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

Individual and consolidated financial statements

Companhia Mineira de Açúcar e Álcool Participações

March 31, 2023
with Independent Auditor's Report

Companhia Mineira de Açúcar e Álcool Participações

Individual and consolidated financial statements

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MANAGEMENT REPORT | 4Q23 CROP CALENDAR

Uberaba, June 01, 2023.

Dear shareholders,

Companhia Mineira de Açúcar e Álcool Participações (CMAA), a publicly held company registered with the Brazilian Securities and Exchange Commission (CVM) (category B), and one of the major *players* in the ethanol, VHP sugar and bioelectricity industries in the state of Minas Gerais, presents its consolidated results for the 4Q23 – Crop calendar year (period between 04/01/2022 and 03/31/2023).

Message from Management

Amid constant increases in sugar prices on the international market observed in 22/23 crop, the sugar-energy sector faced major challenges, either due to economic instability caused mainly by the Brazilian election year, tax changes that directly affected the parity of ethanol prices with the price of gasoline and impact consumption, or due to the high costs of the crop, mainly agricultural and industrial inputs (mainly due to the impact of the conflict between Russia and Ukraine), fuels and, as a result, freight services in general.

According to data released by the Brazilian Sugarcane Industry Association (UNICA - União da Indústria de Cana-de-Açúcar), the mills in the Mid-South region processed 548.28 million tons of sugarcane from the beginning of the cycle to the end of March 2023, i.e. 4.61% higher than in the same period of the previous cycle (with milling of 524.1 million tons). The average total recoverable sugar (ATR) per ton of sugarcane was also lower in the region, accumulated at 140.80 kg/tons of sugarcane, i.e. 1.45% lower compared with the same previous period. Keeping the comparison with the previous year, in the Center-South region, 28.91 billion liters of ethanol were manufactured, 4.66% lower compared with the same previous period, being 16.62 billion liters of hydrous ethanol and 12.29 billion liters of anhydrous ethanol.

In the accumulated crop period, CMAA group presented milling 6.8% higher than the same period of previous cycle, totaling 536.1 thousand tons more compared to the 21/22 crop. The amount of processing was fully recovered within the crop period, with milled sugarcane of 8,472.6 thousand tons. The amount of Total Recoverable Sugar (ATR) reached 139.1 kg/ton in the accumulated crop period, 1.6% higher than in the previous crop, which was 136.9 kg/ton. In the crop period, 658.1 thousand tons were produced, an increase of 15% compared with the same period of previous cycle. Regarding ethanol, there was a reduction of 2.2% in production, totaling 6.99 million liters in the same period, as the mix is turned to sugar production.

As for economic performance, CMAA recorded net revenue of R$2,167 million, an increase of 20.6% compared with the same period of previous year, earning net income of R$78.6 million. We continue to pursue the best results, always focused on ensuring the constant growth of the Group with increased operational efficiency and cost reduction. All of this, combined with the integrity and ideal working conditions of our employees, with strong investments in their qualification and development.

We also maintained the strong initiatives that lead us to a constant sustainable growth, keeping high ESG standards as one of our most important operational pillars. At last, we remain committed to strengthening our national agribusiness, generating value for our shareholders and the society in general in the production of food and natural and clean energy.

12M23 vs. 12M22 Highlights

Processing of 8.4 million tons of sugarcane in the cycle, **6.8% up** from the volume processed in the same period of previous cycle (8,472.6 thousand tons vs. 7,936.5 thousand tons).

Production in the cycle, compared with the same prior period, was 658.1 thousand tons of sugar **(+15%),** 109.8 thousand cubic meters (cbm) of anhydrous ethanol **(-14.6%)**, 200 thousand cbm of hydrous ethanol **(+6.3%)** and 431.3 thousand MWh of electric energy **(+20%)**.

Net income of R$2,167.2 billion, **20.6% higher** than the R$1,797.7 billion earned in the previous cycle.

Operating Income[1] of R$394.1 million in the cycle, with a margin of 18.2%.

Adjusted EBITDA of R$1,100.5 billion, **27.7% higher** than the R$861.2 billion earned in the previous cycle.

[1]Operating Income is equivalent to Income before finance income (expenses) and income taxes, as presented in the Statement of income.

[2]Adjusted EBITDA is found by deducting from EBITDA the effects of variation in the fair value of Biological Asset (fair value) ar gains and losses on investments of EBITDA.

About the CMAA Group

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

The three units are located in the region known as Triângulo Mineiro, with processing capacity of 9.7 million tons of sugarcane, and produce sugar, anhydrous ethanol, hydrous ethanol, electric energy as well as by-products fusel oil and sugarcane bagasse. Vale do Tijuco, which started operating in April 2010, has a milling capacity of some 5.0 million tons of sugarcane/year. The activities of Vale do Pontal started in May 2016 and the company became part of the Group in July 2018. The milling capacity in its facilities totals some 2.7 million tons of sugarcane/year. Canápolis started its activities in May 2020 and became part of the CMAA Group on September 30, 2020, with a current milling capacity of 2.0 million tons of sugarcane/year.

Performance of Operations

During the crop, 8,472.6 thousand tons of sugarcane were processed, a 6.8% increase compared with the 7,936.5 thousand tons in the same period of previous cycle, with 48.5% of own sugarcane and 51.5% from suppliers. Regarding ATR in the accumulated crop period, the Company continues recording increase of 1.6%, reaching an average ATR of 139.1 kg/ton.

Operational Data	12M23	12M22	Var. (%)
CMAA - Consolidated			
Processed Sugarcane (thousand tons)	8,472.6	7,936.5	6.8%
% Own	48.5%	47.5%	1,0 p.p.
% Third parties	51.5%	52.5%	-1,0 p.p.
ATR (kg/ton of sugarcane)	139.1	136.9	1.6%
Mix Sugar	59.2%	55.5%	3,7 p.p.
Mix Ethanol	40.8%	44.5%	-3,7 p.p.
Production			
Sugar (thousand tons)	658.1	572.5	15.0%
Anhydrous Ethanol (thousand cbm)	109.8	128.6	-14.6%
Hydrous Ethanol (thousand cbm)	200.0	188.2	6.3%
Total Ethanol	**309.8**	**316.8**	**-2.2%**
Energy (thousand MWh)	431.3	359.5	20.0%
Sales			
Sugar (thousand tons)	646.1	563.2	14.7%
Anhydrous Ethanol (thousand cbm)	129.4	104.3	24.1%
Hydrous Ethanol (thousand cbm)	180.0	206.7	-13.0%
Total Ethanol	**309.4**	**311.1**	**-0.5%**
Energy (thousand MWh)	421.6	353.2	19.4%
CBIOS (thousand units)	362.3	241.7	49.9%
Inventories			
Sugar (thousand tons)	14.7	5.5	166.6%
Anhydrous Ethanol (thousand cbm)	4.0	6.2	-35.1%
Hydrous Ethanol (thousand cbm)	1.6	2.1	-23.7%
Total Ethanol	**5.6**	**8.3**	**-32%**

Taking advantage of favorable market conditions and to meet future fixing volumes carried out in the previous cycle, sugar production in the 22/23 crop was 658.1 thousand tons, an increase of 15% compared with the same period of previous year. Regarding ethanol, there was a reduction of 2.2% in total production, anhydrous ethanol production reached 109.8 thousand cbm, a volume 14.6% lower, while hydrous ethanol totaled 200.0 thousand cbm, a 6.3% increase considering the same period of previous year.

As for bioenergy cogeneration, the Company recorded an increase of 20.0% in the accumulated crop period, generation increased from 359.5 thousand MWh to 431.3 thousand MWh, as a result of increased sugarcane processing in the period and improved energy efficiency at the Vale do Pontal unit.

Economic and Financial Performance

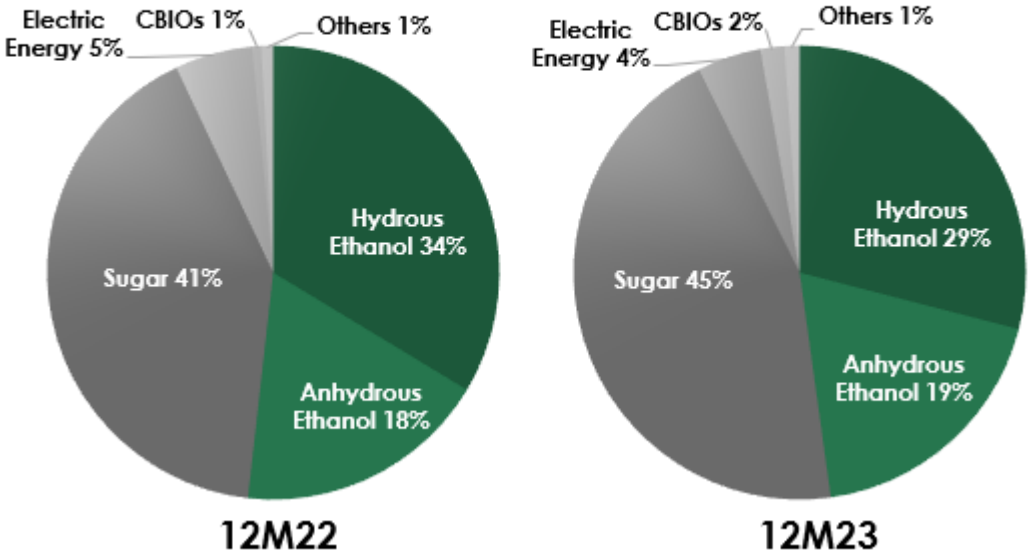
CMAA - Consolidated	12M23	12M22	Var. (%)
In thousands of Reais			
Gross revenue	2,252,655	1,933,365	16.5%
Net revenue	**2,167,225**	**1,797,711**	**20.6%**
Fair Value - Biological Asset in CoGS	-21,854	51,948	-142.1%
CoGS without Fair Value – Biological Asset	-1,587,809	-1,309,990	21.2%
Total CoGS	**-1,609,663**	**-1,258,042**	**28.0%**
Margin CoGS (%)	*74.3%*	*70.0%*	*4.3%*
Gross profit	**557,562**	**539,669**	**3.3%**
Gross margin (%)	*25.7%*	*30.0%*	*-4.3%*
General, selling and other expenses	-163,436	-160,605	1.8%
Operating income	**394,126**	**379,064**	**4.0%**
Operating margin (%)	*18.2%*	*21.1%*	*-2.9%*
Depreciation and amortization	684,556	543,281	26.0%
EBITDA	**1,078,682**	**922,345**	**17.0%**
EBITDA Margin (%)	*49.8%*	*51.3%*	*-1.5%*
Fair Value – Biological Asset in CoGS	21,854	-51,948	-142.1%
Gains and losses on investments	-46	-3,557	-98.7%
Adjusted EBITDA	**1,100,490**	**866,840**	**27.0%**
Adjusted EBITDA margin (%)	*50.8%*	*48.2%*	*2.6%*
Net income	**78,632**	**195,085**	**-59.7%**
Net margin (%)	***3.6%***	***10.9%***	***-7.2%***

In the 22/23 crop, CMAA recorded net income of R$78.6 million, 59.7% lower compared with the same period of previous year. The net margin was 3.6% compared with 10.9% in the same period of comparison, and the main reasons were the higher volumes of sugar and ethanol sales, at better price levels; conversely, there were higher production and logistics costs, and exchange loss in the fair value of the biological assets due to restatement to less of ethanol price estimates with higher costs in the projected future cash flow.

Revenue

GROSS REVENUE BREAKDWON	12M23	12M22	Var. (%)
In thousands of Reais	0	0	Var. (%)
Domestic market	**1,175,002**	**1,107,857**	**6.1%**
Hydrous ethanol	653,382	711,076	-8.1%
Anhydrous ethanol	355,466	324,115	9.7%
Hedge Accounting Ethanol	0	-96,917	-
VHP sugar	339	33,067	-99.0%
Electric energy	102,652	107,515	-4.5%
CBIOs	38,488	12,520	207.4%
Other	24,675	16,482	49.7%
Foreign market	**1,077,653**	**825,508**	**30.5%**
VHP sugar	1,297,759	990,281	31.0%
Hedge Accounting VHP Sugar	-287,908	-227,703	26.4%
Anhydrous ethanol	67,802	62,930	-
Total gross revenue	**2,252,655**	**1,933,365**	**16.5%**
Hydrous ethanol	653,382	650,199	0.5%
Anhydrous ethanol	423,268	351,005	20.6%
Total Ethanol	**1,076,650**	**1,001,204**	**7.5%**
Sugar	1,010,190	795,645	27.0%
Electric energy	102,652	107,515	-4.5%
CBIOs	38,488	12,520	207.4%
Other	24,675	16,482	49.7%

Breakdown Gross Revenue



In the 22/23 cycle (12M12), gross revenue, in general, increased 16.5% , reaching R$2,252.6 billion. Revenue from ethanol increased by around 7.5% in the accumulated crop period, and gross revenue from sale of sugar increased

by around 27.0%. Revenue from sale of CBIOs also increased by 207.4% compared with the accumulated same period of the 2021/2022 crop, totaling 38.4 million.

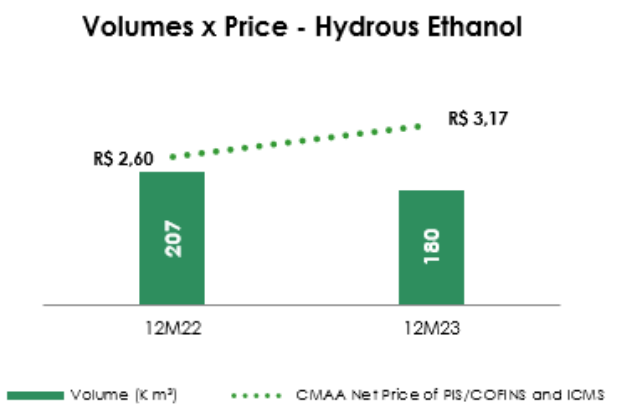
Ethanol

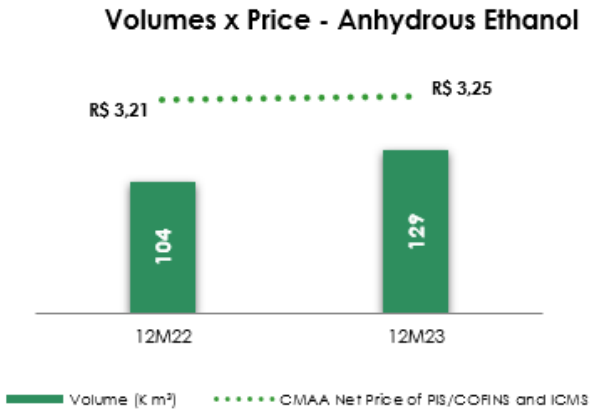
Although the beginning of the crop was marked by higher prices, the ethanol market showed a drop in prices and demand over the crop period due to changes in price parity with gasoline, resulting from tax exemptions (ICMS, PIS and COFINS) that impacted the entire fuel sales chain.

As part of the ethanol sales were already fixed at good price levels and the Company has been delivering this volume during the crop, average sales prices were higher than those charged by the market, which ensured us a better average price compared with the same period of previous fiscal year. The Company also took advantage of occasional opportunities for ethanol exports in the period, at price levels that resulted in better margins for the Company in the quarter (around 20 thousand cbm of ethanol).

As part of the gross revenues realized by the Company in the accumulated crop period bear different tax burdens, either due to the decrease in the Value-Added Tax on Sales and Services (ICMS), or zero PIS/Cofins rate in most of the months of the cycle, which directly impact the respective gross price. For comparison purposes, we present ethanol based on net prices of PIS, COFINS and ICMS in the current period and in the comparison period.

Until the end of the cycle, driven by the high price of sugar in the foreign market, low supply of hydrated and anhydrous ethanol, and favorable parity with gasoline prices, ethanol prices had an increase in the average for the period. Aiming to capture the best price moments during the crop, CMAA sold a total of 179.9 thousand cbm of hydrous ethanol, with an average net price of R$3.17/liter, higher than in the same period of prior crop of R$2.60/liter. Regarding anhydrous ethanol, 129.4 thousand cbm were sold at an average net price of R$3.25, slightly higher than the average net price of for same previous period, which was R$3.21/liter.

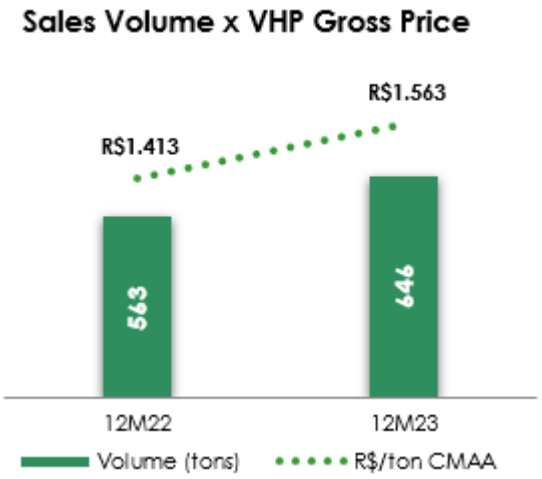




VHP

Until the end of the cycle, 646.1 thousand tons of sugar were sold almost entirely in the foreign market, which represents an increase of 14.7% compared with the 563.17 thousand tons sold in the same period last year. The pace of sales was higher in recent quarters due to the pace of crop production and transportation/shipment of sugar at the port. Although lower than the current *Spot* prices in the sugar market, the prices practiced by CMAA were 10.7%

higher than those practiced in the same period of previous year, reaching an average price of R$1,563 per ton, already considering the Hedge Accounting effects of price fixings carried out in previous years.



Cost of goods sold

CoGS	12M23	12M22	Var. (%)
In thousands of Reais			
Amortization of treatment costs	177,237	113,713	55.9%
Amortization of planting costs	113,441	93,620	21.2%
Purchase of sugarcane on conveyor	568,152	517,331	9.8%
Amortization of right of use and agricultural partnerships	154,509	125,971	22.7%
Depreciation	75,087	69,163	8.6%
Amortization of off-season costs	157,358	132,983	18.3%
Cutting, loading and transportation (CCT) costs	241,854	190,128	27.2%
Industrial costs	133,954	97,947	36.8%
Cost of services rendered	30,442	20,081	51.6%
Other costs	3,005	726	313.9%
Changes in fair value of biological assets	21,854	-51,947	-142.1%
PIS and COFINS credits on inputs	-67,230	-51,674	30.1%
Total	**1,609,663**	**1,258,042**	**28.0%**
CoGS breakdown per good			
Sugar	843,837	639,298	32.0%
Ethanol	688,176	623,624	10.4%
Energy	20,214	14,977	35.0%
Other	57,436	-19,856	-389.3%
Total CoGS	**1,609,663**	**1,258,042**	**28.0%**
ATR Sold ('000 Tons)	1,142	1,056	8.2%
Unit Cost (CoGS Sugar and Ethanol/ATR)	1,341	1,196	12.2%

The cost of goods sold (CoGS) increased by 28.8% over the same prior-year period, already considering the effects of changes in the fair value of biological assets, effect of the higher volumes of goods sold. Another significant factor

was the increase in total production costs, which occurred, among the main impacts, entailed by the amortization of cultural treatment costs that were disbursed in the previous period to ensure the best yield of the sugarcane field in the face of the adverse climate situations in that crop and higher costs of agricultural inputs. Also, higher industrial costs due to the increase in the price of inputs, maintenance and labor, in addition to higher sugarcane Cutting, Loading and Transporting (CCT) costs due to the higher diesel prices and higher maintenance costs observed in the crop.

Operating Expenses

The Company's selling expenses reached R$172.5 million in 12M23, 34.0% higher than that recorded in the same period of previous cycle, mainly due to the increase in freight prices for sending sugar to port terminals and the higher volume of sugar sold.

Selling expenses	12M23	12M22	Var. (%)
In thousands of Reais			
Freight and carriage	147,233	100,361	46.7%
Tariffs arising from distribution of electric energy	6,609	7,919	-16.5%
Personnel expenses	5,735	5,026	14.1%
Other selling expenses	9,876	12,564	-21.4%
Depreciation and amortization	3,066	2,907	5.5%
Grand total	**172,519**	**128,777**	**34.0%**

Administrative expenses increased by 4.6% in 12M23 over the same prior-year period. There was an increase in personnel expenses due to the greater number of workers in the administrative department to better support the Company's constant operational growth, in addition to the effect of the collective bargaining agreement applied in the year. At the same time, the third-party services account showed a reduction in the period with the internalization of various activities.

Administrative expenses	12M23	12M22	Var. (%)
In thousands of Reais			
Personnel expenses	29,235	24,971	17.1%
Third-party services	13,223	19,635	-32.7%
Other administrative expenses	14,588	8,741	66.9%
Depreciation and amortization	3,428	4,493	-23.7%
Grand total	**60,474**	**57,840**	**4.6%**

Financial Result and Bank Indebtedness

The net financial result accumulated until March 31, 2023 was negative by R$326.9 million, 36.8% higher than the negative R$238.9 million reported for the same prior-year period, mainly impacted by the increase in interest rates and the future curves of CDI and IPCA on the fair value of derivative financial instruments hedging the Company's debt. Finance income increased by 3.3%, while finance expenses increased by 20.1%.

Finance income (expenses), net	12M23	12M22	Var. (%)
In thousands of Reais			
Finance income	246,694	238,875	3.3%
Finance expenses	-573,551	-477,739	20.1%
Grand Total	**-326,857**	**-238,864**	**36.8%**

Financial Result	12M23	12M22	Var. (%)
In thousands of Reais			
Interest on loans and financing	-204,068	-161,715	26.2%
Short-term investment yield	40,221	18,421	118.3%
Gain/losses on fair value adjustment - derivatives	-35,890	-7,936	352.2%
Tax on Financial Transactions (IOF)	-11,914	-7,642	55.9%
Foreign exchange differences	-10,544	19,465	-154.2%
Bank fees	-13,696	-11,733	16.7%
Other finance income and expenses	-3,199	-14,869	-78.5%
Fair value adjustment - leases	-87,767	-72,855	20.5%
Total	**-326,857**	**-238,864**	**36.8%**

Gross debt reached the amount of R$1.7 billion, 0.9% lower at March 31, 2023. Net debt reached the amount of R$920.3 million at March 31, 2023, 14.8% higher than that recorded at March 31, 2022 due to the reduction in Cash and cash equivalents, an effect of the Company's strategy in managing payments and very short-term receivables (which in this crop had a considerable increase due to the high production costs, derived from the increase in inputs and fuel due to the war between Russia and Ukraine), in addition to constant investments made to modernize the Company's efficiency growth, with maintenance of manufacturing facilities, of sugarcane production areas and gradual irrigation project at Vale do Pontal mill and payment of dividends to shareholders which, as a result, led to the need for new funding.

In 4Q23, Vale do Pontal carried out the 1st issue of Non-privileged Unsecure Nonconvertible Debentures, backing Agribusiness Receivables Certificates ("CRA") of the 234th (two hundred and thirty-fourth) issue of ECO SECURITIZADORA DE DIREITOS CREDITÓRIOS DO AGRONEGÓCIO S.A. in the amount of R$200 million, maturing in the 7th and 8th year. This amount helped maintain the Company's high levels of cash and liquidity.

Indebtedness	03/31/23	03/31/22	Var. (%)
In thousands of Reais			
Export Credit Bill ("CCE")	58,414	148,111	-60.6%
Fund for Financing the Acquisition of Industrial Machinery and Equipment (FINAME)	166,237	174,300	-4.6%
Working capital	86,862	128,536	-32.4%
Agribusiness Receivables Certificate ("CRA")	1,453,227	1,299,735	11.8%
Deferred expenses	-46,970	-48,085	-2.3%
Total Gross Debt	**1,717,770**	**1,702,597**	**0.9%**
Cash and Cash Equivalents	797,511	900,795	-11.5%
Net Debt	**920,259**	**801,802**	**14.8%**
Capital stock	503,892	503,892	0.0%
Processed Sugarcane (thousand tons)	8,473	7,936	6.8%
Adjusted EBITDA	1,100,490	866,840	27.7%
Ratio (Net debt / Capital Stock)	**1.83**	**1.59**	**15.1%**
Ratio (Net debt / Processed Sugarcane - thousand tons)	**108.6**	**101.0**	**7.5%**
Ratio (Net debt / Adjusted EBITDA)	**0.84**	**0.93**	**-10.1%**

It should be stressed that in the Company's Risk Management there is a breakdown between loans negotiated at different indexes, partially insured by the Extended Consumer Price Index ("IPCA") and by the Interbank Deposit Certificate ("CDI"). As these interest rate swap operations are often carried out by means other than the original operation, measured at fair value and which impacts the Company's results according to the variation in this fair value (calculated based on the future index curves) throughout the operation, they become fully effective only upon financial settlement, when the accumulated effect on the result will reflect the actual result of the operation's hedge. Therefore, gains and/or losses on these swap instruments require specific analysis to better understand our actual responsibility.

In the year ended March 31, 2023, Ernst & Young Auditores Independentes S.S. did not provide services other than audit services.

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A free translation from Portuguese into English of Independent Auditor's Report on the Individual and Consolidated Financial Statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB)

Independent auditor's report on individual and consolidated financial statements

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

Opinion

We have audited the individual and consolidated financial statements of Companhia Mineira de Açúcar e Álcool Participações (the "Company"), identified as individual and consolidated, respectively, which comprise the statements of financial position as at March 31, 2023, and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at March 31, 2023, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing.
Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's Federal Accounting Council (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

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We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the individual and consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Fair value measurement of biological assets

As disclosed in Notes 7g and 13 to the individual and consolidated financial statements, the Company measures the biological assets of its subsidiaries, which correspond to the sugarcane agricultural product under development, based on its fair value, calculated based on the discounted cash flow from the crop in formation. This measurement is a significant estimate based on various assumptions and methodologies adopted by the Company's executive board, for which internal and external information was used, mainly related to productivity, profitability, prices and discount rate. As at March 31, 2023, the Company had a balance of R$317,322 thousand under the biological assets account, in the consolidated current assets.

Due to the materiality of the amounts under biological assets recorded by the Company and the uncertainties inherent in the fair value estimate of biological assets, as well as the necessary judgment that must be exercised by the executive board in determining the assumptions for calculating their fair value, this matter was considered significant for our audit.

How our audit addressed this matter:

As part of our audit procedures, but not limited to, we (i) understood and analyzed the model used to estimate the fair value less selling expenses of biological assets; (ii) involved our valuation specialists to assist us in evaluating the assumptions and methods used by the Company, particularly relating to estimates of productivity, profitability, prices and interest rates for discounting cash flows; (iii) assessed the adequacy of the disclosures made by the Company regarding the assumptions used in the fair value measurement of biological assets, as well as their impact on the net income for the year.

Based on the audit procedures performed on the fair value measurement of biological assets, which is consistent with the executive board's assessment, we consider that the criteria and assumptions of the fair value of the respective biological assets, as well as the related disclosures in Notes 7g and 13, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Recognition and measurement of derivative financial instruments and hedge accounting

As disclosed in Notes 7j and 25 to the individual and consolidated financial statements, the Company takes out derivative financial instruments, and for certain of them, the executive board uses hedge accounting in order to hedge against the volatility risks of the commodities price, exchange rates and interest rates. To be able to apply the hedge accounting method, the Company must comply with certain requirements set forth in the accounting standards, including, but not limited to, formal documentation of the designation for hedge accounting, realization of effectiveness test and accounting for any inefficiency in the statement of income. Given the technical requirements applicable to hedge accounting as well as in the event of a designation or proof of ineffectiveness with a potential risk of misstatement of the financial statements, this was considered a key audit matter.

How our audit addressed this matter:

As part of our audit procedures we conducted on a sampling basis, but not limited to, (i) the involvement of our specialists in derivative financial instruments to assist us in determining the adequacy of the supporting documentation of hedge relationships, as well as the reasonableness of the key assumptions used to measure the fair value of derivative financial instruments; (ii) the review of contracts; (iii) sending confirmation letters to the counterparties to the respective contracts; (iv) review of the executive board's policies and memoranda that formally document the designation for hedge accounting; (v) examination of effectiveness tests to assess whether the hedging relationships are effective and whether they have been properly derived; and (vi) analysis of the adequacy of the Company's disclosures in explanatory notes 7j and 25 to the financial statements.

Based on the audit procedures performed on the recognition and measurement of derivative financial instruments subject to hedge accounting, which is consistent with the executive board's assessment, we consider that the criteria used and documents maintained by the Company to use hedge accounting, as well as the respective disclosures in Notes 7j and 25, are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added for the year ended March 31, 2023, prepared under the responsibility of Company's executive board, and presented as supplementary information for IFRS purposes, were submitted to audit procedures conducted together with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the above-mentioned accounting pronouncement, and are consistent in relation to the overall individual and consolidated financial statements.

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Other information accompanying the individual and consolidated financial statements and the auditor's report

The executive board is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

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

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as the executive board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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Auditor's responsibilities for the audit of the individual and consolidated financial statements

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

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

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.

- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.

- Concluded on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope, the timing of the audit and significant audit findings, including deficiencies in internal control that we may have identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Goiânia, June 01, 2023.

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



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

Companhia Mineira de Açúcar e Álcool Participações

Statements of financial position
As of March 31, 2023 and 2022
(In thousands of reais)

		Individual		Consolidated	
	Note	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Assets					
Current assets					
Cash and cash equivalents	8	**6,537**	14	**794,555**	891,989
Short-term investments	9	**-**	-	**2,956**	6,481
Accounts receivable	10	**-**	8,850	**28,537**	53,591
Leases receivable	11	**-**	-	**79,426**	84,430
Inventories	12	**-**	-	**125,907**	91,878
Biological assets	13	**-**	-	**317,322**	300,813
Taxes recoverable	14	**147**	190	**152,489**	38,588
Advances to suppliers and other assets	15	**-**	-	**16,355**	14,443
Derivative financial instruments	25	**-**	-	**70,958**	52,962
Total current assets		**6,684**	9,054	**1,588,505**	1,535,175
Noncurrent assets					
Financial investments	9	**-**	-	**-**	2,325
Accounts receivable	10	**-**	-	**11,330**	43,285
Leases receivable	11	**-**	-	**412,455**	412,584
Taxes recoverable	14	**-**	66	**26,282**	26,570
Judicial deposits		**-**	11	**1,136**	1,060
Derivative financial instruments	25	**-**	-	**95,832**	176,247
Deferred income taxes	26	**-**	-	**214,984**	216,911
Investments	16	**595,627**	445,067	**11,105**	9,514
Property, plant and equipment	17	**-**	-	**1,486,089**	1,283,474
Intangible assets		**-**	-	**5,455**	6,384
Right of use	18	**-**	-	**1,086,123**	1,025,033
Total noncurrent assets		**595,627**	445,144	**3,350,791**	3,203,387
Total assets		**602,311**	454,198	**4,939,296**	4,738,562

	Note	Individual		Consolidated	
		03/31/2023	03/31/2022	03/31/2023	03/31/2022
Liabilities and equity					
Current liabilities					
Loans and financing	19	**-**	-	**257,835**	226,576
Suppliers and other payables	20	**97**	337	**257,058**	230,296
Leases and agricultural partnerships payable	21	**-**	-	**292,469**	270,000
Advances from customers	22	**-**	-	**27,063**	218,854
Derivative financial instruments	25	**-**	-	**306,782**	400,520
Provisions and labor charges		**-**	-	**59,233**	46,160
Tax obligations		**6,453**	6,441	**14,382**	28,155
Other liabilities		**-**	-	**799**	67
Total current liabilities		**6,550**	6,778	**1,215,621**	1,420,628
Noncurrent liabilities					
Loans and financing	19	**-**	-	**1,459,935**	1,476,021
Suppliers and other payables	20	**-**	-	**17,693**	798
Leases and agricultural partnerships payable	21	**-**	-	**1,273,703**	1,215,939
Advances from customers	22	**-**	-	**350,677**	35,027
Provision for legal proceedings	23	**-**	-	**712**	1,459
Intercompany loans	31	**-**	1,337	**-**	-
Tax obligations		**-**	-	**757**	-
Derivative financial instruments	25	**-**	-	**24,437**	142,607
Total noncurrent liabilities		**-**	1,337	**3,127,914**	2,871,851
Equity	24				
Capital stock		**503,892**	503,892	**503,892**	503,892
Capital reserve		**4,164**	4,164	**4,164**	4,164
Income reserves		**210,291**	246,659	**210,291**	246,659
Equity adjustment		**(122,586)**	(308,632)	**(122,586)**	(308,632)
Total equity		**595,761**	446,083	**595,761**	446,083
Total liabilities and equity		**602,311**	454,198	**4,939,296**	4,738,562

See accompanying notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of income
Years ended March 31, 2023 and 2022
(In thousands of reais, except for earnings per share - in reais)

	Note	Individual		Consolidated	
		2023	2022	2023	2022
Net revenue	27	**-**	-	**2,167,225**	1,797,711
Cost of sales and services	28	**-**	-	**(1,609,663)**	(1,258,042)
Gross profit		**-**	-	**557,562**	539,669
Selling expenses	28	**-**	-	**(172,519)**	(128,777)
Administrative expenses	28	**(1,579)**	(2,724)	**(60,474)**	(57,840)
Other operating income (expenses), net	28	**(39)**	(3,681)	**69,511**	25,809
Equity pickup	16	**79,514**	201,600	**46**	203
		77,896	195,195	**(163,436)**	(160,605)
Income before finance income (expenses), net and income taxes		**77,896**	195,195	**394,126**	379,064
Finance expenses	29	**(12)**	(112)	**(573,551)**	(477,739)
Finance income	29	**748**	2	**246,694**	238,875
Finance income (expenses), net		**736**	(110)	**(326,857)**	(238,864)
Income before income taxes		**78,632**	195,085	**67,269**	140,200
Current income taxes	26	**-**	-	**(45,416)**	(6,206)
Deferred income taxes	26	**-**	-	**56,779**	61,091
		-	-	**11,363**	54,885
Net income for the year		**78,632**	195,085	**78,632**	195,085
Basic and diluted earnings per share (in reais)	30	**0.0625**	0.1550	**0.0625**	0.1550

See accompanying notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of comprehensive income
Years ended March 31, 2023 and 2022
(In thousands of reais)

	Individual		Consolidated	
	2023	**2022**	**2023**	**2022**
Net income for the year	**78,632**	195,085	**78,632**	195,085
Other comprehensive income to be reclassified to the statement of income in subsequent years:				
Net gains (losses) on cash flow hedge - effective	**-**	-	**72,085**	(72,085)
Net gains on cash flow hedge -- future	**-**	-	**172,667**	180,414
Actuarial liabilities – health care insurance			**-**	548
Tax effects on future hedge gains (losses) and actuarial liabilities	**-**	-	**(58,706)**	(61,527)
Equity pickup arising from effects on subsidiaries	**186,046**	47,350	**-**	-
Total comprehensive income	**264,678**	242,435	**264,678**	242,435

See accompanying notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of changes in equity
Years ended March 31, 2023 and 2022
(In thousands of reais)

			Income reserves				
	Capital stock	Capital reserve	Legal reserve	Tax incentive reserve	Equity adjustment	Retained earnings	Total equity
Balance at April 1, 2021	503,892	4,164	8,808	102,759	(355,981)	-	263,642
Net gains on cash flow hedge	-	-	-	-	46,988	-	46,988
Distribution of dividends	-	-	-	(60,000)	-	-	(60,000)
Net income for the year	-	-	-	-	-	195,085	195,085
Equity adjustments in investees	-	-	-	(2)	(1)	9	6
Recognition of legal reserve	-	-	9,754	-	-	(9,754)	-
Recognition of tax incentive reserve	-	-	-	185,340	-	(185,340)	-
Actuarial liabilities - health care insurance	-	-	-	-	362	-	362
Balances at March 31, 2022	503,892	4,164	18,562	228,097	(308,632)	-	446,083
Balance at April 1, 2022	**503,892**	**4,164**	**18,562**	**228,097**	**(308,632)**	**-**	**446,083**
Net gains on cash flow hedge	**-**	**-**	**-**	**-**	**186,046**	**-**	**186,046**
Net income for the year	**-**	**-**	**-**	**-**	**-**	**78,632**	**78,632**
Recognition of legal reserve	**-**	**-**	**3,932**	**-**	**-**	**(3,932)**	**-**
Recognition of tax incentive reserve	**-**	**-**	**-**	**74,700**	**-**	**(74,700)**	**-**
Distribution of dividends	**-**	**-**	**-**	**(115,000)**	**-**	**-**	**(115,000)**
Balance at March 31, 2023	**503,892**	**4,164**	**22,494**	**187,797**	**(122,586)**	**-**	**595,761**

See accompanying notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of cash flows
Years ended March 31, 2023 and 2022
(In thousands of reais)

	Individual		Consolidated	
	2023	2022	2023	2022
Cash from operating activities				
Income before income taxes	**78,632**	195,085	**67,269**	140,200
Adjustments to reconcile income:	**-**			
Interest on lease	**-**	-	**87,767**	72,855
Changes in fair value of biological assets	**-**	-	**21,854**	(51,947)
Depreciation and amortization	**-**	-	**684,556**	542,850
Equity pickup	**(79,514)**	(201,600)	**(46)**	(203)
Proceeds from disposal of property, plant and equipment	**-**	-	**1,596**	10,140
Interest on loans and financing	**-**	-	**204,068**	161,715
Allocation of transaction costs	**-**	-	**13,315**	-
Interest and IOF on related-party transactions	**-**	-	**3,388**	6,041
Foreign exchange difference and monetary adjustment	**-**	-	**-**	(22,349)
Unrealized gains on derivative financial instruments	**-**	-	**23,178**	(17,199)
Reversal of allowance for expected credit losses	**-**	-	**-**	(1,339)
Allowance for inventory obsolescence	**-**	-	**515**	409
Provision for legal proceedings	**-**	-	**(747)**	(769)
Foreign exchange differences and monetary adjustment- customers			**(1,154)**	(1,488)
Restatement of other investments	**-**	-	**(1,545)**	(4,384)
Write-off of intangible assets	**-**	4,922	**-**	5,410
Write-off of rent and lease agreements	**-**	-	**(1,020)**	(10,347)
ICMS credit granted	**-**	-	**(64,081)**	-
Other	**10**	-	**2,645**	(2,148)
	(872)	(1,593)	**1,041,558**	827,447
Decrease (increase) in accounts receivable	**-**	-	**27,323**	24,299
Increase (decrease) in financial instruments	**-**	-	**72,086**	(56,683)
Decrease (increase) in inventories	**-**	-	**(25,090)**	(38,339)
Decrease (increase) in taxes recoverable	**109**	(1)	**(58,845)**	(1,705)
Decrease (increase) in advances to suppliers and other assets	**-**	89	**(1,912)**	4,968
(Decrease) increase in suppliers and other payables	**(240)**	31	**47,338**	8,327
(Decrease) increase in provisions and labor charges	**-**	-	**13,073**	10,027
(Decrease) increase in tax obligations	**13**	(68)	**(23,046)**	9,594
(Decrease) increase in advances from customers	**-**	(27)	**123,859**	37,521
Other assets and other liabilities	**-**	(171)	**659**	(1,406)
Payment of legal claims	**-**	(31)	**-**	(2,541)
Payment of income taxes	**-**	-	**(36,104)**	(7,699)
Cash from (used in) operating activities	**(990)**	(1,771)	**1,180,899**	813,810
Cash from investing activities				
Redemption of restricted short-term investments	**-**	-	**5,850**	5,259
Formation of biological asset	**-**	-	**(214,450)**	(166,464)
Proceeds from disposal of property, plant and equipment	**-**	-	**2,947**	(3,198)
Acquisition of property, plant and equipment	**-**	-	**(557,587)**	(395,246)
Acquisition of intangible assets	**-**	(3,623)	**(755)**	(3,956)
Dividend received	**115,000**	23,691	**-**	-
Cash from (used in) investing activities	**115,000**	20,068	**(763,995)**	(563,605)
Cash from financing activities				
Loans and financing taken out, net of transaction costs	**-**	-	**384,743**	761,771
Repayment of principal of loans and financing	**-**	-	**(413,335)**	(313,529)
Payment of foreign exchange differences and interest on loans and financing	**-**	-	**(173,680)**	(92,876)
Intercompany loans (paid)/taken out	**7,513**	41,456	**37,541**	1,216
Payment of leases and agricultural partnerships, net of receipts	**-**	-	**(234,607)**	(166,974)
Payment of dividends	**(115,000)**	(60,000)	**(115,000)**	(60,000)
Cash from (used in) financing activities	**(107,487)**	(18,544)	**(514,338)**	129,608
Net increase (decrease) in cash and cash equivalents	**6,523**	(247)	**(97,434)**	379,813
Cash and cash equivalents at beginning of year	**14**	261	**891,989**	512,176
Cash and cash equivalents at end of year	**6,537**	14	**794,555**	891,989

See accompanying notes to individual and consolidated financial statements.

Companhia Mineira de Açúcar e Álcool Participações

Statements of value added
Years ended March 31, 2023 and 2022
(In thousands of reais)

	Individual		Consolidated	
	2023	**2022**	**2023**	**2022**
Revenues				
Sales of goods, products and services	**-**	-	**2,252,655**	1,933,365
Other revenues	**71**	87	**79,189**	33,887
	71	87	**2,331,844**	1,967,252
Inputs acquired from third parties				
Cost of goods and products sold and services rendered	**-**	-	**(837,595)**	(641,082)
Materials, electricity, third-party services and others	**(1,579)**	(1,461)	**(231,668)**	(187,390)
Other	**(110)**	(3,755)	**(12,538)**	(6,498)
	(1,689)	(5,216)	**(1,081,801)**	(834,970)
Gross value added	**(1,618)**	(5,129)	**1,250,043**	1,132,282
Depreciation and amortization	**-**	(1,275)	**(684,556)**	(542,850)
Net value added produced by the Company	**(1,618)**	(6,404)	**565,487**	589,432
Value added received in transfer				
Equity pickup	**79,514**	201,600	**46**	203
Finance income	**748**	1	**246,695**	238,875
Total value added to be distributed	**78,644**	195,197	**812,228**	828,510
Personnel	-	-	**163,716**	130,740
Direct compensation	-	-	**114,413**	91,210
Benefits	-	-	**41,097**	34,200
Unemployment Compensation Fund (FGTS)	-	-	**8,206**	5,330
Taxes, charges and contributions	-	-	**(768)**	25,467
Federal taxes	-	-	**(15,748)**	(8,266)
State taxes	-	-	**14,884**	33,700
Other taxes	-	-	**96**	33
Debt remuneration	12	112	**570,648**	477,218
Interest on loans and financing	-	-	**204,068**	161,715
Exchange differences and derivative expenses	-	-	**196,507**	165,077
Rents	-	-	**130,662**	108,543
Other	12	112	**39,411**	41,883
Equity remuneration	**78,632**	195,085	**78,632**	195,085
Net income for the year	**78,632**	195,085	**78,632**	195,085
Value added distributed	**78,644**	195,197	**812,228**	828,510

See accompanying notes to individual and consolidated financial statements.

1. Operations

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

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

The Company is the Parent of the following entities:

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

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

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

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

Subsidiary Ituiutaba Energia is in the pre-operating stage, it became part of the CMAA Group on January 1, 2022. It was established for the purpose of generating and selling electricity through the burning of sugarcane bagasse.

CBIOS (carbon credits) - RenovaBio

In the year ended March 31, 2023, 362,283 thousand CBIOS were sold, classified in net revenue. These certificates are mainly traded, after registration, with fuel distributors, which have acquisition targets established by RenovaBio.

RenovaBio is the National Biofuels Policy established by Law No. 13576/2017, with the main purpose of establishing annual national decarbonization targets for the fuel sector, in order to encourage increased production and share of biofuels in the transportation energy matrix of the country. At March 31, 2023, the Company had no CBIOS issued and not traded.

Russia-Ukraine war

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

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

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

2. Group entities

The individual and consolidated financial statements for the years ended March 31, 2023 and 2022 include the Company and its subsidiaries (collectively referred to as the "Group"), listed below:

		Percentage of interest	
Subsidiaries	**Country**	**2023**	**2022**
Vale do Tijuco Açúcar e Álcool S.A. (Vale do Tijuco)	Brazil	100%	100%
Vale do Pontal Açúcar e Etanol S.A (Vale do Pontal)	Brazil	100%	100%
Canápolis Açúcar e Etanol S.A. (Canápolis)	Brazil	100%	100%
Ituiutaba Energia Renovável Ltda. (Ituiutaba Energia)	Brazil	100%	100%

3. Basis of preparation

3.1. Statement of compliance

The individual and consolidated financial statements were prepared by the Company's Management and are presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and also in accordance with the accounting practices adopted in Brazil (BR GAAP), which comprise the Brazilian corporations law, the standards of the Brazilian Securities and Exchange Commission (CVM), the pronouncements, interpretations and guidance issued by the Brazilian Financial Accounting Standards Board – FASB (CPC), as approved by Brazil's Federal Accounting Council (CFC) and CVM.

The Company's financial statements for the year ended March 31, 2023 were authorized for issue by the executive board on June 1, 2023.

All relevant information inherent in the financial statements, and only such information, is being disclosed and corresponds to that used by management to manage the Company's activities.

4. Functional and presentation currency

These financial statements are presented in reais, which is the Group's functional currency. All balances were rounded to the nearest thousand, unless otherwise stated.

5. Use of estimates and judgments

When preparing the individual and consolidated financial statements, management made judgments, estimates and assumptions that affect the application of Group accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

Estimates and assumptions are reviewed on a continuous basis. Reviews of estimates are recognized prospectively.

Uncertainties over assumptions and estimates

Information on uncertainties related to assumptions and estimates that pose a significant risk of resulting in a material adjustment in future years is included in the following notes:

- Notes 10 and 25 – realization of accounts receivable and other receivables;
- Note 12 - allowance for inventory obsolescence;
- Note 17 - useful life of property, plant and equipment;
- Note 18 - amortization of right of use;
- Note 21 - discount rate for calculating lease liabilities and agricultural partnerships payable;
- Note 23 - recognition and measurement of provisions for legal proceedings: significant assumptions on the probability and magnitude of the outflows of funds; and
- Note 26 - recognition of deferred tax assets: estimate of future taxable profit against which tax losses may be used.

Fair value measurement

A series of Group accounting policies and disclosures require the fair value measurement of financial and nonfinancial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; and
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for financial instruments and nonfinancial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

- Note 13 – Biological assets; and
- Note 25 – Financial instruments.

6. Basis of measurement

The financial statements were prepared based on the historical cost, except for the following material items recognized in the statement of financial position:

- Derivative financial instruments are measured at fair value;
- Nonderivative financial instruments designated at fair value through profit or loss are measured at fair value; and
- Biological assets are measured at fair value less cost to sell.

7. Significant accounting policies

The Group applied the accounting policies described below consistently to all years presented in these financial statements.

a) Basis of consolidation

i) *Subsidiaries*

The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements as of the date the Group obtains control until the date on which the control ceases to exist.

The individual financial statements of the subsidiaries are accounted for under the equity method for the purposes of the Company's individual financial statements.

ii) *Transactions eliminated in consolidation*

All intra-group balances and transactions, and any unrealized income or expenses deriving from intra-group transactions, are eliminated on consolidation. Unrealized gains from transactions with investees recorded under the equity method are eliminated against investment to the extent of the Group's interest in investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment loss.

b) Revenue

i) *Sales of products*

Revenue is recognized when the Company fulfills its contractual obligations to the customer, and when it is probable that the Company will receive the consideration to which it is entitled in exchange for the goods or services. For the products sold by the Company, the performance obligations are completed upon delivery of the final product, which is also the moment of revenue recognition. Revenue is measured net of returns and trade discounts.

The timing of the transfer of risks and rewards varies depending on the specific conditions of each sales contract. For sales of sugar and ethanol in the domestic market, the transfer usually occurs when the product is delivered at the customer's site or when it is picked up by the customer at the Group's premises. In the case of sales in the foreign market the transfer takes place upon shipment of the goods onto the corresponding carrier in the seller's dock, given that ocean freight shipping takes place under free on board (FOB) contract.

ii) *Sale of electric power*

Revenue from the sale of electric power generation is recorded based on assured energy and at rates specified under the terms of the supply agreements or at the market price in force, as the case may be. Revenue is recognized when the power is made available in the grid.

As mentioned in Note 27, the Group has a future contract for the sale of electric power.

iii) *Sale of CBIOs*

Revenue from the sale of decarbonization credits ("CBIO") is recorded based on the value of the certificates traded with buyers, mainly fuel distributors, and is recognized when the certificates are transferred to the buyers.

c) Finance income and finance expenses

The Group's finance income (expenses) comprise:

- Gains/losses on derivative financial instruments;
- Exchange gains/losses, net on financial assets and liabilities;
- Interest expenses on leases, loans and financing; and
- Other finance income and expenses.

Interest income and expenses are recognized in the statement of income using the effective interest rate method.

d) Foreign currency

Foreign currency transactions

Foreign currency-denominated transactions are translated into the Group's functional currency (the real) at the exchange rate prevailing on the transaction dates.

Monetary assets and liabilities denominated and calculated in foreign currencies at the statement of financial position date are retranslated into the functional currency at the exchange rate prevailing on that date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate prevailing at the transaction date. Foreign currency differences arising from the translation are usually recognized in the statement of income.

e) Income taxes

Income tax expenses comprise current and deferred income taxes. Current and deferred taxes are recognized in the statement of income unless they are related to items recognized directly in equity or in other comprehensive income.

i) *Current income taxes*

Current income tax is the tax payable calculated on taxable profit for the year. The amount of current taxes payable is recognized in the statement of financial position as a tax asset or liability taking into consideration management's best estimate of the expected amount of taxes to be paid that reflects the uncertainties related to its determination, if any. This amount is measured based on tax rates in effect at the reporting date.

ii) *Deferred income taxes*

Deferred tax assets and liabilities are recognized in relation to temporary differences between the carrying amounts of assets and liabilities for purposes of the financial statements and the corresponding figures used for taxation purposes.

A deferred tax asset is recognized in relation to unused deductible tax losses and temporary differences to the extent that it is probable that future taxable profits will be available against which they will be used. Deferred tax assets are reviewed every statement of financial position date and are reduced to the extent that their realization is no longer probable.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to temporary differences when they are reversed, based on the rates in force at the reporting date.

f) Grants

Government grants consist of economic contributions or benefits, usually in cash, directly granted by the (federal, state or municipal) Government to an entity, subject (or not) to the fulfillment of certain obligations. Although government grants can be in the form of donation of funds or goods, they usually involve arrangements for favorable tax treatments that consist of tax exemption or reduction, or even other mechanisms such as matching credits, tax deferral, etc.

The Group has tax benefits and incentives arising from matching credits and deferral of ICMS tax on the sale of ethanol, which is recorded as a tax deduction or reduction in the statement of income under revenue, and then excluded from federal income tax bases by allocating the related deducted amount in a specific reserve in equity, not subject to distribution to shareholders.

g) Biological assets

Biological assets correspond to agricultural products under development (uncut sugarcane) produced in the plantations of sugarcane (bearer plant), which will be used as raw material in the production of sugar and ethanol when harvested.

These assets are measured at fair value at each reporting date, and any changes in fair value from one year to another are recognized in the statement of income.

The fair value of biological assets was determined using the discounted cash flow method, considering the following assumptions:

(i) Cash inflows obtained by multiplying (i) estimated production, measured in kilos of ATR (Total Recoverable Sugar), and (ii) sugarcane futures market price, which is estimated based on public data and future price estimates of sugar and ethanol; and

(ii) Cash outflows represented by estimated (i) costs required for the biological processing of sugarcane (cultural treatments) until harvest; (ii) costs with Harvest/Cut, Loading and Transportation (CCT); (iii) cost of capital (land and machinery and equipment); (iv) lease and agricultural partnership costs; and (v) taxes on positive cash flow.

h) Inventories

Inventories are carried at the lower of historical cost and net realizable value. The inventory cost is assessed at the average cost of acquisition or production and includes the costs incurred in acquiring inventories, production and processing costs, and other costs incurred in bringing inventories to their existing locations and conditions. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to sell.

i) Property, plant and equipment

i) *Recognition and measurement*

Property, plant and equipment items are measured at historical acquisition or construction cost, less accumulated depreciation and any accumulated impairment losses.

When significant parts of a PPE item have different useful lives, they are recorded as separate PPE items (significant components). Any gains and losses on disposal of a property, plant and equipment item are recognized in the statement of income.

ii) *Subsequent costs*

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the expenses will be earned by the Group. Recurring repair and maintenance costs are recognized in the statement of income when incurred.

iii) *Maintenance costs*

The maintenance cost of a property, plant and equipment component is recognized in the carrying amount of the item, when it is likely that the economic benefits embodied therein will flow to the Company and its cost can be reliably measured. The carrying amount of the component that has been replaced by another is derecognized. Daily maintenance costs of property, plant and equipment items are recognized in the statement of income as incurred.

The subsidiaries perform annual maintenance in their manufacturing units, usually in the period from December to March. Significant maintenance costs include labor costs, materials, external services and indirect overhead allocated during the off-season. These costs are accounted for as a component of the equipment cost and depreciated during the next crop. Any other type of expense, which does not increase its useful life or maintain its milling capacity, is recognized in the statement of income as an expense.

iv) *Depreciation*

Depreciation is calculated to amortize the cost of intangible asset items, less their estimated residual values, using the straight-line method based on the estimated useful lives of the items. Depreciation is recognized in the statement of income and in the production cost. Land is not depreciated.

The depreciation methods, useful lives and residual values are reviewed at each statement of financial position date and adjusted if appropriate.

The estimated useful lives as well as the weighted average annual rates for the years ended March 31, 2023 and 2022 are as follows:

	Consolidated	
	Years	Average rates
Industrial equipment	13	7.69%
Constructions and buildings	20	5.00%
Paving	7	14.29%
Vehicles	5	20.00%
Agricultural equipment	5	20.00%
Machinery, equipment and tools	7	14.29%
Furniture and fixtures	8	12.50%
Computers and peripherals	4	25.00%
Expenses with off-season maintenance	1	100.00%
Permanent crop	5	20.00%
Other	6	16.67%

j) Financial instruments

i) *Financial assets*

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss.

The classification of financial assets upon initial recognition depends on the characteristics of the contractual cash flows of the financial asset and the Group's business model for the management of these financial assets. With the exception of trade and other receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus transaction costs in the case of an asset not measured at fair value through profit or loss. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined in accordance with CPC 47.

For a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, it must generate cash flows that represent "solely payments of principal and Interest (also referred to as the "SPPI" test) on the principal amount outstanding. This assessment is performed at an instrument level.

The Group's business model for managing financial assets refers to how financial assets are managed to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, from sale of financial assets, or from both.

Purchases or sales of financial assets that require these assets to be delivered within a period established by market convention or regulations (regular negotiations) are recognized at transaction date, i.e. the date on which the Group commits to purchase or sell the asset.

Subsequent measurement

For subsequent measurement purposes, financial assets are classified into four categories, as follows:

- Financial assets at amortized cost (debt instruments).
- Financial assets at fair value through other comprehensive income with reclassification of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through other comprehensive income with no reclassification of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

This category is the most significant for the Group. The Group measures financial assets at amortized cost if both the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses are recognized in the statement of income when the asset is written off, modified or impaired.

The Group's financial assets at amortized cost include accounts receivable, advances to suppliers and related parties.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition as at fair value through profit or loss or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired to be sold or repurchased in the short term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they

are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria used to classify debt instruments at amortized cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if this eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired.
- The Group has transferred its rights to receive cash flows from the asset or has undertaken to fully pay the cash flows received, without material delay, to a third party under a pass-through arrangement; and (a) the Group has substantially transferred all risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control over it.

When the Group has transferred its rights to receive cash flows from an asset or has assumed the obligation to pass those cash flows on under an arrangement, it evaluates whether, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control over the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In this case, the Group also recognizes a related liability. The transferred asset and the related liability are measured based on rights and obligations that the Group retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of: (i) the amount of the asset; and (ii) the maximum amount of consideration received that the entity could be required to repay (the guarantee amount).

Impairment of financial assets

The Group recognizes an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between contractual cash flows due under the agreement and all cash flows that the Group expects to receive, discounted at an effective interest rate that approximates the original transaction rate. The expected cash flows will include cash flows from the sale of guarantees held or other credit enhancements that are integral parts of the contractual terms.

Expected credit losses are recognized in two stages. For credit exposures for which there has been no significant increase in credit risk since the initial recognition, the expected credit losses are accrued for credit losses resulting from possible default events in the next 12 months (12-month expected credit loss). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss).

For receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses. Therefore, the Company tracks changes in credit risk and recognizes a loss allowance based on lifetime expected credit losses at each reporting date.

The Group considers a financial asset to be in default when the contractual payments have been overdue for over 180 days. However, in certain cases, the Group may also consider that a financial asset is in default when internal or external information indicates that it is unlikely that contractual amounts outstanding will be received before taking into account any credit enhancements maintained by the Group. A financial asset is written off when there is no reasonable expectation of recovery of contractual cash flows.

ii) *Financial liabilities*

Initial recognition and measurement

Upon initial recognition, financial liabilities are classified as financial liabilities at fair value through profit or loss, financial liabilities at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are initially measured at fair value increased or decreased by, in the case financial liabilities other than at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

The Group's financial liabilities include suppliers and other payables, loans and financing, advances from customers, leases payable and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities initially recognized at fair value through profit or loss.

Financial liabilities are classified as held for trading if incurred for repurchase in the short term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in the hedge relationships defined by CPC 48.

Gains or losses on liabilities held for trading are recognized in the statement of income.

Financial liabilities initially recognized at fair value through profit or loss are designated at the initial recognition date, and only if the CPC 48 criteria are satisfied.

The Group did not designate any financial liability at fair value through profit or loss, except for derivative financial instruments that were not designated as hedging instruments.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans, borrowings and financing are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of income when the liabilities are derecognized, and through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate method. The effective interest rate amortization is included as finance expenses in the statement of income.

This category generally applies to suppliers and other payables, lease and agricultural partnerships payable, and interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iii) *Derivative financial instruments, including hedge accounting*

The Group enters into derivative financial instruments to hedge its exposure to currency and interest rate risks.

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Upon initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instruments and the hedged items, including the risk management objectives and the strategy in the execution of the hedge transaction and the hedged risk, together with the methods that will be used to evaluate the effectiveness of the hedge. For a cash flow *hedge* of a forecast transaction, the transaction should be highly probable and should have an exposure to changes in the cash flows that in the end could affect the reported income. Derivatives are initially measured at fair value, and any attributable transaction costs are recognized in the statement of income as incurred. After their initial recognition, derivatives are measured at fair value, and changes in fair value are recognized in the statement of income.

Cash flow hedge

When a derivative is designated as a hedging instrument to *hedge* the changes in cash flows, the effective portion of changes in fair value of the derivative is recognized in other comprehensive income and presented within "Equity adjustment" in equity. Any ineffective portion of changes in fair value of the derivative is recognized immediately in the statement of income. The accumulated amount held in Equity adjustment is reclassified to the statement of income in the same period in which the hedged item affects the statement of income. If (i) the forecast transaction is no longer expected to occur, (ii) the hedge no longer meets the criteria for hedge accounting, (iii) the hedging instrument expires or is sold, terminated or exercised, or has its designation revoked, hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, the balance in other comprehensive income is reclassified to the statement of income.

k) Impairment

i) *Nonfinancial assets*

The carrying amounts of the Group's nonfinancial assets are reviewed at each statement of financial position date to determine if there is any indication of impairment. If any indication exists, the Company estimates the asset's recoverable amount.

For impairment testing purposes, the assets are grouped into Cash-Generating Units (CGUs), i.e. the smallest possible group of assets that generate cash inflows through their continuing use, which are largely independent from the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the higher of its value in use or its fair value less costs to sell. Value in use is based on estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognized in the statement of income and reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

The Group's management did not identify any evidence to justify the need for a provision for impairment as at March 31, 2023 and 2022.

l) Provisions

Provisions are determined by discounting estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the related liability. The effects of the derecognition of the discount due to passage of time are recognized in the statement of income as finance expenses.

m) Present value adjustment of assets and liabilities

Noncurrent monetary assets and liabilities are monetarily updated and, therefore, adjusted to their present value. For purposes of recording and determining materiality, the present value adjustment is calculated using contractual cash flows and the explicit interest rate, and in certain cases the implicit interest rate, of the related assets and liabilities, based on analyses performed and on management's best estimate.

n) Statement of value added

The Group prepared individual and consolidated statements of value added in accordance with accounting pronouncement CPC 09 - Statement of Value Added, which are presented as an integral part of the financial statements in accordance with the accounting practices applicable to publicly-held companies, while considered supplementary information by the IFRS.

o) Basic and diluted earnings per share

The basic earnings per share are calculated by dividing the profit for the year attributable to the Group's shareholders by the weighted average number of shares of the paid-in capital stock in the respective year. The Group has no instruments that could potentially dilute earnings per share.

p) Operating segments

Group management prepares its reports on the financial statements on the same basis as this information is disclosed, as these financial statements are regularly reviewed by the Group's chief decision maker about resource allocations. Accordingly, management has one single operating segment.

q) New or amended pronouncements applicable to the financial statements

The Group applied for the first time certain standards and amendments that are effective for annual reporting periods beginning on or after April 1, 2022 (unless otherwise stated). The Group elected not to early adopt any other standard, interpretation or amendment that has been issued, but is not yet effective.

i) Amendments to CPC 37 (R1), CPC 48, CPC 29, CPC 27, CPC 25 and CPC 15 (R1)

The amendments to the abovementioned pronouncements are due to the annual amendments related to the cycle of improvements between 2018 and 2020, such as:

- Onerous Contract - costs of fulfilling a contract;
- Property, plant and equipment – proceeds before the intended use; and
- References to the Conceptual Framework.

These amendments should take effect as established by the regulatory agencies that approve them. For full compliance with the international accounting standards, an entity must apply these amendments to annual reporting periods beginning on or after April 1, 2022.

ii) Onerous contract – costs of fulfilling a contract

An onerous contract is a contract under which the unavoidable costs (i.e. the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that, in assessing whether a contract is onerous or loss-making, the entity must include the costs that relate directly to the contract for the provision of goods or services, including incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract and costs incurred to manage and supervise the contract). General and administrative costs are not directly related to a contract and are excluded unless explicitly charged to the counterparty under the terms of the contract.

The Group had no impact upon implementing this standard.

iii) Property, plant and equipment – proceeds before the intended use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PPE) any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the statement of income.

In accordance with the transitional provisions, the Group applies the amendments retrospectively only to property and equipment items made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

These amendments had no impact on the individual and consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

iv) References to the Conceptual Framework

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations (equivalent to CPC 15 (R1) - Business Combinations) to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets (equivalent to CPC 25 - Provisions, Contingent Liabilities and Contingent Assets) or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the Group's consolidated financial statements as there were no assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

v) IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 (equivalent to CPC 37 (R1) First-time Adoption of International Financial Reporting Standards) to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the Group's individual and consolidated financial statements, since it is not a first-time adopter.

vi) IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities (equivalent to CPC 48 – Financial Instruments)

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application).

These amendments had no impact on the Group's consolidated financial statements as there were no modifications of the financial instruments during the period.

r) Standards issued but not yet effective

New and revised standards and interpretations issued, but not yet in effect until the date of issue of the Company's financial statements, are described below. The Company and its subsidiaries intend to adopt these new and revised standards, if applicable, when they become effective.

i) Amendments to IAS 1: Classification of liabilities as current or noncurrent

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1, equivalent to CPC 26, to specify the requirements for classifying liabilities as current or noncurrent. These amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

ii) Amendments to IAS 8: Definition of accounting estimates

In February 2021, the IASB issued amendments to IAS 8 (correlated with CPC 23), in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Early adoption is permitted as long as this fact is disclosed.

These amendments are not expected to significantly impact the Company's financial statements.

iii) Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of accounting policies

In February 2021, the IASB issued amendments to IAS 1 (standard corresponding to CPC 26 (R1)) and IFRS Practice Statement 2 Making Materiality Judgments, in which it provides guidance and examples to help entities apply materiality judgment for the disclosure of accounting policies.

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual reporting periods beginning on or after April 1, 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide nonmandatory guidance on the application of the definition of material to accounting policy information, an adoption date for these amendments is not necessary.

The Company is currently assessing the impacts of these amendments on the accounting policies disclosed.

8. Cash and cash equivalents

	Individual		Consolidated	
	03/31/2023	**03/31/2022**	**03/31/2023**	**03/31/2022**
Cash and banks	**27**	13	**9,886**	85,461
Cash equivalents	**6,510**	1	**784,669**	806,528
Total	**6,537**	14	**794,555**	891,989

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

At March 31, 2023, these investments refer to Bank Deposit Certificates (CDB), which are deposited in top-tier banks, whose remuneration rate ranges from 100% to 105% (97% to 107% in March 2022) of the Interbank Deposit Certificate (CDI) variation. These investments have no maturity date and may be redeemed to meet the immediate cash needs of the Company and its subsidiaries.

Information on the Group's exposure to market, credit and fair value measurement risks related to cash and cash equivalents is included in Note 25.

9. Short-term investments

	Consolidated	
	03/31/2023	**03/31/2022**
Short-term investments	**2,956**	8,806
Total	**2,956**	8,806
Current assets	**2,956**	6,481
Noncurrent assets	**-**	2,325

The Company and its subsidiaries have short-term investments at March 31, 2023 that refer to balances restricted to financing transactions, whose remuneration rate is indexed between 100% to 105% (100% in March 2022) of the Interbank Deposit Certificate (CDI) variation. They do not have a maturity date and can be redeemed at any time according to the Group's cash requirements.

Information on the Group's exposure to market, credit and fair value measurement risks related to short-term investments is included in Note 25.

10. Accounts receivable

	Individual		Consolidated	
	03/31/2023	**03/31/2022**	**03/31/2023**	**03/31/2022**
From sales of ethanol	**-**	-	**7,185**	30,035
From sales of energy	**-**	-	**4,276**	1,522
From sales of sugar	**-**	-	**2,825**	8
Other (a)	**-**	-	**11,418**	11,980
Accounts receivable	**-**	-	**25,704**	43,545
Receivables from related parties (Note 31)	**-**	8,850	**-**	37,541
Other (b)	**-**	-	**14,163**	15,790
Other receivables	**-**	8,850	**14,163**	53,331
Total	**-**	8,850	**39,867**	96,876
Current assets	**-**	8,850	**28,537**	53,591
Noncurrent assets	**-**	-	**11,330**	43,285

(a) Refers mainly to accounts receivable arising from the provision of sugarcane planting and treatment services and resale of inputs with sugarcane suppliers and partners, mostly with short-term maturities.

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

Information on the Group's exposure to credit, market and fair value measurement risks, as well as impairment losses related to accounts receivable is disclosed in Note 25.

11. Leases receivable

	Consolidated	
	03/31/2023	**03/31/2022**
Leases	**491,881**	497,014
Total	**491,881**	497,014
Current assets	**79,426**	84,430
Noncurrent assets	**412,455**	412,584

Changes in leases receivable are shown below:

	Consolidated	
	03/31/2023	**03/31/2022**
At beginning of year	**497,014**	316,787
Additions of new lease agreements	**105,162**	123,679
Interest	**42,895**	35,771
Transfer – right of use	**20,174**	12,039
Remeasurement	**(56,314)**	119,003
Receipts	**(89,375)**	(88,333)
Write-off due to termination of/amendments to contracts	**(27,675)**	(21,932)
At end of year	**491,881**	497,014

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

Maturity	**Consolidated**
04/01/2024 to 03/31/2025	**77,704**
04/01/2025 to 03/31/2026	**67,405**
04/01/2026 to 03/31/2027	**58,469**
04/01/2027 to 03/31/2028	**45,596**
04/01/2028 to 03/31/2029	**38,848**
04/01/2029 to 03/31/2030	**32,493**
04/01/2030 to 03/31/2031	**25,577**
04/01/2031 to 03/31/2032	**19,581**
04/01/2033 to 03/31/2034	**14,943**
From 03/31/2034 onwards	**31,839**
	412,455

12. Inventories

	Consolidated	
	03/31/2023	**03/31/2022**
Finished product		
VHP sugar	**24,615**	6,982
Anhydrous ethanol	**9,629**	14,172
Hydrous ethanol	**3,467**	4,405
Storeroom		
Storeroom - sundry (a)	**89,751**	69,061
Allowance for obsolescence	**(3,901)**	(3,386)
Inventories held by third parties	**2,346**	644
Total	**125,907**	91,878

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

Changes in allowance for obsolescence

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

	Consolidated	
	03/31/2023	**03/31/2022**
Opening balance	**(3,386)**	(2,977)
Additions	**(1,886)**	(2,418)
Reversals	**1,371**	2,009
Closing balance	**(3,901)**	(3,386)

13. Biological assets

Changes in biological assets (sugarcane) are as follows:

	Consolidated	
	03/31/2023	**03/31/2022**
Historical cost	**173,066**	113,188
Fair value	**127,747**	75,800
Opening balance of biological assets	**300,813**	188,988
Additions - sugarcane treatments	**218,134**	176,636
Absorption of harvested sugarcane costs	**(179,771)**	(116,758)
Fair value net of estimated selling expenses	**(21,854)**	51,947
Closing balance of biological assets	**317,322**	300,813
Historical cost	**211,430**	173,066
Fair value	**105,892**	127,747

Sugarcane ratoon crops

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

	Consolidated	
	03/31/2023	**03/31/2022**
Estimated harvest area (hectare)	57,852	50,687
Projected production (ton of sugarcane per hectare)	85.17	86.56
Total Recoverable Sugar - ATR (kg)	139.31	138.20
Price of ATR per kilo (R$)	1.25	1.18

The discount rate used in the cash flow for each year, denominated "Weighted Average Cost of Capital", corresponded to 8.98% p.a. (7.81% at March 31, 2022), which was reviewed and approved by Company management. The Group is exposed to a number of risks related to its plantations:

Regulatory and environmental risks

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

Supply and demand risks

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

Climate risks and other

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

14. Taxes recoverable

	Individual		Consolidated	
	03/31/2023	**03/31/2022**	**03/31/2023**	**03/31/2022**
COFINS recoverable (a)	**-**	-	**50,582**	20,245
ICMS recoverable - property, plant and equipment	**-**	-	**17,738**	16,560
IRPJ and CSLL taxes recoverable	**-**	-	**14,790**	12,447
PIS recoverable (a)	**-**	-	**12,434**	4,887
IRRF on short-term investments	**147**	166	**4,771**	3,947
ICMS recoverable	**-**	-	**77,831**	6,501
Other taxes recoverable	**-**	90	**625**	571
Total	**147**	256	**178,771**	65,158
Current assets	**147**	190	**152,489**	38,588
Noncurrent assets	**-**	66	**26,282**	26,570

a) Supplementary Law No. 194/2022 reduced to zero the PIS and COFINS rates levied on transactions involving ethanol, including for fuel purposes, between June 23, 2022 and December 31, 2022, generating an increase in the balance of PIS and COFINS recoverable in the year.

PIS and COFINS

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

ICMS – acquisition of property, plant and equipment

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

ICMS recoverable

The balance refers to presumed credit calculated on sales made by the Company, replacing the credits on purchased inputs received. In addition, in the year ended March 31, 2023, the Group recognized the amount of R$64,081 of ICMS recoverable arising from the ICMS credit granted by the State of Minas Gerais, pursuant to Decree No. 48497/2022. The credits were recorded under other Operating income (expenses), net, as described in Note 28.

Withholding Income Tax (IRRF)

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

15. Advances to suppliers and other assets

	Consolidated	
	03/31/2023	**03/31/2022**
Advances to sugarcane suppliers	**8,986**	5,693
Advances to domestic suppliers	**2,317**	5,063
Unallocated insurance	**3,744**	3,641
Other	**1,308**	46
Total	**16,355**	14,443

16. Investments

Balance breakdown

	Individual	
	03/31/2023	**03/31/2022**
Investments measured by the equity method		
Vale do Tijuco Açúcar e Álcool S.A.	**516,193**	344,572
Vale do Pontal Açúcar e Etanol S.A	**5,111**	31,841
Canápolis Açúcar e Etanol S.A.	**74,321**	68,652
Ituiutaba Energia Renovável Ltda.	**1**	1
Total	**595,626**	445,066
Other investments measured at cost		
Other investments measured at cost	**1**	1
Total	**595,627**	445,067

	Consolidated	
	03/31/2023	**03/31/2022**
Investments measured by the equity method		
CZ Energy Comercializadora de Etanol S.A.	**5,128**	5,083
Total	**5,128**	5,083
Other investments		
Other investments (*)	**5,977**	4,431
Total	**5,977**	4,431
	11,105	9,514

(*) Substantially comprising units of interest in cooperatives.

Changes in investments in subsidiaries

	Individual	
	03/31/2023	**03/31/2022**
Opening balance	**445,067**	219,802
Equity adjustments from subsidiaries	**186,046**	47,349
Equity pickup	**79,514**	201,600
Dividends received	**(115,000)**	(23,691)
Other changes	**-**	7
Closing balance	**595,627**	445,067

	Consolidated	
	03/31/2023	**03/31/2022**
Opening balance	**9,514**	4,927
Equity pickup	**46**	203
Units of interest in cooperatives	**1,545**	4,377
Other changes	**-**	7
Closing balance	**11,105**	9,514

Information on investees - Individual

									Year ended March 31, 2023			
	Equity interest %	**Current assets**	**Noncurrent assets**	**Total assets**	**Current liabilities**	**Noncurrent liabilities**	**Equity**	**Total liabilities and equity**	**Revenues**	**Expenses**	**Net income**	**Equity pickup**
March 31, 2023												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	**1,119,901**	**2,007,797**	**3,127,698**	**709,929**	**1,901,576**	**516,193**	**3,127,698**	**1,511,485**	**(1,436,896)**	**74,589**	**74,589**
Vale do Pontal Açúcar e Etanol S.A.	100.00%	**248,760**	**875,595**	**1,124,355**	**335,263**	**783,981**	**5,111**	**1,124,355**	**620,771**	**(620,318)**	**453**	**453**
Canápolis Açúcar e Etanol S.A.	100.00%	**215,114**	**745,164**	**960,278**	**165,833**	**720,124**	**74,321**	**960,278**	**436,845**	**(432,373)**	**4,472**	**4,472**
Ituiutaba Energia Renovável Ltda.	100.00%	**1**	**-**	**1**	**-**	**-**	**1**	**1**	**-**	**-**	**-**	**-**
		1,583,776	**3,628,556**	**5,212,332**	**1,211,025**	**3,405,681**	**595,626**	**5,212,332**	**2,569,101**	**(2,489,587)**	**79,514**	**79,514**

									Year ended March 31, 2022			
	Equity interest %	**Current assets**	**Noncurrent assets**	**Total assets**	**Current liabilities**	**Noncurrent liabilities**	**Equity**	**Total liabilities and equity**	**Revenues**	**Expenses**	**Net income (loss)**	**Equity pickup**
March 31, 2022												
Vale do Tijuco Açúcar e Álcool S.A.	100.00%	1,265,039	1,905,077	3,170,116	985,237	1,840,307	344,572	3,170,116	1,337,171	(1,175,956)	161,215	161,215
Vale do Pontal Açúcar e Etanol S.A.	100.00%	155,297	859,236	1,014,533	297,731	684,961	31,841	1,014,533	448,389	(463,961)	(15,572)	(15,572)
Canápolis Açúcar e Etanol S.A.	100.00%	108,815	650,331	759,146	133,913	556,581	68,652	759,146	413,026	(357,069)	55,957	55,957
Ituiutaba Energia Renovável Ltda.	100.00%	1	-	1	-	-	1	1	-	-	-	-
		1,529,152	3,414,644	4,943,796	1,416,881	3,081,849	445,066	4,943,796	2,198,586	(1,996,986)	201,600	201,600

Information on investees - Consolidated

									Year ended March 31, 2023			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity Equity	Total liabilities and equity	Revenues	Expenses	Net income	Equity pickup
March 31, 2023												
CZ Energy S.A.	**51.00%**	**26,872**	**-**	**26,872**	**16,817**	**-**	**10,055**	**26,872**	**134,100**	**(134,010)**	**90**	**46**
		26,872	**-**	**26,872**	**16,817**	**-**	**10,055**	**26,872**	**134,100**	**(134,010)**	**90**	**46**

									Year ended March 31, 2022			
	Equity interest %	Current assets	Noncurrent assets	Total assets	Current liabilities	Noncurrent liabilities	Equity	Total liabilities and equity	Revenues	Expenses	Net income	Equity pickup
March 31, 2022												
CZ Energy S.A.	**51.00%**	105,878	-	105,878	95,912	-	9,966	105,878	101,986	(101,588)	398	203
		105,878	-	105,878	95,912	-	9,966	105,878	101,986	(101,588)	398	203

17. Property, plant and equipment

Consolidated – cost:	Industrial equipment	Constructions and buildings	Paving	Vehicles	Agricultural equipment	Land	Machinery, equipment and tools	Furniture and fixtures	Computers and peripherals	Construction in progress	Expenses with off-season maintenance	Permanent crop	Other	Total
Balance at 03/31/2021	586,872	243,774	52,653	22,419	91,598	3,294	74,376	4,111	8,354	53,497	422,633	770,592	11,471	2,345,644
Additions	19,707	4,983	60	804	32,817	3	2,361	1,181	2,172	43,062	159,145	153,840	1,037	421,172
Write-offs	(151)	(3,733)	(65)	(1,537)	(4,196)	-	(195)	(8)	(18)	-	-	(2,641)	(479)	(13,023)
Transfers	28,396	7,009	15,039	(3)	26	-	1,079	96	40	(51,765)	-	-	83	-
Balance at 03/31/2022	634,824	252,033	67,687	21,683	120,245	3,297	77,621	5,380	10,548	44,794	581,778	921,791	12,112	2,753,793
Balance at 04/01/2022	634,824	252,033	67,687	21,683	120,245	3,297	77,621	5,380	10,548	44,794	581,778	921,791	12,112	2,753,793
Additions	**6,774**	**575**	**-**	**1,727**	**22,204**	**-**	**2,119**	**625**	**1,591**	**110,506**	**163,149**	**274,191**	**1,569**	**585,030**
Write-offs	**(1,064)**	**(1,286)**	**-**	**(907)**	**(7,820)**	**-**	**(61)**	**(9)**	**-**	**(5,293)**	**-**	**(347,985)**	**(177)**	**(364,602)**
Transfers	**22,804**	**16,705**	**13,610**	**-**	**229**	**-**	**12,353**	**114**	**460**	**(66,516)**	**-**	**-**	**241**	**-**
Balance at 03/31/2023	**663,338**	**268,027**	**81,297**	**22,503**	**134,858**	**3,297**	**92,032**	**6,110**	**12,599**	**83,491**	**744,927**	**847,997**	**13,745**	**2,974,221**

Consolidated – depreciation:	Industrial equipment	Constructions and buildings	Paving	Vehicles	Agricultural equipment	Land	Machinery, equipment and tools	Furniture and fixtures	Computers and peripherals	Construction in progress	Expenses with off-season maintenance	Permanent crop	Other	Total
Balance at 03/31/2021	(239,512)	(60,768)	(38,091)	(13,301)	(58,593)	-	(66,259)	(2,236)	(4,807)	-	(291,168)	(372,996)	(11,070)	(1,158,801)
Additions	(40,839)	(8,131)	(11,735)	(1,822)	(16,410)	-	(2,393)	(311)	(1,366)	-	(135,555)	(96,574)	(517)	(315,653)
Write-offs	85	155	-	948	2,698	-	161	8	10	-	-	-	70	4,135
Balance at 03/31/2022	(280,266)	(68,744)	(49,826)	(14,175)	(72,305)	-	(68,491)	(2,539)	(6,163)	-	(426,723)	(469,570)	(11,517)	(1,470,319)
Balance at 04/01/2022	(280,266)	(68,744)	(49,826)	(14,175)	(72,305)	-	(68,491)	(2,539)	(6,163)	-	(426,723)	(469,570)	(11,517)	(1,470,319)
Additions	**(45,209)**	**(7,994)**	**(13,732)**	**(1,866)**	**(17,563)**	**-**	**(3,123)**	**(414)**	**(1,635)**	**-**	**(158,177)**	**(121,295)**	**(540)**	**(371,548)**
Write-offs	**603**	**76**	**-**	**648**	**7,229**	**-**	**10**	**5**	**-**	**-**	**-**	**345,164**	**-**	**353,735**
Transfers	**-**	**-**	**-**	**-**	**68**	**-**	**(68)**	**(2)**	**2**	**-**	**-**	**-**	**-**	**-**
Balance at 03/31/2023	**(324,872)**	**(76,662)**	**(63,558)**	**(15,393)**	**(82,571)**	**-**	**(71,672)**	**(2,950)**	**(7,796)**	**-**	**(584,900)**	**(245,701)**	**(12,057)**	**(1,488,132)**
Net balance at 03/31/2022	354,558	183,289	17,861	7,508	47,940	3,297	9,130	2,841	4,385	44,794	155,055	452,221	595	1,283,474
Net balance at 03/31/2023	**338,466**	**191,365**	**17,739**	**7,110**	**52,287**	**3,297**	**20,360**	**3,160**	**4,803**	**83,491**	**160,027**	**602,296**	**1,688**	**1,486,089**

Guarantee

Property, plant and equipment items were granted as guarantee for loans and financing, as described in Note 19.

Impairment test

In accordance with CPC 01 (R1) / IAS 36 - Impairment of Assets, the Group assessed the impairment indicators in the years ended March 31, 2023 and 2022, and concluded that there was no need to carry out an impairment test.

18. Right of use on leases and agricultural partnerships

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

	Machinery and equipment	Vehicles	Land	Properties	Total
Cost:					
Balance at March 31, 2021	17,429	14,361	610,198	-	641,988
Additions of new right-of-use agreements	14,584	52,790	323,445	2,809	393,628
Remeasurement	17	139	292,955	2	293,113
Transfers - assignment	-	-	(12,039)	-	(12,039)
Write-off due to termination of/amendments to contracts	-	-	(22,748)	-	(22,748)
Balance at March 31, 2022	32,030	67,290	1,191,811	2,811	1,293,942
Balance at April 1, 2022	32,030	67,290	1,191,811	2,811	1,293,942
Additions of new right-of-use agreements	**21,212**	**65,059**	**182,568**	**-**	**268,839**
Remeasurement	**-**	**-**	**(8,780)**	**-**	**(8,780)**
Transfers - assignment	**-**	**-**	**(20,174)**	**-**	**(20,174)**
Write-off due to termination of/amendments to contracts	**-**	**-**	**(17,050)**	**-**	**(17,050)**
Balance at March 31, 2023	**53,242**	**132,349**	**1,328,375**	**2,811**	**1,516,777**
Accumulated amortization: **Balance at March 31, 2021**	(9,483)	(4,743)	(120,394)	-	(134,620)
Amortization in the year	(9,896)	(13,110)	(116,277)	(466)	(139,749)
Write-off	-	-	5,460	-	5,460
Balance at March 31, 2022	(19,379)	(17,853)	(231,211)	(466)	(268,909)
Balance at April 1, 2022	**(19,379)**	**(17,853)**	**(231,211)**	**(466)**	**(268,909)**
Amortization in the year	**(7,381)**	**(17,896)**	**(139,037)**	**(560)**	**(164,874)**
Write-off	**-**	**-**	**3,129**	**-**	**3,129**
Balance at March 31, 2023	**(26,760)**	**(35,749)**	**(367,119)**	**(1,026)**	**(430,654)**
Useful life (years)	1 to 2	1 to 2	1 to 25	-	
Residual value at March 31, 2022	12,651	49,437	960,600	2,345	1,025,033
Residual value at March 31, 2023	**26,482**	**96,600**	**961,256**	**1,785**	**1,086,123**

In addition, in compliance with CVM/SNC/SEP Circular Letter No. 02/2019, the Company presents below comparisons in accounts Right of use and Depreciation expense for the year ended March 31, 2023 and future years, using the discounted cash flow considering inflation projected in the payment flows, discounted at the nominal rate used by the Company:

Right of use	**04/01/2023 03/31/2024**	**04/01/2024 03/31/2025**	**04/01/2025 03/31/2026**	**04/01/2026 03/31/2027**	**04/01/2027 03/31/2028**	**04/01/2028 03/31/2029**	**04/01/2029 03/31/2052**
Real flow discounted at nominal rate	920,326	761,098	617,592	491,546	376,337	280,679	-
Nominal flow discounted at nominal rate	1,223,133	987,340	786,528	613,705	461,835	339,967	-
	24.76%	22.91%	21.48%	19.91%	18.51%	17.44%	-

Depreciation expense	**04/01/2023 03/31/2024**	**04/01/2024 03/31/2025**	**04/01/2025 03/31/2026**	**04/01/2026 03/31/2027**	**04/01/2027 03/31/2028**	**04/01/2028 03/31/2029**	**04/01/2029 03/31/2052**
Real flow discounted at nominal rate	(165,797)	(159,228)	(143,506)	(126,046)	(115,209)	(95,659)	(280,679)
Nominal flow discounted at nominal rate	(253,711)	(235,793)	(200,812)	(172,823)	(151,870)	(121,868)	(339,967)
	34.65%	32.47%	28.54%	27.07%	24.14%	21.51%	17.44%

19. Loans and financing

This note discloses contractual information on loans and financing of the Company and its subsidiaries. Note 25 discloses additional information regarding the Company and its subsidiary's exposure to interest rate and currency risks.

Credit facility	Re.	Currency	Index	Individual	
				03/31/2023	03/31/2022
Intercompany loans payable	(d)	R$	(d)	**-**	**1,337**

Credit facility	Re.	Currency	Index	Consolidated	
				03/31/2023	03/31/2022
CCB	(c)	R$	CDI	**27,100**	47,219
CCB	(c)	R$	SELIC	**6,826**	12,135
CCE	(b)	R$	CDI	**58,414**	148,111
CPR	(c)	R$	CDI	**52,936**	59,109
CPR	(c)	R$	Fixed rate	**-**	10,073
CRA	(e)	R$	CDI	**201,858**	116,599
CRA	(e)	R$	IPCA	**1,251,369**	1,183,136
Finame	(a)	R$	Fixed rate	**4,061**	7,348
Finame	(a)	R$	TJLP	**307**	916
Finame	(a)	R$	SELIC	**288**	679
Finame	(a)	R$	TLP	**76,997**	76,822
Finem	(a)	R$	TLP	**84,584**	88,535
				1,764,740	1,750,682
Transaction costs				**(46,970)**	(48,085)
Total (*)				**1,717,770**	1,702,597
Current liabilities				**257,835**	226,576
Noncurrent liabilities				**1,459,935**	1,476,021

(*) The weighted average rates of finance charges are 13.76% p.a. in March 2023 and 13.20% p.a. in March 2022.

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

(b) This refers to export credit bills signed with various financial institutions, which will be settled in Brazilian reais backed by exports made in the period from 2023 and 2026.

(c) This refers to loans with various financial institutions and will be settled in the period from 2023 to 2024.

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

(e) This refers to Agribusiness Receivables Certificates ("CRA"):

The second and third issue of the CRA, raised by Vale do Tijuco, were fully settled during the cycle, in October 2022 and February 2023, respectively.

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

The fifth issue was on November 16, 2020, under the terms of CVM Ruling No. 400 of December 29, 2003, as amended, relating to the 69th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. ("Offer"), backed by agribusiness receivables represented by non-privileged nonconvertible debentures, with additional personal guarantee, issued within the scope of the 5th issue of Vale do Tijuco Açúcar e Álcool S.A. The base offer corresponded to 150,000 CRAs, with the possibility of exercising an additional 20% lot, totaling 180,000 CRAs. The Offer ended on December 21, 2020; 180,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. November 16, 2019, totaling R$180,000, with a grace period of 4 years and amortization by the end of the 4th, 5th and 6th years.

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

The seventh issue was on February 15, 2023, under the terms of CVM Ruling No. 400 of December 29, 2003, as amended, relating to the 234th issue of Eco Securitizadora de Direitos Creditórios do Agronegócio S.A. ("Offer"), backed by agribusiness receivables represented by non-privileged nonconvertible debentures, with additional personal guarantee, issued within the scope of the 1st issue of Vale do Pontal Açúcar e Álcool S.A. The base offer corresponded to 200,000 CRAs, with the possibility of exercising an additional 25% lot, totaling 250,000 CRAs. The Offer ended on March 9, 2023 (date of settlement of the operation). 200,000 registered and book-entry CRAs were subscribed and paid up, with a par value of R$1 on the issue date, i.e. March 9, 2023, totaling R$200,000, with a grace period of 7 years and amortization by the end of the 7th and 8th years.

The consolidated loans and financing mature as follows:

March 31, 2023	Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Above 5 years
Loans and financing	**1,764,740**	**266,635**	**286,703**	**217,802**	**81,339**	**357,708**	**554,553**
Transaction costs	**(46,970)**	**(8,800)**	**(8,645)**	**(7,881)**	**(5,779)**	**(5,442)**	**(10,423)**
Loans and financing, net	**1,717,770**	**257,835**	**278,058**	**209,921**	**75,560**	**352,266**	**544,130**

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

Covenants

The Company has contractual obligations arising from financing agreements related to the maintenance of certain financial and nonfinancial ratios established in those agreements (covenants), whose calculation period is at year-end. Management has timely controls over those ratios and at March 31, 2023, understands that the pre-established requirements have been met, and that any requirement by creditors before the original long-term maturity as well as the need for reclassification are unlikely.

20. Suppliers and other payables

	Individual		Consolidated	
	03/31/2023	03/31/2022	03/31/2023	03/31/2022
Local suppliers of materials and services	**97**	337	**201,115**	197,724
Sugarcane suppliers	**-**	-	**73,636**	29,989
Sugarcane suppliers (related parties)	**-**	-	**-**	3,381
Total	**97**	337	**274,751**	231,094
Current liabilities	**97**	337	**257,058**	230,296
Noncurrent liabilities	**-**	-	**17,693**	798

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

The Company and its subsidiaries evaluated the present value adjustment of their suppliers' balance at March 31, 2023 and 2022, and concluded that these balances do not generate material

adjustments to present value in the individual and consolidated financial statements. Information on the Group's exposure to liquidity and fair value measurement risks related to trade and other accounts payable is disclosed in Note 25.

21. Leases and agricultural partnerships payable

	Consolidated	
	03/31/2023	**03/31/2022**
Leases and agricultural partnerships payable	**1,566,172**	1,485,939
Total	**1,566,172**	1,485,939
Current liabilities	**292,469**	270,000
Noncurrent liabilities	**1,273,703**	1,215,939

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

	Consolidated	
	03/31/2023	**03/31/2022**
At beginning of year	**1,485,939**	746,172
Additions of new lease agreements	**374,001**	517,260
Interest	**137,923**	110,043
Remeasurement	**(65,094)**	412,240
Payments	**(323,983)**	(255,307)
Write-offs due to termination of/amendments to contracts	**(42,614)**	(44,469)
Closing balance	**1,566,172**	1,485,939
Current liabilities	**292,469**	270,000
Noncurrent liabilities	**1,273,703**	1,215,939

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

Maturity	Consolidated
04/01/2024 a 03/31/2025	**246,710**
04/01/2025 a 03/31/2026	**212,740**
04/01/2026 a 03/31/2027	**178,838**
04/01/2027 a 03/31/2028	**150,796**
04/01/2028 a 03/31/2029	**127,358**
04/01/2029 a 03/31/2030	**101,236**
04/01/2030 a 03/31/2031	**79,992**
04/01/2031 a 03/31/2032	**62,517**
04/01/2033 a 03/31/2034	**34,939**
From 04/01/2034 onwards	**78,577**
	1,273,703

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

	Consolidated	
	Leases	Present value
Lease consideration	**638,333**	**393,136**
Potential PIS/COFINS (9.25%)	**(59,046**	**(36,365)**
Total	**579,287**	**356,771**

In addition, in compliance with CVM/SNC/SEP Circular Letter No. 02/2019, the comparisons in accounts Leases and agricultural partnerships payable and Interest expenses for the year ended March 31, 2023 and future years are presented below, using the discounted cash flow method and considering inflation projected in the payment flows, discounted at the nominal rate used by the Company:

Leases payable	04/01/2023 03/31/2024	04/01/2024 03/31/2025	04/01/2025 03/31/2026	04/01/2026 03/31/2027	04/01/2027 03/31/2028	04/01/2028 03/31/202	04/01/2029 03/31/2052
Real flow discounted at nominal rate	1,273,703	1,027,941	816,031	637,864	488,291	361,252	-
Nominal flow discounted at nominal rate	1,658,129	1,377,711	1,126,403	906,606	713,779	544,279	-
	23.18%	25.39%	27.55%	29.64%	31.59%	33.63%	-

Interest expenses	04/01/2023 03/31/2024	04/01/2024 03/31/2025	04/01/2025 03/31/2026	04/01/2026 03/31/2027	04/01/2027 03/31/2028	04/01/2028 03/31/2052	04/01/2029 03/31/2052
Real flow discounted at nominal rate	(145,935)	(131,637)	(116,704)	(101,398)	(86,569)	(72,142)	(57,488)
Nominal flow discounted at nominal rate	(174,494)	(162,094)	(148,171)	(132,906)	(117,233)	(101,087)	(83,721)
	16.37%	18.79%	21.24%	23.71%	26.16%	28.63%	31.33%

22. Advances from customers

	Consolidated	
	03/31/2023	**03/31/2022**
Advances from customers - sugar	**252,298**	122,617
Advances from customers - ethanol	**1,174**	56,272
Advances from customers - energy	**123,813**	74,662
Other	**455**	330
Total	**377,740**	253,881
Current liabilities	**27,063**	218,854
Noncurrent liabilities	**350,677**	35,027

The Group has purchase and sale agreements with Itaú BBA Trading S.A. for future delivery of VHP sugar in the volume of 215,100 (two hundred and fifteen thousand and one hundred) tons. This advance is restated by CDI + 2.5% p.a. The operation will be amortized from the 2024/25 crop to the 25/26 crop, upon delivery of VHP Sugar. The other advance balances substantially refers to advances from energy customers, which will be delivered in the next crops through contractual flows.

23. Provision for legal proceedings

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

Provisions are recognized taking into consideration the individuality of each proceeding and the classification of the likelihood of loss as probable in the assessment of the internal and external legal advisors. The consideration for the recognition of the obligation is an expense for the year. That obligation can be measured with reasonable certainty and is adjusted according to the development of the legal and administrative proceedings or financial charges incurred and can be reversed if the estimated loss is no longer considered probable, or written off when the obligation is settled.

Probable losses

Changes in the provisions are as follows:

	Consolidated			
	Labor	**Tax**	**Environmental**	**Total**
Closing balance at April 1, 2021	512	1,645	71	2,228
Additions	676	49	4	729
Write-offs	(463)	(963)	(72)	(1,498)
Closing balance at March 31, 2022	725	731	3	1,459
Closing balance at April 1, 2022	725	731	3	1,459
Additions	**1,320**	**-**	**8**	**1,328**
Write-offs	**(1,491)**	**(573)**	**(11)**	**(2,075)**
Closing balance at March 31, 2023	**554**	**158**	**-**	**712**

Labor

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

Environmental

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

Tax

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

Possible losses

The Company and its subsidiaries are parties to ongoing labor, civil, tax and environmental proceedings, in the restated amount of R$23,052 (R$22,377 at March 31, 2022), whose likelihood of a favorable outcome was estimated as possible, not requiring a provision to be recognized.

	Consolidated	
Nature	**03/31/2023**	**03/31/2022**
Environmental	**5,134**	4,731
Civil	**5,466**	4,688
Labor	**3,553**	4,175
Tax	**8,899**	8,783
	23,052	22,377

Labor

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

Civil

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

Environmental

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

Tax

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

(i) One (1) tax assessment notice referring to the disallowance by the Brazilian IRS of PIS/COFINS credits used in 2013 and 2014, referring to the noncumulative chain of goods and services used as inputs by the Group and goods earmarked for property, plant and equipment items acquired in the calculation periods of 2011 and 2012;
(ii) Two (2) tax assessment notices issued by the Brazilian IRS relating to the calculation of Withholding Income Taxes (IRRF) and Tax on Financial Transactions (IOF) on intercompany loans and future capital contributions, all carried out in the calculation period from 2009 to 2012.

24. Equity

a) Capital stock

On January 20, 2023, a Special General Meeting was held by shareholder Ápia SP Participações S.A. ("Ápia"), holder of 372,428,777 Company's shares, which approved the dissolution, liquidation, and extinction of Ápia. The liquidation and extinction of Ápia were carried out through the Accounting Appraisal Report based on the Statement of financial position as of December 31, 2022. According to the accounting survey, it was verified that Ápia did not have any liability obligations, and the goods and rights of its assets, including its interest held in the Company's shares, shall be paid to its sole shareholder Marseille Fundo de Investimento em Participações Multiestratégia, due to the approved extinction. The corporate act was registered JUCESP on February 1, 2023. The shareholding change that occurred does not modify the control over Companhia Mineira de Açúcar e Álcool Participações.

At March 31, 2023 and 2022, the Company's fully subscribed and paid-up capital stock amounts to R$503,892, divided into 1,258,415,912 registered common shares, held as follows:

	03/31/2023		03/31/2022	
	Shares	Thousands of R$	Shares	Thousands of R$
Ifar Brazil Pte Ltd.	**455,687,717**	**182,466**	455,687,717	203,298
Ápia SP Participações S.A.	**-**	**-**	372,428,777	127,898
Rio Grande Investment Pte Ltd.	**173,520,239**	**69,481**	173,520,239	72,432
JF Investimentos S.A.	**83,258,941**	**33,338**	83,258,941	27,833
Marseille Fundo de Investimentos em Participações	**545,949,015**	**218,607**	173,520,238	72,431
Total	**1,258,415,912**	**503,892**	1,258,415,912	503,892

At March 31, 2023 and 2022, the Company had no authorized capital stock.

b) Capital reserve

Refers to special goodwill reserve in the amount of R$4,164, arising from capital increases made in previous years.

c) Legal reserve

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

d) Tax incentive reserve

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

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

After allocation of the portion of net income for the year to the legal reserve, tax incentive reserves are recognized up to the limit of the mandatory amount or the remaining balance of net income for the year. Until March 31, 2023, the Company had recognized the amount of R$187,797, with the remaining amount to be recorded of R$138,659.

e) Equity adjustment

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

f) Dividends

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

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

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

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

25. Financial instruments

a) Accounting classification and fair values (consolidated)

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

March 31, 2023	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value						
Cash equivalents	**784,669**	**-**	**784,669**	**-**	**784,669**	**-**
Short-term investments	**2,956**	**-**	**2,956**	**-**	**2,956**	**-**
Derivative financial instruments	**166,790**	**-**	**166,790**	**-**	**166,790**	**-**
Total	**954,415**	**-**	**954,415**	**-**	**954,415**	**-**
Financial assets not measured at fair value						
Cash and banks	**-**	**9,886**	**9,886**			
Accounts receivable	**-**	**39,867**	**39,867**			
Leases receivable	**-**	**491,881**	**491,881**			
Total	**-**	**541,634**	**541,634**			

March 31, 2023	Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3
Financial liabilities measured at fair value						
Derivative financial instruments	**331,219**	**-**	**331,219**	**-**	**331,219**	**-**
Total	**331,219**	**-**	**331,219**	**-**	**331,219**	**-**
Financial liabilities not measured at fair value						
Loans and financing	-	**1,717,770**	**1,717,770**			
Leases and agricultural partnerships payable	-	**1,566,172**	**1,566,172**			
Suppliers and other payables	-	**274,751**	**274,751**			
Total	**-**	**3,558,693**	**3,558,693**			

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

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

b) Fair value measurement

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

There were no transfers between levels to be considered as at March 31, 2023, in relation to the disclosures as at March 31, 2022.

Financial risk management

The Group engages in transactions involving financial instruments to meet its own needs. At March 31, 2023 and 2022, the Group does not have financial instruments that are not recorded in the accounting books and does not carry out transactions involving financial instruments for speculative purposes. The main risks related to the Group's operations are the following:

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

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

Risk management structure

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

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

Credit risk

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

Credit risk exposure

The book value of financial assets represents the maximum credit exposure. The maximum credit risk exposure at the individual and consolidated financial statements date is as follows:

	Individual		Consolidated	
	03/31/2023	**03/31/2022**	**03/31/2023**	**03/31/2022**
Cash and cash equivalents	**6,537**	14	**794,555**	891,989
Short-term investments	**-**	-	**2,956**	8,806
Accounts receivable	**-**	8,850	**39,867**	96,876
Leases receivable	**-**	-	**491,881**	497,014
Derivative financial instruments	**-**	-	**166,790**	229,209
Total	**6,537**	8,864	**1,496,049**	1,723,894
Current assets	**6,537**	8,864	**976,432**	1,089,453
Noncurrent assets	**-**	-	**519,617**	634,441

Cash and cash equivalents

The principle adopted by the Company and its subsidiaries is to handle a limited number of financial institutions, seeking to do business with solid institutions. In addition, another policy intended to mitigate credit risk is the policy of holding balances of short-term investments in proportion to the balance of loans and financing with each institution.

The Group has not recorded losses on cash and cash equivalents.

Accounts receivable

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

Impairment losses

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

	Individual		Consolidated	
	03/31/2023	**03/31/2022**	**03/31/2023**	**03/31/2022**
Falling due	**-**	8,850	**39,867**	**96,876**
	-	8,850	**39,867**	**96,876**
Allowance for expected credit losses	**-**	-	**-**	**-**
	-	8,850	**39,867**	**96,876**

Changes in the allowance for expected credit losses are as follows:

	Consolidated	
	03/31/2023	**03/31/2022**
Opening balance	-	(1,332)
Additions	-	(7)
Reversals	-	1,339
Closing balance	**-**	**-**

The Company and its subsidiaries reviewed the present value adjustment of their accounts receivable at March 31, 2023 and 2022. The Company recognized noncurrent receivables at their present value, less future installments referring to the amount recognized as interest at the initial moment of the transaction.

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

Guarantees

Subsidiaries Vale do Tijuco, Vale do Pontal and Usina Canápolis are guarantors with financial entities and credit cooperatives for transactions involving purchase of inputs and financing to be used in the planting and harvesting of sugarcane of their suppliers. At March 31, 2023, the amount guaranteed totals R$295,936 (R$252,356 at March 31, 2022). The subsidiaries will assume the debt of their suppliers within the limit of the guarantee provided, in case they fail to pay their obligations. Any amounts disbursed by the Company to pay the suppliers' obligations, in the event of default, will be restated by reference to the CDI+4% p.a. on a daily "pro-rata" basis, and will be discounted when the sugarcane is supplied by the supplier.

Liquidity risk

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

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

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

Liquidity risk exposure

The book value of financial liabilities with liquidity risk is shown below:

	Individual		Consolidated	
	03/31/2023	**03/31/2022**	**03/31/2023**	**03/31/2022**
Loans and financing	**-**	-	**1,717,770**	1,702,597
Intercompany loans	**-**	1,337	**-**	-
Leases and agricultural partnerships payable	**-**	-	**1,566,172**	1,485,939
Suppliers and other payables	**97**	337	**274,751**	231,094
Derivative financial instruments	**-**	-	**331,219**	543,127
Total	**97**	1,674	**3,889,912**	3,962,757
Current liabilities	**97**	337	**1,114,144**	1,127,391
Noncurrent liabilities	**-**	1,337	**2,775,768**	2,835,366

The maturity of financial liabilities is as follows:

Consolidated March 31, 2023	Book value	Contractual flow	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Above 5 years
Loans and financing	**1,717,770**	**1,764,740**	**297,737**	**255,601**	**217,802**	**81,339**	**357,708**	**554,553**
Leases and agricultural partnerships payable	**1,566,172**	**2,762,982**	**353,327**	**327,943**	**309,248**	**284,377**	**261,168**	**1,226,919**
Suppliers and other payables	**274,751**	**274,751**	**257,058**	**17,693**	**-**	**-**	**-**	**-**
Derivative financial instruments	**331,219**	**331,219**	**306,782**	**24,437**	**-**	**-**	**-**	**-**
Total	**3,889,912**	**5,133,692**	**1,214,904**	**625,674**	**527,050**	**365,716**	**618,876**	**1,781,472**

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

Changes in financial liabilities in consolidated financing activities

	Consolidated	
	Loans and financing	**Leases and agricultural partnerships payable**
Balances at March 31, 2021	1,188,700	746,172
Additions	761,771	517,260
(-) Payments	(313,529)	(255,307)
(-) Payments of interest and exchange differences	(92,876)	-
Interest incurred	161,715	110,043
Remeasurement of lease agreements	-	412,240
Write-offs due to termination of/ amendments to contracts	-	(44,469)
Exchange differences	(3,184)	-
Balances at March 31, 2022	1,702,597	1,485,939
Additions	**384,743**	**374,001**
(-) Payments	**(413,335)**	**(323,983)**
(-) Payments of interest and exchange differences	**(173,680)**	**-**
Interest incurred	**204,068**	**137,923**
Remeasurement of lease agreements	**-**	**(65,094)**
Write-offs due to termination of/ amendments to contracts	**-**	**(42,614)**
Exchange differences	**62**	**-**
Allocation of transaction costs	**13,315**	**-**
Balances at March 31, 2023	**1,717,770**	**1,566,172**

Market risk

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

Interest rate risk

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

Cash flow sensitivity analysis for variable rate instruments - consolidated

The sensitivity analysis is determined based on the exposure to interest rates of non-derivative financial instruments as at March 31, 2023. As determined by CVM Ruling No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, below are the possible impacts of how much the equity and the statement of income for the year would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's statement of income and future cash flows as described below:

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

Interest rate risk on financial assets and liabilities - Consolidated

			Scenarios		Increase		Decrease	
Instruments	**Exposure at March 31, 2023**	**Risk**	**Rate**	**probable**	**Index variation by 25%**	**Index variation by 50%**	**Index variation by 25%**	**Index variation by 50%**
Financial assets								
Cash equivalents	**784,669**	**CDI**	**13.65%**	**107,107**	**26,777**	**53,554**	**(26,777)**	**(53,554)**
Short-term investments	**2,956**	**CDI**	**13.65%**	**404**	**101**	**202**	**(101)**	**(202)**
Financial liabilities								
CCB	**27,100**	**CDI**	**13.65%**	**(3,699)**	**(925)**	**(1,850)**	**925**	**1,850**
CCB	**6,826**	**SELIC**	**13.75%**	**(939)**	**(235)**	**(469)**	**235**	**469**
CCE	**58,414**	**CDI**	**13.65%**	**(7,974)**	**(1,993)**	**(3,987)**	**1,993**	**3,987**
CPR	**52,936**	**CDI**	**13.65%**	**(7,226)**	**(1,806)**	**(3,613)**	**1,806**	**3,613**
CRA	**201,858**	**CDI**	**13.65%**	**(27,554)**	**(6,888)**	**(13,777)**	**6,888**	**13,777**
CRA	**1,251,369**	**IPCA**	**5.60%**	**(70,077)**	**(17,519)**	**(35,039)**	**17,519**	**35,039**
Finame	**307**	**TJLP**	**7.37%**	**(23)**	**(6)**	**(11)**	**6**	**11**
Finame	**287**	**SELIC**	**13.75%**	**(39)**	**(10)**	**(20)**	**10**	**20**
Finame	**76,997**	**TLP**	**5.60%**	**(4,309)**	**(1,077)**	**(2,155)**	**1,077**	**2,155**
Finem	**84,584**	**TLP**	**5.60%**	**(4,734)**	**(1,183)**	**(2,367)**	**1,183**	**2,367**
Impact on the statement of income and equity				**(19,063)**	**(4,764)**	**(9,532)**	**4,764**	**9,532**

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

Currency risk

The Group is subject to currency risk (US dollar), partially from accounts receivable, cash and cash equivalents and derivative financial instruments denominated in a currency other than the functional currency.

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

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

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

Currency risk exposure

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

	Consolidated	
	03/31/2023	**03/31/2022**
Cash and cash equivalents	**1,794**	13,251
Accounts receivable	**556**	-
SWAP	**-**	25,000
NDF	**(1,521)**	-
Dollar options	**(20,178)**	-
NDF - currency	**(114,490)**	(202,044)
Future revenue (VHP) – Hedged item	**134,668**	202,044
Net exposure	**829**	**38,251**

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

Sensitivity analysis - currency risk - Consolidated

The sensitivity analysis is determined based on the partial exposure to monetary variation of US dollar of accounts receivable, cash and cash equivalents and non-derivative financial instruments as at December 31, 2023. As determined by CVM Ruling No. 475/08, which requires the presentation of two scenarios with 25% and 50% decrease in the risk variable considered, below are the possible impacts of how much the equity and the statement of income for the year would have increased (decreased) according to the amounts shown below. These scenarios could bring impacts to the Group's statement of income and/or future cash flows as described below:

- Scenario I: For the probable scenario in US dollars, the exchange rate in effect at March 31, 2023 was considered;
- Scenario II: 25% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario IV: 25% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario; and
- Scenario V: 50% decrease in the main risk factor of the financial instrument in relation to the level of the probable scenario.

Scenarios	US$ thousand	R$ (MTM)	Increase (R$)		Decrease (R$)	
Non-derivative financial instruments			**25%**	**50%**	**25%**	**50%**
Cash and cash equivalents	**1,794**	**9,115**	**2,279**	**4,557**	**(2,279)**	**(4,557)**
Accounts receivable	**556**	**2,825**	**706**	**1,413**	**(706)**	**(1,413)**
Derivative financial instruments						
Dollar options	**(20,178)**	**(938)**	**(234)**	**(469)**	**234**	**469**
NDF - currency	**(114,490)**	**91,220**	**(130,526)**	**(256,911)**	**122,244**	**248,630**
NDF	**(1,521)**	**(382)**	**1,845**	**3,690**	**(1,845)**	**(3,690)**
Future revenue (VHP) – Hedged item	**134,668**	**(90,282)**	**130,761**	**257,380**	**(122,479)**	**(249,099)**
Impact on the statement of income and equity	**829**	**11,558**	**4,831**	**9,660**	**(4,831)**	**(9,660)**

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

Price risk

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

Exposures to price risks

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

	Consolidated	
	03/31/2023	**03/31/2022**
NDF - commodities	(93,311)	238,714
Options	1,603	1,105
Future revenue (VHP) – Hedged item	91,708	(239,819)
Net exposure	**-**	**-**

Sensitivity analysis - currency risk - Consolidated

The sensitivity analysis below is determined based on the exposure of derivative financial instruments (NDF – commodities) to the variation in VHP sugar export prices based on the future curve of NY#11 screen prices, and ethanol NDF based on the future curve of B3 prices at March 31, 2023. Below, two scenarios are presented with a 25% and 50% decrease in the risk variable considering the possible impacts of how much the Group's equity and statement of income for the year would have increased (decreased), as follows:

- Scenario I: For this scenario, a probable increase in future NY#11 screen prices as at March 31, 2023;
- Scenario II: 25% increase in the main risk factor of the derivative financial instrument in relation to the level verified in the probable scenario;
- Scenario III: 50% increase in the main risk factor of the derivative financial instrument in relation to the level verified in the probable scenario;
- .Scenario IV: 25% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario; and
  Scenario V: 50% decrease in the main risk factor of the derivative financial instrument in relation to the level of the probable scenario.

Scenarios	**USD thousand**	**R$ (MTM)**	**Increase (R$)**		**Decrease (R$)**	
			25%	**50%**	**25%**	**50%**
Options	**1,603**	**(5,621)**	**(1,405)**	**(2,811)**	**1,405**	**2,811**
NDF - commodities	**(93,311)**	**(270,398)**	**(188,288)**	**(374,836)**	**184,808**	**371,356**
Future revenue (VHP) – Hedged item	**91,708**	**276,019**	**189,693**	**377,647**	**(186,213)**	**(374,167)**
Impact on the statement of income and equity	**-**	**-**	**-**	**-**	**-**	**-**

Hedge accounting

Cash flow hedge involving Group exports

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

	2023		2022	
	Realized (statements of income)	**Unrealized (equity)**	**Realized (statements of income)**	**Unrealized (equity)**
NDF – commodities and options	**(287,908)**	**(185,736)**	(227,704)	(430,490)
NDF	**-**	**-**	(96,917)	-
Total exposure	**(287,908)**	**(185,736)**	(324,621)	(430,490)
(-) Deferred IR/CS	**97,889**	**63,150**	110,371	121,858
Net exposure	**(190,019)**	**(122,586)**	(214,250)	(308,632)

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

Derivative financial instruments

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

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

Consolidated	Type Currency	03/31/2023 Notional (US$/R$ thousand)	03/31/2023 Fair value (R$)	03/31/2022 Notional (US$/R$ thousand)	03/31/2022 Fair value (R$)
Swap	US$	**-**	**-**	25,000	(20,064)
Swap	R$	**967,784**	**21,690**	911,786	64,550
NDF - commodities - VHP	US$	**93,311**	**(270,398)**	238,714	(449,584)
NDF - currency	US$	**114,490**	**91,220**	202,044	94,327
NDF	US$	**1,521**	**(382)**	-	-
VHP options	US$	**1,603**	**(5,621)**	1,105	(3,147)
Dollar options	US$	**20,178**	**(938)**	-	-
Total			**(164,429)**		(313,918)
Current assets			**70,958**		52,962
Noncurrent assets			**95,832**		176,247
			166,790		229,209
Current liabilities			**(306,782)**		(400,520)
Noncurrent liabilities			**(24,437)**		(142,607)
			(331,219)		(543,127)

Derivative financial instruments mature as follows:

March 31, 2023	Type	Notional	Consolidated Book value	Within 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Above 5 years
Swap	US$	**967,784**	**21,690**	**(53,880)**	**(19,894)**	**(8,406)**	**(21,005)**	**54,144**	**70,731**
NDF - commodities	R$	**93,311**	**(270,398)**	**(252,037)**	**(18,361)**	**-**	**-**	**-**	**-**
NDF - currency	US$	**114,490**	**91,220**	**70,958**	**20,262**	**-**	**-**	**-**	**-**
NDF	US$	**1,521**	**(382)**	**(303)**	**(79)**	**-**	**-**	**-**	**-**
VHP options	US$	**1,603**	**(5,621)**	**-**	**(5,621)**	**-**	**-**	**-**	**-**
Dollar options	US$	**20,178**	**(938)**	**(562)**	**(376)**	**-**	**-**	**-**	**-**
Total			**(164,429)**	**(235,824)**	**(24,069)**	**(8,406)**	**(21,005)**	**54,144**	**70,731**

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

Gain (loss) on derivative financial instruments

The Group recorded gains and losses arising from these transactions in the statement of income for the year. At March 31, 2023 and 2022, the impacts recorded in the statement of income are shown below:

			Consolidated	
Derivatives	**Market**	**Risk**	**03/31/2023**	**03/31/2022**
NDF - currency and commodities	CETIP/ICE	USD	**(287,908)**	(227,704)
NDF - Ethanol	BMF	USD	**-**	(96,917)
Gross revenue from sales and services			**(287,908)**	(324,621)
Swap	CETIP	USD	**(25,335)**	(8,854)
NDF	CETIP	USD	**(382)**	5,426
NDF – currency and commodities - ineffective			**(10,173)**	(4,508)
Finance income (expenses)			**(35,890)**	(7,936)
Total			**(323,798)**	(332,557)
(-) Income and social contribution taxes			**110,091**	113,069
Net effect in the statement of income			**(213,707)**	(219,488)

c) Capital management

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

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

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

	03/31/2023	**03/31/2022**
Loans and financing	**1,717,770**	1,702,597
Leases and agricultural partnerships payable	**1,566,172**	1,485,939
(-) Cash and cash equivalents	**(794,555)**	(891,989)
(-) Short-term investments	**(2,956)**	(8,806)
Net Debt	**2,486,431**	2,287,741
Equity	**595,761**	446,083
Equity and consolidated debt	**3,082,192**	2,733,824
Leverage ratio	**4.17**	5.13

26. Deferred income taxes

Consolidated	Assets/Liabilities		Statements of income		Equity	
	03/31/2023	03/31/2022	2023	2022	03/31/2023	03/31/2022
Provision for legal proceedings	**241**	(410)	**651**	(1,250)	**-**	(186)
Allowance for expected credit losses	**-**	-	**-**	(455)	**-**	-
Allowance for inventory losses	**1,326**	1,151	**175**	139	**-**	-
Effects of swap contracts	**(7,374)**	(15,125)	**7,751**	(1,922)	**-**	-
Income tax losses (a)	**156,428**	159,391	**(2,963)**	116,341	**-**	-
Fair value of biological asset	**(36,003)**	(43,434)	**7,431**	(24,416)	**-**	-
Effects of ACC/NCE contracts and exchange differences	**52**	4,453	**(4,401)**	(16,760)	**-**	-
Effects of option contracts	**2,230**	1,070	**-**	-	**1,160**	1,070
Effects of forward contracts	**61,050**	96,278	**24,638**	(24,373)	**(59,866)**	(49,895)
Effects of forward ethanol contracts	**-**	-	**-**	-	**-**	(12,516)
Effects of tax vs. useful life depreciation difference	**(6,994)**	(10,809)	**3,815**	(521)	**-**	-
Effects of variation - IFRS 16/CPC 06	**44,028**	24,346	**19,682**	14,308	**-**	-
Net	**214,984**	216,911	**56,779**	61,091	**(58,706)**	(61,527)

(a) The Company management recognized deferred income tax assets arising from income tax loss carryforwards based on expected generation of future taxable profits. The remaining balance of deferred income taxes on income tax loss carryforward recorded in tax obligations, less deferred tax assets for the year, and not recorded for accounting purposes, is approximately R$140,990.

Deferred income tax assets were recognized as a result of studies prepared by management, demonstrating the generation of future taxable profits in an amount sufficient for full realization of these amounts within a maximum period of ten years. The Company also took into consideration the increase in profitability and in the tax base in recent years. The expected realization of deferred taxes at March 31, 2023 is as follows:

	Consolidated
04/01/2023 to 03/31/2024	**16,648**
04/01/2024 to 03/31/2025	**32,104**
04/01/2025 to 03/31/2026	**42,002**
04/01/2026 to 03/31/2027	**31,056**
04/01/2027 to 03/31/2028	**31,819**
04/01/2028 to 03/31/2033	**61,355**
	214,984

Reconciliation of the effective rate

	Individual	
	2023	**2022**
Income before income taxes	**78,632**	195,085
Statutory rate	**34%**	34%
Tax expense at statutory rate	**(26,735)**	(66,329)
Adjustments for effective rate calculation:		
Equity pickup	**27,035**	68,544
Unrecorded income tax losses	**(300)**	(2,215)
Income taxes	**-**	**-**
Current	**-**	-
Deferred	**-**	-

Reconciliation of the effective rate

	Consolidated	
	2023	**2022**
Income before income taxes	**67,269**	140,200
Statutory rate	**34%**	34%
Tax expense at statutory rate	**(22,872)**	(47,668)
Adjustments for effective rate calculation:		
Recognition of income tax losses	**9,318**	70,871
Grants	**23,688**	38,973
Other	**1,229**	(7,291)
Income taxes	**11,363**	54,885
Current	**(45,416)**	(6,206)
Deferred	**56,779**	61,091

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

27. Net revenue

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

	Consolidated	
	2023	**2022**
Gross revenue from sales and services:		
Ethanol - domestic market	**1,008,848**	1,035,191
Ethanol – foreign market	**67,802**	62,930
Sugar - domestic market	**339**	33,067
Sugar – foreign market	**1,297,759**	990,281
Hedge accounting (Note 25)	**(287,908)**	(324,621)
Electric power	**102,652**	107,515
CBIOs	**38,488**	12,520
Other revenues	**24,675**	16,482
Gross revenue	**2,252,655**	1,933,365
Sales taxes	**(85,430)**	(135,654)
Net revenue	**2,167,225**	1,797,711

Agreement commitments – Sugar – Foreign Market

The Company's subsidiaries operate mainly in the commodities market and have various agreements in the sugar market, through which they undertake to sell volumes of these products in future cycles. Sugar sales commitments at March 31, 2023 in accordance with the production cycle per producing unit, in tons (t), are as follows:

Cycle	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
23-24	**336,874**	**148,000**	**135,000**	**619,874**
24-25	**127,000**	**-**	**-**	**127,000**
25-26	**120,000**	**-**	**-**	**120,000**
26-27	**120,000**	**-**	**-**	**120,000**
Total	**703,874**	**148,000**	**135,000**	**986,874**

Ethanol - domestic market

The Company's subsidiaries have entered into agreements for the sale of hydrous ethanol for the 2023/2024 cycle, as shown below in cubic meters (m³):

	Vale do Tijuco	Vale do Pontal	Usina Canápolis	Total
Anhydrous ethanol	**14,521**	**-**	**2,132**	**16,653**
Hydrous ethanol	**4,628**	**2,500**	**27**	**7,155**
Grand Total	**19,149**	**2,500**	**2,159**	**23,808**

Electric power

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

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

Subsidiaries Vale do Tijuco and Vale do Pontal also have electric power sales agreements with other companies until the 2024/2025 cycle. Below is the delivery flow for the next cycles in MWh:

Cycle	Vale do Tijuco	Vale do Pontal	Total
2023 / 2024	**111,320**	**85,000**	**196,320**
2024 / 2025	**111,320**	**85,000**	**196,320**
2025 / 2048	**50,000**	**1,870,000**	**1,920,000**
Total	**272,640**	**2,040000**	**2,312,640**

Leases and agricultural partnership agreements

Subsidiaries Vale do Tijuco, Vale do Pontal and Usina Canápolis have land lease and agricultural partnership agreements for sugarcane cultivation, whose rights of use were recognized as described in Note 18, and the related liabilities are described in Note 21.

28. Expenses by nature

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

	Consolidated	
	2023	**2022**
Cost of sales and services		
Amortization of treatment costs	**(177,237)**	(113,713)
Amortization of planting costs	**(113,441)**	(93,620)
Purchase of sugarcane on conveyor	**(568,152)**	(517,331)
Amortization of right of use and agricultural partnerships	**(154,509)**	(125,971)
Depreciation	**(75,087)**	(69,163)
Amortization of off-season costs	**(157,358)**	(132,983)
Cutting, loading and transportation (CCT) costs	**(241,854)**	(190,128)
Industrial costs	**(133,954)**	(97,947)
Cost of services	**(30,442)**	(20,081)
Other costs	**(3,005)**	(726)
Changes in fair value of biological assets	**(21,854)**	51,947
PIS and COFINS credits on inputs	**67,230**	51,674
Total	**(1,609,663)**	(1,258,042)

	Consolidated	
	2023	**2022**
Selling expenses		
Freight and carriage	**(147,233)**	(100,361)
Tariffs arising from distribution of electric power	**(6,609)**	(7,919)
Personnel expenses	**(5,735)**	(5,026)
Other selling expenses	**(9,876)**	(12,564)
Depreciation and amortization	**(3,066)**	(2,907)
Total	**(172,519)**	(128,777)

	Consolidated	
	2023	**2022**
Administrative expenses		
Personnel expenses	**(29,235)**	(24,971)
Third-party services	**(13,223)**	(19,635)
Other administrative expenses	**(14,588)**	(8,741)
Depreciation and amortization	**(3,428)**	(4,493)
Total	**(60,474)**	(57,840)

	Consolidated	
	2023	**2022**
Other operating income (expenses), net		
ICMS credit granted	**64,081**	-
Sale of inventories supplies	**7,124**	5,771
Other revenues and expenses	**(2,714)**	7,482
Actuarial obligations	**-**	2,148
Write-off of leases	**1,020**	10,408
Total	**69,511**	25,809

29. Finance income (expenses), net

	Consolidated	
	2023	**2022**
Finance expenses:		
Interest on loans and financing	**(204,068)**	(161,715)
Tax on Financial Transactions (IOF)	**(11,914)**	(7,642)
Losses on fair value adjustment - derivatives	**(60,432)**	(88,903)
Effective losses – settlement of transactions - derivatives	**(78,889)**	(26,195)
Foreign exchange losses	**(57,186)**	(49,979)
Other finance expenses	**(16,704)**	(23,029)
Interest on lease	**(130,662)**	(108,543)
Bank fees	**(13,696)**	(11,733)
Total	**(573,551)**	(477,739)
Finance income:		
Short-term investment yield	**40,221**	18,421
Gains on fair value adjustment - derivatives	**37,254**	106,102
Effective gains – settlement of transactions - derivatives	**66,177**	1,060
Foreign exchange gains	**46,642**	69,444
Other finance income	**13,505**	8,160
Interest on lease	**42,895**	35,688
Total	**246,694**	238,875
Finance income (expenses), net	**(326,857)**	(238,864)

30. Earnings per share

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

Basic and diluted earnings per share are the same, since there are no financial instruments or equity instruments that could potentially dilute the number of common shares The table below shows net income data and the number of shares used to calculate basic and diluted earnings per share:

	Consolidated and Individual	
	2023	**2022**
Net income for the year	**78,632**	195,085
Average number of shares in the year	**1,258,415,912**	1,258,415,912
Earnings per share – basic and diluted (in reais)	**0.0625**	0.1550

31. Related parties

a) Key management personnel compensation

Key management personnel comprise the Company's Executive Board and Board of Directors. Key management personnel compensation for the year ended March 31, 2023 as short-term benefits amounted to R$7,486 (R$6,385 at March 31, 2022), recorded in the general and administrative expenses group, and include salaries, bonuses, variable compensation and direct and fringe benefits. The global annual compensation of key management personnel was approved at the General Meeting in the total amount of R$9,720 for the period from June 2022 to June 2023. However, the amount is subject to changes according to the bonus policy approved by the Company.

b) Significant balances and transactions

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

		Individual		Consolidated	
		03/31/2023	03/31/2022	03/31/2023	03/31/2022
Current assets					
Related-party receivables					
Rio Grande Investment PTE. LTD.	(i)	-	4,425	**-**	4,425
JF Investimentos S.A.	(i)	-	4,425	**-**	4,425
Subtotal		-	8,850	**-**	8,850
				-	
Noncurrent assets					
Related-party receivables					
Terra Forte Empreendimentos e Participações S.A.	(ii)	-	-	**-**	28,691
Subtotal		-	-	**-**	28,691
Total		-	8,850	**-**	37,541
Right of use on agricultural partnerships	(iii)				
Terra Forte Empreendimentos e Participações S.A.		-	-	**213,574**	228,431
Pirapitinga Participações Ltda.		-	-	**27,157**	-
Subtotal		-	-	**240,731**	228,431
Total assets		-	8,850	**240,731**	265,972

		Individual		Consolidated	
		03/31/2023	03/31/2022	03/31/2023	03/31/2022
Liabilities	(iv)				
Related-party payables					
Terra Forte Empreendimentos e Participações S.A.		**-**	-	**-**	396
Subtotal		**-**	-	**-**	396
Intercompany loans (Note 19)					
Vale do Tijuco Açúcar e Álcool S.A.	(v)	**-**	1,337	**-**	-
Subtotal		**-**	1,337	**-**	-
Leases and agricultural partnerships payable	(vi)				
Terra Forte Empreendimentos e Participações S.A.		**-**	-	**225,195**	254,466
Pirapitinga Participações Ltda.		**-**	-	**51,120**	-
Total leases and agricultural partnerships payable		**-**	-	**276,315**	254,466
Total liabilities		**-**	1,337	**276,315**	254,862

	Consolidated	
	2023	2022
Statement of income		
Sale of products and provision of services		
CZ Energy comercializadora de etanol S.A	**3,316**	95,232
	3,316	95,232
Costs and expenses with the sale of products and provision of services		
CZ Energy Comercializadora de Etanol S.A	**-**	(87,517)
	-	(87,517)
Amortization of right of use and interest allocated		
Terra Forte Empreendimentos e Participações S.A.	**(42,303)**	(45,268)
Pirapitinga Participações Ltda.	**(4,622)**	-
	(46,925)	(45,268)

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

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

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

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

(v) Loan with subsidiary Vale do Tijuco, without interest, and which will be settled according to the Company's cash availability.

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

The Company provides surety for its subsidiaries in loan and financing agreements, as described in Note 19.

The Company and its subsidiaries provide financial guarantees for transactions with suppliers, as described in Note 25.

32. Supplemental cash flow information

Non-cash transactions

	Consolidated	
	2023	**2022**
Non-cash transactions		
Right of use	**260,059**	686,741
Assignment of leases and agricultural partnerships receivable	**48,848**	123,679
Depreciation of PP&E capitalized as biological assets	**3,685**	3,582
Depreciation of PP&E capitalized as PP&E – permanent crop	**4,746**	4,533
Interest on leases capitalized as PP&E – permanent crop	**7,262**	6,590
Amortization of right of use capitalized as PP&E – permanent crop	**15,437**	14,423

33. Insurance coverage

The Group's policy is to take out insurance coverage for assets subject to risks at amounts deemed sufficient to cover losses, if any, considering the nature of its activities.

At March 31, 2023, the Group has insurance coverage at amounts deemed sufficient by its management to cover losses, if any, which are described below:

Insured assets	Amount insured
Civil liability	60,000
Agricultural pledge	17,594
Vehicles	100% Fipe
Sundry machinery and equipment	223,912
Property	400,000
D&O (Senior Management)	30,000

34. Events after the reporting period

a) Acquisition of investment

On April 24, 2023, through the purchase and sale shares with Czarnikow Brasil Ltda., the Company now holds a 50% equity interest in the capital stock of 2C Energia S.A. On the same date, the capital stock of 2C Energia S.A. was increased to R$1,458, with 50% of the amount paid in by Czarnikow Brasil Ltda. and 50% by CMAA.

b) Distribution of dividends

At the Special General Meeting held on April 26, 2023, the Company decided to approve the distribution of dividends to shareholders in the total amount of R$60,000, to be credited against income reserves.

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

c) Cancellation of CVM registration

At the Special General Meeting held on May 16, 2023, the Company's shareholders approved the decision to cancel the Company's registration as an issuer of securities, under category "B". In addition, the shareholders authorized the submission of the Delisting request to the CVM, following the guidelines of CVM Ruling No. 80 of March 29, 2022.

Board of Directors

Members

José Francisco de Fátima Santos
President

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

Executive Board

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

Accountant

Fernando Pereira Falheiros
CRC/GO No. GO-026087/O-4

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