



CerradinhoBio

Interim financial statements at September 30, 2022 and
Independent auditors' report on review of parent company
and consolidated interim financial statements



Management Report

Interim financial statements at September 30, 2022

Cerradinho Bioenergia S.A. ("CerradinhoBio" or the "Company") was incorporated on September 18, 2006 and is headquartered in the municipality of Chapadão do Céu, in the State of Goiás. It is owned by Cerradinho Participações S.A. ("Parent company"). The Group includes CerradinhoBio, which operates in the biofuels and bioelectricity sector, and Neomille S.A. ("Neomille" or "Subsidiary"), a wholly-owned subsidiary operating in the corn ethanol and by-products sector (the "Group").

Cerradinho Bioenergia S.A.

The Company's main activity is the production and sale of hydrated fuel ethanol from sugarcane and its by-products, import and export activities and the generation and sale of electricity. Sugarcane is cultivated on third-party land, through lease and agricultural partnership agreements, as a raw material input in its production process.

CerradinhoBio became operational on June 26, 2009, producing ethanol and generating energy for the Brazilian market.

Neomille S.A.

Neomille became operational in November 2019 producing ethanol from corn and animal feed products. Being located adjacent to the CerradinhoBio complex, its proximity facilitates the origination of raw material (corn) and product flow (ethanol).

These individual and consolidated interim financial statements for the six-month period beginning on April 1, 2022 and ending on September 30, 2022 were prepared in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting and with the International Accounting Standard IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), and presented in accordance with the standards issued by the Brazilian Securities Commission (CVM). They are supplemented by the Management Report and accompanied by the Independent Auditor's Review Report.



OPERATING DATA

Sugarcane grinding volume of 3.7 million of CerradinhoBio in the first six-month period of the 2022/23 harvest was 9.0% lower than that recorded in the same period of the previous harvest. The corn grinding volume of 295 thousand metric tons crushed in the period by the subsidiary was 11% higher than that in the same period of the previous harvest.

A total of 447 thousand m³ (from both sugarcane and corn) of hydrated ethanol were produced, a volume 4% lower compared to the same period in the previous harvest.

As a result of the higher corn grinding volume, the production of corn hydrated ethanol increased by 12% compared to the same prior period harvest, totaling 133 thousand m³. The production of DDG increased by 12% and oil by 8%; these are used as ingredients for animal nutrition products.

Some 231 GWh of electricity was generated and transferred to the grid, in addition to the equivalent of 68 GWh (steam and electricity) used by the corn plant, totaling a volume 17% lower than the same period of the previous harvest.

During the six-month period, 344 thousand CBIOS (Decarbonization Credits) were issued, and at September 30, 2022 the Company held 250.7 thousand CBIOS issued and not yet traded.

OPERATING DATA	YTD22/23	YTD21/22	VAR. %
Total sugarcane grinding (thousand metric tons)	3.682	4.033	(9%)
% Own sugarcane	44%	44%	(<i>op.p.</i>)
Corn grinding (thousand metric tons)	295	265	11%
Agricultural Productivity	90,1	85,2	6%
ATR (kg/t)	133,5	131,3	2%
ATR (kg/ha)	12.032	11.176	8%
Total ethanol production (thousand m ³)	447	465	(4%)
DDG production (thousand metric tons)	79	70	12%
Oil production (thousand metric tons)	3,5	3,3	8%
Energy export (GWh)	231	303	(24%)
Issuance of CBIOS (thousand)	344	265	29%



FINANCIAL DATA

FINANCIAL DATA	YTD22/23	YTD21/22	VAR. %
Revenue (R\$ thousand)	1.390.622	1.069.420	30%
Sugarcane ethanol	797.510	618.028	29%
Corn ethanol	359.967	257.470	40%
Electric power	67.567	79.765	(15%)
DDG + Oil	136.324	103.019	32%
CBIOs	25.098	6.966	260%
Other	4.156	4.172	(0%)
Consolidated Adjusted EBITDA (R\$ thousand)	552.422	493.732	12%
<i>Adjusted EBITDA Margin (R\$ thousand)</i>	<i>40%</i>	<i>46%</i>	<i>(6p.p.)</i>
Profit (R\$ thousand)	267.372	286.944	(7%)

When comparing the six-month periods, the Group's consolidated net revenue grew by 30% to R\$ 1,390.6 million. The increase in net revenue mainly reflects the 19% higher ethanol sales volume and 4.8% higher average net prices for ethanol. In addition, the average realized net price of DDG also increased by 16% as a result of the higher corn price and increased market demand.

The Group presents Accounting EBITDA in accordance with CVM Instruction 527. To improve this proxy for operating cash generation, Adjusted EBITDA is presented to exclude: (i) the effects of adoption of IFRS 16; (ii) non-cash and non-recurring effects; (iii) fair value adjustments for the biological assets; (iv) amortization of crop treatments (harvested biological assets); and (v) amortization of inter-crop expenses. Consolidated Adjusted EBITDA was R\$ 552.4 million in the first six months of the 2022 harvest, 12% higher than in the same period of the previous harvest, with a margin of 40%, reconciled as below:



BREAKDOWN OF EBITDA (in R\$ thousand)	YTD22/23	YTD21/22	VAR. %
Adjusted EBITDA	552.422	493.732	12%
<i>Adjusted EBITDA margin</i>	<i>40%</i>	<i>46%</i>	<i>(6p.p.)</i>
Reversal of Agrarian Contracts (Non-Cash Effect of IFRS 16)	41.009	38.341	7 %
Non-recurring Income (Expenses)	0	6.465	(100%)
Biological assets	(45.801)	41.606	(210%)
Amortization of crop treatment (includes harvested biological assets)	(43.341)	(39.139)	11%
Amortization of inter-crop expenses	(28.778)	(23.706)	21%
Accounting EBITDA	475.511	517.299	(8%)
<i>EBITDA Margin</i>	<i>34%</i>	<i>48%</i>	<i>(14p.p.)</i>
(-) Depreciation and Amortization	(96.416)	(76.359)	26%
(-) Net finance costs	(77.081)	(55.396)	39%
(=) Profit before income tax and social contribution	302.014	385.544	(22%)

The Group recorded an increase of 93% and 83%, respectively, in net debt and leverage. Although the operating result was positive, reflected in an Adjusted EBITDA LTM at the end of September 2022 in line with the harvest to March 2022, the investments made in the expansion of the corn plant in Goiás and in the construction of the greenfield in Mato Grosso do Sul, added to demands for working capital used for ethanol and corn inventories, impacted net cash generation. Thus, the ratio at September 30, 2022 was 1.05x Net Debt/Adjusted EBITDA.

FINANCIAL DATA	Sep-22	Mar-22	VAR. %
Net Debt (R\$ thousand)	1.179.508	609.670	93%
Adjusted Working Capital (x)	3,38	3,39	(0%)
LTM Leverage (x)	1,05	0,57	83%

Consolidated Adjusted Working Capital, which excludes the effects of CPC 06 (R2), was 3.38x in September 2022, in line with the position in March 22.



BREAKDOWN OF WORKING CAPITAL (in R\$ thousand)	Sep-22	Mar-22	VAR. %
Total Current Assets	2.351.409	1.797.485	31%
(-) Non-current assets held for sale	(1.195)	(1.287)	(7%)
Adjusted Current Assets	2.350.214	1.796.198	31%
Current Liabilities	841.620	667.610	26%
Accounting Working Capital	2,79	2,69	4%
(-) Leases receivable - Current	(9.950)	(9.585)	4%
(-) Leases payable - Current	(37.256)	(35.731)	4%
(-) Agricultural partnerships payable - Current	(111.759)	(105.036)	6%
Adjusted Working Capital	3,38	3,39	(0%)



INVESTMENTS

As shown below, the Group's consolidated CAPEX ended the first six-month period of the 2022/23 harvest higher by 184% compared to the same period of the previous harvest.

CAPEX COMPOSITION (in R\$ thousand) - Consolidated	YTD22/23	YTD21/22	VAR. %
Maintenance			
Planting - Renovation	36.550	22.547	62%
Inter-crop maintenance (Industrial/Agricultural)	2.308	979	136%
Crop Treatments	65.509	59.028	11%
Total	104.367	82.554	26%
Operational improvements			
Equipment/ Replacements	10.326	7.657	35%
Environmental/Legal	107	29	275%
Total	10.433	7.685	36%
Modernization/Expansion			
Sugarcane - Biological Assets	3.897	2.412	62%
Sugarcane - Projects (Industrial/Agricultural)	9.466	807	1.072%
Corn - Projects (Industrial)	331.678	68.530	384%
Total	345.041	71.750	381%
Grand Total	459.840	161.989	184%

The 26% increase in investments in Maintenance basically reflects higher expenditures on sugarcane crops renovation and crop treatments.

For Operational Improvements, the 36% increase is basically due to equipment renovation.

Modernization/Expansion investments relate to the expansion in progress at the Corn Ethanol plant in Chapadão do Céu, in addition to the construction of new silos, of R\$ 77 million. Another major project is the construction of a new corn ethanol plant in Mato Grosso do Sul (Greenfield Project), the first phase works started in March 2022 and by September 30, 2022 R\$ 254.6 million had been invested; start-up of production is scheduled for the second half of 2023. These account for the 381% increase in the Company's expenditures.



SHAREHOLDERS' REMUNERATION

The dividend policy includes a mandatory minimum annual dividend of 25% of net profit, after legal appropriations (Article 30 of the Bylaws), calculated during the corporate period (harvest year). As an alternative to proposing payment of dividends, the Company's Management may propose distributing interest on capital which will also be considered for purposes of the mandatory minimum dividend, pursuant to Article 9 of Law 9,249/1995, as amended, and regulatory standards.

The May 30, June 30, July 29 and August 30, 2022 Extraordinary General Meetings approved the distribution of interest on capital of R\$ 6,500, R\$ 16,539, R\$ 4,173 and R\$ 4,173, respectively, totaling R\$ 31,386.

RELATIONSHIP WITH INDEPENDENT AUDITORS

Pursuant to CVM Instruction 381/03, we inform that the Company's interim financial statements are reviewed by PricewaterhouseCoopers Auditores Independentes Ltda. (PwC), which has also been contracted to audit the annual financial statements. When contracting non-audit services from the independent audit, management assesses whether a possible conflict of interest may arise, as directed by the following premises: the auditors should not (i) audit their own work; (ii) exercise managerial functions for their client or (iii) promote their client's interests.

In the six-month period ended September 30, 2022, other advisory services were contracted, representing 64% of audit fees and their respective quarterly information reviews for the year ending March 31, 2023.

The Company's management and our independent auditors believe that their independence is not impaired, and there is no evidence of conflicts of interest that could prejudice their activities as independent auditors of the Company.



Report on review of parent company and consolidated interim financial statements

To the Board of Directors and Shareholders
Cerradinho Bioenergia S.A.

Introduction

We have reviewed the accompanying interim balance sheet of Cerradinho Bioenergia S.A. ("Company") as at September 30, 2022 and the related statements of income and comprehensive income for the quarter and six-month period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, as well as the accompanying consolidated interim balance sheet of Cerradinho Bioenergia S.A. and its subsidiary ("Consolidated") as at September 30, 2022 and the related consolidated statements of income and comprehensive income for the quarter and six-month period then ended, and the consolidated statements of changes in equity and cash flows for the six-month period then ended, and notes, comprising significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these parent company and consolidated interim financial statements in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - "Interim Financial Reporting", of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and ISRE 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively). A review of interim 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 Brazilian and International Standards on Auditing 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

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim financial statements referred to above do not present fairly, in all material respects, the financial position of Cerradinho Bioenergia S.A. and of Cerradinho Bioenergia S.A. and its subsidiary as at September 30, 2022, and the parent company financial



Cerradinho Bioenergia S.A.

performance for the quarter and six-month period then ended and its cash flows for the six-month period then ended, as well as the consolidated financial performance for the quarter and six-month period then ended and the consolidated cash flows for the six-month period then ended, in accordance with CPC 21 and IAS 34.

Other matters

Statements of Value Added

The interim financial statements referred to above include the parent company and consolidated Statements of Value Added for the six-month period ended September 30, 2022. These statements are the responsibility of the Company's management and are presented as supplementary information. These statements have been subjected to review procedures performed together with the review of the interim financial statements for the purpose of concluding whether they are reconciled with the interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and that they are consistent with the parent company and consolidated interim financial statements taken as a whole.

Ribeirão Preto, November 9, 2022

A handwritten signature in cursive script, appearing to read 'PricewaterhouseCoopers', written in dark ink.

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

DocuSigned by:

A handwritten signature in cursive script, appearing to read 'Rodrigo de Camargo', written in dark ink.

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Rodrigo de Camargo
Contador CRC 1SP219767/O-1



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Cerradinho Bioenergia S.A.

Balance sheet
All amounts in thousands of reais

Assets	Note	Parent company		Consolidated		Liabilities and equity	Note	Parent company		Consolidated	
		September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022			September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Current assets						Current liabilities					
Cash and cash equivalents	5	310.862	344.370	1.010.322	1.144.378	Trade payables	17	148.066	84.542	300.493	111.109
Financial investments		2.217	1.766	4.186	1.766	Lease liabilities	18	36.621	35.090	37.256	35.731
Derivative financial instruments	9	4.241	2.743	4.241	3.276	Agricultural partnerships payable	18	104.749	104.228	111.759	105.036
Trade receivables	6	40.386	33.415	51.696	90.288	Borrowings	19	52.373	55.013	116.547	66.015
Inventories	8	250.745	96.424	858.108	269.968	Debentures	20	111.400	110.828	136.661	219.266
Lease receivables	10	9.950	9.585	9.950	9.585	Derivative financial instruments	9	-	-	24.126	4.714
Biological assets	11	193.455	230.519	193.455	230.519	Salaries and payroll charges		37.963	34.477	43.508	38.252
Taxes recoverable	12	53.026	7.989	176.093	40.917	Taxes payable		14.983	17.116	21.002	30.317
Interest on capital and dividends receivable	7	25.814	21.740	-	-	Interest on capital and dividends payable	7 / 23 (c)	26.678	23.335	26.678	23.335
Other receivables		9.775	5.838	42.163	5.501	Provision for contingencies	22	17.193	19.893	18.347	22.952
						Other payables		4.275	8.549	5.243	10.883
		900.471	754.389	2.350.214	1.796.198	Total current liabilities		554.301	493.071	841.620	667.610
Non-current assets held for sale		1.195	1.287	1.195	1.287						
Total current assets		901.666	755.676	2.351.409	1.797.485	Non-current liabilities					
Non-current assets						Lease liabilities	18	103.807	110.237	107.587	114.098
Long-term receivables						Agricultural partnerships payable	18	330.047	347.121	391.158	349.237
Financial investments		10.914	6.180	10.914	6.180	Borrowings	19	177.921	193.647	536.175	865.971
Derivative financial instruments	9	38.328	33.477	82.343	59.803	Debentures	20	315.330	371.317	1.478.004	668.963
Lease receivables	10	20.332	22.934	20.332	22.934	Derivative financial instruments	9	-	-	1	144
Taxes recoverable	12	4.997	4.466	59.255	45.525	Salaries and payroll charges		10.900	11.984	12.509	13.551
Judicial deposits		6.093	7.325	17.324	18.659	Taxes payable	21	65.485	44.480	67.035	45.241
Deferred income tax and social contribution	13	33.103	11.949	73.589	58.374	Provision for contingencies	22	3.295	3.023	11.171	9.755
Other receivables		38	44	22.734	11.775	Total non-current liabilities		1.006.785	1.081.809	2.603.640	2.066.960
		113.805	86.375	286.491	223.250	Total liabilities		1.561.086	1.574.880	3.445.260	2.734.570
Investment in subsidiary	14	584.262	488.690	-	-	Equity	23				
Property, plant and equipment	15	823.326	843.453	1.596.346	1.305.337	Share capital		472.588	472.588	472.588	472.588
Right-of-use assets	16	500.778	527.266	573.142	534.626	Retained earnings		142.898	-	142.898	-
Intangible assets		1.403	1.588	2.026	2.040	Revenue reserves		748.668	655.580	748.668	655.580
Total non-current assets		2.023.574	1.947.372	2.458.005	2.065.253	Total equity		1.364.154	1.128.168	1.364.154	1.128.168
Total assets		2.925.240	2.703.048	4.809.414	3.862.738	Total liabilities and equity		2.925.240	2.703.048	4.809.414	3.862.738

Cerradinho Bioenergia S.A.

Statement of income

Three- and six-month periods ended September 30, 2022 and 2021

All amounts in thousands of reais unless otherwise stated

	Note	Parent company			
		September 30, 2022		September 30, 2021	
		Three-month period	Six-month period	Three-month period	Six-month period
Revenue from contracts with customers	25	419.242	907.042	370.649	727.148
Cost of sales and services	26	(263.687)	(570.632)	(212.230)	(442.757)
Changes in fair value of biological assets	11	(26.879)	(45.801)	19.640	41.606
Gross profit		128.676	290.609	178.059	325.997
Selling expenses	26	(19.502)	(38.585)	(16.178)	(31.089)
General and administrative expenses	26	(15.315)	(23.421)	(9.703)	(23.985)
Other income (expenses), net		652	(810)	114	394
Equity in the earnings of subsidiaries	14	49.942	107.827	46.774	113.656
Operating income (expenses)		15.777	45.011	21.007	58.976
Profit before finance result		144.453	335.620	199.066	384.973
Finance costs	27	(47.547)	(100.553)	(36.123)	(71.859)
Finance income	27	22.806	46.312	10.253	25.462
Finance result		(24.741)	(54.241)	(25.870)	(46.397)
Profit before income tax and social contribution		119.712	281.379	173.196	338.576
Income tax and social contribution					
Current	13	(20.103)	(35.161)	(28.007)	(28.007)
Deferred	13	20.086	21.154	(189)	(23.625)
Profit for the period		119.695	267.372	145.000	286.944

The accompanying notes are an integral part of these interim financial statements.

Cerradinho Bioenergia S.A.

Statement of income

Three- and six-month periods ended September 30, 2022 and 2021

All amounts in thousands of reais unless otherwise stated

	Note	Consolidated			
		September 30, 2022		September 30, 2021	
		Three-month period	Six-month period	Three-month period	Six-month period
Revenue from contracts with customers	25	657.430	1.390.622	540.554	1.069.420
Cost of sales and services	26	(419.703)	(874.329)	(300.909)	(602.250)
Changes in fair value of biological assets	11	(26.879)	(45.801)	19.640	41.606
Gross profit		210.848	470.492	259.285	508.776
Selling expenses	26	(32.026)	(62.775)	(23.616)	(45.268)
General and administrative expenses	26	(18.112)	(28.640)	(11.445)	(28.258)
Other income (expenses), net		669	18	(1.126)	5.690
Operating income (expenses)		(49.469)	(91.397)	(36.187)	(67.836)
Profit before finance result		161.379	379.095	223.098	440.940
Finance costs	27	(107.088)	(233.705)	(55.472)	(109.673)
Finance income	27	70.756	156.624	23.943	54.277
Finance result		(36.332)	(77.081)	(31.529)	(55.396)
Profit before income tax and social contribution		125.047	302.014	191.569	385.544
Income tax and social contribution					
Current	13	(26.564)	(49.856)	(38.496)	(56.606)
Deferred	13	21.212	15.214	(8.073)	(41.994)
Profit for the period		119.695	267.372	145.000	286.944
Basic and diluted earnings per share (in reais)	23 (b)	0,2612	0,5834	0,3164	0,6261

The accompanying notes are an integral part of these interim financial statements.

Cerradinho Bioenergia S.A.**Statement of comprehensive income****Three-month and six-month periods ended September 30, 2022 and 2021****All amounts in thousands of reais**

	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Parent company and consolidated				
Profit for the period	119.695	267.372	145.000	286.944
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>119.695</u>	<u>267.372</u>	<u>145.000</u>	<u>286.944</u>

The accompanying notes are an integral part of these interim financial statements.

Cerradinho Bioenergia S.A.

Statement of changes in equity
Six-month periods ended September 30, 2022 and 2021
All amounts in thousands of reais

			Revenue reserves					
	Note	Share capital	Legal	Tax incentives reserve	Retention reserve	Supplementary dividends proposed	Retained earnings	Total
At March 31, 2021		472.588	33.010	246.538	104.008	49.457	-	905.601
Dividends distributed	23 (c)	-	-	-	-	(49.457)	-	(49.457)
Profit for the period		-	-	-	-	-	286.944	286.944
Interest on capital	23 (e)	-	-	-	-	-	(19.847)	(19.847)
Supplementary dividends proposed	23 (d)	-	-	-	(104.008)	-	(110.130)	(214.138)
Appropriation to reserves	23 (d)	-	-	45.049	-	-	(45.049)	-
At September 30, 2021		472.588	33.010	291.587	-	-	111.918	909.103
At March 31, 2022		472.588	58.691	349.152	247.737	-	-	1.128.168
Profit for the period		-	-	-	-	-	267.372	267.372
Interest on capital	23 (c)	-	-	-	-	-	(31.386)	(31.386)
Appropriation to reserves	23 (d)	-	-	93.088	-	-	(93.088)	-
At September 30, 2022		472.588	58.691	442.240	247.737	-	142.898	1.364.154

The accompanying notes are an integral part of these interim financial statements.

Cerradinho Bioenergia S.A.

Statement of cash flows Six-month periods ended September 30, 2022 and 2021 All amounts in thousands of reais

	Note	Parent company		Consolidated	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Cash flows from operating activities					
Profit before income tax and social contribution		281.379	338.576	302.014	385.544
Adjustments for:					
Changes in fair value of biological assets	11.2 / 26	45.801	(41.606)	45.801	(41.606)
Changes in fair value of agricultural products		(937)	(737)	(937)	(737)
Amortization of crop treatment (includes harvested biological assets)	26	28.761	39.139	28.761	39.139
Provision for payment of surety		910	1.093	1.052	1.093
Depreciation and amortization	26	129.823	93.884	136.025	94.137
Loss (gain) on property, plant and equipment disposals	28 (a)	(563)	453	(563)	453
Derivative financial instruments	28 (c)	(1.899)	(3.867)	15.815	(13.238)
Interest and indexation accruals of borrowings, debentures and financial investments, net	28 (c)	41.014	33.579	88.316	64.280
Adjustment to present value - leases and agricultural partnerships payable and receivable	27 / 28 (c)	30.659	21.006	36.598	21.006
Interest and indexation accruals of judicial deposits		(84)	76	(200)	65
Provision for bonus to employees (ILP and PPAR)		10.337	9.272	11.502	10.066
Provision for contingencies	22	2.954	9.905	2.881	10.271
Provision for obsolescence	8	(8)	(4)	(8)	(4)
Recognition of credits PIS/COFINS/Presumed IPI		-	-	-	(12.369)
Equity in the earnings of subsidiaries	14	(107.827)	(113.656)	-	-
		460.320	387.113	667.057	558.100
Decrease (increase) in operating assets:					
Trade receivables		(6.971)	(27.906)	45.366	(1.195)
Lease receivables		5.267	4.720	5.267	4.720
Inventories		(99.503)	(180.768)	(531.417)	(531.543)
Biological assets		(65.509)	(59.028)	(65.509)	(59.028)
Income tax and social contribution recoverable			266	-	298
Taxes recoverable		(50.854)	2.475	(161.719)	(19.694)
Judicial deposits		1.316	845	1.535	856
Other receivables		(3.931)	(6.547)	(44.318)	(24.993)
Increase (decrease) in operating liabilities:					
Trade payables		63.524	84.208	182.610	190.221
Salaries and payroll charges		(7.935)	(15.128)	(7.288)	(16.428)
Income tax and social contribution payable		-	(4.358)	-	(6.006)
Taxes payable		(2.370)	(1.064)	(5.757)	(1.276)
Payment of contingencies		(5.382)	(6.990)	(6.070)	(7.103)
Other payables		(5.182)	(5.913)	(9.996)	(8.919)
Cash from operations		282.790	171.925	69.761	78.010
Financial charges paid	28 (c)	(35.725)	(21.424)	(74.294)	(46.829)
Financial charges paid - leases and agricultural partnerships payable	28 (c)	(27.272)	(14.718)	(33.116)	(14.718)
Income tax and social contribution paid		(11.503)	(8.012)	(23.515)	(29.835)
Net cash provided by (used in) operating activities		208.290	127.771	(61.164)	(13.372)
Cash flows from investing activities					
Financial investments (redemption of financial investments)		(4.513)	3.180	(6.416)	3.180
Interest on capital received		6.341	-	-	-
Proceeds from sale of property, plant and equipment	28 (a)	912	3.045	912	3.045
Purchases of property, plant and equipment and intangible assets (includes sugarcane crops)	28 (b)	(71.367)	(22.169)	(338.561)	(93.628)
Net cash used in financing activities		(68.627)	(15.944)	(344.065)	(87.403)
Cash flows from financing activities					
Borrowings - proceeds	29 (c)	-	-	-	100.000
Borrowings - payments	28 (c)	(26.112)	(34.087)	(30.279)	(108.486)
Debentures - proceeds	28 (c)	-	-	600.000	-
Debentures - payments	28 (c)	(62.977)	(20.127)	(196.970)	(40.234)
Leases and agricultural partnerships payable - payments	28 (c)	(56.297)	(39.797)	(58.192)	(39.797)
Settlement of derivative financial instruments	28 (c)	(4.450)	(7.750)	(20.051)	(9.379)
Interest on capital paid	23 (c) / 28 (c)	(23.335)	(17.462)	(23.335)	(17.462)
Dividends paid	23 (c) / 28 (c)	-	(76.276)	-	(76.276)
Net cash used in (provided by) financing activities		(173.171)	(195.499)	271.173	(191.634)
Decrease in cash and cash equivalents, net		(33.508)	(83.672)	(134.056)	(292.409)
Cash and cash equivalents at the beginning of the period	5	344.370	400.284	1.144.378	872.251
Cash and cash equivalents at the end of the period	5	310.862	316.612	1.010.322	579.842

Non-cash investing and financing activities (Note 28).

The accompanying notes are an integral part of these interim financial statements.

Cerradinho Bioenergia S.A.

Statement of value added Six-month periods ended September 30, 2022 and 2021 All amounts in thousands of reais

	Note	Parent company		Consolidated	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Revenue					
Gross sales and services		983.779	835.308	1.489.647	1.222.834
Changes in the fair value of biological assets	11.2	(45.801)	41.606	(45.801)	41.606
Revenue from construction of own assets		40.445	28.507	283.353	28.507
Other revenues		<u>903</u>	<u>651</u>	<u>906</u>	<u>674</u>
		<u>979.326</u>	<u>906.072</u>	<u>1.728.105</u>	<u>1.293.621</u>
Inputs acquired from third parties					
Cost of sales and services		(396.829)	(295.129)	(823.880)	(432.748)
Materials, energy, outsourced services, and other		(122.732)	(98.634)	(295.157)	(158.461)
Other expenses		<u>(2.560)</u>	<u>234</u>	<u>(9.853)</u>	<u>(1.236)</u>
		<u>(522.121)</u>	<u>(393.529)</u>	<u>(1.128.890)</u>	<u>(592.445)</u>
Gross value added		457.205	512.543	599.215	701.176
Depreciation, amortization and depletion		<u>(120.147)</u>	<u>(94.777)</u>	<u>(126.349)</u>	<u>(100.958)</u>
Net value added generated by the entity		<u>337.058</u>	<u>417.766</u>	<u>472.866</u>	<u>600.218</u>
Value added received through transfer					
Equity in the earnings of subsidiaries	14	107.827	113.656	-	-
Finance income	27	46.312	25.462	156.623	54.277
Other		<u>2</u>	<u>251</u>	<u>3</u>	<u>283</u>
		<u>154.141</u>	<u>139.369</u>	<u>156.626</u>	<u>54.560</u>
Total value added to distribute		<u>491.199</u>	<u>557.135</u>	<u>629.492</u>	<u>654.778</u>
Distribution of value added					
Personnel - direct compensation		(39.577)	(35.281)	(52.106)	(42.763)
Personnel - benefits		(9.714)	(8.574)	(11.300)	(10.394)
Personnel - Government Severance Indemnity Fund for Employees (F		(2.877)	(2.677)	(3.598)	(3.139)
Taxes and contributions					
Federal		(62.725)	(110.136)	(55.271)	(139.689)
State		(8.914)	(41.087)	(7.508)	(60.413)
Municipal		(72)	(113)	(72)	(113)
Interest and other finance costs	27	(100.553)	(71.859)	(233.704)	(109.673)
Other		605	(464)	1.439	(1.650)
Interest on capital	23 (c)	(31.386)	(19.847)	(31.386)	(19.847)
Dividends	23 (c)	-	(110.130)	-	(110.130)
Retained earnings for the period		<u>(235.986)</u>	<u>(156.967)</u>	<u>(235.986)</u>	<u>(156.967)</u>
Value added distributed		<u>(491.199)</u>	<u>(557.135)</u>	<u>(629.492)</u>	<u>(654.778)</u>

The accompanying notes are an integral part of these interim financial statements.

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1 Operations

1.1 General information

Cerradinho Bioenergia S.A. (the "Company"), incorporated on September 18, 2006, is headquartered in the city of Chapadão do Céu, State of Goiás and owned by Cerradinho Participações S.A. ("Parent company"). The Company's main activity is the cultivation of sugarcane, the production and sale of hydrated fuel ethanol from sugarcane and its by-products, and the generation and sale of electricity. Sugarcane is cultivated on third-party land, through lease and agricultural partnership agreements, for use as a raw material in its production process.

It became operational on June 26, 2009, producing ethanol and generating energy for the Brazilian market. It currently has an installed grinding capacity of 6.1 million metric tons of sugarcane, production of 515 thousand m³ of ethanol and an installed capacity of 160 MW of energy generation per harvest/fiscal year.

Neomille S.A. is a wholly-owned subsidiary of the Company ("Subsidiary" or "Neomille" and, together with the Company, the "Group"). The Cerradinho Group, controlled by Cerradinho Participações S.A., also has other related parties (Note 7) that are members of the same economic group (Cerradinho Logística Ltda., Cerradinho Terras Ltda. and W7 Energia Ltda.), with which the Company and its subsidiary carry out transactions and have outstanding balances.

The Subsidiary became operational in November 2019, cultivating corn ethanol and animal feed products, and is installed adjacent to the Company's industrial complex, in the municipality of Chapadão do Céu - GO, facilitating the delivery of raw materials (corn). It has an installed grinding capacity of 571 thousand metric tons of corn, production of 243 thousand m³ of ethanol, 172 thousand metric tons of DDG ("Distillers Dried Grain") and 7 thousand metric tons of oil per year/fiscal year, which is in process of expansion (Note 1.2).

Most of the ethanol production of the Company and the Subsidiary is transported by rail, contracted from third parties, using the logistics terminal of Cerradinho Logística Ltda. (a related party), corresponding to 72.9% of the total volume sold until September 30, 2022 - 2022-2023 harvest (87% - in the same period of the 2021-2022 harvest).

The Group has a storage capacity of 260 thousand m³ of ethanol and has historically sold a substantial part of its production at the end of the harvest, taking advantage of more favorable market prices.

The Group's accounting year begins on April 1 of each year ending on March 31 of the following year, coinciding with the sugarcane production cycle (harvest), the main raw material used in the Company's production of ethanol. The harvesting and industrial processing begin in mid-February and end in mid-December of each year. The "inter-crop" period runs from December to mid-February when the harvest again resumes.

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The Company and the Subsidiary enjoy a tax incentive through the reduction of Value-added Tax on Sales and Services (ICMS) (the "Goiás Industrial Development Program - Produzir"), providing for partial reduction of ICMS up to 2032. The right to the benefit is conditional on the fulfillment of all program obligations; these conditions are under the control of the Group. The benefit is calculated on the unadjusted balance payable for each computation period, applying the percentage of discount granted by the tax incentive. The tax incentive is recorded in the statement of income under "Revenue from contracts with customers" (Note 25) reducing "Taxes payable".

1.2 Investments - Neomille S.A.

Expansion of the industrial complex of Chapadão do Céu - Goiás

The Company is investing approximately R\$ 283 million to expand the corn processing for ethanol production and animal feed supplies operations of the Subsidiary's industrial plant. This will increase the subsidiary's corn processing capacity by 248 thousand metric tons per year, from the current 570 thousand to 820 thousand metric tons. The works started in September 2021, with R\$190 million invested by September 30, 2022, and are expected to be completed in the second half of 2022.

Construction of an industrial complex (greenfield) for corn processing in Maracaju - MS

The December 22, 2021 Board of Directors' meeting approved the investment of R\$1.4 billion in the construction and for working capital needs of the first phase of the new corn ethanol plant of Neomille S.A., to be installed in the Municipality of Maracaju, in the Southwest region of the State of Mato Grosso do Sul.

The new unit will be constructed in two phases. Once it is at full operating capacity it will be capable of processing up to 1.2 million metric tons of corn per year, an input for 550 million liters of ethanol, 330 thousand metric tons of DDGs (Dried Distillers Grains with Solubles), 105 GWh of electricity and 22 thousand metric tons of oil.

The works of the first phase started in March 2022, with R\$ 254.6 million invested up to September 30, 2022; production is estimated to begin in the second half of 2023.

1.3 Conflict between Russia and Ukraine

On February 24, 2022, an armed conflict began between Russia and Ukraine. The economic sanctions and embargoes imposed on Russia and its ally Belarus may, in the future, affect the Company's supply chain as Russia and Belarus are among the main suppliers of NPK fertilizers (nitrogen (N), phosphate (P) and potassium (K)). Brazil is highly dependent on imports from these countries.

The Company had made advanced purchases of fertilizers for the 2022/2023 sugarcane harvest and, therefore, it does not expect material impacts on the 2022/2023 harvest. However, risks to future harvests cannot be ruled out, particularly if the conflict were to escalate and embargoes expanded in the coming months.

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1.4 Changes in taxation of fuel

(a) Supplementary Law 194 (June 23, 2022)

Published in the official gazette on June 23, 2022, LC - Supplementary Law 194 (Supplementary Bill 194) sanctions changes to the taxation of fuels by altering taxes and contributions such as ICMS, PIS, COFINS and CIDE, in order to reduce fuel prices to the consumer, which will be effective in the period from June 23 to December 31, 2022.

The alterations for hydrated fuel ethanol are as below:

Tax/Contribution	Coverage	Factor	Previous	LC 194/2022
Value-added Tax on Sales and Services (ICMS)	Goiás	[%]	25%	17%
Social Integration Program (PIS) / Social Contribution on Revenues (COFINS)	Federal	[R\$ M ³]	130,9	-

For gasoline, the changes in taxation are as follows:

Tax/Contribution	Coverage	Factor	Previous	LC 194/2022
Value-added Tax on Sales and Services (ICMS)	Goiás	[%]	30%	18%
Social Integration Program (PIS) / Social Contribution on Revenues (COFINS)	Federal	[R\$ M ³]	792,5	-
CIDE	Federal	[R\$ M ³]	100	-

(b) Constitutional Amendment 123 (July 14, 2022)

Published in the official gazette on July 14, 2022, Constitutional Amendment 123 differentiated the tax regime for biofuels in relation to fossil fuels, through taxes and contributions, such as ICMS, PIS, COFINS.

Hence, the ICMS rate in the state of Goiás was reduced from 17%, established by LC 194 (topic (a)) to 14.17%, generating a reduction in the sales price. The rates for other taxes and contributions levied on hydrated fuel ethanol and gasoline did not change in relation to those established by LC 194.

As established in item V, main clause, of article 5 of Constitutional Amendment 123 of July 14, 2022, the government of the State of Goiás published Law 21,577, of September 14, 2022, and Normative Instruction GSE 1,351, of September 16, 2022, both published in the State's official gazette, grants credits to industrial producers of hydrated fuel ethanol. As provided for in such Normative Instruction, of the total amount of R\$ 333,652 that will be assigned by the Federal Government to the State of Goiás, the Parent Company will have the right to approximately 12% and the Subsidiary to approximately 7.2%, totaling R\$ 40,030 and R\$ 24,029, respectively. The accounting effects were fully recorded under "Revenue from contracts with customers" (Note 25) against "Taxes recoverable" (Note 12). They correspond to an intended compensation for the effects of LC 194 effective from June 23, 2022 to December 31, 2022, for the effects one prices for ethanol in this period.

Appropriations were made to the tax incentive reserve (Note 23(d)) of R\$ 64,059, for the ICMS incentives (Note 1).

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2 Presentation of interim financial statements

2.1 Basis of preparation

The parent company and consolidated interim financial statements were prepared in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Reporting of the Brazilian Accounting Pronouncements Committee (CPC), and with international accounting standard IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), and are presented in accordance with the standards issued by the Brazilian Securities Commission (CVM). The interim financial statements are consistent with both the accounting practices adopted in Brazil (BR GAAP) and the International Financial Reporting Standards (IFRS) as issued by the IASB.

These parent company and consolidated interim financial statements are prepared in a manner consistent with the accounting policies in the financial statements for the year ended March 31, 2022, and should be read together with the annual financial statements. Where explanatory notes are not significantly different from those at March 31, 2022 these have not been repeated in these interim financial statements. Selected information has been added to explain the main events and transactions to enable the understanding of changes in the financial position and performance of the Group's operations since the publication of the financial statements for the year ended March 31, 2022.

Management is responsible for the preparation and fair presentation of these financial statements, as defined in the bylaws.

These interim financial statements were reviewed and authorized for issue by the Board of Directors on November 9, 2022.

2.2 Statement of Value Added (DVA)

The presentation of the parent company and consolidated statements of value added is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil for listed companies, though not required by IFRS. The Statement of Value Added was prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". Therefore, under IFRS, the presentation of such statements is considered supplementary information, and not as a part of the set of these interim financial statements.

2.3 Changes in accounting practices and disclosures

There are no new CPC/IFRS or OCPC/ICPC/IFRIC interpretations, or CVM standards that are not yet effective or that became effective in the quarter ended September 30 2022, which would be expected to have or had a material impact on the Group's interim financial statements.

3 Critical accounting estimates and judgments

In the preparation of these interim financial statements, Management uses its judgment, estimates and assumptions, as disclosed in the financial statements for the year ended March 31, 2022. There were no significant change in critical estimates and judgments.

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4 Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, mainly: market risk, credit risk and liquidity risk.

The Group continuously monitors each of these risks and may contract hedging financial instruments, as provided by policies approved by the Board of Directors for the sole purpose of hedging against price fluctuations or interest rates. No leveraged operation or exotic derivative instruments are used.

Other than for changes in taxation of fuels (Note 1.4), which affect the competitiveness of ethanol and thus market risk, there were no significant changes in the other financial risk factors (credit risk; liquidity risk; operational risk) affecting the sensitivity analysis disclosures in the financial statements for the year ended March 31, 2022.

The Group's financial liabilities (undiscounted cash flows) by maturity are as below. As these include future financial charges, they do not agree directly with the amounts disclosed in the balance sheet for borrowings, leases and agricultural partnerships payable:

	Parent company					
	September 30, 2022					
	less than 1 year	between 1 and 2 years	between 2 and 5 years	over 5 years	Total balance payable	Carrying amount
Lease liabilities	38.386	36.882	71.618	60.214	207.100	140.428
Agricultural partnerships payable	109.576	104.357	238.022	163.534	615.489	434.796
Trade payables	148.066	-	-	-	148.066	148.066
Borrowings*	202.026	235.957	230.477	71.483	739.943	614.455
Interest on capital and dividends payable	26.678	-	-	-	26.678	26.678
Other payables	4.275	-	-	-	4.275	4.275
	<u>529.007</u>	<u>377.196</u>	<u>540.117</u>	<u>295.231</u>	<u>1.741.551</u>	<u>1.368.698</u>

	Parent company					
	March 31, 2022					
	less than 1 year	between 1 and 2 years	between 2 and 5 years	over 5 years	Total balance payable	Carrying amount
Lease liabilities	24.580	24.211	56.136	9.253	114.180	145.327
Agricultural partnerships payable	79.616	74.931	187.898	150.025	492.470	451.349
Trade payables	91.147	-	-	-	91.147	84.542
Borrowings*	120.717	164.040	544.324	88.655	917.736	694.585
Interest on capital and dividends payable	23.335	-	-	-	23.335	23.335
Other payables	9.221	-	-	-	9.221	8.549
	<u>348.616</u>	<u>263.182</u>	<u>788.358</u>	<u>247.933</u>	<u>1.648.089</u>	<u>1.407.687</u>

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	Consolidated					
	September 30, 2022					
	less than 1 year	between 1 and 2 years	between 2 and 5 years	over 5 years	Total balance payable	Carrying amount
Lease liabilities	39.051	37.551	73.626	65.735	215.963	144.843
Agricultural partnerships payable	116.869	111.686	260.008	227.306	715.869	502.917
Trade payables	300.493	-	-	-	300.493	300.493
Borrowings*	394.449	628.025	1.103.299	817.795	2.943.569	2.204.930
Interest on capital and dividends payable	26.678	-	-	-	26.678	26.678
Other payables	5.243	-	-	-	5.243	5.243
	<u>882.783</u>	<u>777.262</u>	<u>1.436.933</u>	<u>1.110.836</u>	<u>4.207.815</u>	<u>3.185.104</u>

	Consolidated					
	March 31, 2022					
	less than 1 year	between 1 and 2 years	between 2 and 5 years	over 5 years	Total balance payable	Carrying amount
Lease liabilities	24.580	24.211	56.136	9.253	114.180	149.829
Agricultural partnerships payable	79.616	74.931	187.898	150.025	492.470	454.273
Trade payables	107.747	-	-	-	107.747	111.109
Borrowings*	350.155	307.185	946.837	88.655	1.692.832	1.761.994
Interest on capital and dividends payable	23.335	-	-	-	23.335	23.335
Other payables	12.385	-	-	-	12.385	10.883
	<u>597.818</u>	<u>406.327</u>	<u>1.190.871</u>	<u>247.933</u>	<u>2.442.949</u>	<u>2.511.423</u>

* Including debentures and derivative financial instruments

4.2 Capital management

The Group monitors capital on the basis of its gearing ratio, in common with other companies in the sector. This ratio is calculated as net debt expressed as a percentage of total capitalization. The net debt corresponds to the total borrowings, debentures and derivative financial instruments, less cash and cash equivalents and financial investments amount, and does not consider the leases and agricultural partnerships payable, since they have different characteristics from borrowings or debt securities. Total capitalization is calculated as equity plus net debt.

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Total borrowings*	614.455	694.585	2.204.930	1.761.994
Less: cash and cash equivalents	(310.862)	(344.370)	(1.010.322)	(1.144.378)
Less: financial investments	<u>(13.131)</u>	<u>(7.946)</u>	<u>(15.100)</u>	<u>(7.946)</u>
Net debt	290.462	342.269	1.179.508	609.670
Total equity	<u>1.364.154</u>	<u>1.128.168</u>	<u>1.364.154</u>	<u>1.128.168</u>
Total capitalization	<u>1.654.616</u>	<u>1.470.437</u>	<u>2.543.662</u>	<u>1.737.838</u>
Gearing ratio	<u>17,55%</u>	<u>23,28%</u>	<u>46,37%</u>	<u>35,08%</u>

* Including debentures and derivative financial instruments

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5 Cash and cash equivalents

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Cash	152	111	227	156
Bank deposits	5.746	315	6.042	1.067
Financial investments:				
Bank Deposit Certificates - CDB	304.581	343.926	1.003.636	1.143.124
Financial investments/repurchase agreements	<u>383</u>	<u>18</u>	<u>417</u>	<u>31</u>
	<u><u>310.862</u></u>	<u><u>344.370</u></u>	<u><u>1.010.322</u></u>	<u><u>1.144.378</u></u>

6 Trade receivables

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Trade receivables - third parties	17.088	26.641	51.696	90.288
Trade receivables - subsidiary	<u>23.298</u>	<u>6.774</u>	<u>-</u>	<u>-</u>
	<u><u>40.386</u></u>	<u><u>33.415</u></u>	<u><u>51.696</u></u>	<u><u>90.288</u></u>

An analysis and aging list of trade receivables follows:

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Falling due	39.858	30.257	47.794	80.631
Overdue up to 30 days	313	3.154	3.379	9.478
Overdue from 31 to 90 days	211	-	211	175
Overdue from 90 to 360 days	<u>4</u>	<u>4</u>	<u>312</u>	<u>4</u>
	<u><u>40.386</u></u>	<u><u>33.415</u></u>	<u><u>51.696</u></u>	<u><u>90.288</u></u>

Balances overdue, and for which there was no provision at September 30 and March 31, 2022, had mostly been received in October and April 2022, respectively.

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7 Related parties

(a) Current assets

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Other receivables (reimbursement of administrative expenses) - (i)				
Neomille S.A.	1.512	3.303	-	-
Other related parties	712	608	712	608
	<u>2.224</u>	<u>3.911</u>	<u>712</u>	<u>608</u>
Trade receivables - (v)				
Neomille S.A.	<u>23.298</u>	<u>6.773</u>	-	-
Interest on capital receivable				
Neomille S.A. - (viii)	<u>10.415</u>	<u>6.341</u>	-	-
Dividends receivable				
Neomille S.A.	<u>15.399</u>	<u>15.399</u>	-	-

(b) Current liabilities

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Trade payables - transshipment service - (vii)				
Cerradinho Logística Ltda.	<u>581</u>	<u>489</u>	<u>938</u>	<u>967</u>
Other liabilities (shareholder's surety and aircraft expenses) - (ii)/(iii)				
Cerradinho Participações S.A.	896	811	1.038	500
Cerradinho Terra Ltda.	<u>14</u>	<u>20</u>	<u>14</u>	<u>20</u>
	<u>910</u>	<u>493</u>	<u>1.052</u>	<u>520</u>
Interest on capital and dividends payable				
Cerradinho Participações S.A. - Note 23 (c)	<u>26.678</u>	<u>23.335</u>	<u>26.678</u>	<u>23.335</u>

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(c) Transactions in the period

	Parent company		Consolidated	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Reimbursement of administrative expenses - (i)				
Neomille S.A.	1.959	1.299	-	-
Other related parties	1.501	1.070	1.501	1.070
	<u>3.460</u>	<u>2.369</u>	<u>1.501</u>	<u>1.070</u>
Surety expense - (ii)				
Cerradinho Participações S.A.	(943)	(1.724)	(1.003)	(1.852)
Cerradinho Terra Ltda.	(38)	(62)	(38)	(62)
	<u>(981)</u>	<u>(1.786)</u>	<u>(1.041)</u>	<u>(1.914)</u>
Aircraft expense - (iii)				
Cerradinho Participações S.A.	(720)	(223)	(909)	(223)
Rental expense - (iv)				
Cerradinho Participações S.A.	(83)	(77)	(83)	(77)
Revenue from sales and services				
Neomille S.A. - (v)	8.149	18.831	-	-
Purchase of electricity				
W7 Energia S.A (vi)	-	2.491	-	-
Transshipment expenses - (vii)				
Cerradinho Logística Ltda.	(3.238)	(2.926)	(4.815)	(3.999)
Interest on capital and dividends				
Neomille S.A. - (viii)	10.415			
Cerradinho Participações S.A. - Note 23 (c)	(31.386)	(283.442)	(31.386)	(283.442)

- (i) Apportionment of administrative expenses related to services provided to other companies controlled by Cerradinho Participações S.A. and other related parties members of the same economic group, which are settled on a quarterly basis.
- (ii) Compensation paid to Cerradinho Participações S.A. and Cerradinho Terra S.A., for providing guarantees, classified in net finance results being comparable to a bank surety. Balances are settled quarterly. No fee is charged for the provision of guarantee by the Company to the Subsidiary.
- (iii) Shared expenses with Cerradinho Participações S.A. for the use of its aircraft, which are settled quarterly.
- (iv) Lease of a space in a property owned by Cerradinho Participações S.A. in São Paulo, which is settled monthly.
- (v) Revenue from the sale of steam, water, electricity, provision of ethanol loading service, and rental of tanks, which are settled annually, and of sale of corn (planted as a rotary crop by the Company), settled in the subsequent harvest.
- (vi) Purchase of electricity negotiated with W7 Energia S.A, under market conditions, which is settled on average seven days after the billing.

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- (vii) Transshipment of ethanol from the terminal in Chapadão do Sul - MS to Paulínia - SP, made by Cerradinho Logística Ltda., settled on average within 10 days from the date of service.
- (viii) At June 30, 2022, the Extraordinary General Meeting approved the distribution of interest on capital in the amount of R\$10,415.

(d) Key management compensation

Key management includes the Executive Board and Board of Directors' members. The compensation for the period is as follows:

	Parent company		Consolidated	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Salaries and fees	3.354	3.497	3.666	3.775
Variable short-term compensation	1.169	1.105	1.308	1.226
Variable long-term compensation	739	739	855	840
Social security contributions	1.017	1.033	1.124	1.126
	<u>6.279</u>	<u>6.374</u>	<u>6.953</u>	<u>6.967</u>

8 Inventories

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Finished products:				
Ethanol (a)	135.076	14.261	241.961	22.964
Decarbonization Credits - CBIOS (b)	14.682	7.154	16.715	7.972
Other	-	-	126	444
Maintenance supplies	15.716	13.991	22.382	18.545
Agricultural inputs	62.205	40.380	62.698	40.404
Chemicals	3.141	2.635	6.404	5.684
Corn (c)	-	-	486.169	154.784
Wood chip	12.184	11.701	12.184	11.701
Other	8.105	6.658	9.855	7.826
Provision for obsolescence	(364)	(356)	(386)	(356)
	<u>250.745</u>	<u>96.424</u>	<u>858.108</u>	<u>269.968</u>

- (a) The increase in ethanol inventory reflects the start, in April 2022, of sugarcane ethanol production from the 2022/2023 harvest. Ethanol inventories at September 30, 2022 amounted to 108.8 thousand m3 (March 31, 2022 - 7.6 thousand m3).
- (b) At September 30, 2022, the Parent Company held in inventory 202.2 thousand decarbonization credits (CBIOS) and its Subsidiary held 30.5 thousand, totaling a consolidated balance of 250.7 thousand of credits issued and not yet traded (March 31, 2022 - total of 142.4 thousand CBIOS). In the six-month period 343.5 thousand CBIOS were issued.
- (c) The Subsidiary makes advance purchase of its raw material to fix the price of corn to mitigate the volatility of corn prices used in production in the future. Corn inventories at September 30, 2022 were 395.9 thousand metric tons (March 31, 2022: (125.7 thousand metric tons).

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9 Derivative financial instruments

The Group uses derivatives only for economic hedging purposes and not as speculative investments.

At September 30, 2022, the Subsidiary had contracted NDFs of US Dollar to hedge the purchase of imported equipment and services; the mark-to-market value was R\$ 578 for liabilities.

At September 30, 2022, the Company had interest rate swap contracts with a mark-to-market of R\$ 42,294 in assets, and its Subsidiary of R\$ 44,015 in assets and R\$ 23,550 in liabilities. These contracts have a long position in IPCA, CDI or fixed rate and short position in CDI or fixed rate, as per the strategy adopted at the time of the operation, and may be marked to market as assets or liabilities depending on the relative behavior of each of the indexes.

The Company also had commodity (ethanol) forward contract with a mark-to-market of R\$ 276 in assets.

		Parent company		Consolidated	
		September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
	Assets				
Level 1	Merchandise forward contracts - Ethanol	276	-	276	-
Level 2	Swap contracts - Interest and/or FX	<u>42.293</u>	<u>36.220</u>	<u>86.308</u>	<u>63.079</u>
		<u>42.569</u>	<u>36.220</u>	<u>86.584</u>	<u>63.079</u>
	Current	<u>(4.241)</u>	<u>(2.743)</u>	<u>(4.241)</u>	<u>(3.276)</u>
	Non-current	<u>38.328</u>	<u>33.477</u>	<u>82.343</u>	<u>59.803</u>
	Liabilities				
Level 1	Currency forward contracts - US Dollar/Euro - Sho	-	-	578	4.858
Level 2	- Short	<u>-</u>	<u>-</u>	<u>23.549</u>	<u>-</u>
		<u>-</u>	<u>-</u>	<u>24.127</u>	<u>4.858</u>
	Current	<u>-</u>	<u>-</u>	<u>(24.126)</u>	<u>(4.714)</u>
	Non-current	<u>-</u>	<u>-</u>	<u>1</u>	<u>144</u>

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10 Lease receivables

The lease agreement to which the right-of-use assets were substantially transferred to a third party through a sublease agreement, and registered as lease receivables, with a lease liability as a corresponding entry.

	Parent company and consolidated		
	Leased asset	Adjustment to present value of leases	Lease receivables
At March 31, 2021	40.103	(6.774)	33.329
Remeasurements	3.687	-	3.687
Receipts	(4.720)	-	(4.720)
Interest accruals	-	1.826	1.826
At September 30, 2021	<u>39.070</u>	<u>(4.948)</u>	<u>34.122</u>
At March 31, 2022	35.556	(3.037)	32.519
Remeasurements	1.294	-	1.294
Receipts	(5.267)	-	(5.267)
Interest accruals	-	1.736	1.736
At September 30, 2022	<u>31.583</u>	<u>(1.301)</u>	<u>30.282</u>
Current			9.950
Non-current			<u>20.332</u>
			<u>30.282</u>

The table below shows the receivables classified by maturity. These are undiscounted cash flows amounts and, thus, different from the amounts disclosed in the balance sheet:

Parent company and consolidated	September 30, 2022	March 31, 2022
Carrying amount	30.282	32.519
less than 1 year	10.460	10.076
between 1 and 2 years	10.460	10.076
between 2 and 4 years	15.691	20.153

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11 Biological assets

11.1 Significant assumptions utilized in the measurement of fair value- sugarcane

Parent company and consolidated	September 30, 2022	March 31, 2022
Total harvest estimated area (ha)	38.356,59	41.315,17
Expected productivity (tonne/ha)	92,65	91,49
Quantity of ATR per tonne of sugarcane (kg/tonne)	129,90	129,51
Estimated average price per ATR (R\$/tonne)	1,06	1,15
Discount rate (in real terms after taxes) (%)	7,08%	7,08%

The Company estimates future cash flows by discounting to present value using a rate compatible with the return on its investment. Changes in fair value are reflected in biological assets with a corresponding entry to "Changes in the fair value of biological assets" in the statement of income.

The model and assumptions used to determine the fair value represent Management's best estimates at the reporting dates of the interim financial statements and annual financial statements.

The estimated fair value of the Company's biological asset may be substantially different from actual results if the assumptions are not confirmed; the calculation is reviewed quarterly and, if necessary, adjusted.

11.2 Changes in biological assets:

Parent company and consolidated	2022	2021
Historical cost - sugarcane standing	178.632	166.481
Historical cost - corn	112	3.452
Fair value	51.775	37.432
Opening balance of biological assets at March 31	230.519	207.365
Changes:		
Changes in fair value less estimated selling costs	(45.801)	41.606
Increase due to crop treatment	65.509	59.028
Harvest-related reduction	(56.772)	(65.554)
	193.455	242.445
Comprising:		
Historical cost - sugarcane standing	187.369	163.407
Historical cost - corn	112	-
Fair value	5.974	79.038
Closing balance biological assets at September 30	193.455	242.445

The reduction in fair value at September 30, 2022 reflects a lower expectation of the projected average price of ATR, due to the parity between ethanol and gasoline prices (Note 1.4), and reduction of the total estimated area of harvest, due to renovation of areas.

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The Company's plantations are exposed to risks of damage caused by climate change, disease, forest fires and other forces of nature. Measures are taken to monitor and mitigate these risks, including pest controls. No insurance cover is in place for these risks.

Sensitivity analysis of fair value - sugarcane

The Company evaluated the hypothetical effects of changes in fair value of biological assets at September 30, 2022 through a sensitivity analysis, considering the increase or decrease of the following variables: (i) the price of the metric ton of sugarcane (which is subject, among others, to the parity between ethanol and gasoline prices) and (ii) the production volume of sugarcane. The remaining variables remain unchanged. The sensitivity analysis below considers three scenarios at different stress levels.

Changes	Unit	Parent company and consolidated		
		2,50%	5,00%	7,50%
Price	thousand R\$	10.355	20.707	31.057
Volume	thousand R\$	6.136	12.272	18.406

12 Taxes recoverable

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Current				
ICMS credit granted (i)	40.030	-	64.059	-
ICMS, including credits on purchases of property, plant and equipment	6.504	7.838	24.498	15.123
Income tax and social contribution	1.106	1.752	8.158	4.465
and equipment (ii)	8.262	2.109	113.341	50.659
PIS, including credits on purchases of property, plant and equipment (ii)	1.811	448	24.893	11.009
Excise Tax (IPI)	-	-	-	4.793
Other	310	308	399	393
	58.023	12.455	235.348	86.442
Current assets	(53.026)	(7.989)	(176.093)	(40.917)
Non-current assets	4.997	4.466	59.255	45.525

- (i) Credits granted as compensation to cover negative effects on sales price of ethanol caused by LC 194, from June 23 to December 31, 2022. The credit was fully recognized in the quarter ended September 30, 2022, although the compensation is for effects that may last for the whole period in which LC 194 is effective.
- (ii) On May 13, 2021, the Federal Supreme Court confirmed that ICMS should be excluded from the calculation basis of PIS and COFINS from March 15, 2017. This do not apply to lawsuits already judged (as is the case of the Group). It also determined that the amount of the ICMS that is not included in the PIS and COFINS calculation basis is that displayed on the invoice. Consequently, the Subsidiary reviewed its estimates and judgments and recognized, in the three-month period ended June 30, 2021 (year ended March 31, 2022), credits of PIS and COFINS of R\$ 12,369 (principal of R\$ 6,434 and interest of R\$ 5,935), in "Other income (expenses), net" and "Finance income", respectively (Note 27).

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The tax credits are expected to be realized as follows:

	September 30, 2022	
	Parent company	Consolidated
from 10/01/2023 to 03/31/2024	355	6.732
from 04/01/2024 to 03/31/2025	644	7.703
from 04/01/2025 to 03/31/2026	132	4.932
from 04/01/2026 to 03/31/2027	45	4.845
from 04/01/2027 to 03/31/2028	-	4.800
April 2028 onwards	3.821	30.243
	<u>4.997</u>	<u>59.255</u>

13 Current and deferred taxes

(a) Balances of deferred tax assets and liabilities

Parent company	Three-month period			Six-month period		
	September 30, 2022	Recognized in profit or loss	June 30, 2022	September 30, 2022	Recognized in profit or loss	March 31, 2022
Deferred tax assets on:						
Tax losses	-	-	-	-	(26.301)	26.301
Provision for contingencies	6.966	(706)	7.672	6.966	(825)	7.791
Provisions - sugarcane suppliers/ATR adjustment	23.471	6.332	17.139	23.471	23.471	-
Accrued profit sharing	4.352	82	4.270	4.352	188	4.164
Adoption CPC 06 (R2) - Leases	38.566	5.383	33.183	38.566	10.748	27.818
Sundry provisions	2.443	(716)	3.159	2.443	(1.163)	3.606
Liability under litigation (INSS/DIFAL/PIS/COFINS)	15.782	1.182	14.600	15.782	2.798	12.984
Provision for CBIOS transactions	4.324	2.695	1.629	4.324	2.670	1.654
Total deferred tax assets	95.904	14.253	81.652	95.904	11.586	84.318
Deferred tax liabilities on:						
Changes in fair value of biological assets	(2.031)	9.139	(11.170)	(2.031)	15.572	(17.603)
Tax depreciation	(46.159)	(1.613)	(44.546)	(46.159)	(3.734)	(42.425)
Sales in transit / Adjust to present value	(137)	(70)	(67)	(137)	(111)	(26)
Gains on derivative transactions	(14.474)	(1.623)	(12.851)	(14.474)	(2.159)	(12.315)
Total deferred tax liabilities	(62.801)	5.833	(68.634)	(62.801)	9.568	(72.369)
Deferred income taxes balance	33.103	20.086	13.018	33.103	21.154	11.949

Consolidated	Three-month period			Six-month period		
	September 30, 2022	Recognized in profit or loss	June 30, 2022	September 30, 2022	Recognized in profit or loss	March 31, 2022
Deferred tax assets on:						
Tax losses (i)	49.892	(2.771)	52.663	49.892	(32.690)	82.582
Provision for contingencies	10.036	(738)	10.774	10.036	(1.084)	11.120
Provisions - sugarcane suppliers/ATR adjustment	23.471	6.332	17.139	23.471	23.471	-
Accrued profit sharing	4.957	118	4.839	4.957	260	4.697
Adoption CPC 06 (R2) - Leases	41.142	6.210	34.932	41.142	13.302	27.840
Sundry provisions	2.614	(586)	3.200	2.614	(1.862)	4.476
Liability under litigation (INSS/DIFAL/PIS/COFINS)	15.781	1.181	14.600	15.781	2.797	12.984
Provision for CBIOS transactions	4.028	2.217	1.811	4.028	2.374	1.654
Total deferred tax assets	151.921	11.963	139.958	151.921	6.567	145.353
Deferred tax liabilities on:						
Changes in fair value of biological assets	(2.031)	9.139	(11.170)	(2.031)	15.572	(17.603)
Tax depreciation	(54.928)	(2.490)	(52.438)	(54.928)	(5.373)	(49.555)
Sales in transit / Adjust to present value	(137)	(70)	(67)	(137)	(111)	(26)
Gains on derivative transactions	(21.236)	2.670	(23.906)	(21.236)	(1.441)	(19.795)
Total deferred tax liabilities	(78.332)	9.249	(87.581)	(78.332)	8.647	(86.979)
Deferred income taxes balance	73.589	21.212	52.377	73.589	15.214	58.374

- (i) The Group recognizes deferred tax assets to the extent Management expects to recover these credits through future taxable profit projections and changes in temporary differences. Deferred tax assets are recognized only when it is probable that they will be used. The tax losses can be carried forward indefinitely, but are limited to offsetting 30% of annual taxable profits in any single year.

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In the six-month period ended September 30, 2022, the Company recorded pretax profit of R\$ 217,186 (Consolidated: R\$ 237,752), allowing it to offset all (in the case of the Consolidated, a significant portion) of tax losses.

At September 30, 2022, Management expects to realize deferred tax assets, including tax carryforward losses and temporary differences, as follows:

	Parent company	Consolidated
	September 30, 2022	September 30, 2022
from 04/01/2032 to 03/31/2023	(22.631)	(11.835)
from 04/01/2023 to 03/31/2024	(10.472)	(18.120)
from 04/01/2024 to 03/31/2025	-	(42.280)
from 04/01/2025 to 03/31/2026	-	(1.374)
	<u>(33.103)</u>	<u>(73.609)</u>

(b) Reconciliation of income tax and social contribution rates

	Parent company			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Profit before taxes	119.712	281.379	173.196	338.576
Income tax and social contribution at the statutory rates (34%)	<u>(40.702)</u>	<u>(95.669)</u>	<u>(58.887)</u>	<u>(115.116)</u>
Adjustments to the effective tax rate:				
Equity in the earnings of subsidiaries	16.981	32.496	15.903	38.643
Permanent additions, net	(183)	(409)	(158)	(392)
State grant (PRODUZIR)	20.442	31.650	6.913	15.317
Exclusions of revenue with CBIOS	3.412	10.874	2.341	3.127
Other	1.361	546	(1.056)	41
Tax benefit on interest on capital	<u>(1.328)</u>	<u>6.505</u>	<u>6.748</u>	<u>6.748</u>
Income tax and social contribution expense	<u>(17)</u>	<u>(14.007)</u>	<u>(28.196)</u>	<u>(51.632)</u>
Income tax and social contribution effective rate	0%	-5%	-16%	-15%
Current income tax and social contribution	(20.103)	(35.161)	(28.007)	(28.007)
Deferred income tax and social contribution	20.086	21.154	(189)	(23.625)

	Consolidated			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Profit before taxes	125.047	302.014	191.569	385.544
Income tax and social contribution at the statutory rates (34%)	<u>(42.516)</u>	<u>(102.685)</u>	<u>(65.133)</u>	<u>(131.085)</u>
Adjustments to the effective tax rate:				
Permanent additions, net	(291)	(561)	(376)	(610)
State grant (PRODUZIR)	32.815	48.851	10.238	22.483
Exclusions of revenue with CBIOS	3.492	11.347	2.341	3.127
Other	2.476	1.901	(387)	737
Tax benefit on interest on capital	<u>(1.328)</u>	<u>6.505</u>	<u>6.748</u>	<u>6.748</u>
Income tax and social contribution expense	<u>(5.352)</u>	<u>(34.642)</u>	<u>(46.569)</u>	<u>(98.600)</u>
Income tax and social contribution effective rate	-4%	-11%	-24%	-26%
Current income tax and social contribution	(26.564)	(49.856)	(38.496)	(56.606)
Deferred income tax and social contribution	21.212	15.214	(8.073)	(41.994)

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14 Investments in Subsidiary

In subsidiary		NEOMILLE	
Ownership percentage			100.00%
Share capital			314.569
Equity			584.262
Profit for the period			107.827
Investments			
	2022	2021	
Opening balance of investment at March 31	488.690	280.508	
Equity in the earnings of subsidiaries	107.827	113.656	
Interest on capital	(12.255)	-	
Closing balance of investments at September 30	584.262	394.164	
		NEOMILLE	
		September 30, 2022	March 31, 2022
Balance sheet			
Assets			
Current	1.500.367	1.073.626	
Non-current	1.018.693	606.571	
Total assets	2.519.060	1.680.197	
Liabilities			
Current	336.789	203.297	
Non-current	1.598.009	988.210	
Equity	584.262	488.690	
Total liabilities and equity	2.519.060	1.680.197	
		September 30, 2022	September 30, 2021
Statement of income			
Operating profit	151.302	169.623	
Finance result	(22.840)	(8.999)	
Profit before income tax and social contribution	128.462	160.624	
Income tax and social contribution	(20.635)	(46.968)	
Profit for the period	107.827	113.656	

Additional information on the Subsidiary and its operations is disclosed in Note 1.

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15 Property, plant and equipment

Parent company	Land	Buildings	Equipment and facilities	Vehicles and agricultural implements	Furniture and fixtures	IT equipment	Advances to suppliers	Property, plant and equipment in progress	Sugarcane crops	Forest formation	Total
At March 31, 2021	1.691	79.010	440.963	79.395	1.217	3.102	5.200	16.526	221.905	6.762	855.771
Total cost	1.691	101.654	988.288	320.971	3.055	18.457	5.200	16.526	790.306	6.762	2.252.910
Accumulated depreciation	-	(22.644)	(547.325)	(241.576)	(1.838)	(15.355)	-	-	(568.401)	-	(1.397.139)
Residual value	1.691	79.010	440.963	79.395	1.217	3.102	5.200	16.526	221.905	6.762	855.771
Additions	-	-	1.182	3.896	3	-	2.351	9.378	24.959	807	42.576
Write-offs	-	-	(22)	(398)	(5)	(5)	-	(2.561)	-	-	(2.991)
Transfers	-	10	4.906	-	-	382	(5.102)	(196)	-	-	-
Transfers to assets available for sale	-	-	(34)	(331)	-	-	-	-	-	-	(365)
Depreciation	-	(1.350)	(45.116)	(21.024)	(127)	(763)	-	-	(40.766)	-	(109.146)
At September 30, 2021	1.691	77.670	401.879	61.538	1.088	2.716	2.449	23.147	206.098	7.569	785.845
Total cost	1.691	101.664	810.583	196.632	3.050	18.772	2.449	23.147	406.506	7.569	1.572.063
Accumulated depreciation	-	(23.994)	(408.704)	(135.094)	(1.962)	(16.056)	-	-	(200.408)	-	(786.218)
Residual value	1.691	77.670	401.879	61.538	1.088	2.716	2.449	23.147	206.098	7.569	785.845
Average depreciation rate	-	2,2%	6,1%	11,5%	9,3%	18,5%	-	-	20,0%	-	
At March 31, 2022	1.691	81.992	428.915	79.308	1.051	2.582	1.339	17.531	216.478	12.566	843.453
Total cost	1.691	107.365	867.382	219.922	3.141	19.071	1.339	17.531	458.043	12.566	1.708.051
Accumulated depreciation	-	(25.373)	(438.467)	(140.614)	(2.090)	(16.489)	-	-	(241.565)	-	(864.598)
Residual value	1.691	81.992	428.915	79.308	1.051	2.582	1.339	17.531	216.478	12.566	843.453
Additions	-	-	3.013	12.700	29	45	4.977	13.986	40.447	5.311	80.508
Write-offs	-	-	(63)	-	-	(4)	-	-	-	-	(67)
Transfers	-	1.242	11.120	3.287	-	19	(3.038)	(12.630)	-	-	-
Transfers to assets available for sale	-	-	-	(190)	-	-	-	-	-	-	(190)
Depreciation	-	(1.408)	(45.107)	(18.798)	(128)	(534)	-	-	(34.403)	-	(100.378)
At September 30, 2022	1.691	81.826	397.878	76.307	952	2.108	3.278	18.887	222.522	17.877	823.326
Total cost	1.691	108.609	807.754	195.860	3.170	18.901	3.278	18.887	431.904	17.877	1.607.931
Accumulated depreciation	-	(26.783)	(409.876)	(119.553)	(2.218)	(16.793)	-	-	(209.382)	-	(784.605)
Residual value	1.691	81.826	397.878	76.307	952	2.108	3.278	18.887	222.522	17.877	823.326
Average depreciation rate	-	2,2%	6,2%	8,6%	9,3%	18,7%	-	-	20,0%	-	

As guarantee to the creditors of certain borrowings obtained by the Parent Company, property, plant and equipment items were provided in the amount of approximately R\$ 486,109.

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Consolidated	Land	Buildings	Equipment and facilities	Vehicles and agricultural implements	Furniture and fixtures	IT equipment	Advances to suppliers	Property, plant and equipment in progress	Sugarcane crops	Forest formation	Total
At March 31, 2021	3.444	119.866	645.451	79.473	1.297	3.768	11.495	24.245	221.905	6.762	1.117.706
Total cost	3.444	143.875	1.206.137	321.115	3.146	19.334	11.495	24.245	790.306	6.762	2.529.859
Accumulated depreciation	-	(24.009)	(560.686)	(241.642)	(1.849)	(15.566)	-	-	(568.401)	-	(1.412.153)
Residual value	3.444	119.866	645.451	79.473	1.297	3.768	11.495	24.245	221.905	6.762	1.117.706
Additions	28.470	-	1.517	3.896	3	15	25.211	29.157	24.959	807	114.035
Write-offs	-	-	(22)	(398)	(5)	(5)	-	(2.561)	-	-	(2.991)
Transfers	-	10	5.116	-	-	382	(19.390)	13.882	-	-	-
Transfers to assets available for sale	-	-	(34)	(331)	-	-	-	-	-	-	(365)
Depreciation	-	(1.895)	(50.625)	(21.038)	(131)	(852)	-	-	(40.766)	-	(115.307)
At September 30, 2021	31.914	117.981	601.403	61.602	1.164	3.308	17.316	64.723	206.098	7.569	1.113.078
Total cost	31.914	143.885	1.028.977	196.776	3.141	19.664	17.316	64.723	406.506	7.569	1.920.471
Accumulated depreciation	-	(25.904)	(427.574)	(135.174)	(1.977)	(16.356)	-	-	(200.408)	-	(807.393)
Residual value	31.914	117.981	601.403	61.602	1.164	3.308	17.316	64.723	206.098	7.569	1.113.078
Average depreciation rate		2,2%	6,1%	11,5%	9,3%	18,6%			20,0%		
At March 31, 2022	31.914	121.735	624.392	79.308	1.154	3.107	72.482	142.106	216.478	12.661	1.305.337
Total cost	31.914	149.523	1.087.234	219.922	3.265	19.986	72.482	142.106	458.043	12.661	2.197.136
Accumulated depreciation	-	(27.788)	(462.842)	(140.614)	(2.111)	(16.879)	-	-	(241.565)	-	(891.799)
Residual value	31.914	121.735	624.392	79.308	1.154	3.107	72.482	142.106	216.478	12.661	1.305.337
Additions	-	-	3.679	12.700	29	45	157.691	146.470	40.447	13.933	374.994
Capitalized interest	-	-	-	-	-	-	-	22.794	-	-	22.794
Write-offs	-	-	(63)	-	-	(4)	-	-	-	-	(67)
Transfers	-	24.487	43.013	3.287	-	19	(48.730)	(22.076)	-	-	-
Transfers to assets available for sale	-	-	-	(190)	-	-	-	-	-	-	(190)
Depreciation	-	(1.928)	(50.633)	(18.798)	(134)	(626)	-	-	(34.403)	-	(106.522)
At September 30, 2022	31.914	144.294	620.388	76.307	1.049	2.541	181.443	289.294	222.522	26.594	1.596.346
Total cost	31.914	174.012	1.060.165	195.860	3.294	19.816	181.443	289.294	431.904	26.594	2.414.296
Accumulated depreciation	-	(29.718)	(439.777)	(119.553)	(2.245)	(17.275)	-	-	(209.382)	-	(817.950)
Residual value	31.914	144.294	620.388	76.307	1.049	2.541	181.443	289.294	222.522	26.594	1.596.346
Average depreciation rate	-	2,2%	6,1%	8,6%	9,3%	18,8%	-	-	20,0%	-	

As guarantee to the creditors of certain borrowings obtained by the Parent Company and its Subsidiary, property, plant and equipment items were provided in the consolidated amount of approximately R\$ 492,212.

The balances of advances to suppliers refer to the acquisition of large-scale equipment, such as boilers, distilleries, conveyor systems, turbo generators, tanks, dehydrators and decanters, which together with the balances of construction in progress, and the respective investment plans for the Subsidiary, are disclosed in Note 1.2.

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16 Right-of-use assets

Refer to land leases, agricultural partnership contracts and lease of vehicles and agricultural implements, as follows:

	Parent company				Consolidated			
	Land	Land - agricultural partnerships	Vehicles and agricultural implements	Total	Land	Land - agricultural partnerships	Vehicles and agricultural implements	Total
At March 31, 2021	<u>30.548</u>	<u>330.229</u>	<u>16.976</u>	<u>377.753</u>	<u>30.548</u>	<u>330.229</u>	<u>16.976</u>	<u>377.753</u>
Additions	39.822	11.075	3.242	54.139	39.822	11.075	3.242	54.139
Write-offs	-	(4.518)	-	(4.518)	-	(4.518)	-	(4.518)
Remeasurements	8.454	169	-	8.623	8.454	169	-	8.623
Depreciation	<u>(3.247)</u>	<u>(32.545)</u>	<u>(3.170)</u>	<u>(38.962)</u>	<u>(3.247)</u>	<u>(32.545)</u>	<u>(3.170)</u>	<u>(38.962)</u>
At September 30, 2021	<u>75.577</u>	<u>304.410</u>	<u>17.048</u>	<u>397.035</u>	<u>75.577</u>	<u>304.410</u>	<u>17.048</u>	<u>397.035</u>
At March 31, 2022	<u>89.563</u>	<u>424.540</u>	<u>13.163</u>	<u>527.266</u>	<u>94.017</u>	<u>427.446</u>	<u>13.163</u>	<u>534.626</u>
Additions - Notes 18. a) and 18. b)	-	31.890	2.208	34.098	-	97.992	2.208	100.200
Remeasurements	2.827	(8.497)	-	(5.670)	2.808	(7.670)	-	(4.862)
Depreciation	<u>(6.927)</u>	<u>(43.970)</u>	<u>(4.019)</u>	<u>(54.916)</u>	<u>(7.091)</u>	<u>(45.712)</u>	<u>(4.019)</u>	<u>(56.822)</u>
At September 30, 2022	<u>85.463</u>	<u>403.963</u>	<u>11.352</u>	<u>500.778</u>	<u>89.734</u>	<u>472.056</u>	<u>11.352</u>	<u>573.142</u>
Total cost	109.620	627.013	31.396	768.029	114.135	696.866	31.396	842.397
Accumulated depreciation	<u>(24.157)</u>	<u>(223.050)</u>	<u>(20.044)</u>	<u>(267.251)</u>	<u>(24.401)</u>	<u>(224.810)</u>	<u>(20.044)</u>	<u>(269.255)</u>
Residual value	<u>85.463</u>	<u>403.963</u>	<u>11.352</u>	<u>500.778</u>	<u>89.734</u>	<u>472.056</u>	<u>11.352</u>	<u>573.142</u>

In the period, new agricultural partnership contracts and lease agreements were signed (Note 18).

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17 Trade payables

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Sugarcane suppliers (i)	88.978	15.109	88.978	15.109
Sundry suppliers (ii)	58.507	68.944	126.836	95.033
Corn suppliers (ii)	-	-	83.741	-
Suppliers - related parties - Note 7 (b)	581	489	938	967
	<u>148.066</u>	<u>84.542</u>	<u>300.493</u>	<u>111.109</u>

- (i) Amounts payable to sugarcane suppliers for sugarcane delivered and not yet paid, as well as the estimated price increment (to be mostly settled between January and March 2023), are calculated on the basis of the final price of the harvest, which uses the ATR index released by CONSECANA - Council of Sugarcane, Sugar and Alcohol Producers of the State of São Paulo. The balance also includes transfers to sugarcane suppliers, referring to the recognition of Decarbonization Credits (CBios) (Note 8 (b)).
- (ii) Sundry suppliers are for the purchase of materials, inputs, services and property, plant and equipment items.
- (iii) The increase in the balance payable to corn suppliers is mainly due to the resumption of purchases, within the strategy of advance purchase of raw material by the Subsidiary (Note 8 (c)).

The amounts recognized as trade payables at amortized cost approximate their fair value.

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18 Leases and agricultural partnerships payable

For the right-of-use leased assets (Note 16), a corresponding entry is made for the lease liability at the discounted cash flow for future considerations (Note 16(d)).

Changes in leases and agricultural partnerships payable:

(a) Lease liabilities:

	Parent company			Consolidated		
	Lease commitments	Adjustment to present value of operating leases	Lease liability	Lease commitments	Adjustment to present value of operating leases	Lease liability
At March 31, 2021	<u>95.359</u>	<u>(8.461)</u>	<u>86.898</u>	<u>95.359</u>	<u>(8.461)</u>	<u>86.898</u>
Additions	43.064	-	43.064	19.477	-	19.477
Remeasurements	12.141	-	12.141	10.505	-	10.505
Payments	(13.385)	-	(13.385)	(2.540)	-	(2.540)
Appropriation of financial charges	-	5.694	5.694	-	2.641	2.641
At September 30, 2021	<u>137.179</u>	<u>(2.767)</u>	<u>134.412</u>	<u>122.801</u>	<u>(5.820)</u>	<u>116.981</u>
At March 31, 2022	<u>140.448</u>	<u>4.879</u>	<u>145.327</u>	<u>144.759</u>	<u>5.070</u>	<u>149.829</u>
Additions	2.208	-	2.208	2.208	-	2.208
Remeasurements	4.121	-	4.121	4.102	-	4.102
Payments	(19.337)	-	(19.337)	(19.673)	-	(19.673)
Appropriation of financial charges	-	8.109	8.109	-	8.377	8.377
At September 30, 2022	<u>127.440</u>	<u>12.988</u>	<u>140.428</u>	<u>131.396</u>	<u>13.447</u>	<u>144.843</u>
Current			36.621			37.256
Non-current			103.807			107.587
			<u>140.428</u>			<u>144.843</u>

In addition to the amount payable for the lease of agricultural land, the balances also comprise truck lease agreements (initially signed in 2019 and with subsequent amendments) and these balances are discounted at the rates of 13.77% and 10.32% per year, respectively.

The non-current lease liability matures as follows:

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
from 04/01/2023 to 03/31/2024 *	15.451	30.064	15.695	30.523
from 04/01/2024 to 03/31/2025	26.554	24.684	27.012	25.105
from 04/01/2025 to 03/31/2026	22.629	21.161	23.050	21.548
from 04/01/2026 to 03/31/2027	10.069	9.308	10.455	9.663
April 2027 onwards	29.104	25.020	31.375	27.259
	<u>103.807</u>	<u>110.237</u>	<u>107.587</u>	<u>114.098</u>

*For the period ended September 30, 2022, the long term balances correspond to the 23/24 harvest due in installments from 10/01/2023 to 03/31/2024.

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(b) Agricultural partnerships payable:

	Parent company			Consolidated		
	Agricultural partnership commitments	Adjustment to present value of agricultural partnerships	Agricultural partnerships payable	Agricultural partnership commitments	Adjustment to present value of agricultural partnerships	Agricultural partnerships payable
At March 31, 2021	<u>456.218</u>	<u>(117.770)</u>	<u>338.448</u>	<u>456.218</u>	<u>(117.770)</u>	<u>338.448</u>
Additions	11.075	-	11.075	11.075	-	11.075
Remeasurements	169	-	169	169	-	169
Write-offs	(4.518)	-	(4.518)	(4.518)	-	(4.518)
Payments	(41.130)	-	(41.130)	(41.130)	-	(41.130)
Appropriation of financial charges	-	17.138	17.138	-	17.138	17.138
At September 30, 2021	<u>421.814</u>	<u>(100.632)</u>	<u>321.182</u>	<u>421.814</u>	<u>(100.632)</u>	<u>321.182</u>
At March 31, 2022	<u>533.411</u>	<u>(82.062)</u>	<u>451.349</u>	<u>536.335</u>	<u>(82.062)</u>	<u>454.273</u>
Additions	31.890	-	31.890	97.992	-	97.992
Remeasurements	(8.497)	-	(8.497)	(7.670)	-	(7.670)
Payments	(64.232)	-	(64.232)	(71.635)	-	(71.635)
Appropriation of financial charges	-	24.286	24.286	-	29.957	29.957
At September 30, 2022	<u>492.572</u>	<u>(57.776)</u>	<u>434.796</u>	<u>555.022</u>	<u>(52.105)</u>	<u>502.917</u>
Current			104.749			111.759
Non-current			330.047			391.158
			<u>434.796</u>			<u>502.917</u>

Additions represent four new agricultural partnership agreements in the period, totaling 1.8 thousand hectares, with maturities up to March 2040, net of the rate of 13.77% p.a.

The balances of agricultural partnerships payable in non-current liabilities mature as follows:

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
from 04/01/2023 to 03/31/2024 *	43.512	83.856	47.091	84.161
from 04/01/2024 to 03/31/2025	78.008	72.894	85.251	73.115
from 04/01/2025 to 03/31/2026	63.902	59.765	70.547	59.967
from 04/01/2026 to 03/31/2027	44.535	41.539	50.631	41.725
April 2027 onwards	100.090	89.067	137.638	90.269
	<u>330.047</u>	<u>347.121</u>	<u>391.158</u>	<u>349.237</u>

*For the period ended September 30, 2022, the long term balances correspond to the 23/24 harvest due in installments from 10/01/2023 to 03/31/2024.

(c) Remeasurement of cash for considerations payable:

Lease agreements and agricultural partnerships are remeasured, based on the indices stipulated in their respective agreements, namely: IGPM and monthly CONSECANA index.

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(d) Cash flow projections:

Pursuant to IFRS 16/CPC 06 (R2), the Group used the real interest discounted cash flow method without considering nominal projected inflation to measure lease liabilities and right-of-use assets. The nominal incremental rates are based on the estimated cost of funding observed in the market, for contracts with similar terms as below:

Parent company and consolidated		
Contracts' terms in years	Incremental rate	
	September 30, 2022	March 31, 2022
From 1 to 2	8,38%	8,38%
From 2 to 4	9,73%	9,73%
From 4 to 6	10,32%	10,32%
From 6 to 10	13,77%	11,25%
From 10 to 12	11,46%	11,46%
Over 12	11,54%	11,54%

The rates presented above, as per IFRS 16/CPC 06 (R2), are those at first time adoption or at contract inception; these rates are different for new contracts.

Consistent with CVM Circular Letter 02/2019, the potential PIS/COFINS credits were maintained in the lease values.

Further, pursuant to CVM Circular Letter 02/2019, the table below presents leases receivable, leases and agricultural partnerships payable, right-of-use assets, depreciation and finance costs, for the period ended September 30, 2022 and for future years, including projected inflation, discounted at the nominal rates.

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Parent company	04/01/2021 to 09/30/2022	10/01/2022 to 09/30/2023	10/01/2023 to 09/30/2024	10/01/2024 to 09/30/2025	10/01/2025 to 09/30/2026	10/01/2026 to 09/30/2030	10/01/2030 to 09/30/2040	Total
Lease receiv ables								
CPC o6 (R2)	30.282	22.750	14.370	5.048	-	-	-	
CVM Circular Letter	<u>32.535</u>	<u>24.969</u>	<u>16.103</u>	<u>5.771</u>	<u>-</u>	<u>-</u>	<u>-</u>	
% Variation	<u>7,44</u>	<u>9,75</u>	<u>12,06</u>	<u>14,32</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Right-of-use assets								
CPC o6 (R2)	500.778	398.198	308.988	228.332	164.817	29.290	-	
CVM Circular Letter	<u>538.873</u>	<u>432.542</u>	<u>339.192</u>	<u>254.076</u>	<u>186.075</u>	<u>36.395</u>	<u>-</u>	
% Variation	<u>7,61</u>	<u>8,62</u>	<u>9,78</u>	<u>11,27</u>	<u>12,90</u>	<u>24,26</u>	<u>-</u>	
Lease liabilities								
CPC o6 (R2)	140.428	116.229	90.907	66.461	48.660	24.137	-	
CVM Circular Letter	<u>159.478</u>	<u>136.707</u>	<u>111.559</u>	<u>85.879</u>	<u>66.593</u>	<u>38.325</u>	<u>-</u>	
% Variation	<u>13,57</u>	<u>17,62</u>	<u>22,72</u>	<u>29,22</u>	<u>36,85</u>	<u>58,78</u>	<u>-</u>	
Agricultural partnerships payable								
CPC o6 (R2)	434.796	368.778	301.033	232.436	177.071	36.592	-	
CVM Circular Letter	<u>493.821</u>	<u>432.008</u>	<u>364.224</u>	<u>291.273</u>	<u>229.579</u>	<u>54.800</u>	<u>-</u>	
% Variation	<u>13,58</u>	<u>17,15</u>	<u>20,99</u>	<u>25,31</u>	<u>29,65</u>	<u>49,76</u>	<u>-</u>	
Depreciation expense								
CPC o6 (R2)	(54.916)	(102.515)	(89.208)	(80.654)	(63.517)	(135.539)	(30.312)	(556.661)
CVM Circular Letter	<u>(57.731)</u>	<u>(106.335)</u>	<u>(93.349)</u>	<u>(85.115)</u>	<u>(68.002)</u>	<u>(149.692)</u>	<u>(36.975)</u>	<u>(597.199)</u>
% Variation	<u>5,13</u>	<u>3,73</u>	<u>4,64</u>	<u>5,53</u>	<u>7,06</u>	<u>10,44</u>	<u>21,98</u>	<u>7,28</u>
Finance result								
CPC o6 (R2)	(30.659)	(54.817)	(46.091)	(37.106)	(28.539)	(57.107)	(17.376)	(271.695)
CVM Circular Letter	<u>(34.788)</u>	<u>(63.451)</u>	<u>(55.119)</u>	<u>(45.942)</u>	<u>(36.703)</u>	<u>(79.493)</u>	<u>(28.961)</u>	<u>(344.457)</u>
% Variation	<u>13,47</u>	<u>15,75</u>	<u>19,59</u>	<u>23,81</u>	<u>28,61</u>	<u>39,20</u>	<u>66,67</u>	<u>26,78</u>
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Consolidated	04/01/2023 to 09/30/2022	10/01/2022 to 09/30/2023	10/01/2023 to 09/30/2024	10/01/2024 to 09/30/2025	10/01/2025 to 09/30/2026	10/01/2026 to 09/30/2030	10/01/2030 to 09/30/2040	Total
Lease receiv ables								
CPC o6 (R2)	30.282	22.750	14.370	5.048	-	-	-	
CVM Circular Letter	32.535	24.969	16.103	5.771	-	-	-	
% Variation	7,44	9,75	12,06	14,32	-	-	-	
Right-of-use assets								
CPC o6 (R2)	573.142	465.161	370.550	284.493	215.577	58.392	-	
CVM Circular Letter	618.046	505.799	406.533	315.501	241.584	68.187	-	
% Variation	7,83	8,74	9,71	10,90	12,06	16,77	-	
Lease liabilities								
CPC o6 (R2)	144.843	120.503	95.019	70.389	52.381	26.731	-	
CVM Circular Letter	163.965	141.062	115.758	89.899	70.410	41.008	-	
% Variation	13,20	17,06	21,83	27,72	34,42	53,41	-	
Agricultural partnerships payable								
CPC o6 (R2)	502.917	433.386	361.952	289.511	230.135	70.986	-	
CVM Circular Letter	568.975	503.928	432.635	355.942	290.249	95.648	-	
% Variation	13,13	16,28	19,53	22,95	26,12	34,74	-	
Depreciation expense								
CPC o6 (R2)	(56.822)	(107.915)	(94.608)	(86.054)	(68.917)	(157.195)	(59.493)	(631.004)
CVM Circular Letter	(59.811)	(112.251)	(99.265)	(91.031)	(73.918)	(173.412)	(68.902)	(678.590)
% Variation	5,26	4,02	4,92	5,78	7,26	10,32	15,82	7,54
Finance result								
CPC o6 (R2)	(36.598)	(59.119)	(50.237)	(41.076)	(32.318)	(69.931)	(25.055)	(314.334)
CVM Circular Letter	(40.921)	(68.330)	(59.881)	(50.559)	(41.156)	(95.023)	(38.734)	(394.604)
% Variation	11,81	15,58	19,20	23,09	27,35	35,88	54,60	25,54

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19 Borrowings

					Parent company		Consolidated	
Type	Index	Interest rate % (p.a)	Final maturity	Guarantees	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
In local currency:								
FINEM	FIXED/SELIC/TJLP/TLP	3.31 to 7.00	March 1, 1932	Mortgage + Fiduciary ownership + Assignment of credits + Financial investments + Surety of Cpar	39.112	46.943	39.112	46.943
FINEM	FIXED RATE	5.80 to 7.00	March 1, 2035	Assignment of credits + Surety of CParticipações + Financial investments	-	-	36.098	11.760
FINAME	FIXED RATE	5,80	December 1, 2023	Statutory lien + Assignment of credits + Surety of CParticipações	-	-	3.887	5.181
FINAME	FIXED/TLP	2.50 to 6.00	July 1, 2038	Statutory lien + Assignment of credits + Surety of CParticipações	91.523	85.916	91.523	85.916
FINAME	FIXED RATE	9.50 to 10.50	December 1, 2025	Statutory lien	2.899	3.384	2.899	3.384
FINEP	FIXED RATE	7,00	April 1, 2025	Letter of guarantee	9.271	11.067	9.271	11.067
CPRF - Rural Producer Certificate	FIXED RATE	10,20	May 1, 2024	Without guarantees	7.882	11.961	7.882	11.961
CCB - Bank Credit Notes	CDI	2,10	August 1, 2026	Mortgage + Fiduciary ownership + Assignment of credits	79.607	89.389	79.607	89.389
CCB - Bank Credit Notes	CDI	1.70 to 1.75	March 1, 2027	Surety of CBioenergia	-	-	261.507	250.580
CPRF - Rural Producer Certificate	CDI	1,50	July 1, 2022	Surety of CBioenergia	-	-	-	294.993
CCB - Bank Credit Notes (i)	CDI	2,50	September 1, 2024	Corn and/or ethanol inventories and/or financial investments + Surety of CBioenergia	-	-	120.936	120.812
					230.294	248.660	652.722	931.986
Current					(52.373)	(55.013)	(116.547)	(66.015)
Non-current					177.921	193.647	536.175	865.971

(i) Includes varied guarantees for corn and/or ethanol inventories and/or financial investments. At September 30, 2022, approximately R\$ 132,000 (March 31, 2022 - R\$ 132,000) of ethanol inventories were pledged as collateral.

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The borrowings balance presented in non-current liabilities matures as follows:

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
from 04/01/2023 to 03/31/2024 *	24.448	47.387	69.026	131.188
from 04/01/2024 to 03/31/2025	47.758	42.642	232.232	359.695
from 04/01/2025 to 03/31/2026	28.963	26.897	88.145	143.671
from 04/01/2026 to 03/31/2027	16.038	16.107	70.721	121.042
April 2027 onwards	60.714	60.614	76.051	110.375
	<u>177.921</u>	<u>193.647</u>	<u>536.175</u>	<u>865.971</u>

*For September 30, 2022, the long term balance corresponds to the 23/24 harvest due in installments from 10/01/2023 to 03/31/2024.

Changes in borrowings in the periods ended September 30, 2022 and 2021 are presented in Note 28 (c).

Financial covenants

The Group's borrowings include financial covenants, such as the ratio between net debt and EBITDA, the ratio between net debt and equity and the ratio between EBITDA and finance costs, measured at March 31; all the requirements were fully met. For one loan contract, the financial covenants are calculated on a quarterly basis, which were also fully met.

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20 Debentures

In February 2022, under the protocols established by CVM Instruction 400, of December 29, 2003, the Subsidiary announced an offering of CRAs subscribed by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A., of R\$ 600,000, with a total term of seven years (six-year grace period), backed by the Company. After the bookbuilding process, which took place on March 25, 2022, the CRAs were fully subscribed at a remuneration rate of 6.2253% p.a. on the unit value indexed to the IPCA. These were paid on April 18, 2022. At the time of signature an IPCA to CDI rate swap was contracted.

The proceeds will be used for investments, and financing needs related to the production and industrialization of corn ethanol and animal feed components by the Subsidiary, in accordance with its corporate purpose and in the ordinary course of its business.

In July 2022, under the protocols established by CVM Instruction 476, the Subsidiary made the 1st Amendment to the CPR-F for an offering of CRAs subscribed by Eco Securitizadora de Direitos Creditórios do Agronegócio S.A., of R\$ 300,000, with a total term of six years (two-year grace period), backed by the Company. The CRAs were fully subscribed and will accrue interest at the DI rate plus 1.50% per year. These were paid on July 29, 2022.

									Parent company		Consolidated	
Type	Series	Class	Index	Yield % (p.a.)	Issue	Final maturity	Amortization schedule	Guarantees	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
In local currency:												
CRA (i)	Single	Simple, nonconvertible debentures	CDI	1.00	May 15, 2019	May 1, 2024	Half-yearly, after a 36-month grace period	Assignment of credits	172.967	213.207	172.967	213.207
CRA (ii)	Single	Simple, nonconvertible debentures	IPCA	5.0097	March 15, 2021	March 1, 2026	Single, at maturity	Surety of CBioenergia	-	-	281.083	271.501
CRA (iii)	Single	Simple, nonconvertible debentures	IPCA	6.2253	April 15, 2022	April 15, 2029	April 2028 and 2029	Surety of CBioenergia	-	-	604.872	-
CRA (iv)	-	-	CDI	1.50	July 29, 2022	April 3, 2028	Annual, after a 21-month grace period	Surety of CBioenergia	-	-	301.980	-
Debentures	Single	Simple, nonconvertible debentures	CDI	1.80	September 5, 2018	September 1, 2023	Annual, after a 12-month grace period	Assignment of credits + Surety of CParticipações	19.988	39.913	19.988	39.913
Debentures	Single	Simple, nonconvertible debentures	IPCA	4.15	March 15, 2020	March 1, 2027	Half-yearly, after a 48-month grace period	Assignment of credits + Surety of CParticipações at suspensive conditions	233.775	229.025	233.775	229.025
Debentures	Single	Simple, nonconvertible debentures	CDI	2,20	June 20, 2018	April 8, 2022	Quarterly, after a 24-month grace period	Mortgage + Fiduciary ownership + Assignment of credits + Surety of CBioenergia	-	-	-	80.479
Debentures	Single	Simple, nonconvertible debentures	CDI	3,50	June 15, 2020	April 8, 2022	Monthly, after a 15-month grace period	Mortgage + Fiduciary ownership + Assignment of credits + Surety of CBioenergia	-	-	-	54.104
									426.730	482.145	1.614.665	888.229
Current									(111.400)	(110.828)	(136.661)	(219.266)
Non-current									315.330	371.317	1.478.004	668.963

- (i) Debentures used as guarantees in securitization operations (25th Issuance of Agribusiness Receivables Certificates (CRAs) of Vert Companhia Securitizadora).
- (ii) Debentures used as guarantees in securitization operations (32nd Issuance of Agribusiness Receivables Certificates (CRAs) of ISEC Securitizadora).
- (iii) Debentures used as guarantees in securitization operations (15th Issuance of Agribusiness Receivables Certificates (CRAs) of ECO Securitizadora).
- (iv) Debentures used as guarantees in securitization operations (206th Issuance of Agribusiness Receivables Certificates (CRAs) of ECO Securitizadora).

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Non-current debentures mature as follows:

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
from 04/01/2023 to 03/31/2024*	78.330	141.134	97.069	176.483
from 04/01/2024 to 03/31/2025	108.765	105.626	296.132	105.626
from 04/01/2025 to 03/31/2026	65.373	63.487	383.454	325.784
from 04/01/2026 to 03/31/2027	62.862	61.070	147.969	61.070
April 2027 onwards	-	-	553.380	-
	<u>315.330</u>	<u>371.317</u>	<u>1.478.004</u>	<u>668.963</u>

*For September 30, 2022, the long term balance corresponds to the 23/24 harvest due in installments over the period from 10/1/2023 to 03/31/2024. Changes in debenture balances in the periods ended September 30, 2022 and 2021 are presented in Note 28 (c).

Financial covenants

The Group's debenture contracts include financial covenants, such as net debt/EBITDA ratio, net debt/equity ratio and EBITDA/finance costs ratio, measured on an annual basis, and for which the Group was in compliance.

Fair value of borrowings and debentures

At September 31, 2020 and March 31, 2022, the carrying amount of the Group's Level 2 hierarchy borrowings and debentures approximates their fair values. Management evaluated and concluded that floating rate loans continue to reflect the Group's fundraising average rate; for fixed rate loans, it calculated the fair value by adjusting future installments by the rates contracted up to their maturity, discounted to present value by the future CDI yield curve plus a spread of 2% p.a. on each base date.

21 Taxes payable - Non-current liabilities

The Group's management, under the advice of its counsel, filed for and obtained writs of mandamus, which mainly cover:

	Parent company			
	March 31, 2022	Additions	Settlements	September 30, 2022
Calculation basis for social security contribution (i)	26.212	5.221	-	31.433
Differential rate (ii)	11.975	3.010	-	14.985
Taxes on finance income (iii)	<u>6.293</u>	<u>12.774</u>	-	<u>19.067</u>
	<u>44.480</u>	<u>21.005</u>	-	<u>65.485</u>

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	Consolidated			
	March 31, 2022	Additions	Settlements	September 30, 2022
Calculation basis for social security contribution (i)	26.212	5.221	-	31.433
Differential rate (ii)	11.975	3.010	-	14.985
Taxes on finance income (iii)	6.293	12.774	-	19.067
ICMS on equipment imports	-	923	-	923
Installment payment under Tax Recovery Program (COFINS)	761	-	(134)	627
	<u>45.241</u>	<u>21.928</u>	<u>(134)</u>	<u>67.035</u>

- (i) The favorable ruling to exclude ICMS from the PIS and COFINS calculation basis of the social security contribution due by the agribusiness, had already been granted in the lower courts.
- (ii) Suspension of the payment of the differential rate on purchases from suppliers located in another State.
- (iii) IRPJ and CSLL on interest/indexation income from financial investments, supported by writs of mandamus, were contested and not paid.

A provision is however recorded in non-current liabilities as Management expects that final judgment will occur after 12 months. In the event that Management's position does not prevail, the balance will likely be payable in installments.

The changes in the period refer to the unpaid portion of the taxes and interest accruals.

22 Provision for contingencies

The Group is a party to labor, tax and civil proceedings in progress, and is discussing such matters at the administrative and judicial levels, which, when applicable, are supported by judicial deposits.

The provisions for probable losses arising from tax, civil and administrative proceedings are estimated, recorded and adjusted by Management, under the advice of its external legal counsel, for proceedings which it believes are classified as probable risk of loss.

Provisions for probable risk of losses arising from labor proceedings are recorded for all proceedings in which the Group is a party, regardless of its likelihood of loss classification. The estimate is calculated taking into account the jurisdiction in which the proceeding is located and the history of payments made over last 12 months for proceedings settled in the same jurisdiction (proportion of the amount paid in relation to the amount disputed).

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(a) Probable risk of loss

Changes in provisions were as follows:

	Parent company				
	March 31, 2022	Additions	Reversals	Settlements	September 30, 2022
Labor	22.697	3.964	(970)	(5.374)	20.317
Tax	171				171
Administrative	8			(8)	-
Civil	40	-	(40)	-	-
	<u>22.916</u>	<u>3.964</u>	<u>(1.010)</u>	<u>(5.382)</u>	<u>20.488</u>
Current	19.893				17.193
Non-current	<u>3.023</u>				<u>3.295</u>
	<u>22.916</u>				<u>20.488</u>

	Parent company				
	March 31, 2021	Additions	Reversals	Settlements	September 30, 2021
Labor	33.756	2.602	(260)	(6.990)	29.108
Tax	171		-	-	171
Civil	40	40	(40)	-	40
	<u>33.967</u>	<u>2.642</u>	<u>(300)</u>	<u>(6.990)</u>	<u>29.319</u>

	March 31, 2022	Additions	Reversals	Settlements	September 30, 2022
Labor	32.111	4.236	(1.315)	(6.062)	28.970
Tax	171	-	-	-	171
Administrative	385	-	-	(8)	377
Civil	40	-	(40)	-	-
	<u>32.707</u>	<u>4.236</u>	<u>(1.355)</u>	<u>(6.070)</u>	<u>29.518</u>
Current	22.952				18.347
Non-current	<u>9.755</u>				<u>11.171</u>
	<u>32.707</u>				<u>29.518</u>

	Consolidated				
	March 31, 2021	Additions	Reversals	Settlements	September 30, 2021
Labor	42.940	3.015	(316)	(7.103)	38.536
Tax	171	-	-	-	171
Administrative	1.097	9			1.106
Civil	40	40	(40)	-	40
	<u>44.248</u>	<u>3.064</u>	<u>(356)</u>	<u>(7.103)</u>	<u>39.853</u>

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22.1 Contingent liabilities

Possible risk of loss

	Parent company		Consolidated	
	September 30, 2022	March 31, 2022	September 30, 2022	March 31, 2022
Environmental	209	134	214	3.274
Civil				
Indemnities	584	2.142	1.991	3.131
Other	706	1.054	706	1.938
Tax				
Federal taxes (i)	-	-	36.126	32.669
Offset of federal taxes	2.473	2.225	2.551	2.294
ICMS (ii)	29.956	30.893	29.956	31.825
Total	33.928	36.448	71.544	75.131

Tax lawsuits

- (i) These proceedings address cases filed by the Federal Government for collection of Excise Tax (IPI), as the inclusion of the IPI payable pursuant to Article 3 of Provisional Measure (MP) 470/2009 was contested by the tax authorities claiming that it should not have been offset against an IPI premium credit.
- (ii) The proceedings deal with alleged improper use for credits of ICMS, arising from the register of ICMS Fixed Assets Credit Control (CIAP), of diesel oil ICMS credits used in some agricultural activities.

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23 Equity

(a) Share capital

The Company's capital is represented by 458,277,128 registered common shares, with no par value.

(b) Earnings per share

- (i) Basic earnings per share is calculated by dividing the profit attributable to the shareholders by the weighted average number of outstanding common shares in issue during the period.

	Consolidated	
	September 30, 2022	September 30, 2021
Profit for the period attributable to the shareholders of the Company	267.372	286.944
Weighted average number of common shares in the period - in thousands	458.277	458.277
Basic and diluted earnings per share (in reais)	0,5834	0,6261

- (ii) The diluted earnings per share are calculated by dividing the profit attributable to the shareholders by the weighted average number of common shares outstanding during the period (to assume the conversion of all potentially dilutable common shares), adjusted by the weighted average number of instruments with dilutive effects. For September 30, 2022 and 2021, as the Company has no dilutive effect instruments and, consequently, the diluted earnings is equal to the basic earnings per share.

(c) Dividends and interest on capital

The Bylaws entitle the shareholders to mandatory minimum dividend of 25% calculated on the annual profit adjusted pursuant to Article 202 of Law 6,404/76 (Note 23 (d)).

On May 18, 2021, the Board of Directors proposed the distribution of supplementary dividends related to the year ended March 31, 2021, of R\$ 49,457; this proposal was ratified at the July 28, 2021 Annual General Meeting and it was fully paid on June 30, 2021. .

The May 31, June 30, July 29 and August 31, 2022 Extraordinary General Meetings approved the distribution of interest on capital of R\$6,500, R\$16,539, R\$ 4,173 and R\$ 4,173, respectively, totaling R\$31,386, which, net of withholding income tax, amounts to R\$26,678, recorded in current liabilities.

The July 30, August 31 and September 30, 2021 Extraordinary General Meetings approved the distribution of interest on capital of R\$ 15,195, R\$ 2,326 and R\$ 2,326, respectively, totaling R\$ 19,847.

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(d) Revenue reserves

Legal reserve

The legal reserve is appropriated at the rate of 5% of the profit determined at the end of each year, after any accumulated losses have been offset, pursuant to article 193 of Law 6,404/76, up to the limit of 20% of the share capital.

Tax incentives reserve

This relates to the Produzir tax incentives reserve, with corresponding benefits recorded in income (Note 25) in accordance with Article 30 of Law 12,973/2014. The reserve may only be used to increase capital or absorb losses.

The incentive benefits can only be distributed as dividends if they have been taxed for income tax and social contribution at the rates of 25% and 9%, respectively. The Company does not include the tax incentive in the calculation basis of the mandatory minimum dividend (Note 23 (c)), and an equivalent amount of the benefit is appropriated from retained earnings to the tax incentives reserve.

Retention reserve

Management has proposed to retain the remaining balance of profits of the year ended March 31, 2022, after the legal and statutory allocations, in the amount of R\$ 247,737, for future investment and working capital needs, consistent with the capital budget submitted and approved by the Annual General Meeting held on July 11, 2022.

24 Classification and fair value of financial instruments

24.1 Classification

The classification of financial assets and liabilities is as below:

Parent company	September 30, 2022			March 31, 2022		
	Amortized cost	FVTPL	Total	Amortized cost	FVTPL	Total
Financial assets						
Cash and cash equivalents	310.862	-	310.862	344.370	-	344.370
Financial investments	8.365	4.766	13.131	3.240	4.706	7.946
Derivative financial instruments	-	42.569	42.569	-	36.220	36.220
Trade and other receivables	50.199	-	50.199	39.297	-	39.297
Interest on capital and dividends receivable	25.814	-	25.814	21.740	-	21.740
Lease receivables	30.282	-	30.282	32.519	-	32.519
Judicial deposits	6.093	-	6.093	7.325	-	7.325
	<u>431.615</u>	<u>47.335</u>	<u>478.950</u>	<u>448.491</u>	<u>40.926</u>	<u>489.417</u>
Financial liabilities						
Trade and other payables	152.341	-	152.341	93.091	-	93.091
Leases and partnerships payable	575.224	-	575.224	596.676	-	596.676
Borrowings	230.294	-	230.294	248.660	-	248.660
Debentures	426.730	-	426.730	482.145	-	482.145
Derivative financial instruments	-	-	-	-	-	-
Interest on capital and dividends payable	26.678	-	26.678	23.335	-	23.335
	<u>1.411.267</u>	<u>-</u>	<u>1.411.267</u>	<u>1.443.907</u>	<u>-</u>	<u>1.443.907</u>

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Consolidated	September 30, 2022			March 31, 2022		
	Amortized cost	FVTPL	Total	Amortized cost	FVTPL	Total
Financial assets						
Cash and cash equivalents	1.010.322	-	1.010.322	1.144.378	-	1.144.378
Financial investments	8.365	6.735	15.100	3.240	4.706	7.946
Derivative financial instruments	-	86.584	86.584	-	63.079	63.079
Trade and other receivables	116.593	-	116.593	107.564	-	107.564
Lease receivables	30.282	-	30.282	32.519	-	32.519
Judicial deposits and reserve requirements	17.324	-	17.324	18.659	-	18.659
	<u>1.182.886</u>	<u>93.319</u>	<u>1.276.205</u>	<u>1.306.360</u>	<u>67.785</u>	<u>1.374.145</u>
Financial liabilities						
Trade and other payables	305.736	-	305.736	121.992	-	121.992
Leases and partnerships payable	647.760	-	647.760	604.102	-	604.102
Borrowings	652.722	-	652.722	931.986	-	931.986
Debentures	1.614.665	-	1.614.665	888.229	-	888.229
Derivative financial instruments	-	24.127	24.127	-	4.858	4.858
Interest on capital and dividends payable	26.678	-	26.678	23.335	-	23.335
	<u>3.247.561</u>	<u>24.127</u>	<u>3.271.688</u>	<u>2.569.644</u>	<u>4.858</u>	<u>2.574.502</u>

24.2 Fair value

Other than for ethanol and US Dollar forward contracts negotiated in the B3 S.A. - Brasil, Bolsa, Balcão ("B3"), classified in Level 1, the financial assets and liabilities at fair value were classified as Level 2 and measured based on observable prices, directly or indirectly, for the asset or liability, as no prices are quoted in active markets for identical assets.

Because biological assets do not have observable prices and have little or no market activity for the asset at the measurement date, they were measured using the discounted cash flow method (Level 3).

Parent company	September 30, 2022			March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial investments	-	4.766	-	-	4.706	-
Derivative financial instruments	276	42.293	-	-	36.220	-
Biological assets	-	-	193.455	-	-	230.519
	<u>276</u>	<u>47.059</u>	<u>193.455</u>	<u>-</u>	<u>40.926</u>	<u>230.519</u>

Consolidated	September 30, 2022			March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial investments	-	6.735	-	-	4.706	-
Derivative financial instruments	276	86.308	-	-	63.079	-
Biological assets	-	-	193.455	-	-	230.519
	<u>276</u>	<u>93.043</u>	<u>193.455</u>	<u>-</u>	<u>67.785</u>	<u>230.519</u>
Liabilities						
Derivative financial instruments	<u>578</u>	<u>23.549</u>	<u>-</u>	<u>4.858</u>	<u>-</u>	<u>-</u>

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25 Revenue from contracts with customers

	Parent company			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Hydrated ethanol (i)	304.774	704.422	286.095	571.122
Electricity	39.761	71.513	52.209	85.295
CBIOs	7.596	24.222	5.605	7.357
Corn	-	-	411	4.676
Other (ii)	6.986	13.797	5.998	13.649
Tax incentives (iii)	<u>60.125</u>	<u>93.088</u>	<u>20.331</u>	<u>45.049</u>
Net revenue	<u>419.242</u>	<u>907.042</u>	<u>370.649</u>	<u>727.148</u>

	Consolidated			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Hydrated ethanol (i)	447.677	1.013.799	398.011	803.790
Electricity	37.767	67.567	50.371	81.671
CBIOs	7.596	25.097	5.605	7.357
DDG (iv)	58.042	114.545	45.913	87.718
Corn oil	11.066	21.779	8.749	16.111
Other (ii)	2.194	4.157	1.794	6.646
Tax incentives (iii)	<u>93.088</u>	<u>143.678</u>	<u>30.111</u>	<u>66.127</u>
Net revenue	<u>657.430</u>	<u>1.390.622</u>	<u>540.554</u>	<u>1.069.420</u>

- (i) The increase in ethanol revenue is mainly due to the increase in sales volume and in ethanol prices driven by the increase in the price of gasoline, and the parity between ethanol and gasoline prices.
- (ii) Refer to corn oil and soybean, and agricultural services in both periods.
- (iii) The Group enjoys subsidies granted by the State of Goiás (Note 1.1). for ICMS tax credits on sales that are recorded as sales revenue in the statement of income. The changes in the quarter refers mostly to the accounting effects related to credits obtained (Note 1.4).
- (iv) The increase in DDG revenue is mainly due to: (i) higher volume sold (approximately 16%); and (ii) increase in sale prices by 14%, due to the higher price of corn and increased DDG demand by the market.

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26 Costs and expenses by nature

The Group classifies costs and expenses in the statement of income based on their function. The nature of these costs and expenses is as follows:

	Parent company			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Consumption of raw material and inputs	(110.273)	(265.506)	(96.913)	(201.256)
Changes in fair value of biological assets	(26.879)	(45.801)	19.640	41.606
Cutting, transshipment and transport	(20.530)	(40.590)	(19.836)	(37.914)
Salaries and payroll charges	(23.142)	(46.443)	(16.319)	(44.146)
Consumables and supplies	(11.888)	(25.253)	(8.720)	(17.851)
Third-party services	(10.045)	(17.728)	(7.230)	(13.315)
Freight on sales	(14.752)	(29.596)	(10.994)	(21.771)
Depreciation and amortization	(9.114)	(19.785)	(7.983)	(19.595)
Depreciation of sugarcane crops	(12.706)	(28.761)	(10.116)	(26.266)
Depreciation of right-of-use assets	(18.803)	(41.667)	(11.742)	(24.317)
Amortization of crop treatment (includes harvested bio)	(18.692)	(43.341)	(15.453)	(39.139)
Amortization of inter-crop expenses	(12.468)	(28.778)	(10.121)	(23.706)
Electricity purchase (resale)	(6.892)	(15.209)	(21.447)	(27.137)
CBIOS cost of sales	(29.199)	(29.981)	(1.083)	(1.442)
Other expenses, net	-	-	(154)	24
	<u>(325.383)</u>	<u>(678.439)</u>	<u>(218.471)</u>	<u>(456.225)</u>
Classified as:				
Cost of sales and services	(263.687)	(570.632)	(212.230)	(442.757)
Changes in fair value of biological assets	(26.879)	(45.801)	19.640	41.606
Selling expenses	(19.502)	(38.585)	(16.178)	(31.089)
General and administrative expenses	(15.315)	(23.421)	(9.703)	(23.985)
	<u>(325.383)</u>	<u>(678.439)</u>	<u>(218.471)</u>	<u>(456.225)</u>
	Consolidated			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Consumption of raw material and inputs	(251.258)	(541.823)	(173.519)	(338.875)
Changes in fair value of biological assets	(26.879)	(45.801)	19.640	41.606
Cutting, transshipment and transport	(20.530)	(40.590)	(19.836)	(37.914)
Salaries and payroll charges	(32.135)	(62.190)	(21.949)	(55.912)
Consumables and supplies	(13.987)	(28.748)	(11.608)	(22.564)
Third-party services	(13.671)	(25.041)	(9.408)	(18.088)
Freight on sales	(24.687)	(49.497)	(17.034)	(33.201)
Depreciation and amortization	(12.318)	(25.987)	(11.075)	(25.776)
Depreciation of sugarcane crops	(12.706)	(28.761)	(10.116)	(26.266)
Depreciation of right-of-use assets	(18.803)	(41.667)	(11.742)	(24.317)
Amortization of crop treatment (includes harvested bio)	(18.692)	(43.341)	(15.453)	(39.139)
Amortization of inter-crop expenses	(12.468)	(28.778)	(10.121)	(23.706)
Electricity purchase (resale)	(6.892)	(15.209)	(21.447)	(27.137)
CBIOS cost of sales	(29.846)	(30.628)	(1.083)	(1.442)
Other expenses, net	(1.848)	(3.484)	(1.579)	(1.439)
	<u>(496.720)</u>	<u>(1.011.545)</u>	<u>(316.330)</u>	<u>(634.170)</u>
Classified as:				
Cost of sales and services	(419.703)	(874.329)	(300.909)	(602.250)
Changes in fair value of biological assets	(26.879)	(45.801)	19.640	41.606
Selling expenses	(32.026)	(62.775)	(23.616)	(45.268)
General and administrative expenses	(18.112)	(28.640)	(11.445)	(28.258)
	<u>(496.720)</u>	<u>(1.011.545)</u>	<u>(316.330)</u>	<u>(634.170)</u>

The increase in costs of raw materials and inputs is directly related to the increase in the production volume and in the price of raw materials (ATR value of sugarcane and bags of corn).

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27 Finance result

	Parent company			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Charges on borrowings and debentures	(13.957)	(39.237)	(18.256)	(33.197)
Adjustment to present value - leases and agricultural partnerships pay	(16.324)	(32.395)	(11.646)	(22.832)
Foreign exchange rate and derivative transaction losses	(13.097)	(18.447)	(3.863)	(11.658)
Tax on financial transactions	(589)	(2.269)	(193)	(368)
Interest and indexation accruals of taxes payable	(1.151)	(2.244)	(8)	(18)
Bank charges and commissions	(650)	(2.805)	(674)	(1.017)
Expenditure on sureties (Note 8)	(479)	(980)	(897)	(1.787)
Other finance costs	(1.300)	(2.176)	(586)	(982)
Finance costs	<u>(47.547)</u>	<u>(100.553)</u>	<u>(36.123)</u>	<u>(71.859)</u>
Foreign exchange rate and derivative transaction gains	9.410	20.346	4.776	15.585
Income from financial investments	12.253	23.542	4.083	7.313
Interest on tax credits (a)	-	10	-	-
Adjustment to present value of leases	858	1.736	926	1.826
Other finance income	285	678	468	738
Finance income	<u>22.806</u>	<u>46.312</u>	<u>10.253</u>	<u>25.462</u>

	Consolidated			
	September 30, 2022		September 30, 2021	
	Three-month period	Six-month period	Three-month period	Six-month period
Charges on borrowings and debentures	(34.425)	(106.056)	(34.697)	(63.899)
Adjustment to present value - leases and agricultural partnerships pay	(17.171)	(38.334)	(11.646)	(22.832)
Foreign exchange rate and derivative transaction losses	(49.038)	(73.146)	(5.816)	(16.509)
Tax on financial transactions	(2.332)	(5.684)	(410)	(1.049)
Interest and indexation accruals of taxes payable	(1.171)	(2.274)	(10)	(32)
Bank charges and commissions	(656)	(4.203)	(889)	(1.614)
Expenditure on sureties (Note 8)	(514)	(1.040)	(957)	(1.915)
Other finance costs	(1.780)	(2.967)	(1.047)	(1.823)
Finance costs	<u>(107.087)</u>	<u>(233.704)</u>	<u>(55.472)</u>	<u>(109.673)</u>
Foreign exchange rate and derivative transaction gains	19.893	57.219	13.820	29.787
Income from financial investments	46.047	92.821	8.620	15.824
Interest on tax credits (a)	3.267	3.371	-	5.935
Adjustment to present value of leases	858	1.736	926	1.826
Other finance income	690	1.476	577	905
Finance income	<u>70.755</u>	<u>156.623</u>	<u>23.943</u>	<u>54.277</u>

- (a) Refers to interest and indexation accruals of the credits related to the final and unappealable decision on the proceeding related to the exclusion of ICMS from the PIS and COFINS calculation basis for the first quarter of the 2021/2022 harvest (Note 12).

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28 Supplementary statement of cash flow disclosures

(a) Sale of property, plant and equipment

In the statement of cash flows, proceeds from sale of property, plant and equipment were as follows:

	Note	Parent company		Consolidated	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net carrying amount - sale of property, plant and equipment	15	67	430	67	430
Net carrying amount - sale of assets available for sale		282	2.162	282	2.162
Gain (loss) on property, plant and equipment disposals		563	453	563	453
Proceeds from disposal of property, plant and equipment		<u>912</u>	<u>3.045</u>	<u>912</u>	<u>3.045</u>

(b) Non-cash investing and financing activities

	Note	Parent company		Consolidated	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Purchases of property, plant and equipment (includes sugarcane crops)	15	(80.508)	(42.576)	(374.994)	(114.035)
Addition to intangible assets		(206)	(359)	(434)	(359)
Purchase of property, plant and equipment through financing	28.c	<u>9.347</u>	<u>20.766</u>	<u>36.867</u>	<u>20.766</u>
Purchases of property, plant and equipment and intangible assets (includes sugarcane crops)		<u>(71.367)</u>	<u>(22.169)</u>	<u>(338.561)</u>	<u>(93.628)</u>

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(c) Reconciliation of balance sheet transactions with cash flows from financing activities

	Parent company								
	Borrowings	Debentures	Derivative financial instruments, net	Leases and partnerships payable	Lease receivables	Dividends and interest on capital payable	Cash and cash equivalents	Financial investments	Total
At March 31, 2021	277.477	473.515	(6.617)	425.346	(33.329)	44.281	(400.284)	(10.592)	769.797
Changes affecting cash flows									
New funds	-	-	-	-	-	-	-	-	-
Payments	(34.087)	(20.127)	(7.750)	(39.797)	-	(93.738)	-	-	(195.499)
Receipts	-	-	-	-	4.720	-	-	-	4.720
Financial charges paid	(11.834)	(9.590)	-	(14.718)	-	-	-	-	(36.142)
Changes, net	-	-	-	-	-	-	83.672	3.180	86.852
Non-cash transactions									
New funds	20.766	-	-	-	-	-	-	-	20.766
Destination of dividends and interest on capital	-	-	-	-	-	280.465	-	-	280.465
Addition, derecognition and remeasurement of lease liabilities	-	-	-	61.931	(3.687)	-	-	-	58.244
Interest accruals	12.394	21.343	(3.867)	22.832	(1.826)	-	-	(158)	50.718
At September 30, 2021	264.716	465.141	(18.234)	455.594	(34.122)	231.008	(316.612)	(7.570)	1.039.921
At March 31, 2022	248.660	482.145	(36.220)	596.676	(32.519)	23.335	(344.370)	(7.946)	159.964
Changes affecting cash flows									
Payments	(26.112)	(62.977)	(4.450)	(56.297)	-	(23.335)	-	-	(173.171)
Receipts	-	-	-	-	5.267	-	-	-	5.267
Financial charges paid	(16.258)	(19.467)	-	(27.272)	-	-	-	-	(62.997)
Changes, net	-	-	-	-	-	-	33.508	(4.513)	28.995
Non-cash transactions									
New funds	9.347	-	-	-	-	-	-	-	9.347
Destination of dividends and interest on capital	-	-	-	-	-	26.678	-	-	26.678
Addition, derecognition and remeasurement of lease liabilities	-	-	-	29.722	(1.294)	-	-	-	28.428
Interest and update of monthly Consecana index	14.657	27.029	(1.899)	32.395	(1.736)	-	-	(672)	69.774
At September 30, 2022	230.294	426.730	(42.569)	575.224	(30.282)	26.678	(310.862)	(13.131)	92.285

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	Consolidated								
	Borrowings	Debentures	Derivative financial instruments, net	Leases and partnerships payable	Lease receivables	Dividends and interest on capital payable	Cash and cash equivalents	Financial investments	Total
At March 31, 2021	496.342	930.164	(7.768)	425.346	(33.329)	44.281	(872.251)	(10.592)	972.193
Changes affecting cash flows									
New funds	100.000	-	-	-	-	-	-	-	100.000
Payments	(108.486)	(40.234)	(9.379)	(39.797)	-	(93.738)	-	-	(291.634)
Receipts	-	-	-	-	4.720	-	-	-	4.720
Financial charges paid	(20.047)	(26.782)	-	(14.718)	-	-	-	-	(61.547)
Changes, net	-	-	-	-	-	-	292.409	3.180	295.589
Non-cash transactions									
New funds	20.766	-	-	-	-	-	-	-	20.766
Destination of dividends and interest on capital	-	-	-	-	-	280.465	-	-	280.465
Addition, derecognition and remeasurement of lease liabilities	-	-	-	61.931	(3.687)	-	-	-	58.244
Interest and update of monthly Consecana index	17.994	46.444	(13.238)	22.832	(1.826)	-	-	(158)	72.048
At September 30, 2021	506.569	909.592	(30.385)	455.594	(34.122)	231.008	(579.842)	(7.570)	1.450.844
At March 31, 2022	931.986	888.229	(58.221)	604.102	(32.519)	23.335	(1.144.378)	(7.946)	1.204.588
Changes affecting cash flows									
New funds	-	600.000	-	-	-	-	-	-	600.000
Payments	(30.279)	(196.970)	(20.051)	(58.192)	-	(23.335)	-	-	(328.827)
Receipts	-	-	-	-	5.267	-	-	-	5.267
Financial charges paid	(46.481)	(27.813)	-	(33.116)	-	-	-	-	(107.410)
Changes, net	-	-	-	-	-	-	134.056	(6.416)	127.640
Non-cash transactions									
New funds	(258.085)	294.952	-	-	-	-	-	-	36.867
Destination of dividends and interest on capital	-	-	-	-	-	26.678	-	-	26.678
Addition, derecognition and remeasurement of lease liabilities	-	-	-	96.632	(1.294)	-	-	-	95.338
Capitalized interest	22.794	-	-	-	-	-	-	-	22.794
Interest and update of monthly Consecana index	32.787	56.267	15.815	38.334	(1.736)	-	-	(738)	140.729
At September 30, 2022	652.722	1.614.665	(62.457)	647.760	(30.282)	26.678	(1.010.322)	(15.100)	1.823.664

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29 Segment information

a) Consolidated result by segment

September 30, 2022 six-month period							
CONSOLIDATED	SUGARCANE		CORN		OTHER NON- SEGMENTED	ELIMINATIONS	TOTAL
	ETHANOL	ELECTRIC POWER	ETHANOL	CORN BYPRODUCTS			
Revenue from contracts with customers	821.084	65.146	355.038	140.447	22.493	(13.587)	1.390.622
Cost of sales	(502.070)	(67.484)	(307.478)	(9.806)	(1.078)	13.587	(874.328)
Changes in fair value of biological assets	(45.801)	-	-	-	-	-	(45.801)
Gross profit	273.214	(2.338)	47.560	130.642	21.414	-	470.492
Gross margin	33,27%	-3,59%	13,40%	93,02%	95,20%	0,00%	33,83%
Selling expenses	(29.152)	(7.658)	(17.128)	(7.054)	(1.783)	-	(62.775)
Other operating expenses, net	-	-	-	-	(28.622)	-	(28.622)
Profit before finance result	244.062	(9.997)	30.432	123.588	(8.991)	-	379.095
Operating margin	29,72%	-15,35%	8,57%	88,00%	-39,97%	0,00%	27,26%
Other non-segmented expenses and revenues	-	-	-	-	(111.723)	-	(111.723)
Profit for the period	-	-	-	-	-	-	267.372

September 30, 2021 six-month period							
CONSOLIDATED	SUGARCANE		CORN		NON- SEGMENTED	ELIMINATIONS	TOTAL
	ETHANOL	ELECTRIC POWER	ETHANOL	CORN BYPRODUCTS			
Net revenue	625.671	90.592	260.934	100.102	10.953	(18.831)	1.069.420
Cost of sales	(371.667)	(65.743)	(170.279)	(8.044)	(5.348)	18.831	(602.250)
Changes in fair value of biological assets	41.606	-	-	-	(0)	-	41.606
Gross profit	295.610	24.849	90.654	92.057	5.605	-	508.776
Gross margin	47,25%	27,43%	34,74%	91,96%	51,17%	0,00%	47,57%
Selling expenses	(21.771)	(8.069)	(13.622)	(557)	(1.249)	-	(45.268)
Other operating expenses, net	-	-	-	-	(22.568)	-	(22.568)
Operating profit	273.840	16.780	77.033	91.500	(18.213)	-	440.940
Operating margin	43,77%	18,52%	29,52%	91,41%	-166,28%	0,00%	41,23%
Other non-segmented expenses and revenues	-	-	-	-	(153.996)	-	(153.996)
Profit for the period	-	-	-	-	-	-	286.944

From July 1 to September 30, 2022 three-month period							
CONSOLIDATED	SUGARCANE		CORN		OTHER NON- SEGMENTED	ELIMINATIONS	TOTAL
	ETHANOL	ELECTRIC POWER	ETHANOL	CORN BYPRODUCTS			
Revenue from contracts with customers	373.396	28.286	171.831	71.840	18.862	(6.787)	657.430
Cost of sales	(227.376)	(36.043)	(157.319)	(6.079)	888	6.787	(419.141)
Changes in fair value of biological assets	(26.879)	-	-	-	-	-	(26.879)
Gross profit	119.142	(7.757)	14.513	65.762	19.750	-	211.409
Gross margin	31,91%	-27,42%	8,45%	91,54%	104,70%	0,00%	32,16%
Selling expenses	(14.553)	(3.833)	(8.831)	(3.686)	(1.124)	-	(32.026)
Other operating expenses, net	-	-	-	-	(17.443)	-	(17.443)
Profit before finance result	104.588	(11.590)	5.682	62.076	1.183	-	161.940
Operating margin	28,01%	-40,97%	3,31%	86,41%	6,27%	0,00%	24,63%
Other non-segmented expenses and revenues	-	-	-	-	(42.245)	-	(42.245)
Profit for the period	-	-	-	-	-	-	119.695

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From July 1 to September 30, 2021							
three-month period							
CONSOLIDATED	SUGARCANE		CORN		NON-SEGMENTED	ELIMINATIONS	TOTAL
	ETHANOL	ELECTRIC POWER	ETHANOL	CORN BYPRODUCTS			
Net revenue	315.430	53.532	124.251	51.809	1.755	(6.223)	540.554
Cost of sales	(171.822)	(39.328)	(90.452)	(4.450)	(1.081)	6.223	(300.909)
Changes in fair value of biological assets	19.640	-	-	-	-	-	19.640
Gross profit	163.249	14.204	33.799	47.360	674	-	259.285
Gross margin	51,75%	26,53%	27,20%	91,41%	38,40%	0,00%	47,97%
Selling expenses	(10.993)	(5.045)	(7.163)	(273)	(142)	-	(23.616)
Other operating expenses, net	-	-	-	-	(12.571)	-	(12.571)
Operating profit	152.255	9.159	26.636	47.086	(12.039)	-	223.098
Operating margin	48,27%	17,11%	21,44%	90,88%	-686,13%	0,00%	41,27%
Other non-segmented expenses and revenues	-	-	-	-	(78.098)	-	(78.098)
Profit for the period	-	-	-	-	-	-	145.000

The Company's sugarcane ethanol segment produces sugarcane bagasse for incineration in the boilers for the sugarcane energy generation segment. As it is a byproduct from the production of ethanol, with no alternative market for sale in the region where it is produced, there is no transfer of costs from the ethanol segment to the energy segment, in relation to bagasse produced in the production of ethanol and used in the energy generation. The main costs incurred in energy production are the costs with alternative biomass (eucalyptus), depreciation and labor.

Part of the corn cost is incorporated into the costing of corn byproducts.

Transactions with the Subsidiary for the supply of energy, steam, which are eliminated upon consolidation in the financial statements, are not eliminated in the presentation of the results of each segment above.

The Group has customers which correspond to over 24% of its revenues (September 30, 2021 - over 20%). The four largest ethanol sales customers account for about 71.6% of total revenue, and the remaining 28.4% are distributed among other ethanol customers, energy customers and corn byproducts (September 30, 2021 - 72% and 28%, respectively).

b) Others not included in reportable segments

The revenues reported under "other non-segmented" refer to sales of sugarcane (in the 2021/2022 harvest), sale of corn and soybean and provision of agricultural services.

Operating expenses refer to administrative, general and other net operating expenses incurred by the Group, in the amount of R\$ 17,443 (September 30, 2021 - R\$ 12,571), which are not attributable to specific segments. Directly attributable selling expenses are attributed to the reportable segments, except for an amount of R\$ 1,783 (September 30, 2021 - R\$1,249).

The other income and expenses correspond to the finance result, and current and deferred income tax and social contribution of R\$ 31,529 (September 30, 2021 - R\$ 55,396) and R\$ 46,569 (September 30, 2022 - R\$ 98,600) (Notes 27 and 13, respectively).

The Group has customers which correspond to over 24% of its revenues. The four largest ethanol sales customers account for about 71.6% of total revenue, and the remaining 28.4% are distributed among other ethanol customers, energy customers and corn byproducts.

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c) Consolidated operating assets by segment

The Group's main assets were segregated by segment according to the corresponding cost centers that are allocated or identified according to their nature.

Consolidated	SUGARCANE		CORN		OTHER NON- SEGMENTED	September 30, 2022	
	ETHANOL	ELECTRIC POWER	ETHANOL	CORN BYPRODUCTS		ELIMINATIONS	TOTAL
Trade receivables	33.166	7.220	3.728	30.880	-	(23.298)	51.696
Inventories	250.745	-	607.293	70	-	-	858.108
Biological assets	193.455	-	-	-	-	-	193.455
Property, plant and equipment	692.949	130.377	747.630	25.390	-	-	1.596.346
Intangible assets	1.403	-	623	-	-	-	2.026
Right-of-use assets	500.778	-	74.124	-	-	-	573.142
Total allocated assets	1.672.497	137.596	1.433.397	56.340	-	(23.298)	3.274.773
Other assets not allocated					2.068.713	(534.072)	1.534.641
Total assets per balance sheet	1.672.497	137.596	1.433.397	56.340	2.068.713	(557.370)	4.809.414

Consolidated	SUGARCANE		CORN		OTHER NON- SEGMENTED	March 31, 2022	
	ETHANOL	ELECTRIC POWER	ETHANOL	CORN BYPRODUCTS		ELIMINATIONS	TOTAL
Trade receivables	11.785	21.630	5.626	48.935	9.086	(6.774)	90.288
Inventories and advances to suppliers	96.424	-	173.151	393	-	-	269.968
Biological assets	230.519	-	-	-	-	-	230.519
Property, plant and equipment	708.463	134.990	435.823	26.061	-	-	1.305.337
Intangible assets	1.588	-	452	-	-	-	2.040
Right-of-use assets	527.266	-	7.360	-	-	-	534.626
Total allocated assets	1.576.045	156.620	622.412	75.390	9.086	(6.774)	2.432.778
Other assets not allocated					1.934.049	(504.089)	1.429.960
Total assets per balance sheet	1.576.045	156.620	622.412	75.390	1.943.135	(510.863)	3.862.738

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The additions to non-current assets, except for financial assets and deferred taxes, are for property, plant and equipment and right-of-use assets, as follows:

Additions	September 30, 2022	March 31, 2022
Sugarcane		
Ethanol	45.654	313.233
Electric power	18.070	22.407
Subtotal	63.724	335.639
Corn		
Ethanol	284.351	205.679
Corn by products	9.673	9.497
Subtotal	294.024	215.175
Total	357.748	550.815

Since the chief operating decision-makers analyze liabilities on a consolidated basis, the segment information relating to liabilities is not being reported.

30 Commitments

At September 30 and March 31, 2022, the Group had the following commitments:

(a) Sales to the domestic market

The Company has committed 63.3% and the Subsidiary 79.6% of the contracted volume of ethanol for the current harvest (March 31, 2022: The Company had 63%, and the Subsidiary 65%), with CIF (Cost, Insurance and Freight) at a price to be determined for delivery to the customer's premises in the city of Paulínia, located in the state of São Paulo. The price is fixed weekly by the ESALQ - Escola Superior de Agricultura Luiz de Queiroz (College of Agriculture) index, with premiums defined in contract on the ESALQ value for CIF sales.

(b) Sale of electricity

A contract executed with the Electric Energy Trading Chamber (CCEE) sets a sales commitment for electricity as below:

	Up to one year	From two to three years	Over three years	Price MWh/year	Adjustment index	Final maturity
	30.440	210.240	-	R\$ 304,94	IPCA	fev-25
	28.458	110.376	55.188	R\$ 276,13	IPCA	jan-26
Electric power (MW/h)	37.128	297.840	1.638.120	R\$ 169,85	IPCA	dez-35
	40.404	324.120	3.079.140	R\$ 278,28	IPCA	dez-43
	<u>11.575</u>	<u>92.856</u>	<u>974.988</u>	R\$ 245,81	IPCA	dez-45
	<u>148.005</u>	<u>1.035.432</u>	<u>5.747.436</u>			

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(c) Purchase of corn

The Subsidiary has contracts for the purchase of corn from its suppliers, at pre-agreed prices, for its ethanol production. At September 30, 2021, it had fixed price corn purchase contracts, totaling 731,600 metric tons (March 31, 2022: 300,000 metric tons in 2021), to be delivered up to the end of 2022.

(d) Expansion project (Note 1.2)

At September 30, 2022, the Subsidiary had: a) commitments for purchases of equipment and services for the expansion of the Chapadão do Céu-GO plant of R\$ 28,023 (March 31, 2022 - \$ 130,504); b) commitments for the construction of the new corn ethanol plant, in Maracajú, state of Mato Grosso do Sul (Note 1), of R\$ 488,779 (March 31, 2022 - R\$ 212,413), which comprise, i) commitments to purchase biomass for energy generation of R\$ 102,167 (March 31, 2022 - R\$ 94,734); and ii) equipment and services of R\$ 386,612 (March 31, 2022 - R\$ 117,679).

* * *

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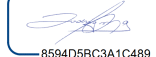
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