly Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Independent auditor's review report on quarterly information

To the
Shareholders, Board of Directors and Officers of
Companhia Mineira de Açúcar e Álcool Participações
Uberaba - MG

Introduction

We have reviewed the accompanying individual and consolidated interim financial information contained in the Quarterly Information Form (ITR) of Companhia Mineira de Açúcar e Álcool Participações (the "Company") for the quarter ended September 30, 2022, comprising the statement of financial position as at September 30, 2022 and the related statements of income and of comprehensive income for the three- and six-month periods then ended, and of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

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

Scope of review

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

Conclusion on the individual and consolidated interim financial information

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

Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the six-month period ended September 30, 2022, prepared under the responsibility of Company's executive board and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and accounting records, as applicable, and if their format and content are in accordance with the criteria set forth in NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with the criteria set forth by this Standard and consistently with the overall individual and consolidated interim financial information.

Goiânia, November 11, 2022.

ERNST & YOUNG
Auditores Independentes S.S Ltda.
CRC SP-015199/F

Wagner dos Santos Junior
Partner - Accountant CRC-1SP-216386/O-T

Companhia Mineira de Açúcar e Álcool Participações

Statements of financial position
As at September 30 and March 31, 2022
(In thousands of reais)

		Individual		Consolidated	
	Note	9/30/2022	3/31/2022	9/30/2022	3/31/2022
Assets					
Current assets					
Cash and cash equivalents	3	110	14	264,460	891,989
Short-term investments	4	-	-	4,365	6,481
Accounts receivable and other receivables	5	-	8,850	245,872	53,591
Leases receivable	6	-	-	85,021	84,430
Inventories	7	-	-	575,169	91,878
Biological assets	8	-	-	220,847	300,813
Taxes recoverable	9	4	190	73,428	38,588
Advances to suppliers and other assets	10	-	-	53,440	14,443
Derivative financial instruments	20	-	-	33,156	52,962
Total current assets		114	9,054	1,555,758	1,535,175
Noncurrent assets					
Short-term investments	4	-	-	477	2,325
Accounts receivable and other receivables	5	6,472	-	64,507	43,285
Leases receivable	6	-	-	446,862	412,584
Taxes recoverable	9	163	66	25,702	26,570
Judicial deposits		10	11	1,078	1,060
Derivative financial instruments	20	-	-	63,460	176,247
Deferred income taxes	21	-	-	156,328	216,911
Investments	11	535,853	445,067	10,873	9,514
Property, plant and equipment	12	-	-	1,205,543	1,283,474
Intangible assets		-	-	6,122	6,384
Right of use	13	-	-	1,004,096	1,025,033
Total noncurrent assets		542,498	445,144	2,985,048	3,203,387
Total assets		542,612	454,198	4,540,806	4,738,562

	Note	Individual		Consolidated	
		9/30/2022	3/31/2022	9/30/2022	3/31/2022
Liabilities and equity					
Current liabilities					
Loans and financing	14	-	-	277,385	226,576
Suppliers and other payables	15	-	337	427,155	230,296
Leases and agricultural partnerships payable	16	-	-	267,718	270,000
Advances from customers	17	-	-	109,484	218,854
Derivative financial instruments	20	-	-	174,034	400,520
Provisions and labor charges			-	52,850	46,160
Tax obligations		6,466	6,441	16,009	28,155
Other liabilities		-	-	40	67
Total current liabilities		6,466	6,778	1,324,675	1,420,628
Noncurrent liabilities					
Loans and financing	14	-	-	1,479,196	1,476,021
Suppliers and other payables	15	-	-	4,807	798
Leases and agricultural partnerships payable	16	-	-	1,238,466	1,215,939
Advances from customers	17	-	-	-	35,027
Provisions for legal proceedings	18	-	-	964	1,459
Intercompany loans	26	-	1,337	-	-
Derivative financial instruments	20	-	-	3,663	142,607
Provision for losses on investments	11	47,111	-	-	-
Total noncurrent liabilities		47,111	1,337	2,727,096	2,871,851
Equity	19				
Capital stock		503,892	503,892	503,892	503,892
Capital reserve		4,164	4,164	4,164	4,164
Income reserves		131,659	246,659	131,659	246,659
Accumulated losses		(9,861)	-	(9,861)	-
Equity adjustments		(140,819)	(308,632)	(140,819)	(308,632)
Total equity		489,035	446,083	489,035	446,083
Total liabilities and equity		542,612	454,198	4,540,806	4,738,562

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of income

Three- and six-month periods ended September 30, 2022 and 2021
(In thousands of reais, except earnings (loss) per share - in reais)

		Individual				Consolidated			
	Note	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
Net revenue	22	-	-	-	-	602,852	562,855	1,145,396	1,049,540
Cost of sales and services	23	-	-	-	-	(453,759)	(328,372)	(853,218)	(655,994)
Gross profit		-	-	-	-	149,093	234,483	292,178	393,546
Selling expenses	23		-		-	(58,449)	(52,192)	(93,341)	(84,018)
Administrative expenses	23	(852)	(1,680)	(979)	(1,996)	(14,866)	(18,831)	(29,415)	(31,967)
Other operating income (expenses), net	23	70	(214)	(19)	(3,679)	9,856	4,348	12,330	6,480
Equity pickup	11	24,023	117,262	(9,138)	183,239	(270)	127	(85)	312
		23,241	115,368	(10,136)	177,564	(63,729)	(66,548)	(110,511)	(109,193)
Income (loss) before finance income/expenses and income taxes		23,241	115,368	(10,136)	177,564	85,364	167,935	181,667	284,353
Finance expenses	24	(1)	(8)	(10)	(21)	(194,608)	(85,415)	(351,378)	(182,426)
Finance income	24	218	-	285	-	115,928	48,970	168,794	96,433
Finance income (expenses), net		217	(8)	275	(21)	(78,680)	(36,445)	(182,584)	(85,993)
Income (loss) before income taxes		23,458	115,360	(9,861)	177,543	6,684	131,490	(917)	198,360
Current income taxes	21	-	-	-	-	(11,449)	(3,338)	(26,949)	(1,438)
Deferred income taxes	21	-	-	-	-	28,223	(12,792)	18,005	(19,379)
			-		-	16,774	(16,130)	(8,944)	(20,817)
Net income (loss) for the period		23,458	115,360	(9,861)	177,543	23,458	115,360	(9,861)	177,543
Basic and diluted earnings (loss) per share (in reais), net	25	0.0186	0.0917	(0.0078)	0.1411	0.0186	0.0917	(0.0078)	0.1411

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of comprehensive income
Three- and six-month periods ended September 30, 2022 and 2021
(In thousands of reais)

	Individual				Consolidated			
	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
Net income (loss) for the period	23,458	115,360	(9,861)	177,543	23,458	115,360	(9,861)	177,543
Other comprehensive income to be reclassified to the statement of income in subsequent periods:								
Net gains (losses) on cash flow hedge – effective	-	-	-	-	121,898	22,986	(37,889)	(94,069)
Net gains (losses) on cash flow hedge – future	-	-	-	-	24,373	(322,591)	284,290	(211,922)
Tax effects on cash flow hedge losses	-	-	-	-	(49,732)	109,683	(78,588)	72,054
Indirect effect of subsidiaries	96,539	(189,922)	167,813	(233,937)	-	-	-	-
Total comprehensive income	119,997	(74,562)	157,952	(56,394)	119,997	(74,562)	157,952	(56,394)

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of changes in equity
Six-month periods ended September 30, 2022 and 2021
(In thousands of reais)

	Capital stock	Capital reserve	Income reserve: Legal reserve	Income reserve: Tax incentive reserve	Equity adjustments	Retained earnings (accumulated losses)	Total equity
Balance at April 1, 2021	503,892	4,164	8,808	102,759	(355,981)	-	263,642
Net losses on cash flow hedge	-	-	-	-	(233,937)	-	(233,937)
Net income for the period	-	-	-	-	-	177,543	177,543
Equity adjustments in investees	-	-	-	(1)	-	7	6
Dividends paid	-	-	-	(60,000)	-	-	(60,000)
Balance at September 30, 2021	503,892	4,164	8,808	42,758	(589,918)	177,550	147,254
Balance at April 1, 2022	503,892	4,164	18,562	228,097	(308,632)	-	446,083
Net gains on cash flow hedge	-	-	-	-	167,813	-	167,813
Net loss for the period	-	-	-	-	-	(9,861)	(9,861)
Dividends paid	-	-	-	(115,000)	-	-	(115,000)
Balance at September 30, 2022	503,892	4,164	18,562	113,097	(140,819)	(9,861)	489,035

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of cash flows

Six-month periods ended September 30, 2022 and 2021

(In thousands of reais)

	Individual		Consolidated	
	9/30/2022	9/30/2021	9/30/2022	9/30/2021
Cash flows from operating activities				
Income (loss) before income taxes	(9,861)	177,543	(917)	198,360
Adjustments to reconcile income (loss):				
Interest on leases, net	-	-	41,045	21,950
Changes in fair value of biological assets	-	-	44,599	(48,131)
Depreciation and amortization	-	-	317,801	261,918
Equity pickup	9,138	(183,239)	85	(312)
Proceeds from disposal of property, plant and equipment	-	-	2,198	1,787
Interest on loans and financing	-	-	95,969	65,716
Allocation of transaction costs	-	-	7,714	4,835
Interest and IOF on related-party transactions	-	-	5,875	2,777
Exchange differences and monetary adjustment	-	-	35	(372)
Unrealized gains and losses on derivative financial instruments	-	-	51,454	(14,378)
Reversal of expected credit losses	-	-	-	(1,332)
Reversal of allowance for obsolescence	-	-	(45)	(125)
Provision for transportation loss	-	-	5,258	4,483
Provision for legal proceedings	-	-	(495)	(299)
Exchange differences and monetary adjustment - APV	-	-	(768)	(589)
Exchange differences and interest on advances from customers	-	-	-	(3,592)
Write-off of rent and lease agreements	-	-	(1,021)	-
Restatement of other investments	-	-	(1,444)	(3,622)
Write-off of intangible assets	-	4,921	-	5,412
ICMS credit grant	-	-	(12,816)	-
Other	1	-	4,777	-
	(722)	(775)	559,304	494,486
Decrease (increase) in accounts receivable and other receivables	-	-	(200,218)	(194,483)
Decrease (increase) in inventories	-	-	(315,895)	(231,340)
Decrease (increase) in taxes recoverable	89	(1)	(29,490)	(9,203)
Decrease (increase) in advances to suppliers and other assets	-	41	(38,997)	(5,894)
(Decrease) increase in suppliers and other payables	(337)	31	197,122	269,863
(Decrease) increase in provisions and labor charges	-	-	6,690	7,105
(Decrease) increase in tax obligations	25	(38)	(18,021)	(3,046)
(Decrease) increase in advances from customers	-	(27)	(144,397)	(31,507)
(Decrease) increase in derivative financial instruments	-	-	(37,889)	(91,170)
Other assets and other liabilities	-	9	(47)	(1,609)
Payment of income taxes	-	-	(18,613)	(706)
Cash from (used in) operating activities	(945)	(760)	(40,451)	202,496
Cash from investing activities				
Redemption of restricted financial investments	-	-	3,964	4,054
Formation of biological asset	-	-	(107,561)	(82,291)
Proceeds from disposal of property, plant and equipment	-	-	-	5,606
Acquisition of property, plant and equipment	-	-	(182,392)	(121,564)
Acquisition of intangible assets	-	(3,623)	(572)	(3,874)
Dividend received	115,000	23,691	-	-
Cash from (used in) investing activities	115,000	20,068	(286,561)	(198,069)
Cash from financing activities				
Loans and financing taken out	-	-	189,091	123,299
Repayment of principal of loans and financing	-	-	(142,471)	(74,350)
Payment of exchange differences and interest on loans and financing	-	-	(96,354)	(35,396)
Intercompany loans taken out	-	40,535	-	20,920
Intercompany loans (paid)/taken out	1,041	-	(12,516)	-
Payment of leases and agricultural partnerships, net of receipts	-	-	(123,267)	(153,245)
Dividend paid out	(115,000)	(60,000)	(115,000)	(60,000)
Cash from (used in) financing activities	(113,959)	(19,465)	(300,517)	(178,772)
Net decrease in cash and cash equivalents	96	(157)	(627,529)	(174,345)
Cash and cash equivalents at beginning of period	14	261	891,989	512,176
Cash and cash equivalents at end of period	110	104	264,460	337,831

See accompanying notes.

Companhia Mineira de Açúcar e Álcool Participações

Statements of value added
Six-month periods ended September 30, 2022 and 2021
(In thousands of reais)

	Individual		Consolidated	
	9/30/2022	9/30/2021	9/30/2022	9/30/2021
Revenues				
Sales of goods, products and services	-	-	1,201,895	1,114,356
Other revenues	71	173	16,748	19,432
	71	173	1,218,643	1,133,788
Inputs acquired from third parties				
Cost of goods and products sold and services rendered	-	-	(451,213)	(287,367)
Materials, electricity, third-party services and others	(979)	(721)	(122,582)	(97,325)
Other	(89)	(5,127)	(6,226)	(11,436)
	(1,068)	(5,848)	(580,021)	(396,128)
Gross value added	(997)	(5,675)	638,622	737,660
Depreciation and amortization	-	-	(317,801)	(261,918)
Net value added produced by the Company	(997)	(5,675)	320,821	475,742
Value added received in transfer				
Equity pickup	(9,138)	183,239	(85)	312
Finance income	285	1	168,794	96,433
Total value added to be distributed	(9,850)	177,565	489,530	572,487
Personnel	-	-	125,848	71,427
Direct compensation	-	-	82,211	50,250
Benefits	-	-	38,428	17,942
Unemployment Compensation Fund (FGTS)	-	-	5,209	3,235
Taxes, charges and contributions	-	-	24,620	59,355
Federal	-	-	12,100	46,885
State	-	-	12,362	12,450
Other taxes	-	-	158	20
Debt remuneration	11	22	348,923	264,162
Interest on loans and financing	-	-	95,969	65,780
Exchange differences and derivative expenses	-	-	171,930	64,519
Interest on leases	-	-	63,724	80,716
Other	11	22	17,300	53,147
Equity remuneration	(9,861)	177,543	(9,861)	177,543
Net income (loss) for the period	(9,861)	177,543	(9,861)	177,543
Value added distributed	(9,850)	177,565	489,530	572,487

See accompanying notes.

1. Operations

Companhia Mineira de Açúcar e Álcool Participações (the “Company”, the “Group” or “CMAA Group”), located at Rodovia BR 050 (KM 116) – Rural Area of the city of Uberaba, Minas Gerais State, is a joint-stock corporation engaged in holding interests in other entities engaged in the production, sale and export of sugar, ethanol, energy, CBIOs and other sugarcane processing by-products. On March 4, 2009, the Company was registered as a category B publicly held company through CVM/SEP/RIC Memorandum Circular No. 001/2009 for trading of common shares in the over-the-counter market.

The Company is jointly controlled through a shareholder agreement between Ifar Brazil Pte Ltd., JF Investimentos S.A, Marseille Fundo de Investimentos em Participações, Ápia SP Participações S.A. and Rio Grande Investment PTE. LTD.

The Company is the Parent of the following entities:

- Vale do Tijuco Açúcar e Álcool S.A. (“Vale do Tijuco”);
- Vale do Pontal Açúcar e Etanol Ltda., (“Vale do Pontal”)
- Canápolis Açúcar e Etanol S.A. (“Usina Canápolis”)
- Ituiutaba Energia Renovável Ltda. (“Ituiutaba Energia”)

Subsidiary Vale do Tijuco started up on April 12, 2010. Its manufacturing unit has a milling capacity of approximately 5 million tons of sugarcane per year, producing sugar, anhydrous ethanol, hydrous ethanol and energy, as well as fusel oil and sugarcane bagasse by-products.

Subsidiary Vale do Pontal is a privately held corporation whose operations started on July 1, 2006. It became a subsidiary of the CMAA Group on July 1, 2018. Its manufacturing unit has a milling capacity of approximately 2.7 million tons of sugarcane per year, producing sugar, anhydrous ethanol, hydrous ethanol and energy, as well as fusel oil and sugarcane bagasse by-products.

Subsidiary Usina Canápolis started its milling operations on May 15, 2020, and became part of the CMAA Group after a corporate reorganization process completed on September 30, 2020. Its manufacturing unit has a milling capacity of approximately 2 million tons of sugarcane per annum, producing sugar, anhydrous ethanol, hydrous ethanol and energy, as well as fusel oil and sugarcane bagasse by-products.

Subsidiary Ituiutaba Energia, still in the pre-operating stage, became part of the CMAA Group on January 1, 2022. It was established for the purpose of generating and selling electricity to be produced from sugarcane biomass.

CBIOS (carbon credits) - RenovaBio

At September 30, 2022, the Company had 7,080 thousand CBIOS issued and not traded. In the period ended September 30, 2022, 181,090 thousand CBIOS were sold, classified in net revenue. These certificates are mainly traded, after registration, with fuel distributors, which have acquisition targets established by RenovaBio.

RenovaBio is the National Biofuels Policy established by Law No. 13576/2017, with the main purpose of establishing annual national decarbonization targets for the fuel sector, in order to encourage increased production and share of biofuels in the transportation energy matrix of the country.

Russia-Ukraine war

The war in Eastern Europe involving Russia and Ukraine has a significant impact on the international market. As Russia is one of the world's largest oil producers and an important producer of basic inputs for fertilizers, especially Phosphorus, Nitrate and Potassium, the conflict has a strong impact on the world prices of these products.

CMAA rapidly took actions and initiatives as soon as the first conflicts in this region were reported, with the objective of mitigating the effects and risks, especially in relation to the continuity of agricultural operations. To this end, manures, fertilizers and certain herbicides were purchased and stored in sufficient volumes for the planting in progress at that time, as well as for the planting of sugarcane in the 22/23 crop. In addition, to reduce the risks of such offers, the Company has developed new agronomic alternatives for substitute products, in addition to monitoring the activities of the international market for these commodities.

Management believes that the increase in fertilizer and oil costs currently observed in the market, resulting from the effect of the war, did not have an impact on its individual and consolidated interim financial statements.

Effects of COVID-19

The Company has been monitoring the effects on its business and on the evaluation of the main critical accounting estimates and judgments, as well as other balances that may potentially bring uncertainties to and impacts on the interim financial information. The most significant evaluations and the main effects of the COVID-19 pandemic on operating results are:

i) Going concern: the Company’s interim financial information was prepared and are being disclosed based on the going concern assumption.

ii) Expected credit losses: impairment losses associated with credit risk on financial assets are calculated based on future expected losses, considering each customer individually. Given that the Company mostly operates with large trading companies and prepayments, mainly for ethanol sales, there was no recognition of COVID-19-related material losses.

iii) Impairment of nonfinancial assets: the Company assessed indications of impairment losses on non-financial assets and concluded that the value in use of its cash-generating unit continues to be significantly higher than its book value.

iv) Impairment of inventories: the Company uses the estimated selling price in the ordinary course of business, net of selling expenses, as an assumption of the net realizable value. Thus, according to the price curve in Brazil, which throughout the period has been impacted by the fluctuation in consumption in view of social distancing measures, there were no expected losses on inventories as at September 30, 2022.

v) Leases and agricultural partnerships: there were no changes in the amounts previously recorded as right-of-use asset or lease liabilities and agricultural partnerships as a result of contractual amendment as a consequence of COVID-19.

vi) Capital investments: the Company adopted an investment strategy to expand the Group's storage capacity, thus managing to ensure the regular operation of the industrial plants, and to reduce the impact on prices during the pandemic.

Based on the foregoing, the Company believes that there are no additional considerations to be made in connection with the individual and consolidated interim financial information as at September 30, 2022.

2. Presentation of interim financial information and significant accounting policies

2.1 Basis of preparation

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

This individual and consolidated interim financial information has been prepared following the basis of preparation and accounting policies that are consistent with those adopted in preparing the individual and consolidated annual financial statements as at March 31, 2022, authorized and issued by management on June 3, 2022, and should be read together with the referred to annual financial statements. The explanatory note information that did not suffer material changes compared with that contained in the financial statements as at March 31, 2022 is not fully disclosed in this interim financial information. However, selected information was included to explain significant events and transactions in order to enable the understanding of changes in the Company's financial position and performance since the publication of the annual financial statements as of March 31, 2022.

(In thousands of reais – R$, unless otherwise stated)

In preparing this interim financial information, management used judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis and had no significant changes in preparing this interim financial information in relation to the annual financial statements as at March 31, 2022.

This interim financial information discloses all significant information inherent in the financial information, and only such information, which is consistent with that used by management to manage the Company.

The presentation of the Statement of Value Added (SVA) is required by the Brazilian Corporation Law and by accounting practices adopted in Brazil applicable to publicly-held companies. The IFRS do not require SVA presentation. As a result, under the IFRS, this statement is presented as supplementary information, without affecting the set of quarterly information. Management authorized this interim financial information for issue on November 11, 2022.

2.2 Basis of consolidation

The consolidated interim financial information for the period ended September 30, 2022 includes the Company and its subsidiaries (collectively referred to as the "Group") listed below:

		Equity Percentage of interest	
Subsidiaries	Country	9/30/2022	3/31/2022
Vale do Tijuco Açúcar e Álcool S.A. ("Vale do Tijuco");	Brazil	100%	100%
Vale do Pontal Açúcar e Etanol Ltda., ("Vale do Pontal")	Brazil	100%	100%
Canápolis Açúcar e Etanol S.A. ("Usina Canápolis")	Brazil	100%	100%
Ituiutaba Energia Renovável Ltda. ("Ituiutaba Energia")	Brazil	100%	100%

(In thousands of reais – R$, unless otherwise stated)

3. Cash and cash equivalents

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
Cash and banks	108	13	35,585	85,461
Cash equivalents	2	1	228,875	806,528
Total	110	14	264,460	891,989

Short-term investments classified as cash equivalents are readily convertible into a known cash amount and subject to an insignificant risk of change in value.

At September 30, 2022, these investments refer to Bank Deposit Certificates (CDB), which are deposited in top-tier banks, whose remuneration rate ranges from 97% to 105% (97% to 107% in March 2021) of the Interbank Deposit Certificate (CDI) variation. These investments have no maturity date and may be redeemed to meet the Company's and its subsidiaries' immediate cash needs.

Information on the Group's exposure to market, credit and fair value measurement risks related to cash and cash equivalents is included in Note 20.

4. Short-term investments

	Consolidated	
	9/30/2022	3/31/2022
Short-term investments	4,842	8,806
Total	4,842	8,806
Current assets	4,365	6,481
Noncurrent assets	477	2,325

The Company and its subsidiaries have short-term investments at September 30, 2022 that refer to balances restricted to financing transactions, earning interest at 100% (100% in March 2022) of the Interbank Deposit Certificate Interbank (CDI) variation.

Information on the Group's exposure to market, credit and fair value measurement risks related to short-term investments is included in Note 20.

(In thousands of reais – R$, unless otherwise stated)

5. Accounts receivable and other receivables

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
From sales of ethanol	-	-	21,154	30,035
From sales of energy	-	-	22,451	1,522
From sales of sugar	-	-	183,157	8
Other (a)	-	-	16,763	11,980
Accounts receivable	-	-	243,525	43,545
Receivables from related parties (Note 26)	6,472	8,850	50,057	37,541
Other (b)	-	-	16,797	15,790
Other receivables	6,472	8,850	66,854	53,331
Total	6,472	8,850	310,379	96,876
Current assets	-	8,850	245,872	53,591
Noncurrent assets	6,472	-	64,507	43,285

(a) Refers mainly to accounts receivable in the amount of R$5,920, arising from the provision of sugarcane planting and treatment services and sale of inputs to BP Bioenergia, with final maturity in December 2023, recorded at present value at an annual rate of 6.50%. The other less significant amounts refer to accounts receivable from disposal of property, plant and equipment, other products, various services, among others.

(b) This mainly refers to accounts receivable for the sale of Bacuri Agrícola Ltda. On November 27, 2017, Bacuri Agrícola Ltda. was sold by its parent JFLIM Participações S.A., which transferred the receivables from the referred to transaction to Vale do Pontal for settlement of loans between the parties. This amount is annually adjusted by reference to the Extended Consumer Price Index (IPCA) until its final maturity in 2026, recorded at present value at an annual rate of 3.42%.

Information on the Group's exposure to credit, market and fair value measurement risks, as well as impairment losses related to accounts receivable is disclosed in Note 20.

6. Leases receivable

	Consolidated	
	9/30/2022	3/31/2022
Leases	531,883	497,014
Total	531,883	497,014
Current assets	85,021	84,430
Noncurrent assets	446,862	412,584

(In thousands of reais – R$, unless otherwise stated)

Changes in leases receivable are shown below:

	Consolidated	
	9/30/2022	9/30/2021
Balance at beginning of period	497,014	316,787
Additions of new lease agreements	97,505	52,216
Interest	22,679	11,382
Transfer – right of use	19,181	4,353
Remeasurement	(12,665)	2,383
Receipts	(70,905)	(35,016)
Write-offs due to termination of/amendments to contracts	(20,926)	(21,245)
Balance at end of period	531,883	330,860

The aging list of long-term contracts is as follows:

Maturity	Consolidated
10/1/2023 to 9/30/2024	82,693
10/1/2024 to 9/30/2025	71,691
10/1/2025 to 9/30/2026	62,472
10/1/2026 to 9/30/2027	51,877
10/1/2027 to 9/30/2028	41,337
10/1/2028 to 9/30/2029	34,899
10/1/2029 to 9/30/2030	27,429
1/10/2030 onwards	74,464
	446,862

7. Inventories

	Consolidated	
	9/30/2022	3/31/2022
Finished product		
VHP sugar	225,922	6,982
Anhydrous ethanol	92,349	14,172
Hydrous ethanol	167,069	4,405
Provision for losses of good in transit and retentions (a)	(5,258)	-
Storeroom		
Storeroom - sundry (b)	96,604	69,061
Allowance for obsolescence	(3,341)	(3,386)
Inventories held by third parties	1,824	644
Total	575,169	91,878

(In thousands of reais – R$, unless otherwise stated)

(a) The provisions for transportation losses and retentions at the port of VHP are established based on a percentage of 0.85% of total transported goods from the plants to the port, with 0.25% retention at the port and 0.60% average losses in rail and road transport. At the end of the cycle, the provision is reversed and the effective loss is determined.

(b) The most significant storeroom amounts refer to consumer goods and inventory of agricultural inputs and pesticides to be used in the planting areas.

Changes in allowance for obsolescence

The Company records an allowance for storeroom items that have not been moved for more than 365 days. Changes in the allowance for obsolescence are as follows:

	Consolidated	
	9/30/2022	9/30/2021
Opening balance	(3,386)	(2,977)
Additions	(531)	(522)
Reversals	576	647
Closing balance	(3,341)	(2,852)

8. Biological assets

Changes in biological assets (sugarcane) are as follows:

	Consolidated	
	9/30/2022	9/30/2021
Historical cost	173,066	113,188
Fair value	127,747	75,800
Opening balance of biological assets	300,813	188,988
Additions - sugarcane treatments	109,443	84,035
Absorption of harvested sugarcane costs	(144,810)	(97,848)
Fair value net of estimated selling expenses	(44,599)	48,131
Closing balance of biological assets	220,847	223,306
Historical cost	137,699	99,376
Fair value	83,148	123,930
Total	220,847	223,306

Sugarcane ratoon crops

Planted areas consider only sugarcane crops and not the land where such crops are located. The following assumptions were used to determine fair value using the discounted cash flow method:

(In thousands of reais – R$, unless otherwise stated)

	Consolidated	
	9/30/2022	3/31/2022
Estimated harvest area (hectare)	56,322	50,687
Projected production (ton of sugarcane per hectare)	85.60	86.56
Total Recoverable Sugar - ATR (kg)	138.42	138.20
Price of ATR per kilo (R$)	1.14	1.18

The discount rate used in the cash flow for each year, denominated "Weighted Average Cost of Capital", corresponded to 9.13% p.a. (7.81% at March 31, 2022), which was reviewed and approved by the Company management. The Group is exposed to a number of risks related to its plantations:

Regulatory and environmental risks

The Group is subject to laws and regulations and established environmental policies and procedures focused on compliance with environmental and other laws. Management conducts regular analysis to identify environmental risks and ensure that systems in place are adequate to manage those risks.

Supply and demand risks

The Group is exposed to risks arising from fluctuation in prices and volume of sales of its plantations. Whenever possible, the Group manages this risk by aligning its extraction volume with market supply and demand. Management conducts regular reviews of the industry trend to ensure that the Group's price structure is in line with the market and that projected extraction volumes are consistent with expected demand.

Climate risks and other

The Group's plantations are exposed to the risks of damage caused by climate change, diseases, forest fires and other natural forces. The Group has extensive procedures in place to monitor and reduce these risks, including regular inspections of the sugarcane plantation health and analysis of industrial diseases and pests. The Group also takes out insurance against natural disasters.

(In thousands of reais – R$, unless otherwise stated)

9. Taxes recoverable

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
COFINS recoverable (a)	3	-	32,400	20,245
ICMS recoverable – property, plant and equipment	-	-	16,054	16,560
IRPJ and CSLL taxes recoverable	-	-	9,537	12,447
PIS recoverable (a)	-	-	7,620	4,887
IRRF on short-term investments	1	166	8,148	3,947
ICMS recoverable (b)	-	-	24,542	6,501
Other taxes recoverable	163	90	829	571
Total	167	256	99,130	65,158
Current assets	4	190	73,428	38,588
Noncurrent assets	163	66	25,702	26,570

a) Supplementary Law (LC) No. 194/2022 reduced to zero the PIS and COFINS rates levied on transactions involving ethanol, including for fuel purposes, between June 23, 2022 and December 31, 2022, generating an increase in the balance of PIS and COFINS recoverable in the period.
b) At September 30, 2022, the Group recognized the amount of R$ 12,816 of ICMS recoverable arising from the ICMS credit granted by the state of Minas Gerais, pursuant to Decree No. 48497/2022.

PIS and COFINS

This balance comprises credits arising from PIS and COFINS non-cumulative payment, referring to the acquisitions of parts and pieces used in the maintenance of manufacturing facilities and agricultural fleet, maintenance services of manufacturing and agricultural facilities, freight and warehousing in sales transactions, electric power and other credits on acquisitions of machinery and equipment, and buildings and constructions intended for production. These credits may be offset against other federal taxes and are not time-barred by statutes.

ICMS – acquisition of property, plant and equipment

This balance basically comprises credits determined on acquisitions of property, plant and equipment items, which are being realized at the ratio of 1/48, and may be offset against taxes of the same nature.

(In thousands of reais – R$, unless otherwise stated)

ICMS recoverable

The balance refers to presumed credit calculated on sales made by the Company, replacing the credits on purchased inputs received and the credit granted by Minas Gerais state to ethanol producers from September onwards, as per Decree No. 48497/2022.

Withholding Income Tax (IRRF)

This refers to Withholding Income Tax (IRRF) on financial investments and prepaid income taxes, which may be offset against federal taxes payable.

10. Advances to suppliers and other assets

	Consolidated	
	9/30/2022	3/31/2022
Advances to sugarcane suppliers	38,887	5,693
Advances to domestic suppliers	11,352	5,063
Unallocated insurance	3,120	3,641
Other	81	46
Total	53,440	14,443

11. Investments

Balance breakdown	Individual	
	9/30/2022	3/31/2022
Investments measured by the equity method		
Vale do Tijuco Açúcar e Álcool S.A.	450,338	344,572
Vale do Pontal Açúcar e Etanol Ltda. (a)	(47,111)	31,841
Canápolis Açúcar e Etanol S.A.	85,512	68,652
Ituiutaba Energia Renovável Ltda.	1	1
Total	488,740	445,066
Other investments		
Other investments	2	1
Total	2	1
	488,742	445,067
Investments (noncurrent assets)	535,853	445,067
Provision for loss on investments (noncurrent liabilities)	47,111	-

(In thousands of reais – R$, unless otherwise stated)

	Consolidated	
	9/30/2022	3/31/2022
Investments measured by the equity method		
CZ Energy Comercializadora de Etanol S.A.	4,998	5,083
Total	4,998	5,083
Other investments		
Other investments (b)	5,875	4,431
Total	5,875	4,431
	10,873	9,514

(a) The negative equity computes by subsidiary Vale do Pontal at the reporting date was due to: 1) its net loss for the period R$(35,662) due to the delayed harvest and processing of sugarcane in the 2022/2023 cycle, combined with the strategy of planting and recovering its sugarcane plantations given the atypical climate conditions of the previous cycle, which also caused delays in the production and shipment of sugar and ethanol for the quarter, which will occur during the crop; 2) the accumulated equity valuation adjustment amount of R$(58,952), which includes derivative financial instruments designated for hedging VHP sugar export revenue for 2022 and 2023. The Company believes that there is no material uncertainty as to its ability to continue as a going concern in the foreseeable future due to the expected results and cash generation from the operating income expected for the current year and to the realization of export revenues associated with the hedging instruments in question. It should also be noted that the Company monitors the performance and estimates of its subsidiaries on a monthly basis, in order to foresee any abnormality in individual results, and that it manages its operating units on a consolidated basis, using intercompany financing in the event of any outstanding financial obligation.

(b) Substantially comprising units of interest in cooperatives.

Changes in investments in subsidiaries

	Individual	
	9/30/2022	9/30/2021
Opening balance	445,067	219,802
Equity adjustments	167,813	(233,937)
Equity pickup	(9,138)	183,239
Dividends received	(115,000)	(23,691)
Other	-	6
Closing balance	488,742	145,419

	Consolidated	
	9/30/2022	9/30/2021
Opening balance	9,514	4,927
Equity pickup	(85)	312
Restatement of the balance of units of interest in cooperatives	1,444	3,613
Other	-	9
Closing balance	10,873	8,861

At the Special General Meeting held on April 18, 2022, the subsidiaries Vale do Tijuco Açúcar e Álcool S.A. and Vale do Pontal Açúcar e Etanol Ltda. decided to approve the distribution of dividends to the shareholder Companhia Mineira de Açúcar e Alcool Participações, in the total amount of R$3,568 and R$71,432, respectively, referring to these subsidiaries' retained earnings contained in the Statements of Financial Position as at March 31, 2021. Payments were made on April 18, 2022.

Later, at the Special General Meeting held on May 31, 2022, the subsidiaries Vale do Tijuco Açúcar e Álcool S.A. and Canápolis Açúcar e Etanol S.A. decided to approve the distribution of dividends to the shareholder Companhia Mineira de Açúcar e Alcool Participações, in the total amount of R$ 37,544 and R$ 2,456, respectively, referring to these subsidiaries' retained earnings contained in the Statements of Financial Position as at March 31, 2022. Payments were made on May 31, 2022.

The dividends were distributed to shareholders in proportion to their share in the Company's capital stock.

(In thousands of reais – R$, unless otherwise stated)

Information on investees - Individual

	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues (Period ended September 30, 2022)	Expenses (Period ended September 30, 2022)	Net income (loss) for the period (Period ended September 30, 2022)	Equity pickup (Period ended September 30, 2022)
September 30, 2022												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	918,525	2,003,313	2,921,838	713,170	1,758,330	450,338	2,921,838	865,215	(854,467)	10,748	10,748
Vale do Pontal Açúcar e Etanol Ltda.	100.00%	350,110	777,506	1,127,616	305,069	869,658	(47,111)	1,127,616	258,855	(294,517)	(35,662)	(35,662)
Canápolis Açúcar e Etanol S.A.	100.00%	289,196	691,969	981,165	302,159	593,494	85,512	981,165	266,880	(251,104)	15,776	15,776
Ituiutaba Energia Renovável Ltda.	100.00%	1	-	1	-	-	1	1	-	-	-	-
		1,557,832	3,472,788	5,030,620	1,320,398	3,221,482	488,740	5,030,620	1,390,950	(1,400,088)	(9,138)	(9,138)

	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues (Period ended September 30, 2021)	Expenses (Period ended September 30, 2021)	Net income for the period (Period ended September 30, 2021)	Equity pickup (Period ended September 30, 2021)
March 31, 2022												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	1,265,039	1,905,077	3,170,116	985,237	1,840,307	344,572	3,170,116	735,047	(595,387)	139,660	139,660
Vale do Pontal Açúcar e Etanol Ltda.	100.00%	155,297	859,236	1,014,533	297,731	684,961	31,841	1,014,533	277,949	(273,129)	4,820	4,820
Canápolis Açúcar e Etanol S.A.	100.00%	108,815	650,331	759,146	133,913	556,581	68,652	759,146	209,796	(171,037)	38,759	38,759
Ituiutaba Energia Renovável Ltda.	100.00%	1	-	1	-	-	1	1	-	-	-	-
		1,529,152	3,414,644	4,943,796	1,416,881	3,081,849	445,066	4,943,796	1,222,792	(1,039,553)	183,239	183,239

(In thousands of reais – R$, unless otherwise stated)

Information on investees - Consolidated

									Period ended September 30, 2022			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Net loss for the period	Equity pickup
September 30, 2022												
CZ Energy S.A.	51.00%	33,390	-	33,390	23,591	-	9,799	33,390	113,922	(114,089)	(167)	(85)
		33,390	-	33,390	23,591	-	9,799	33,390	113,922	(114,089)	(167)	(85)

									Period ended September 30, 2021			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Net income for the period	Equity pickup
March 31, 2022												
CZ Energy S.A.	51.00%	105,878	-	105,878	95,912	-	9,966	105,878	103,741	(103,129)	612	312
		105,878	-	105,878	95,912	-	9,966	105,878	103,741	(103,129)	612	312

(In thousands of reais – R$, unless otherwise stated)

12. Property, plant and equipment

Consolidated – cost:	Industrial equipment	Constructions and buildings	Paving	Vehicles	Agricultural equipment	Land	Machinery, equipment and tools	Furniture and fixtures	Computers and peripherals	Construction in progress	Expenses with off-season maintenance	Permanent crop	Other	Total
Balance at 3/31/21	586,872	243,774	52,653	22,419	91,598	3,294	74,376	4,111	8,354	53,497	422,633	770,592	11,471	2,345,644
Additions	4,581	487	(5)	754	28,746	8	993	261	1,076	25,593	2,221	63,516	513	128,744
Write-offs	(151)	-	-	(845)	(3,151)	-	(195)	-	(5)	-	-	(2,641)	(346)	(7,334)
Transfers	13,478	1,763	15,039	(3)	-	-	74	80	34	(30,552)	-	-	87	-
Balance at 9/30/21	604,780	246,024	67,687	22,325	117,193	3,302	75,248	4,452	9,459	48,538	424,854	831,467	11,725	2,467,054
Balance at 3/31/22	634,824	252,033	67,687	21,683	120,245	3,297	77,621	5,380	10,548	44,794	581,778	921,791	12,112	2,753,793
Additions	3,647	279	-	1,074	15,050	-	1,486	551	1,169	29,893	8	143,366	144	196,667
Write-offs	(379)	(1,287)	-	-	(4,671)	-	(60)	(6)	-	-	-	(961)	(176)	(7,540)
Transfers	16,771	2,755	13,610	-	125	-	1,334	8	2	(34,805)	-	-	200	-
Balance at 9/30/22	654,863	253,780	81,297	22,757	130,749	3,297	80,381	5,933	11,719	39,882	581,786	1,064,196	12,280	2,942,920

Consolidated – depreciation:	Industrial equipment	Constructions and buildings	Paving	Vehicles	Agricultural equipment	Land	Machinery, equipment and tools	Furniture and fixtures	Computers and peripherals	Construction in progress	Expenses with off-season maintenance	Permanent crop	Other	Total
Balance at 3/31//21	(239,512)	(60,768)	(38,091)	(13,301)	(58,593)	-	(66,259)	(2,236)	(4,807)	-	(291,168)	(372,996)	(11,070)	(1,158,801)
Additions	(19,881)	(4,143)	(5,883)	(906)	(7,817)	-	(1,230)	(142)	(649)	-	(114,610)	(77,943)	(250)	(233.454)
Write-offs	85	-	-	607	1,973	-	161	-	-	-	-	-	71	2,897
Balance at 9/30/21	(259,308)	(64,911)	(43,974)	(13,600)	(64,437)	-	(67,328)	(2,378)	(5,456)	-	(405,778)	(450,939)	(11,249)	(1,389,358)
Balance at 3/31/22	(280,266)	(68,744)	(49,826)	(14,175)	(72,305)	-	(68,491)	(2,539)	(6,163)	-	(426,723)	(469,570)	(11,517)	(1,470,319)
Additions	(22,458)	(3,720)	(6,866)	(903)	(8,739)	-	(1,428)	(203)	(790)	-	(126,775)	(99,204)	(285)	(271,371)
Write-offs	17	75	-	-	4,207	-	11	3	-	-	-	-	-	4,313
Transfers	-	-	-	-	68	-	(68)	(2)	2	-	-	-	-	-
Balance at 9/30/22	(302,707)	(72,389)	(56,692)	(15,078)	(76,769)	-	(69,976)	(2,741)	(6,951)	-	(553,498)	(568,774)	(11,802)	(1,737,377)
Net balance at 3/31//22	354,558	183,289	17,861	7,508	47,940	3,297	9,130	2,841	4,385	44,794	155,055	452,221	595	1,283,474
Net balance at 9/30/22	352,156	181,391	24,605	7,679	53,980	3,297	10,405	3,192	4,768	39,882	28,288	495,422	478	1,205,543

Guarantee

Property, plant and equipment items were granted as guarantee for loans and financing, as described in Note 20.

Impairment test

In accordance with CPC 01 (R1) / IAS 36 - Impairment of Assets, the Group assessed the impairment indicators in the period ended September 30, 2022 and year ended March 31, 2022, and concluded that there was no need to carry out an impairment test.

(In thousands of reais – R$, unless otherwise stated)

13. Right of use on leases and agricultural partnerships

The changes in the right of use on leases and agricultural partnerships are shown below:

	Machinery and equipment	Vehicles	Land	Properties	Total
Cost:					
Balance at March 31, 2021	17,429	14,361	610,198	-	641,988
Additions of new right-of-use agreements	4,331	16,820	151,461	-	172,612
Remeasurement	-	-	51,385	-	51,385
Transfers	-	-	(4,353)	-	(4,353)
Write-offs due to termination of/amendments to contracts	-	-	(18,337)	-	(18,337)
Balance at September 30, 2021	21,760	31,181	790,354	-	843,295
Balance at March 31, 2022	32,030	67,290	1,191,811	2,811	1,293,942
Additions of new right-of-use agreements	5,879	2,987	78,871	-	87,737
Remeasurement	-	-	9,845	-	9,845
Transfers	-	-	(19,181)	-	(19,181)
Write-offs due to termination of/amendments to contracts	-	-	(15,534)	-	(15,534)
Balance at September 30, 2022	37,909	70,277	1,245,812	2,811	1,356,809
Accumulated amortization:					
Balance at March 31, 2021	(9,483)	(4,743)	(120,394)	-	(134,620)
Amortization for the period	(3,566)	(4,157)	(44,106)	-	(51,829)
Balance at September 30, 2021	(13,049)	(8,900)	(164,500)	-	(186,449)
Balance at March 31, 2022	(19,379)	(17,853)	(231,211)	(466)	(268,909)
Amortization for the period	(4,462)	(7,035)	(73,639)	(280)	(85,416)
Write-offs	-	-	1,612	-	1,612
Balance at September 30, 2022	(23,841)	(24,888)	(303,238)	(746)	(352,713)
Useful life (years)	1 to 2	1 to 2	1 to 17	1 to 25	
Residual value at March 31, 2022	12,651	49,437	960,600	2,345	1,025,033
Residual value at September 30, 2022	14,068	45,389	942,574	2,065	1,004,096

In addition, in compliance with CVM/SNC/SEP Circular Memorandum No. 02/2019, the Company presents below comparisons in accounts Right of use and Depreciation expense for the period ended September 30, 2022 and future periods, using the discounted cash flow considering inflation projected in the payment flows, discounted at the nominal rate used by the Company:

Right of use	10/1/2022 to 9/30/2023	10/1/2023 to 9/30/2024	10/1/2024 to 9/30/2025	10/1/2025 to 9/30/2026	10/1/2026 to 9/30/2027	10/1/2027 to 9/30/2028	10/1/2028 to 9/30/2052
Real flow discounted at nominal rate	853,927	714,019	583,958	468,608	365,018	275,084	-
Nominal flow discounted at nominal rate	1,078,474	878,190	700,237	549,725	419,461	311,542	-
	20.82%	18.69%	16.61%	14.76%	12.98%	11.70%	-

(In thousands of reais – R$, unless otherwise stated)

Depreciation expense	10/1/2022 to 9/30/2023	10/1/2023 to 9/30/2024	10/1/2024 to 9/30/2025	10/1/2025 to 9/30/2026	10/1/2026 to 9/30/2027	10/1/2027 to 9/30/2028	10/1/2028 to 9/30/2052
Real flow discounted at nominal rate	(150,169)	(139,909)	(130,061)	(115,350)	(103,590)	(89,934)	(275,084)
Nominal flow discounted at nominal rate	(222,182)	(200,284)	(177,954)	(150,512)	(130,236)	(107,919)	(311,542)
	32.41%	30.15%	26.91%	23.36%	20.48%	16.67%	11.70%

14. Loans and financing

This note discloses contractual information on loans and financing of the Company and its subsidiaries. Note 20 discloses additional information regarding the Company and its subsidiary's exposure to interest rate and currency risks.

Credit facility	Re.	Currency	Index	Consolidated 9/30/2022	Consolidated 3/31/2022
CCB	(c)	R$	CDI	93,436	47,219
CCB	(c)	R$	SELIC	9,480	12,135
CCE	(b)	R$	CDI	137,860	148,111
CPR	(c)	R$	CDI	52,833	59,109
CPR	(c)	R$	Fixed rate	1,679	10,073
CRA	(e)	R$	CDI	118,086	116,599
CRA	(e)	R$	IPCA	1,216,154	1,183,136
Finame	(a)	R$	Fixed rate	5,650	7,348
Finame	(a)	R$	TJLP	514	916
Finame	(a)	R$	SELIC	496	679
Finame	(a)	R$	TLP	74,011	76,822
Finem	(a)	R$	TLP	89,796	88,535
				1,799,995	1,750,682
Transaction costs				(43,414)	(48,085)
Total (*)				1,756,581	1,702,597
Current liabilities				277,385	226,576
Noncurrent liabilities				1,479,196	1,476,021

(*) The weighted average rates of finance charges are 14.54% p.a. in September 2022 and 13.20% p.a. in March 2022.

Credit facility	Re.	Currency	Index	Individual 9/30/2022	Individual 3/31/2022
Intercompany loan - noncurrent liabilities	(d)	R$	(d)	-	1,337

(a) This refers to loans taken out for the purpose of financing the acquisition of industrial and agricultural equipment. These loans have a grace period for payment of the first installment of principal from 6 to 24 months from the agreement execution date. The agreements are guaranteed by assignment in trust upon disposal of financed assets.

(b) This refers to export credit bills signed with various financial institutions, which will be settled in Brazilian reais backed by exports made in the period from 2022 and 2026.

(c) This refers to loans with various financial institutions and will be settled in the period from 2022 to 2024.

(d) Amount granted to the parent company by Vale do Tijuco Açúcar e Álcool S.A. without interest, settled in the period ended June 30, 2022.

(e) This refers to Agribusiness Receivables Certificates (“CRA”):

The second issue of CRA took place on October 15, 2018, in the amount of R$150 million. The installments are increased by semiannual conventional interest, from the CRA payment date up to the payment date of each debenture interest installment, calculated on nominal value. Maturity is on October 19, 2022, with a one-year grace period, and repayment in two installments, with the first payment on October 19, 2021 and the last one on October 19, 2022.

The third issue took place on January 31, 2019, in the amount of R$75 million. The installments are increased by semiannual conventional interest, from the CRA payment date up to the payment date of each interest installment, calculated on nominal value. The grace period is 3 years and repayment will occur at the end of the 3rd and 4th years.

The fourth issue took place on November 14, 2019, under the terms of CVM Rule No. 400 of December 29, 2003, as amended, relating to the 26th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. (“Offer”), backed by agribusiness receivables represented by unsecured nonconvertible debentures, with additional personal guarantee, issued within the scope of the 4th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 250,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 300,000 CRAs. The Offer ended on February 4, 2020; 300,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. November 14, 2019, totaling R$300,000. Their grace period is 4 years and repayment by the end of the 4th, 5th and 6th years.

The fifth issue took place on November 16, 2020, under the terms of CVM Rule No. 400 of December 29, 2003, as amended, relating to the 69th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. (“Offer”), backed by agribusiness receivables represented by unsecured nonconvertible debentures, with additional personal guarantee, issued within the scope of the 5th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 150,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 180,000 CRAs. The Offer ended on December 21, 2020; 180,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. November 16, 2020, totaling R$180,000, with a grace period of 4 years and repayment by the end of the 4th, 5th and 6th years.

The sixth issue took place on December 20, 2021, under the terms of CVM Rule No. 400 of December 29, 2003, as amended, relating to the 128th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. (“Offer”), backed by agribusiness receivables represented by unsecured nonconvertible debentures, with additional personal guarantee, issued within the scope of the 6th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 500,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 600,000 CRAs. The Offer ended on February 17, 2022; 600,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. December 20, 2021, totaling R$600,000, with a grace period of 5 years and repayment by the end of the 6th and 7th years.

(In thousands of reais – R$, unless otherwise stated)

The maturity of consolidated loans and financing is as follows:

September 30, 2022	Carrying amount	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Loans and financing	1,799,995	285,953	267,429	270,284	219,214	75,559	681,556
Transaction costs	(43,414)	(8,568)	(7,749)	(7,534)	(5,475)	(4,647)	(9,441)
Loans and financing, net	1,756,581	277,385	259,680	262,750	213,739	70,912	672,115

March 31, 2022	Carrying amount	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Loans and financing	1,750,682	236,531	274,838	270,517	217,015	79,120	672,661
Transaction costs	(48,085)	(9,955)	(7,668)	(7,507)	(6,752)	(4,627)	(11,576)
Loans and financing, net	1,702,597	226,576	267,170	263,010	210,263	74,493	661,085

Covenants

The Company has contractual obligations arising from financing agreements related to the maintenance of certain financial and nonfinancial ratios established in those agreements (covenants), whose calculation period is at year-end. Management has timely controls over those ratios and at September 30, 2022, it considers that the pre-established requirements have been met, and that any requirement by creditors before the original long-term maturity as well as the need for reclassification are unlikely.

15. Suppliers and other payables

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
Local suppliers of materials and services	-	337	254,756	197,724
Sugarcane suppliers	-	-	177,206	29,989
Sugarcane suppliers (related parties)	-	-	-	3,381
Total	-	337	431,962	231,094
Current liabilities	-	337	427,155	230,296
Noncurrent liabilities	-	-	4,807	798

The crop period of sugarcane, between April and December of each year, on average, has a direct impact on the balance of sugarcane suppliers and cutting, loading and transportation services. The amounts payable to sugarcane suppliers and agricultural partners take into consideration sugarcane delivered and not yet paid, as well as the additional price calculated based on the final crop price through the Total Recoverable Sugar (ATR) index disclosed by the São Paulo State Council of Sugarcane, Sugar and Ethanol Producers (Consecana).

(In thousands of reais – R$, unless otherwise stated)

The Company and its subsidiaries evaluated the suppliers' present value adjustment at September 30 and March 31, 2022, and concluded that the amounts do not generate material adjustments to present value in the individual and consolidated interim financial information. Information on the Group's exposure to liquidity and fair value measurement risks related to trade and other accounts payable is disclosed in Note 20.

16. Leases and agricultural partnerships payable

	Consolidated	
	9/30/2022	3/31/2022
Leases and agricultural partnerships payable	1,506,184	1,485,939
Total	1,506,184	1,485,939
Current liabilities	267,718	270,000
Noncurrent liabilities	1,238,466	1,215,939

Changes in lease liabilities and agricultural partnerships payable are as follows:

	Consolidated	
	9/30/2022	9/30/2021
Balance at beginning of period	1,485,939	746,172
Additions of new lease agreements	185,242	224,828
Interest	67,863	34,956
Remeasurement	(2,820)	53,768
Payments	(194,172)	(189,881)
Write-offs due to termination of/amendments to contracts	(35,868)	(39,582)
Balance at end of period	1,506,184	830,261
Current liabilities	267,718	115,784
Noncurrent liabilities	1,238,466	714,477

(In thousands of reais – R$, unless otherwise stated)

The maturity of estimated balances of noncurrent leases and agricultural partnerships payable is as follows:

Maturity	Consolidated
10/1/2023 to 9/30/2024	229,932
10/1/2024 to 9/30/2025	204,517
10/1/2025 to 9/30/2026	172,432
10/1/2026 to 9/30/2027	146,911
1/10/2027 to 9/30/2028	121,210
10/1/2028 to 9/30/2029	99,028
10/1/2029 to 9/30/2030	78,232
10/01/2030 onwards	186,204
	1,238,466

Below is the potential right to PIS/COFINS recoverable embedded in the lease consideration:

	Consolidated	
	Leases	Present value
Lease consideration	540,180	335,205
Potential PIS/COFINS (9.25%)	(49,967)	(31,006)
Total	490,213	304,199

In addition, in compliance with CVM/SNC/SEP Circular Memorandum No. 02/2019, the Company presents below the comparisons in accounts Leases and Agricultural partnerships payable and Interest expenses for the period ended September 30, 2022 and future periods, using the nominal cash flow and considering inflation projected in the payment flows, discounted at the nominal rate used by the Company:

Leases payable	10/1/2021 to 9/30/2022	10/1/2022 to 9/30/2023	10/1/2023 to 9/30/2024	10/1/2024 to 9/30/2025	10/1/2025 to 9/30/2026	10/1/2026 to 9/30/2027	10/1/2027 to 9/30/2052
Real flow discounted at nominal rate	1,238,466	1,009,924	806,799	635,258	489,422	368,817	-
Nominal flow discounted at nominal rate	1,535,657	1,276,576	1,041,082	837,000	657,874	505,554	-
	19.35%	20.89%	22.50%	24.10%	25.61%	27.05%	-

Interest expenses	10/1/2021 to 9/30/2022	10/1/2022 to 9/30/2023	10/1/2023 to 9/30/2024	10/1/2024 to 9/30/2025	10/1/2025 to 9/30/2026	10/1/2026 to 9/30/2027	4/1/2027 to 9/30/2052
Real flow discounted at nominal rate	(131,460)	(119,335)	(106,180)	(92,745)	(79,485)	(66,767)	(54,430)
Nominal flow discounted at nominal rate	(151,199)	(140,028)	(127,304)	(113,819)	(99,917)	(86,030)	(71,995)
	13.05%	14.78%	16.59%	18.52%	20.45%	22.39%	24.40%

(In thousands of reais – R$, unless otherwise stated)

17. Advances from customers

	Consolidated	
	9/30/2022	3/31/2022
Advances from customers - sugar	108,779	122,617
Advances from customers - ethanol	147	56,272
Advances from customers - energy	10	74,662
Other	548	330
Total	109,484	253,881
Current liabilities	109,484	218,854
Noncurrent liabilities	-	35,027

18. Provision for legal proceedings

The Group is a party to legal and administrative proceedings in progress in courts and government agencies. Such proceedings arise from the ordinary course of the Company's activities, involving labor, civil, tax and environmental matters.

Provisions are recognized taking into consideration the individuality of each proceeding and the classification of the likelihood of loss as probable in the assessment of the Company's internal and external legal advisors.

The consideration for the recognition of the obligation is an expense for the period. That obligation can be measured with reasonable certainty and is adjusted according to the development of the legal and administrative proceedings or financial charges incurred and can be reversed if the estimated loss is no longer considered probable, or written off when the obligation is settled.

Set out below are changes in provisions for legal proceedings assessed as probable losses:

	Labor	Tax	Environmental	Total
Closing balance at April 1, 2021	512	1,645	71	2,228
Additions	12	48	-	60
Write-offs	(35)	(255)	(69)	(359)
Closing balance at September 30, 2021	489	1,438	2	1,929
Closing balance at April 1, 2022	725	731	3	1,459
Additions	484	-	8	492
Write-offs	(752)	(224)	(11)	(987)
Closing balance at September 30, 2022	457	507	-	964

(In thousands of reais – R$, unless otherwise stated)

Labor

Labor claims are mostly related to: (i) differences in overtime pay; (ii) elimination of breaks during work shifts; (iii) health and risk exposure premiums; (iv) travel time payment prior to the labor reform; and (v) fulfillment of quotas for disabled people.

Civil and environmental

Civil and environmental proceedings mainly refer to claims related to: (i) compensation for administrative easement related to the construction of a power line; and (ii) compensation in general.

Tax

This refers mainly to claims related to Social Security Contribution on the Sale of Rural Production (Funrural).

Possible losses

The Company and its subsidiaries are parties to labor, civil, tax and environmental proceedings pending judgment, in the restated amount of R$22,886 (R$22,377 at March 31, 2022), whose likelihood of a favorable outcome was estimated as possible, not requiring a provision to be recognized.

	Consolidated	
Nature	9/30/2022	3/31/2022
Environmental	4,986	4,731
Civil	4,788	4,688
Labor	4,272	4,175
Tax	8,840	8,783
	22,886	22,377

Labor

Labor lawsuits whose likelihood of loss has been assessed as possible mainly relate to: (i) claims for overtime pay and related charges and earnings; (ii) night-shift bonus; and (v) request for secondary/joint liability in severance pay, Unemployment Compensation Fund (FGTS) and compensation for service providers retained by the Group.

Civil

Civil lawsuits mostly refer to contractual discussions and revisions and recovery suits claiming refund of social security benefit.

(In thousands of reais – R$, unless otherwise stated)

Environmental

Environmental proceedings address violation notices issued by the State Department for the Environment and Sustainable Development (SEMAD/SUPRAM) and/or the environmental police arising from environmental discussion about intervention in preservation areas, suppression of natural biome and/or stump removal of scattered trees.

Tax

Tax discussions particularly refer to the disallowance of taxes and tax assessment notices issued by the Brazilian IRS, the main ones being:

(i) One (1) tax assessment notice referring to the disallowance by the Brazilian IRS of PIS/COFINS credits used in 2013 and 2014, referring to the noncumulative chain of goods and services used as inputs by the Group and goods earmarked for property, plant and equipment items acquired in the calculation periods of 2011 and 2012;

(ii) Two (2) tax assessment notices issued by the Brazilian IRS relating to the calculation of Withholding Income Taxes (IRRF) and Tax on Financial Transactions (IOF) on intercompany loans and future capital contributions, all carried out in the calculation period from 2009 to 2012.

19. Equity

a) Capital stock

At September 30, 2022, the Company's fully subscribed and paid-up capital stock amounts to R$503,892, divided into 1,258,415,912 registered common shares, held as follows:

	9/30/2022		3/31/2022	
	Shares	R$	Shares	R$
Ifar Brazil Pte Ltd.	455,687,717	182,466	455,687,717	182,466
Ápia SP Participações S.A.	372,428,777	149,127	372,428,777	149,127
Rio Grande Investment Pte Ltd.	173,520,239	69,481	173,520,239	69,481
JF Investimentos S.A.	83,258,941	33,338	83,258,941	33,338
Marseille Fundo de Investimentos em Participações	173,520,238	69,480	173,520,238	69,480
Total	1,258,415,912	503,892	1,258,415,912	503,892

At September 30, 2022 and March 31, 2022, the Company had no authorized capital stock.

b) Capital reserve

As a result of the capital increase on July 13, 2007, the Company recorded a special premium reserve in the amount of R$4,164.

c) Legal reserve

The legal reserve is recorded at 5% of the net income for each year, under the terms of article 193 of Law No. 6404/76, capped at 20% of the capital stock.

d) Tax incentive reserve

The Company benefits from ICMS tax benefits and incentives in the state of Minas Gerais, which are provided for under an agreement with the National Council of Treasury Policies (CONFAZ) and regulated in Decree No. 47394 of 2018, complying with the requirements of article 10 of Supplementary Law No. 160/2017.

These benefits, denominated grants, arise from previously unused ICMS credits and deferral of ICMS on sales operations. The grant amounts are recorded as income and excluded from the income tax base.

After allocation of the portion of net income for the year to the legal reserve, tax incentive reserves are recognized up to the limit of the mandatory amount or the remaining balance of net income for the year. Until September 30, 2022, the Company had recognized the amount of R$288,098, with the remaining amount to be recorded of R$141,312.

e) Equity adjustments

Include changes in the fair value of derivative financial instruments designated as hedging instruments of cash flows from future exports (hedged item).

f) Dividends

The Company’s Articles of Incorporation determine a percentage not lower than 25% of net income, as adjusted, for payment of mandatory minimum dividends.

Upon approval of the distribution of dividends referring to the Company’s retained earnings, recorded in the financial statements as at March 31, 2021, the total amount of R$60,000 was granted to shareholders at the annual general meeting held on July 31, 2021, proportionally to the interest held in the capital stock. Payments referring to the distribution of dividends were made on September 14, 2021.

At the Special General Meeting held on April 18, 2022, as registered with the Commercial Registry of the State of Minas Gerais (JUCEMG) on May 13, 2022, the Company decided to approve the distribution of dividends to shareholders in the total amount of R$75,000, of which (i) R$42,760 referring to the Company's retained earnings, included in the statement of financial position as of March 31, 2021; and (ii) R$32,240 as interim dividends, referring to profits recorded in the year ended March 31, 2022, to be credited against mandatory dividends. Payments were made on April 18, 2022.

(In thousands of reais – R$, unless otherwise stated)

On May 31, 2022, a new Special General Meeting was held, whereby a new distribution of dividends to shareholders was resolved, in the amount of R$40,000, referring to the Company's retained earnings, included in the statement of financial position as of March 31, 2022. Payments were made on May 31, 2022.

The dividends were distributed to shareholders in proportion to their share in the Company's capital stock.

20. Financial instruments

a) Accounting classification and fair values (consolidated)

The table below shows the carrying amounts and fair values of financial assets and liabilities, including their fair value hierarchy level. It does not include information on the fair value of assets and liabilities not measured at fair value, if the book value is a reasonable approximation of fair value.

September 30, 2022	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Cash equivalents	228,875	-	228,875	-	228,875	-
Short-term investments	4,842	-	4,842	-	4,842	-
Derivative financial instruments	96,616	-	96,616	-	96,616	-
Total	330,333	-	330,333	-	330,333	-
Financial assets not measured at fair value						
Cash and banks	-	35,585	35,585			
Accounts receivable and other receivables	-	260,322	260,322			
Accounts receivable from related parties	-	50,057	50,057			
Leases receivable	-	531,883	531,883			
Total	-	877,847	877,847			

(In thousands of reais – R$, unless otherwise stated)

September 30, 2022	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial liabilities measured at fair value						
Derivative financial instruments	177,697	-	177,697	-	177,697	-
Total	177,697	-	177,697	-	177,697	-
Financial liabilities not measured at fair value						
Loans and financing	-	1,756,581	1,756,581			
Leases and agricultural partnerships payable	-	1,506,184	1,506,184			
Suppliers and other payables	-	431,962	431,962			
Total	-	3,694,727	3,694,727			

March 31, 2022	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Cash equivalents	806,528	-	806,528	-	806,528	-
Short-term investments	8,806	-	8,806	-	8,806	-
Derivative financial instruments	229,209	-	229,209	-	229,209	-
Total	1,044,543	-	1,044,543	-	1,044,543	-
Financial assets not measured at fair value						
Cash and banks	-	85,461	85,461			
Accounts receivable and other receivables	-	59,335	59,335			
Accounts receivable from related parties	-	37,541	37,541			
Leases receivable	-	497,014	497,014			
Total	-	679,351	679,351			

(In thousands of reais – R$, unless otherwise stated)

March 31, 2022	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial liabilities measured at fair value						
Derivative financial instruments	543,127	-	543,127	-	543,127	-
Total	543,127	-	543,127	-	543,127	-
Financial liabilities not measured at fair value						
Loans and financing	-	1,702,597	1,702,597			
Leases and agricultural partnerships payable	-	1,485,939	1,485,939			
Suppliers and other payables	-	231,094	231,094			
Total	-	3,419,630	3,419,630			

b) Fair value measurement

The carrying amounts of financial instruments recorded in the statement of financial position, when compared to the amounts that could be obtained from their trading in an active market, or in the absence of such market, using the net present value adjusted for the current market interest rate, substantially approximate the corresponding market values.

There were no transfers between levels to be considered as at September 30, 2022, in relation to the disclosures as at March 31, 2022.

Financial risk management

The Group engages in transactions involving financial instruments to meet its own needs. At September 30, 2022 and March 31, 2022, the Group does not have financial instruments that are not recorded in the accounting books and does not carry out transactions involving financial instruments for speculative purposes. The main risks related to the Group’s operations are the following:

- Credit risk;
- Liquidity risk; and
- Market risk.

This Note brings information about the Group's exposure to each of the aforementioned risks, the Group's objectives, policies and processes for measuring and managing risks, and its capital management.

Risk management structure

The Board of Directors is responsible for monitoring the Group's risk management policies, and each manager regularly reports the department activities to the Board.

(In thousands of reais – R$, unless otherwise stated)

The Group’s risk management policies are intended to identify and analyze any risks to which the Group is exposed, to define limits and appropriate risk controls, and to monitor risks and compliance with these limits. These risk management systems and policies are regularly reviewed to reflect changes in market conditions and in the Group’s activities. Through its standards and training and management procedures, the Groups seeks to develop a disciplined and constructive control environment, where all employees understand their duties and obligations.

Credit risk

Credit risk is the risk of the Group incurring losses in the event a customer or a counterparty in a financial instrument fails to comply with its contractual obligations. That risk basically arises from cash and cash equivalents, short-term investments, accounts receivable and other debts, leases receivable and derivative financial instruments - assets, as presented below.

Credit risk exposure

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk exposure at the individual and consolidated interim financial information date is as follows:

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
Cash and cash equivalents	110	14	264,460	891,989
Short-term investments	-	-	4,842	8,806
Accounts receivable and other receivables	6,472	8,850	310,379	96,876
Leases receivable	-	-	531,883	497,014
Derivative financial instruments	-	-	96,616	229,209
Total	6,582	8,864	1,208,180	1,723,894
Current assets	110	8,864	632,874	1,089,453
Noncurrent assets	6,472	-	575,306	634,441

Cash and cash equivalents

The principle adopted by the Company and its subsidiaries is to handle a limited number of financial institutions, seeking to do business with solid institutions. In addition, another policy intended to mitigate credit risk is the policy of holding balances of short-term investments in proportion to the balance of loans and financing with each institution. The Group has not recorded losses on cash and cash equivalents.

Accounts receivable

The exposure of the Company and its subsidiaries to credit risk is mainly influenced by the individual characteristics of each customer. In addition, sales are well-distributed throughout the fiscal year (mainly in the crop period, from March to December of each calendar year), which enables the Company and its subsidiaries to interrupt deliveries to customers that may be a potential credit risk.

(In thousands of reais – R$, unless otherwise stated)

Impairment loss

The aging list of accounts receivable recorded in current assets at the reporting date for which no impairment losses were recognized is as follows:

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
Falling due	6,472	8,850	310,379	96,876
Overdue within 30 days	-	-	-	-
Overdue between 31 and 90 days	-	-	-	-
Overdue between 91 and 180 days	-	-	-	-
Overdue for more than 181 days	-	-	-	-
	6,472	8,850	310,379	96,876
Allowance for expected credit losses	-	-	-	-
	6,472	8,850	310,379	96,876

The Company and its subsidiaries reviewed the present value adjustment of their accounts receivable at September 30 and March 31, 2022. The Company recognized noncurrent receivables at their present value, less future installments referring to the amount recognized as interest at the initial moment of the transaction.

For customers with a history of non-compliance with their financial obligations, the Company and its subsidiaries seek to require prepayments.

Guarantees

Subsidiaries Vale do Tijuco, Vale do Pontal and Usina Canápolis are guarantors with financial entities and credit cooperatives for transactions involving purchase of inputs and financing to be used in the planting and harvesting of sugarcane of their suppliers. At September 30, 2022, the amount guaranteed totals R$214,670 (R$252,356 at March 31, 2022). The subsidiaries will assume the debt of their suppliers within the limit of the guarantee provided, in case they fail to pay their obligations. Any amounts disbursed by the Company to pay the suppliers' obligations, in the event of default, will be restated by reference to the TJLP (Long-Term Interest Rate), plus 5.5% p.a. on a daily "pro-rata" basis, and will be discounted when the sugarcane is supplied by the supplier.

Liquidity risk

Liquidity risk is the risk that the Group may have difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The responsibility for managing liquidity risk lies with the Group's Management and Board of Directors, which manages liquidity risk based on the need for funding and short, medium and long-term liquidity management, having credit facilities according to cash needs, combining the maturity profiles of its financial assets and liabilities.

(In thousands of reais – R$, unless otherwise stated)

The Group uses information systems and management tools that provide the conditions for monitoring cash flow requirements and optimizing its cash return on investments. The Group's policy is to operate with high liquidity to ensure compliance with operating and financial obligations for at least one operating cycle; this includes the potential impact of extreme circumstances that cannot be reasonably anticipated, such as natural disasters and cyclical changes in the commodities market.

The Company does expect that the cash flows included in the Group's aging list may occur significantly earlier or at amounts significantly different.

Liquidity risk exposure

The carrying amount of financial liabilities with liquidity risk is shown below:

	Individual		Consolidated	
	9/30/2022	3/31/2022	9/30/2022	3/31/2022
Loans and financing	-	-	1,756,581	1,702,597
Intercompany loans	-	1,337	-	-
Leases and agricultural partnerships payable	-	-	1,506,184	1,485,939
Suppliers and other payables	-	337	431,962	231,094
Derivative financial instruments	-	-	177,697	543,127
Total	-	1,674	3,872,424	3,962,757
Current liabilities	-	337	1,221,462	1,127,391
Noncurrent liabilities	-	1,337	2,650,962	2,835,366

(In thousands of reais – R$, unless otherwise stated)

The aging list of financial liabilities is as follows:

Consolidated September 30, 2022	Carrying amount	Contractual flow	Up to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Loans and financing	1,756,581	1,799,995	285,953	267,428	270,284	219,214	75,559	681,556
Leases and agricultural partnerships payable	1,506,184	2,575,339	320,676	299,279	289,029	265,630	246,038	1,154,687
Suppliers and other payables	431,962	431,962	427,155	4,807	-	-	-	-
Derivative financial instruments	177,697	177,697	174,034	3,663	-	-	-	-
Total	3,872,424	4,984,993	1,207,818	575,177	559,313	484,844	321,597	1,836,243

Consolidated March 31, 2022	Carrying amount	Contractual flow	Up to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Loans and financing	1,702,597	1,750,682	236,531	274,838	270,517	217,015	79,120	672,661
Leases and agricultural partnerships payable	1,485,939	2,426,434	313,877	274,382	262,467	242,544	218,573	1,114,591
Suppliers and other payables	231,094	231,094	230,296	798	-	-	-	-
Derivative financial instruments	543,127	543,127	400,520	139,460	3,147	-	-	-
Total	3,962,757	4,951,337	1,181,224	689,478	536,131	459,559	297,693	1,787,252

Changes in financial liabilities in consolidated financing activities:

	Consolidated	
	Loans and financing	Leases and agricultural partnerships payable
Balances at April 1, 2021	1,188,700	746,172
Additions	123,299	224,828
(-) Payments	(74,350)	(189,881)
(-) Payment of interest	(35,396)	-
Interest incurred	65,716	34,956
Remeasurement of lease agreements	-	53,768
Write-offs due to termination of/ amendments to contracts	-	(39,582)
Allocation of transaction costs and exchange differences	4,463	-
Balance at September 30, 2021	1,272,432	830,261
Balances at April 1, 2022	1,702,597	1,485,939
Additions	189,091	185,242
(-) Payments	(142,471)	(194,172)
(-) Payment of interest	(96,354)	-
Interest incurred	95,969	67,863
Remeasurement of lease agreements	-	(2,820)
Write-offs due to termination of/ amendments to contracts	-	(35,868)
Allocation of transaction costs and exchange differences	7,749	-
Balance at September 30, 2022	1,756,581	1,506,184

Market risk

Market risk is the risk that changes in market prices, such as exchange rates and interest rates, will affect the Group's income or the amount of its financial instruments. Through its activities, the Group is also exposed to financial risks resulting from changes in the price of Total Recoverable Sugar (ATR), used to calculate the fair value of the biological asset, and in the price of VHP (Very High Polarized) sugar.

Interest rate risk

The Group is exposed to interest rate risks related to loans and financing taken out and short-term investments, which are exposed mainly to changes in CDI, Selic, IPCA, TJLP and TLP rates. The Group's management monitors fluctuations in variable interest rates linked to certain debts, using derivative instruments to minimize the impact from these risks.

Cash flow sensitivity analysis for variable rate instruments - consolidated

The sensitivity analysis is determined based on the exposure to interest rates of non-derivative financial instruments as at September 30, 2022. As determined by CVM Ruling No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, below are the possible impacts of how much the equity and the statement of income for the period would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's statement of income and future cash flows as described below:

- Scenario I: This refers to the most probable scenario for interest rates, at the individual and consolidated interim financial information date;
- Scenario II: 25% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and
- Scenario V: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

(In thousands of reais – R$, unless otherwise stated)

Interest rate risk on financial assets and liabilities - Consolidated

			Scenarios		Increase		Decrease	
Instruments	Exposure at September 30, 2022	Risk	Rate	Probable	Index variation of 25%	Index variation of 50%	Index variation of 25%	Index variation of 50%
Financial assets								
Cash equivalents	228,875	CDI	13.65%	31,241	7,810	15,621	(7,810)	(15,621)
Short-term investments	4,842	CDI	13.65%	661	165	330	(165)	(330)
Financial liabilities								
CCB	93,436	CDI	13.65%	(12,754)	(3,189)	(6,377)	3,189	6,377
CCB	9,480	SELIC	13.75%	(1,303)	(326)	(652)	326	652
CCE	137,860	CDI	13.65%	(18,818)	(4,704)	(9,409)	4,704	9,409
CPR	52,833	CDI	13.65%	(7,212)	(1,803)	(3,606)	1,803	3,606
CRA	118,086	CDI	13.65%	(16,119)	(4,030)	(8,059)	4,030	8,059
CRA	1,216,154	IPCA	8.73%	(106,170)	(26,543)	(53,085)	26,543	53,085
Finame	514	TJLP	7.01%	(36)	(9)	(18)	9	18
Finame	496	SELIC	13.75%	(68)	(17)	(34)	17	34
Finame	74,011	TLP	8.73%	(6,461)	(1,615)	(3,231)	1,615	3,231
Finem	89,795	TLP	8.73%	(7,839)	(1,960)	(3,920)	1,960	3,920
Impact on the statement of income and equity				(144,878)	(36,221)	(72,440)	36,221	72,440

Source: Information on CDI was obtained from the CETIP database; TJLP and TLP were obtained from the Brazilian IRS; SELIC was obtained from the Central Bank of Brazil; and IPCA from IBGE.

Currency risk

The Group is subject to currency risk (US dollar), partially from loans and financing denominated in a currency other than the functional currency.

With respect to other monetary assets and liabilities denominated in foreign currency, the Group ensures that its net exposure is kept at an acceptable level by buying or selling foreign currencies at spot rates, when necessary, to address short-term instabilities.

The short-term portions of monetary liabilities denominated in foreign currency are backed by assets also denominated in foreign currency (export of sugar with a price fixed in foreign currency).

The long-term portion of these liabilities is backed by the Company's sugar exports, which represent 100% of exports, and has prices denominated in foreign currency and with little sensitivity to exchange rate fluctuations.

(In thousands of reais – R$, unless otherwise stated)

Currency risk exposure

The net exposure in foreign currency is shown in the table below by principal amounts (in US$ thousand):

	Consolidated	
	9/30/2022	3/31/2022
Cash and cash equivalents	5,448	13,251
Accounts receivable and other receivables	33,877	-
Swap	-	25,000
NDF	(1,000)	-
US dollar options	(20,010)	-
NDF - currency	(88,331)	(202,044)
Future revenue (VHP) – Hedged item	108,341	202,044
Net exposure	38,325	38,251

The net currency exposure shown above is substantially offset by highly probable revenues from product exports.

Sensitivity analysis - currency risk - Consolidated

The sensitivity analysis is determined based on the exposure of cash and cash equivalents, trade accounts receivable and derivative financial instruments to the US dollar monetary variation as at September 30, 2022. As required by CVM Ruling No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, below are the possible impacts of how much the equity and the statement of income for the period would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's statement of income and/or future cash flows as described below:

- Scenario I: For the probable scenario in US dollars, the exchange rate in effect at September 30, 2022 was considered;
- Scenario II: 25% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and
- Scenario V: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

(In thousands of reais – R$, unless otherwise stated)

Scenarios	US$ thousand	R$ (MTM)	Increase (R$)		Decrease (R$)	
Non-derivative financial instruments			25%	50%	25%	50%
Cash and cash equivalents	5,448	29,455	7,364	14,727	(7,364)	(14,727)
Accounts receivable	33,877	183,157	45,789	91,578	(45,789)	(91,578)
Derivative financial instruments						
NDF	1,000	136	1,193	2,387	(1,193)	(2,387)
US dollar options	20,010	(1,338)	(335)	(669)	335	669
NDF - currency	88,331	43,456	(114,156)	(227,048)	111,628	224,520
Future revenue (VHP) – Hedged item		(42,118)	114,156	227,048	(111,628)	(224,520)
Impact on the statement of income and equity		212,748	54,011	108,023	(54,011)	(108,023)

The information used to calculate the sensitivity analysis shown above was obtained from external market sources such as Bloomberg and B3.

Price risk

That risk arises from possible fluctuations in the market prices of the main products sold by the Company. These price fluctuations may cause substantial changes in sales revenues, mainly related to the export of VHP Sugar. To mitigate that risk, the Company constantly monitors the market to anticipate price movements.

Exposures to price risks

The net exposure of derivative instruments to ethanol and VHP Sugar price hedge is shown in the table below, by principal amounts (in US$ thousand):

	Consolidated	
	9/30/2022	3/31/2022
NDF - commodities	(85,777)	(238,714)
Options	(1,105)	(1,105)
Future revenue (VHP) – Hedged item	86,882	239,819
Net exposure	-	-

Sensitivity analysis - currency risk - Consolidated

The sensitivity analysis below is determined based on the exposure of derivative financial instruments (NDF – commodities) to the variation in VHP sugar export prices based on the future curve of NY#11 screen prices, and ethanol NDF based on the future curve of B3 prices at September 30, 2022. Below, two scenarios are presented with a 25% and 50% decrease in the risk variable considering the possible impacts of how much the Group's equity and statement of income for the period would have increased (decreased), as follows:

(In thousands of reais – R$, unless otherwise stated)

- Scenario I: For this scenario, a probable increase in future prices as at September 30, 2022;
- Scenario II: 25% increase in the main risk factor of the derivative financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the derivative financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario; and
- Scenario V: 50% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario.

Scenarios	USD	R$ (MTM)	Increase (R$)		Decrease (R$)	
			25%	50%	25%	50%
Options	(1,105)	(3,281)	(820)	(1,640)	820	1,640
NDF - commodities	(85,777)	(112,951)	(142,043)	(285,794)	145,459	289,210
Future revenue (VHP) – Hedged item	86,882	116,232	142,863	287,434	(146,279)	(290,850)
Impact on the statement of income and equity	-	-	-	-	-	-

Hedge accounting

Cash flow hedge involving Group exports

The Group adopts a cash flow hedge accounting structure that consists of hedging an expected highly probable export transaction in foreign currency (US dollar – US$) against the risk of fluctuations in the US$/R$ exchange rate, using as hedging instruments non-derivative financial instruments – such as ACC (Advances on Foreign Exchange Contracts) and NCE (Export Credit Note) – and derivative financial instruments – such as NDF (Non-Deliverable Forward) – in amounts and maturities equivalent to those of exports. The following is a hedging relationship designated for hedge accounting:

(In thousands of reais – R$, unless otherwise stated)

	9/30/2022		3/31/2022		9/30/2021	
	Realized - income	Unrealized (equity)	Realized - income	Unrealized (equity)	Realized - income	Unrealized (equity)
NDF – commodities and options	(170,573)	(184,088)	(227,704)	(430,490)	(180,937)	(784,317)
NDF	-	-	(96,917)	-	(32,981)	(60,493)
Total exposure	(170,573)	(184,088)	(324,621)	(430,490)	(213,918)	(844,810)
(-) Deferred IR/CS	57,995	43,269	110,371	121,858	72,732	255,252
Net exposure	(112,578)	(140,819)	(214,250)	(308,632)	(141,186)	(589,558)

The effective portion of the change in the fair value of derivatives designated and qualified as cash flow hedge, and not settled, and the foreign exchange differences on non-derivative hedging instruments are recognized in equity as “Equity adjustments”. This portion is realized upon the elimination of the risk for which the hedging instruments were designated. Upon settlement of financial instruments, gains and losses previously deferred in other comprehensive income are transferred to the statement of income.

Derivative financial instruments

The Group is exposed to the currency risk of future cash flows in foreign currency, due to revenue from sugar exports. In order to mitigate this risk, the Group adopts hedging procedures based on the exchange exposure calculated by the commercial credit amount for the following 12 months, which is monthly reviewed. The future cash flow hedge is reviewed and discussed by the Group's Board of Directors, which approves and authorizes the purchase and designation of derivative financial instruments for hedge accounting.

The table below shows the major financial instrument transactions, as well as their respective fair values calculated by the Group’s management.

(In thousands of reais – R$, unless otherwise stated)

Consolidated	Type Currency	9/30/2022 Notional (US$/R$ thousand)	9/30/2022 Fair value (R$)	3/31/2022 Notional (US$/R$ thousand)	3/31/2022 Fair value (R$)
Swap	US$	-	-	25,000	(20,064)
Swap	R$	967,784	(7,103)	911,786	64,550
NDF - commodities - VHP	US$	85,777	(112,951)	238,714	(449,584)
NDF - currency	US$	88,331	43,456	202,044	94,327
NDF	US$	1,000	136	-	-
VHP option	US$	1,105	(3,281)	1,105	(3,147)
Options	US$	20,010	(1,338)	-	-
Total			(81,081)		(313,918)
Current assets			33,156		52,962
Noncurrent assets			63,460		176,247
			96,616		229,209
Current liabilities			(174,034)		(400,520)
Noncurrent liabilities			(3,663)		(142,607)
			(177,697)		(543,127)

Derivative financial instruments mature as follows:

September 30, 2022	Type	Notional	Consolidated Carrying amount	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Swap	R$	967,784	(7,103)	(60,006)	(30,820)	(13,516)	(6,658)	(16,775)	120,672
NDF - commodities - VHP	US$	85,777	(112,951)	(112,951)	-	-	-	-	-
NDF - currency	US$	88,331	43,456	32,942	10,514	-	-	-	-
NDF	US$	1,000	136	93	43	-	-	-	-
VHP options	US$	1,105	(3,281)	-	(3,281)	-	-	-	-
US dollar options	US$	20,010	(1,338)	(956)	(382)	-	-	-	-
Total			(81,081)	(140,878)	(23,926)	(13,516)	(6,658)	(16,775)	120,672

March 31, 2022	Type	Notional	Consolidated Carrying amount	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Swap	US$	25,000	(20,064)	(20,064)	-	-	-	-	
Swap	R$	911,786	64,550	(46,446)	(8,564)	6,515	12,943	(14,587)	114,689
NDF - commodities - VHP	US$	238,714	(449,584)	(310,124)	(139,460)	-	-	-	-
NDF - currency	US$	202,044	94,327	29,076	52,250	13,001	-	-	-
Options	US$	1,105	(3,147)	-	-	(3,147)	-	-	-
Total			(313,918)	(347,558)	(95,774)	16,369	12,943	(14,587)	114,689

(In thousands of reais – R$, unless otherwise stated)

Gain (loss) on derivative financial instruments

The Group recorded gains and losses arising from these transactions in the statement of income for the period. At September 30, 2022 and 2021, the impacts recorded in the statement of income are shown below:

			Consolidated			
Derivative	Market	Risk	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
NDF - currency and commodities	CETIP	USD	(105,811)	(104,344)	(170,573)	(180,937)
NDF - Ethanol	CETIP	USD	-	(21,540)	-	(32,981)
Gross revenue from sales and services			(105,811)	(125,884)	(170,573)	(213,918)
Swap	CETIP	USD	(32,803)	27,223	(24,826)	5,236
NDF	CETIP	USD	136	(3,199)	136	1,562
NDF – currency and commodities - ineffective	CETIP	USD	-	-	(10,173)	-
Finance income (expenses)			(32,667)	24,024	(34,863)	6,798
Total			(138,478)	(101,860)	(205,436)	(207,120)
(-) IR/CS			47,083	34,632	69,848	70,421
Net effect in the statement of income			(91,395)	(67,228)	(135,588)	(136,699)

c) Capital management

The Company manages its capital to ensure that it can continue as a going concern, while maximizing the return of all its stakeholders by optimizing its debt and equity balance.

The Company's capital structure consists of its net debt (loans and financing and leases and agricultural partnerships payable, less cash and cash equivalents, financial investments and its equity).

Management reviews the Company's capital structure on a regular basis. As part of this review, management considers the capital cost, asset liquidity, the risks associated to each class of capital and debt-to-equity ratio.

	9/30/2022	3/31/2022
Loans and financing	1,756,581	1,702,597
Leases and agricultural partnerships payable	1,506,184	1,485,939
(-) Cash and cash equivalents	(264,460)	(891,989)
(-) Short-term investments	(4,842)	(8,806)
Net Debt	2,993,463	2,287,741
Equity	489,035	446,083
Equity and consolidated debt	3,482,498	2,733,824
Leverage ratio	6.12	5.13

(In thousands of reais – R$, unless otherwise stated)

21. Deferred income taxes

	Assets/Liabilities		Income				Equity	
	9/30/2022	3/31/2022	9/30/2022	9/30/2021	9/30/2022	9/30/2021	9/30/2022	9/30/2021
			(3 months)	(3 months)	(6 months)	(6 months)		
Provision for legal proceedings / actuarial reserve	(650)	(410)	(194)	(124)	(241)	(50)	-	-
Allowance for expected credit losses	-	-	-	(4)	-	(455)	-	-
Allowance for inventory losses	2,924	1,151	860	38	1,773	(42)	-	-
Effects of swap contracts	2,415	(15,125)	24,694	(9,750)	17,540	(5,025)	-	-
Income tax losses (a)	137,125	159,391	(5,947)	15,476	(22,266)	18,217	-	-
Fair value of biological asset	(28,270)	(43,434)	10,673	(13,567)	15,164	(16,364)	-	-
Effects of foreign exchange difference	(239)	4,453	(5,420)	(2,567)	(4,692)	(1,876)	-	-
Effects of option contracts	1,571	1,070	-	-	-	-	502	-
Effects of forward contracts	22,330	96,278	(46)	1,754	5,142	136	(79,090)	64,002
Effects of forward ethanol contracts	-	-	-	-	-	-	-	8,052
Effects of tax vs. useful life depreciation difference	(9,041)	(10,809)	947	(107)	1,768	(503)	-	-
Effects of variation - IFRS 16/CPC 06	28,163	24,346	2,431	(3,941)	3,817	(13,417)	-	-
Other	-	-	225	-	-	-	-	-
Net	156,328	216,911	28,223	(12,792)	18,005	(19,379)	(78,588)	72,054

(In thousands of reais – R$, unless otherwise stated)

(a) The Company management recognized deferred income tax assets arising from income tax loss carryforwards based on expected generation of future taxable profits. The remaining balance of deferred income taxes on income tax loss carryforward recorded in tax obligations, less deferred tax assets for the period, and not recorded for accounting purposes, is approximately R$143,326.

Deferred income tax assets were recognized as a result of studies prepared by management, demonstrating the generation of future taxable profits in amount sufficient for full realization of these amounts within a maximum period of ten years. These studies were presented in crop years, so in this quarter the recoverability of the remaining six months of the 22/23 cycle and the subsequent crops were presented. The Company also considered the increase in profitability and tax base in recent years. The expected realization of deferred taxes as at September 30, 2022 is as follows:

	Consolidated
10/1/2022 to 3/31/2023	4,941
4/1/2023 to 3/31/2024	34,860
4/1/2024 to 3/31/2025	31,381
4/1/2025 to 3/31/2026	31,791
4/1/2026 to 3/31/2027	20,168
4/1/2027 to 3/31/2032	33,187
	156,328

Reconciliation of the effective rate

	Consolidated	
	9/30/2022	9/30/2021
Income (loss) before income taxes	(917)	198,360
Statutory rate	34%	34%
Tax expense at statutory rate	312	(67,442)
Adjustments for effective rate calculation:		
Dividends distributed through grant reserve	(38,265)	-
Tax vs. useful life depreciation difference	-	(504)
Recognition of income tax losses	-	18,217
Offset of income tax losses	-	(2,102)
Grants	25,189	23,927
Other	3,820	7,087
Income taxes	(8,944)	(20,817)
Current	(26,949)	(1,438)
Deferred	18,005	(19,379)

(In thousands of reais – R$, unless otherwise stated)

Reconciliation of the effective rate

	Individual	
	9/30/2022	9/30/2021
Income (loss) before income taxes	(9,861)	177,543
Statutory rate	34%	34%
Tax expense at statutory rate	3,353	(60,365)
Adjustments for effective rate calculation:		
Equity pickup	(3,107)	62,301
Unrecorded income tax losses	(246)	(1,936)
Income taxes	-	-
Current	-	-
Deferred	-	-

The statutory tax rate is 34% on adjusted income, according to the current legislation in Brazil for annual taxable profit. According to the current tax legislation, deductible temporary differences and accumulated tax losses are not barred by the statute of limitations.

22. Net revenue

The Group's operating revenue comprises sugar and ethanol sales to the domestic and foreign markets, and electric power.

	Consolidated			
	9/30/2022	9/30/2021	9/30/2022	9/30/2021
	(3 months)	(3 months)	(6 months)	(6 months)
Gross revenue from sales and services:				
Ethanol – domestic market	192,117	156,189	528,103	502,903
Sugar - domestic market	224	16,921	224	18,159
Sugar – foreign market	477,714	468,307	729,341	709,140
Hedge accounting (Note 20)	(105,811)	(125,884)	(170,573)	(213,918)
Electric energy	40,540	49,925	78,794	79,640
CBIOs	4,735	3,158	21,648	5,010
Other revenues	3,453	7,587	14,358	13,422
Gross revenue	612,972	576,203	1,201,895	1,114,356
Sales taxes	(10,120)	(13,348)	(56,499)	(64,816)
Net revenue	602,852	562,855	1,145,396	1,049,540

(In thousands of reais – R$, unless otherwise stated)

Agreement commitments – Sugar – Foreign Market

The Company's subsidiaries operate mainly in the commodities market and have various agreements in the sugar market, through which they undertake to sell volumes of these products in future cycles. Sugar sales commitments at September 30, 2022 in accordance with the production cycle per producing unit, in tons (t), are as follows:

Cycle	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
2022 / 2023	45,470	19,660	18,900	84,030
2023 / 2024	124,000	56,000	-	180,000
Total	169,470	75,660	18,900	264,030

Ethanol - domestic market

The Company's subsidiaries have entered into agreements for the sale of hydrous ethanol for the 2022/2023 cycle, as shown below in cubic meters (m³):

	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
Anhydrous ethanol	11,636	625	13	12,274
Hydrous ethanol	22,572	6,879	6,501	35,952
Total	34,208	7,504	6,514	48,226

Electric energy

Subsidiary Vale do Tijuco has an electric power supply agreement with the Electric Energy Trading Chamber (CCEE), entered into through an auction held by the Brazilian Electricity Regulatory Agency - ANEEL, which provides for the supply of 876,000 MWh in the period from April 2010 to March 2025, with monetary restatement by reference to the Extended Consumer Price Index (IPCA). Referred to subsidiary also has energy sales agreements with companies other than CCEE until the 2024/2025 cycle.

Subsidiary Vale do Pontal has an electric power supply agreement with the Electric Energy Trading Chamber (CCEE), entered into through an auction held by the Brazilian Electricity Regulatory Agency - ANEEL, which provides for the supply of 2,125,000 MWh in the period from April 2023 to March 2048, with monetary restatement by reference to the Extended Consumer Price Index (IPCA).

Below is the flow of deliveries for the current and future cycles in Mwh:

Cycle	Vale do Tijuco	Vale do Pontal	Total
2022 / 2023	9,250	8,460	17,710
2023 / 2024	111,320	85,000	196,320
2024 / 2025	111,320	85,000	196,320
2025 / 2048	-	1,870,000	1,870,000
Total	231,890	2,048,460	2,280,350

(In thousands of reais – R$, unless otherwise stated)

Leases and agricultural partnership agreements

Subsidiaries Vale do Tijuco, Vale do Pontal and Usina Canápolis have land lease and agricultural partnership agreements for sugarcane cultivation, whose rights of use were recognized as described in Note 6, and the related liabilities are described in Note 16.

23. Expenses by nature

The Company presented its statements of income classifying expenses based on their function. Information on the nature of such expenses recognized in the statements of income is as follows:

	Consolidated			
	9/30/2022	9/30/2021	9/30/2022	9/30/2021
	(3 months)	(3 months)	(6 months)	(6 months)
Cost of sales and services				
Amortization of treatment costs	(48,996)	(32,833)	(93,401)	(67,666)
Amortization of planting costs	(30,580)	(27,151)	(58,456)	(55,966)
Purchase of sugarcane on conveyor	(170,194)	(162,963)	(304,571)	(295,806)
Amortization of right of use and agricultural partnerships	(21,928)	(21,393)	(53,690)	(34,734)
Depreciation	(12,896)	(12,044)	(26,713)	(24,457)
Amortization of off-season costs	(45,326)	(39,150)	(82,341)	(74,777)
Cutting, loading and transportation (CCT) costs	(70,055)	(57,298)	(130,839)	(113,631)
Industrial costs	(32,909)	(25,137)	(72,982)	(52,384)
Cost of services rendered	(5,357)	(4,528)	(16,980)	(8,976)
Other costs	(2,969)	(2,744)	(6,323)	(4,884)
Changes in fair value of biological assets	(31,390)	39,905	(44,599)	48,131
PIS and COFINS credits on inputs	18,841	16,964	37,677	29,156
Total	(453,759)	(328,372)	(853,218)	(655,994)

	Consolidated			
	9/30/2022	9/30/2021	9/30/2022	9/30/2021
	(3 months)	(3 months)	(6 months)	(6 months)
Selling expenses				
Freight and carriage	(53,280)	(44,055)	(81,137)	(69,979)
Tariffs arising from distribution of electric power	(723)	(1,836)	(3,145)	(3,925)
Personnel expenses	(1,390)	(1,253)	(2,829)	(2,440)
Other selling expenses	(2,279)	(4,343)	(4,718)	(6,274)
Depreciation and amortization	(777)	(705)	(1,512)	(1,400)
Total	(58,449)	(52,192)	(93,341)	(84,018)

(In thousands of reais – R$, unless otherwise stated)

	Consolidated			
	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
Administrative expenses				
Personnel expenses	(6,562)	(5,924)	(14,334)	(11,903)
Third-party services	(4,319)	(8,426)	(7,449)	(12,818)
Other administrative expenses	(3,114)	(2,247)	(5,944)	(4,328)
Depreciation and amortization	(871)	(2,234)	(1,688)	(2,918)
Total	(14,866)	(18,831)	(29,415)	(31,967)

	Consolidated			
	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
Other operating income (expenses), net				
ICMS credit grant	12,816	-	12,816	-
Other investments	(1)	3,622	(1)	3,622
Income (loss) from the sale of supplies	1,301	(373)	1,801	623
Other income and expenses	(4,260)	1,099	(2,286)	2,235
Total	9,856	4,348	12,330	6,480

24. Finance income (expenses), net

	Consolidated			
	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
Finance expenses:				
Interest on loans and financing	(24,730)	(37,287)	(95,969)	(65,780)
Tax on Financial Transactions (IOF)	(3,343)	(1,454)	(7,311)	(3,669)
Losses on fair value adjustment - derivatives	(71,653)	(2,463)	(71,653)	(27,502)
Effective losses – settlement of transactions - derivatives	(25,881)	(2,900)	(49,466)	(8,423)
Foreign exchange losses	(35,048)	(17,775)	(50,811)	(28,594)
Other finance expenses	(681)	(2,755)	(4,433)	(8,914)
Interest on lease	(28,749)	(17,411)	(63,724)	(33,332)
Bank fees	(4,523)	(3,370)	(8,011)	(6,212)
Total	(194,608)	(85,415)	(351,378)	(182,426)
Finance income:				
Short-term investment income	5,811	3,775	18,294	6,040
Gains on fair value adjustment - derivatives	(839)	28,881	20,200	41,880
Effective gains – settlement of transactions - derivatives	65,706	506	66,056	843
Foreign exchange gains	29,865	8,886	35,123	31,100
Other finance income	3,842	1,108	6,442	5,188
Interest on lease	11,543	5,814	22,679	11,382
Total	115,928	48,970	168,794	96,433
Finance income (expenses), net	(78,680)	(36,445)	(182,584)	(85,993)

(In thousands of reais – R$, unless otherwise stated)

25. Earnings per share

Basic and diluted earnings (loss) per share are as follows:

	Consolidated and Individual			
	9/30/2022 (3 months)	9/30/2021 (3 months)	9/30/2022 (6 months)	9/30/2021 (6 months)
Net income (loss) for the period	23,458	115,360	(9,861)	177,543
Average number of shares in the period	1,258,415,912	1,258,415,912	1,258,415,912	1,258,415,912
Earnings (loss) per share – basic and diluted (in reais)	0.0186	0.0917	(0.0078)	0.1411

Basic earnings per share are calculated by dividing net income for the period attributed to holders of the Company's common shares by the weighted average number of common shares in the period.

26. Related parties

a) Key management personnel compensation

Key management personnel comprises the Company's Executive Board and Board of Directors. Key management personnel compensation for the period ended September 30, 2022 paid as short-term benefits amounted to R$6,400 (R$4,515 at September 30, 2021), recorded in the general and administrative expenses group, and include salaries, bonuses, variable compensation and direct and fringe benefits. The global annual compensation of key management personnel was approved at the General Meeting in the total amount of R$9,720 for the period from June 2022 through June 2023. However, the amount is subject to changes according to the bonus policy approved by the Company.

b) Significant balances and transactions

Transactions with related parties, other than purchase of raw materials, which are performed at market price, are carried out based on conditions negotiated between the Company and related parties, which could differ if performed with unrelated parties. The balances with related parties, which comprise transactions with shareholders or companies related to shareholders, are as follows:

(In thousands of reais – R$, unless otherwise stated)

		Individual		Consolidated	
		9/30/2022	3/31/2022	9/30/2022	3/31/2022
Current assets					
Receivables from related parties					
Rio Grande Investment PTE. LTD.	(i)	-	4,425	-	4,425
JF Investimentos S.A.	(i)	-	4,425	-	4,425
Subtotal		-	8,850	-	8,850
Noncurrent assets					
Receivables from related parties					
Terra Forte Empreendimentos e Participações S.A.	(ii)	6,472	-	50,057	28,691
Subtotal		6,472	-	50,057	28,691
Right of use on agricultural partnerships					
Terra Forte Empreendimentos e Participações S.A.	(iii)	-	-	219,556	228,431
Pirapitinga Participações Ltda.	(iii)	-	-	28,229	-
Subtotal		-	-	247,785	228,431
Total assets		6,472	8,850	297,842	265,972

		Individual		Consolidated	
		9/30/2022	3/31/2022	9/30/2022	3/31/2022
Liabilities					
Payables to related parties	(iv)				
Terra Forte Empreendimentos e Participações S.A.		-	-	-	3,381
Subtotal		-	-	-	3,381
Intercompany loans (Note 14)					
Vale do Tijuco Açúcar e Álcool S.A.	(v)	-	1,337	-	-
Subtotal		-	1,337	-	-
Leases and agricultural partnerships payable					
Terra Forte Empreendimentos e Participações S.A.	(vi)	-	-	219,313	254,466
Pirapitinga Participações Ltda.	(vi)	-	-	51,119	-
Subtotal		-	-	270,432	254,466
Total liabilities		-	1,337	270,432	257,847

	Consolidated	
	9/30/2022	9/30/2021
Revenues		
Sale of products and provision of services		
CZ Energy Comercializadora Etanol S.A.	3,316	-
	3,316	-
Income		
Amortization of right of use and interest allocated		
Terra Forte Empreendimentos e Participações S.A.	(23,962)	(7,484)
Pirapitinga Participações Ltda.	(4,409)	-
	(28,371)	(7,484)

(In thousands of reais – R$, unless otherwise stated)

(i) Balance arising from the merger of JLFIM by the Company. These refer to promissory notes receivable. At September 30, 2021, a debt assumption instrument was entered into for the balance of R$4,425, formerly owned by shareholder Marseille Fundo de Investimentos em Participações, to also shareholder JF Investimentos S.A., which became the holder of the obligation as of that date. The amounts were received in the period ended June 30, 2022.

(ii) Amount granted to Terra Forte Empreendimentos e Participações S.A., bearing interest, calculated monthly based on the weighted rate of bank loans of the CMAA Group, with payment expected according to cash availability.

(iii) Balance referring to the right of use on land lease with Terra Forte Empreendimentos e Participações S.A. and Pirapitinga Participações Ltda.

(iv) Amount related to operational transactions between related parties, such as sale of inputs, supplies and others.

(v) Loan from subsidiary Vale do Tijuco, without interest, settled in the period ended June 30, 2022.

(vi) Balance referring to lease liabilities and assignments of agricultural partnerships with Terra Forte Empreendimentos e Participações S.A. and Pirapitinga Participações Ltda., which will be settled according to the contractual flow of maturities.

The Company provides surety for its subsidiaries in loan and financing agreements, as described in Note 14.

The Company and its subsidiaries provide financial guarantees for transactions with suppliers, as described in Note 20.

27. Supplemental cash flow information

Non-cash transactions

	Consolidated	
	9/30/2022	9/30/2021
Non-cash transactions		
Right of use	82,048	205,660
Assignment of leases and agricultural partnerships receivable	63,914	33,354
Depreciation of property, plant and equipment capitalized as biological assets	1,882	1,744
Depreciation of property, plant and equipment capitalized as permanent crop cultivation	2,352	2,261
Interest on leases capitalized as property, plant and equipment – permanent crop cultivation	4,140	6,019
Right-of-use amortization capitalized as property, plant and equipment – permanent crop cultivation	7,786	4,091
	162,122	253,129

28. Insurance coverage

The Group's policy is to take out insurance coverage for assets subject to risks at amounts deemed sufficient to cover losses, if any, considering the nature of its activities.
At September 30, 2022, the Group has insurance coverage at amounts deemed sufficient by its management to cover losses, if any, which are described below:

Insured assets	Amount insured
Civil liability	60,000
Agricultural pledge	15,448
Vehicles	100% Fipe
Sundry machinery and equipment	146,200
Property	400,000
D&O (Senior Management)	30,000

Board of Directors

Members

José Francisco de Fátima Santos
Chairperson

Luiz Gustavo Turchetto Santos
Hansjorg Suelzle
Moleonoto Tjang
Surjadi Tirtarahardia
Mark Julian Wakeford

Executive Board

Carlos Eduardo Turchetto Santos
Alisson Venturini Colonhezi
Jeferson Degaspari
Eduardo Scandiuzzi Lopes
Marcelo Bosquetti

Accountant

Fernando Pereira Falheiros

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