

# 4Q22 RESULTS

## Eldorado reports new all-time high annual production in 2022 and Adjusted EBITDA margin of 63.5% in 4Q22.

### PRODUCTION

Production came to 463 thousand tons in the quarter. In 2022, it totaled 1,832 thousand tons, the highest figure ever recorded.

### NET REVENUE

Revenue totaled R\$1,916 million in 4Q22. In 2022, the Company reported an all-time-high revenue of R\$7,538 million, up by 25% over 2021.

### ADJUSTED EBITDA

Adjusted EBITDA was R\$1,217 million in 4Q22, with a margin of 63,5%. In 2022, the Company reported an all-time-high adjusted EBITDA of R\$4,563 million, up by 30% over 2021.

### NET INCOME

Net income of R\$689 million in 4Q22, with a net margin of 36%. Net income came to R\$3,534 million in 2022, the highest figure ever reported.

### ADJUSTED FREE CASH FLOW

Quarterly free cash flow of R\$522 million. In 2022, free cash flow came to R\$2,263 million, up by 15% over 2021, and also an all-time-high figure.

### LEVERAGE

The lowest leverage ratio ever reported, of 0.65x, compared to 1.48x in 4Q21.



Indicators	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
<b>Pulp Production</b>	463	476	461	-2.5%	0.5%	1,832	1,777	3.1%
<b>Pulp Sales</b>	395	482	467	-18.0%	-15.4%	1,759	1,755	0.2%
<b>Net Revenue</b>	1,916	2,324	1,578	-17.6%	21.4%	7,538	6,055	24.5%
<b>Cash Cost</b>	880	933	840	-5.7%	4.7%	873	725	20.5%
<b>Adjusted EBITDA</b>	1,217	1,430	787	-14.8%	54.8%	4,563	3,500	30.4%
<b>EBITDA Margin</b>	63.5%	61.5%	49.87%	2.0 p.p.	13.6 p.p.	60.5%	57.8%	2.7 p.p.
<b>Net Financial Expenses (including derivatives)</b>	(92)	(78)	(159)	17.9%	-42.1%	(324)	(536)	-39.6%
<b>Foreign Exchange Variation</b>	112	(116)	(169)	196.6%	166.3%	323	(470)	-
<b>Net Income (Loss)</b>	689	1,086	(648)	-36.6%	206.3%	3,534	880	301.6%
<b>Investments</b>	394	264	253	49.1%	55.6%	1,095	875	25.1%
<b>Adjusted FCF</b>	522	906	662	-42.5%	-21.2%	2,263	1,986	14.8%
<b>Net Debt</b>	2,984	3,479	5,197	-14.2%	-33.1%	2,984	5,197	-42.6%
<b>Net Debt w/ MTM Derivatives</b>	2,774	3,312	5,184	-20.3%	-46.6%	2,773	5,197	-46.6%
<b>Net Debt w/ MTM Derivatives in US\$</b>	531	612	930	-13.2%	-42.9%	531	930	-42.9%
<b>Net Debt/Adjusted EBITDA (R\$)</b>	0.65x	0.84x	1.48x	-0.19x	-0.83x	0.65x	1.48x	-0.83x
<b>Net Debt/Adjusted EBITDA (US\$)</b>	0.65x	0.82x	1.43x	-0.17x	-0.78x	0.65x	1.43x	-0.78x
<b>Net Debt w/ MTM/ Adjusted EBITDA (R\$)</b>	0.61x	0.80x	1.47x	-0.19x	-0.87x	0.61x	1.48x	-0.87x

## MARKET OVERVIEW

During the fourth quarter of 2022, demand for hardwood market pulp varied across regions and across end-use markets for the product. Despite solid demand in Europe and North America mainly from tissue paper producers, demand for hardwood pulp in China has slowed due to reduced demand for paper and increased cases of COVID-19 after the lockdown period.

On the supply side, there were delays in the start of plant operations that would increase market pulp production in the period. In addition, it is still possible to observe some production restrictions caused by a decrease in the supply of birch, due to the Russia-Ukraine conflict, and other unscheduled stoppages.

These factors maintained a balanced market situation, which made it possible to maintain prices at high levels during the quarter.

Because of such a scenario, as a pillar of its commercial strategy, Eldorado continued to focus on the diversification of its customer portfolio both in the segments and regions where it operates to ensure strong and predictable sales. In 2022, the Company sold 1,759 thousand tons. The average pulp price sold by Eldorado in 2022 was US\$803/t, up by US\$189/t, or 31%, over 2021, in line with international pulp price increases.





## PRODUCTION AND SALES

Pulp production totaled 463 thousand tons in 4Q22, down by 2.8% from 3Q22 and in line with 4Q21. In 2022, production came to 1,832 thousand tons, the highest level ever reported, in the same year the Company celebrates its tenth anniversary.

Volume ('000 tons)	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
<b>Production</b>	463	476	461	-2.8%	0.5%	1,832	1,777	3.1%
<b>Sales</b>	395	482	467	-18.0%	-15.4%	1,759	1,755	0.2%

Sales volume came to 395 thousand tons in 4Q22, down by 18% and 15% from 3Q22 and 4Q21, respectively, mainly due to the need to form inventory for the scheduled stoppage of 1Q23.

## NET REVENUE AND GROSS PROFIT

Net Revenue (R\$ million)	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
<b>Total Net Revenue</b>	<b>1,916</b>	<b>2,324</b>	<b>1,578</b>	<b>-17.6%</b>	<b>21.4%</b>	<b>7,538</b>	<b>6,055</b>	<b>24.5%</b>
<b>Foreign Market</b>	1,600	2,026	1,348	-21.0%	18.7%	6,474	5,030	28.7%
<b>Domestic Market</b>	316	298	230	6.0%	37.4%	1,064	1,025	3.8%
<b>COGS (Cost of Goods Sold)</b>	(551)	(710)	(616)	-22.4%	-10.4%	(2,356)	(1,980)	19.0%
<b>COGS/ton (R\$/ton)</b>	(1,96)	(1,473)	(1,317)	-5.2%	5.9%	1,339	1,128	18.7%
<b>Gross Profit</b>	<b>1,365</b>	<b>1,614</b>	<b>962</b>	<b>-15.4%</b>	<b>41.7%</b>	<b>5,182</b>	<b>4,075</b>	<b>27.2%</b>
<b>Gross Margin (%)</b>	71.2%	69.5%	60.1%	-	-	68.7%	67.3%	-

Net revenue totaled R\$1,916 million in 4Q22, down by 17.6% from 3Q22, mainly due to lower sales volume in the period. Compared to 4Q21, the increase was 21.4%, due to the rise in pulp prices, which closed the period at US\$880, up by 38% over the US\$637/t reported in 4Q21.

The cost of goods sold per ton fell by 5.2% from 3Q22, due to third-party wood mix and lower wood transportation costs. Compared to 4Q21, the increase was 5.9%, mainly due to inflationary pressure in the prices of some chemical and energy inputs.

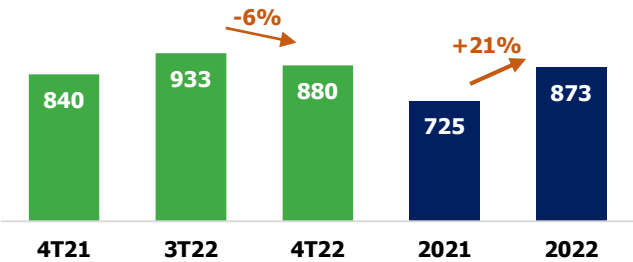
Gross profit totaled R\$1,365 million in 4Q22, down by 15.4% from 3Q22, due to lower sales, as already explained. On the other hand, the gross margin increased to 71.2% in the period, compared to the 69.5% reported in the previous quarter. YoY, the increase was 41.5%, mainly boosted by better pulp prices and lower costs.



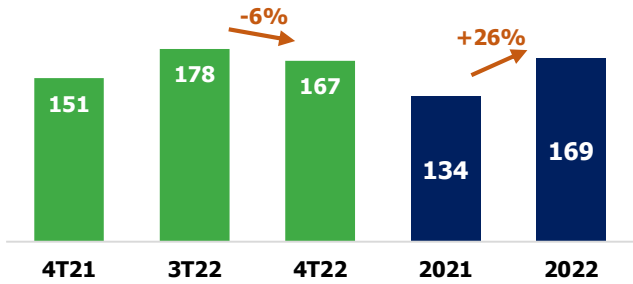
### CASH COST

The cash cost of production totaled R\$880/t (USD167/t) in 4Q22, down by 5.7% from 3Q22, due to lower third-party wood used in the period. YoY, the increase was 4.7%, mainly due to lower energy revenue and inflation effects in the personnel and services lines.

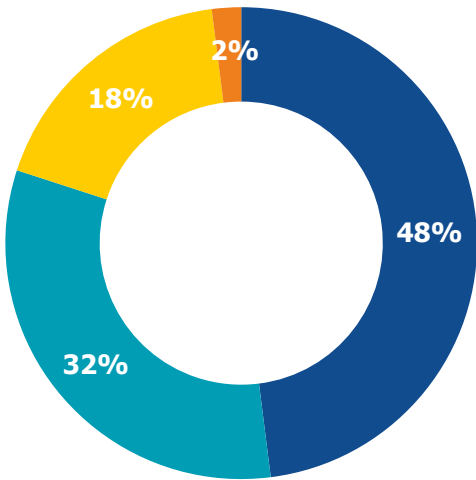
Custo Caixa sem parada (R\$/ton)



Custo Caixa sem parada (USD/ton)



Cash Cost



■ Wood ■ Inputs and Utilities ■ Fixed Cost ■ Other



## SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES

Operating income/expenses (R\$ million)	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
<b>Selling, General, and Administrative</b>	(100)	(99)	(68)	1.0%	44.9%	(378)	(280)	34.5%
<b>% of Net revenue</b>	5.2%	4.3%	4.3%	22.5%	19.4%	5.0%	4.6%	8.1%
<b>Logistics</b>	(197)	(209)	(202)	-5.7%	-2.0%	(842)	(702)	19.9%
<b>% of Net revenue</b>	10.2%	9.0%	12.8%	14.3%	-19.3%	11.2%	11.6%	-3.7%
<b>Total</b>	(297)	(308)	(270)	-3.6%	10.0%	(1,220)	(982)	24.1%

Selling, general, and administrative expenses totaled R\$100 million in 4Q22, in line with 3Q22. Compared to 4Q21, SG&A expenses were 44.9% higher, due to inflationary effects and higher third-party service expenses.

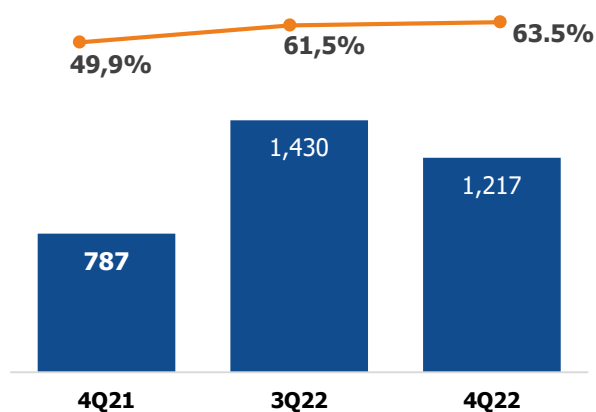
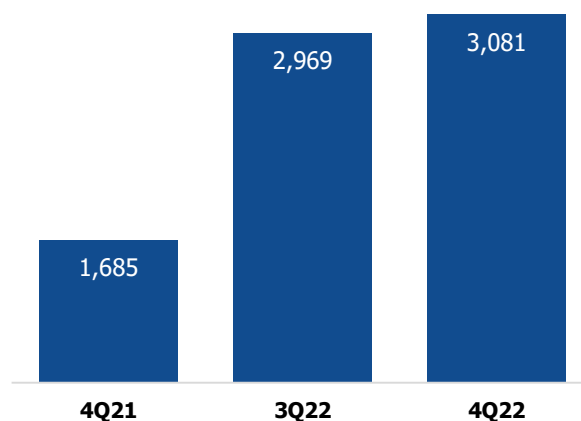
Logistics costs totaled R\$197 million in 4Q22, down by 5.7% and 2.0% from 3Q22 and 4Q21, respectively, due to lower oil prices and adjustments in the availability of containers and vessels, which were gradually mitigated in the year.

## ADJUSTED EBITDA

Adjusted EBITDA totaled R\$1,217 million in 4Q22, with a margin of 63.5%, down by 14.9% from 3Q22, due to lower volume sold. YoY, it was 54.6% higher, due to higher pulp prices.

EBITDA was R\$3,081/t in 4Q22, up by 3.9% and 83.0% over 3Q22 and 4Q21, respectively.

Adjusted EBITDA	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
<b>EBIT</b>	823	1,311	(256)	-37.2%	421.5%	3,995	2,163	84.7%
<b>Depreciation, amortization, and depletion</b>	134	127	115	5.5%	16.5%	571	424	34.7%
<b>Fair value adjustment on biological assets</b>	311	-	(103)	N/A	401.9%	62	(174)	-135.6%
<b>Tax credit adjustments</b>	(50)	(8)	1,031	525.0%	N/A	(66)	1,087	-106.1%
<b>Adjusted EBITDA</b>	<b>1,217</b>	<b>1,430</b>	<b>787</b>	<b>-14.8%</b>	<b>54.8%</b>	<b>4,562</b>	<b>3,500</b>	<b>28.5%</b>


**Adjusted EBITDA (R\$M) and adjusted EBITDA margin (%)**

**Adjusted EBITDA (R\$/t)**


## FINANCIAL RESULT

Net financial expenses, including the market value of derivatives, totaled R\$92 million in 4Q22, compared to R\$78 million in 3Q22 and R\$159 million in 4Q21. The QoQ increase was due to the lower mark-to-market contributions of derivative transactions. YoY, the 42.1% reduction reflects the drop in indebtedness and the positive contributions from the mark-to-market of derivative transactions. Net financial expenses fell by 39.6% in 2022, to R\$324 million, compared to the R\$536 million reported in 2021, due to the continuous reduction in indebtedness in the year.

The monetary and foreign exchange variation was positive by R\$112 million in 4Q22, due to the appreciation of the Brazilian real in the quarter.

Financial Result (R\$ million)	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21	2022	2021	2022 vs. 2021
<b>Net Financial Expenses</b>	(100)	(132)	(159)	-24.2%	-37.1%	(511)	(536)	-4.7%
<b>Derivative Financial Instruments<sup>1</sup></b>	8	54	-	-85.2%	-	187	-	-
<b>Net Financial Expenses (including derivatives)</b>	(92)	(78)	(159)	17.9%	-42.1%	(324)	(536)	-39.6%
<b>Foreign Exchange Variation</b>	112	(116)	(169)	-196.6%	-166.3%	323	(470)	-168.7%
<b>(=) Financial Result</b>	20	(194)	(328)	-110.3%	-106.1%	(1)	(1,006)	-99.9%
<b>Debt Cost in U.S. Dollars<sup>2</sup> (% p.a.)</b>	6.43%	6.44%	4.40%	-	-	6.43%	4.40%	-

1- Considers interest rate swap and NDF

2 - Average cost of debt in U.S. dollar considers swap of the R\$-denominated debt to US\$.



## NET INCOME

In 4Q22, the Company reported a net income of R\$689 million, compared to the net loss of R\$648 million reported in 4Q21. The variation was due to improved international prices in 2022 and the provision for ICMS loss, which occurred in the same period of the year before. In 2022, the Company reported an all-time-high income of R\$3,534 million, compared to the R\$880 million reported in 2021.

## RETURN ON INVESTED CAPITAL

ROIC reached 31.9% in 2022, compared to 28.7% in 2021.

ROIC (R\$ million)	2022	2021
Total Equity <sup>1</sup>	6,825	4,588
(-) construction in progress	(481)	(520)
(-) biological asset – CPC 29	(556)	(608)
(=) Adjusted equity	5,788	3,460
Gross Debt	5,237	6,935
<b>(=) Total Capital Invested<sup>2</sup> (a)</b>	<b>11,025</b>	<b>10,395</b>
EBIT	3,995	2,163
(+/-)Tax credit adjustments	(66)	1,031
(-) Income tax/social contribution (effective rate)	(408)	(211)
<b>(=) Operational income after income tax/social contribution (NOPAT) (b)</b>	<b>3,522</b>	<b>2,983</b>
<b>ROIC (b/a)</b>	<b>31.9%</b>	<b>28.7%</b>

1- Equity excludes the provision for ICMS losses

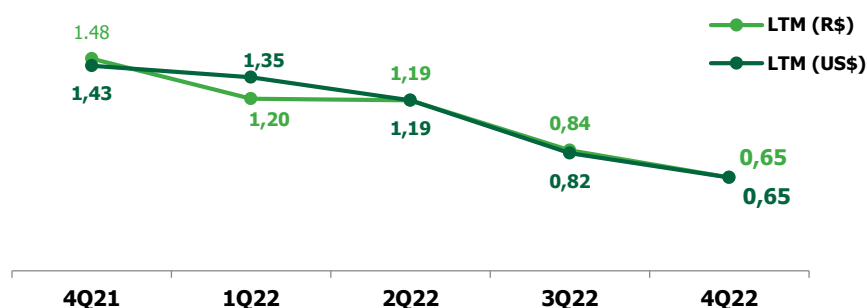
2- All lines use the annual average for calculation





## INDEBTEDNESS

The Company maintained the reduction in financial leverage (net debt/adjusted EBITDA), reaching the lowest level ever in 4Q22, closing at 0.65x, compared to 0.84x in 3Q22 and 1.48x in 4Q21.



The Company contracted derivative operations at the end of the year to change the debt index from Brazilian reais to U.S. dollars and hedge the export cash flow. These transactions consider the swap of the debt backed by CRA, of R\$500 million, and debentures, of R\$700 million, for the full period of these debts, as well as short positions totaling US\$500 million in US dollar futures contracts (NDF). The fair value of the derivative operations totaled R\$211 million in 4Q22, compared to R\$167 million in 3Q22. The leverage ratio in 4Q22 would fall to 0.61x if we considered the market value of these derivatives.

On December 31, 2022, net debt was R\$2,984 million, down by 14% from 3Q22 and by 43% from 4Q21, due to the settlement of debts in recent periods. By adding derivatives, net debt totaled R\$2,774 million.

The Company denominates the foreign exchange component of currency and interest rate swaps for cash flow hedge accounting.

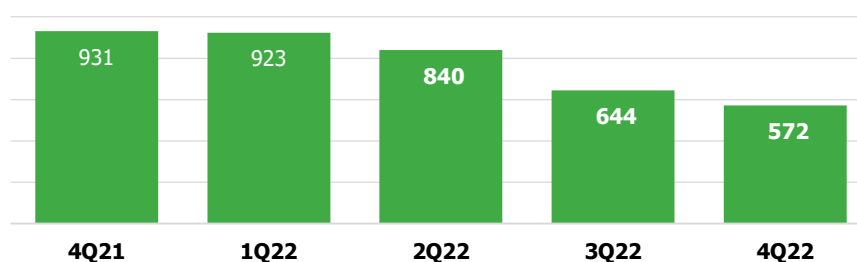
Indebtedness	4Q22	3Q22	4Q21	4Q22 vs. 3Q22	4Q22 vs. 4Q21
<b>Gross Debt</b>	4,331	4,785	6,144	-9.5%	-29.5%
<b>Short-Term Debt</b>	1,726	2,026	927	-14.8%	86.2%
<b>Cash and Financial Investments</b>	1,347	1,306	947	3.1%	42.2%
<b>Net Debt</b>	2,984	3,479	5,197	-14.2%	-42.6%
<b>Net Debt in U.S. dollars</b>	572	644	931	-11.2%	-38.6%
<b>MTM Derivatives</b>	211	167	13	25.7%	1,515%
<b>Net Debt w/ MTM Derivatives</b>	2,774	3,312	5,184	-16.2%	-46.6%
<b>Net Debt w/ MTM Derivatives in US\$</b>	531	612	930	-13.2%	-42.9%
<b>Net Debt/Adjusted EBITDA (R\$)</b>	0.65x	0.84x	1.48x	-0.19x	-0.83x
<b>Net Debt/Adjusted EBITDA (US\$)</b>	0.65x	0.82x	1.43x	-0.17x	-0.78x
<b>Net Debt w/ MTM/ Adjusted EBITDA (R\$)</b>	0.61x	0.80x	1.47x	-0.19x	-0.87x





In 4Q22, the cash position totaled R\$1,347 million, or US\$258 million, up by 42.2% YoY, due to the company's strong cash generation in 2022.

### Net debt in US\$ million

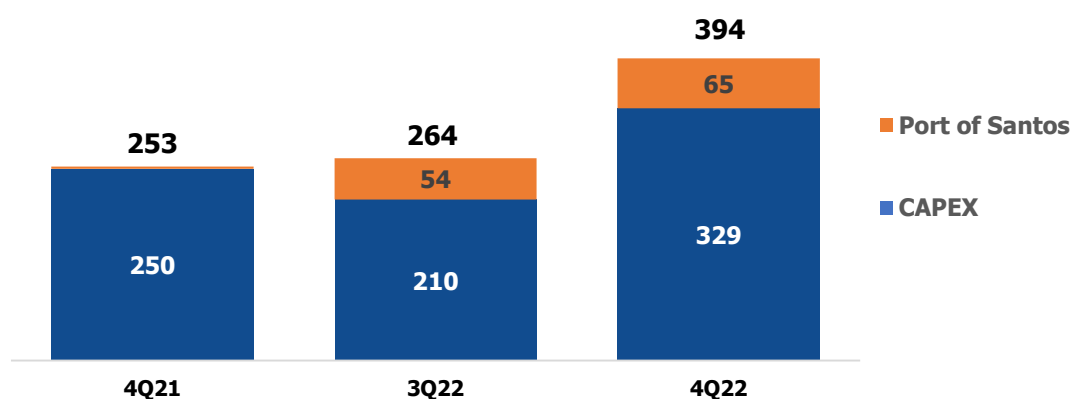


Our net debt denominated in U.S. dollars ended the year at US\$572 million, maintaining a downward trend in the U.S. dollar-denominated debt. The consolidated net debt position considering the market value of derivatives was US\$531 million. The debt breakdown (considering derivative transactions) ended the year at 95% denominated in U.S. dollars and 5% in Brazilian reals.

## INVESTMENTS

Investments in industrial and forestry maintenance and other projects totaled R\$394 million, up by 49% and 55% over 3Q22 and 4Q21, respectively. The works for the new port terminal advanced, reaching 89% of completion. This is one of the company's main projects focused on logistics. It is expected to be delivered by the end of the first half of 2023. With total investments of around R\$500 million, the start-up of the new terminal will allow Eldorado to handle 3 million tons of pulp per year in the Port of Santos – 3x more than the current volume.

In 2022, the forestry production base reached 267.3 thousand hectares of productive areas with eucalyptus, and in 127.1 thousand hectares of preservation and conservation areas. Investments totaled R\$1,095 million in 2022, compared to R\$875 in 2021.



## FREE CASH FLOW

The free cash flow totaled R\$522 million in 4Q22, down by 42% from 3Q22. In 2022, the adjusted free cash flow reached an all-time high of R\$2,263 million, up by 14.8% over 2021. Free cash flow generation is still used to reduce gross debt.

Free Cash Flow (R\$ million)	4Q22	3Q22	2022	2021
<b>Adjusted EBITDA</b>	1,217	1,430	4,563	3,500
<b>(-) Total CAPEX</b>	(394)	(264)	(1,095)	(875)
<b>(-/+ ) Working capital</b>	(280)	(25)	(749)	54
<b>(-) Interest paid</b>	(33)	(201)	(410)	(405)
<b>(+) Realized gains with derivatives</b>	6	46	70	-
<b>(-) Lease agreements – IFRS 16*</b>	(62)	(66)	(280)	(184)
<b>(-) Income tax and social contribution</b>	(51)	(12)	(67)	(51)
<b>(-/+ ) Other</b>	53	(56)	(28)	(104)
<b>Free cash flow</b>	<b>457</b>	<b>853</b>	<b>2,004</b>	<b>1,935</b>
<b>(+) Onça Pintada Project / Port of Santos (Eblog*)</b>	65	54	259	37
<b>(=) Adjusted free cash flow</b>	<b>522</b>	<b>906</b>	<b>2,263</b>	<b>1,972</b>

\*Includes the grant of Eblog, totaling R\$44 million, paid annually.



## SUSTAINABILITY (ESG)

Eldorado Brasil's growth strategy and value creation continued in line with the pillars of competitiveness, innovation, sustainability, and appreciation for people. Sustainability is a fundamental pillar of the business and permeates all the Company's actions. Environmental, Social, and Governance (ESG) criteria create extremely positive social, environmental, and governance values.

In 2Q22, Eldorado Brasil preserved its commitment to responsible forestry management through dialogue and engagement of all its stakeholders. For this reason, the Company obtained a recommendation, for another five years, of the FSC® (FSC-C113536) – Forest Stewardship Council® and CERFLOR - National Program for Forest Certification seals. Both seals attest to the solidity and constancy of the Company's forest management practices, proving to our customers, institutional partners, and public agents Eldorado Brasil's adherence to the highest standards of certification in the industry. Another highlight was the recommendation of new farms in the scope of the certifications, increasing our certified area and keeping the commitment of certifying 100% of the areas in the next few years.

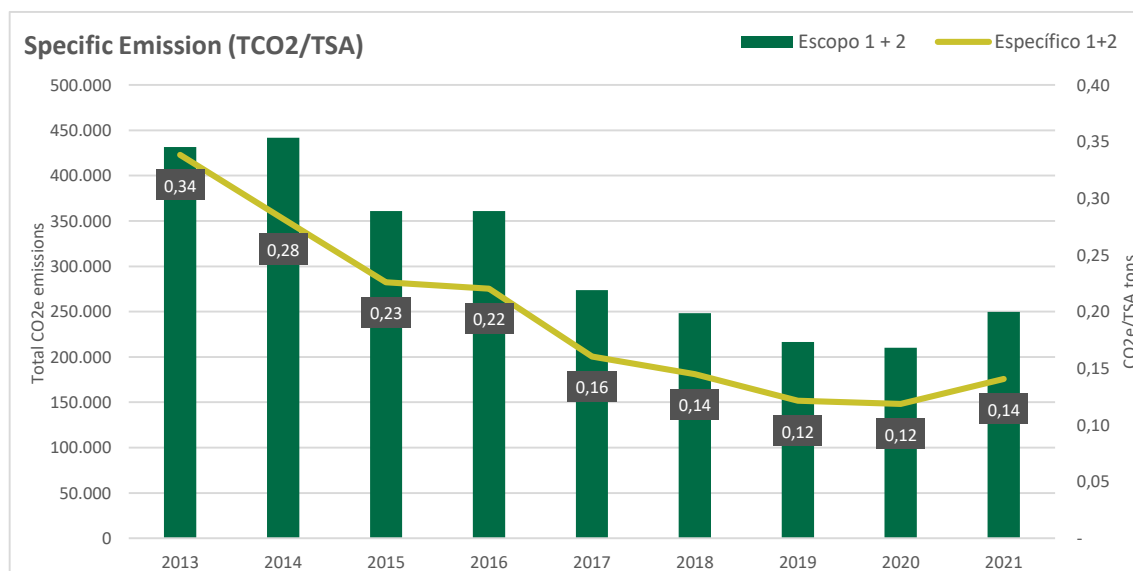
In 2022, our highlight was the excellent result of the audit of the chain of custody of the Forest Stewardship Council® (license code FSC-C113939) and the Programme for the Endorsement of Forest Certification (PEFC), further strengthening our performance in ensuring the traceability of our pulp to the customer. The renewal of the certifications shows that the company's operations continue to meet the highest forestry requirements and standards, taking into account indicators of social and environmental impact.

We ensured the maintenance of the HALAL certifications, which confirm that our procedures and production processes comply with the religious rules of Islamic countries; and the KOSHER certification, which confirms that our manufactured products comply with Jewish dietary laws. This seal is recognized worldwide and attributed as a synonym for maximum quality control.

We maintained our commitment as a signatory of the Global Compact, a United Nation program to encourage and foster sustainable and fair corporate practices throughout the world. We also published the 11<sup>th</sup> edition of the Public Summary of the Forest Management Plan, which clearly and transparently summarizes relevant information about Eldorado Brasil's forestry operations and the practices adopted by the Company, showing our responsible forestry management to our stakeholders.

We also published the 9<sup>th</sup> Greenhouse Gas (GHG) Inventory under the GHG Protocol methodology.

The Company's specific GHG emissions (scopes 1 and 2) are relatively lower than those of the other industry companies, while carbon removed from the atmosphere by its native and planted forests captured CO<sub>2</sub> in a volume significantly higher than the emissions released from operations.



\*2022 figures will be disclosed in the Sustainability Report in the second quarter.

Eldorado Brasil's carbon chain is negative, i.e. accumulated removal is higher than accumulated emission, reaffirming the Company's commitment to fighting global climate change. Another important point is that we received the Gold Seal, showing the maximum recognition for the greenhouse gas inventory of the Brazil GHG Protocol program. The inventory was verified by a company accredited by Inmetro, under the ISO 14064 standard, and good monitoring practices and transparency in the publication of data were validated. The certification refers to the 2021 inventory.

Over the year, the Company maintained relationships and engagement practices with stakeholders, either directly or indirectly, to create positive value based on programs and actions conducted by Eldorado Brasil, providing shared sustainability between the Company, society, and local communities.

It is worth noting the resumption of in-person events in the communities in 2022, with several actions aimed at engagement, environmental awareness, and education to maintain a close and consolidated relationship.

It is also worth noting that Eldorado carried out several transfers throughout the year focusing on health, education, and development of the communities.

In the last few years, especially in 2022, the good practices and results achieved by Eldorado Brasil became a priority in the Company's strategies in terms of the ESG parameters.





## APPENDIX I

### Balance sheets (in thousands of Reais)

	Assets			Liabilities and shareholders' equity		
	Consolidated			Consolidated		
	31/12/2022	30/09/2022	31/12/2021	31/12/2022	30/09/2022	31/12/2021
<b>Current</b>				<b>Current</b>		
Cash and cash equivalents	1,347,256	1,306,416	789,944	Loans and borrowings	1,725,644	2,026,151
Short term investments	-	-	24,555	Trade payables	297,175	292,411
Trade receivables	1,538,739	1,340,783	928,009	Lease liabilities	234,768	235,229
Inventories	832,361	745,121	678,435	Social tax and payroll payables	218,359	235,708
Tax receivables	85,862	47,735	70,098	Tax payables	46,248	9,855
Current income tax	46	1,417	3,837	Current income tax	72,458	40,872
Derivative financial instruments	92,874	85,266	56,848	Accounts payable to related parties	-	141
Advances to suppliers	65,323	69,337	28,525	Derivative financial instruments	6,108	-
Other current assets	55,370	68,509	21,425	Other current liabilities	117,939	92,910
	<b>4,017,831</b>	<b>3,664,584</b>	<b>2,601,676</b>		<b>2,718,699</b>	<b>2,933,136</b>
<b>Non-current</b>				<b>Non-current</b>		
Long term investments	-	-	132,396	Loans and borrowings	2,604,721	2,759,299
Tax receivables	32,550	56,442	1,759	Lease liabilities	1,019,222	913,257
Advances to suppliers	249,151	240,063	182,173	Deferred income tax	258,612	218,906
Deferred income tax	-	-	50,066	Derivative financial instruments	-	113,543
Derivative financial instruments	123,531	81,639	70,141	Provisions for lawsuit	31,140	32,294
Other non current assets	5,158	7,038	5,312	Other non current liabilities	22,378	27,278
	<b>410,390</b>	<b>385,182</b>	<b>441,847</b>		<b>3,936,073</b>	<b>3,951,034</b>
Biological assets	3,802,426	4,037,646	3,493,833	<b>Shareholders' equity</b>		
Investments	4,894,360	4,812,370	4,881,888	Share capital	1,788,792	1,788,792
Right of use	324,192	1,149,753	920,423	Income reserves	5,885,074	2,354,717
Intangible assets	1,230,311	246,826	100,005	Equity valuation adjustments	350,872	427,009
	<b>10,661,679</b>	<b>10,631,777</b>	<b>9,837,996</b>	Retained earnings	-	2,841,673
					<b>8,024,738</b>	<b>7,412,191</b>
<b>Total assets</b>	<b>14,679,510</b>	<b>14,296,361</b>	<b>12,439,672</b>	<b>Total liabilities and shareholders' equity</b>	<b>14,679,510</b>	<b>14,296,361</b>
					<b>12,439,672</b>	



## APPENDIX II

### Income statement and Adjusted EBITDA (In thousands of Reais)

	Consolidated							
	4Q22	3Q22	4Q21	4Q22 vs 3Q22	4Q22 vs 4Q21	2022	2021	2022 vs 2021
Net revenue	1,916,203	2,324,467	1,578,450	-17.6%	21.4%	7,538,110	6,054,774	24.5%
Cost of sales	(551,215)	(709,742)	(615,221)	-22.3%	-10.4%	(2,355,526)	(1,980,030)	19.0%
<b>Gross profit</b>	<b>1,364,988</b>	<b>1,614,725</b>	<b>963,229</b>	<b>-15.5%</b>	<b>41.7%</b>	<b>5,182,584</b>	<b>4,074,744</b>	<b>27.2%</b>
<b>Operating income (expenses)</b>								
General and administrative	(83,227)	(75,660)	(56,581)	10.0%	47.1%	(286,774)	(229,875)	24.8%
Selling and distribution	(214,458)	(233,165)	(213,451)	-8.0%	0.5%	(932,320)	(752,646)	23.9%
Fair value of biological assets	(310,523)	-	103,338	n/a	-400.5%	(61,815)	173,782	-135.6%
Bad debit provision	(5,520)	(1,463)	(1,071)	277.3%	415.4%	(10,072)	4,733	-312.8%
Other income	86,465	19,410	7,939	345.5%	989.1%	148,817	40,530	267.2%
Other expenses	(15,608)	(13,288)	(1,059,380)	17.5%	-98.5%	(45,210)	(1,148,441)	-96.1%
<b>Earnings before net financial income (expenses) and taxes</b>	<b>822,117</b>	<b>1,310,559</b>	<b>(255,977)</b>	<b>-37.3%</b>	<b>-421.2%</b>	<b>3,995,210</b>	<b>2,162,827</b>	<b>84.7%</b>
<b>Net financial income (expenses)</b>								
Financial expenses	(118,068)	(141,875)	(167,126)	-16.8%	-29.4%	(553,175)	(553,828)	-0.1%
Financial income	18,274	9,636	7,669	89.6%	138.3%	42,260	17,861	136.6%
Derivative financial instruments	7,576	54,174	154	-86.0%	4819.5%	186,775	154	121182.5%
Foreing exchange variation, net	112,129	(115,828)	(168,608)	-196.8%	-166.5%	323,130	(469,773)	-168.8%
<b>Income (loss) before income tax and social contribution</b>	<b>842,028</b>	<b>1,116,666</b>	<b>(583,888)</b>	<b>-24.6%</b>	<b>-244.2%</b>	<b>3,994,200</b>	<b>1,157,241</b>	<b>245.1%</b>
<b>Income tax and social contribution</b>								
Current	(126,541)	(33,928)	5,050	273.0%	-2605.8%	(177,119)	(45,951)	285.5%
Deferred	(26,803)	3,508	(69,414)	-864.1%	-61.4%	(282,813)	(231,528)	22.2%
<b>Net income for the period</b>	<b>688,684</b>	<b>1,086,246</b>	<b>(648,252)</b>	<b>-36.6%</b>	<b>-206.2%</b>	<b>3,534,268</b>	<b>879,762</b>	<b>301.7%</b>
<b>Earnings per share - basic and diluted - in R\$</b>	<b>0.45</b>	<b>0.71</b>	<b>(0.42)</b>			<b>2.32</b>	<b>0.58</b>	
<b>Earnings before financial income/(expenses) and taxes</b>								
Depreciation, amortization and depletion charges	134,139	127,792	115,499	5.0%	16.1%	571,683	424,045	34.8%
Fair value of biological assets	310,523	-	(103,338)	n/a	-400.5%	61,815	(173,782)	-135.6%
Reversal of extemporaneous tax credits	(12,027)	(8,429)	1,030,760	42.7%	-101.2%	(28,438)	1,087,288	-102.6%
PIS_COFINS extemporaneous	(37,519)	-	0.0%	n/a		(37,519)	0.0%	n/a
<b>Adjusted EBITDA</b>	<b>1,217,233</b>	<b>1,429,922</b>	<b>786,944</b>	<b>-14.9%</b>	<b>54.7%</b>	<b>4,562,751</b>	<b>3,500,378</b>	<b>30.4%</b>



## APPENDIX III

### Cash flow statements (in thousands of Reais)

	Consolidado							
	4Q22	3Q22	4Q21	4Q22 vs 3Q22	4Q22 vs 4Q21 vs	2022	2021	2022 vs 2021
<b>Cash flows from operating activities:</b>								
<b>Net income for the period</b>	688,684	1,086,246	(648,252)	-36.6%	-206.2%	3,534,268	879,762	301.7%
<b>Adjustments:</b>								
Depreciation and amortization	63,938	71,962	67,033	-11.2%	-4.6%	277,521	266,807	4.0%
Depletion	70,201	55,830	48,466	25.7%	44.8%	294,162	157,238	87.1%
Income (loss) on disposal fixed assets and biological assets	7,614	(7,942)	(13,707)	-195.9%	-155.5%	(11,068)	(10,504)	5.4%
Fair value of biological assets	310,523	-	(103,338)	n/a	-400.5%	61,815	(173,782)	-135.6%
Deferred income taxes	26,803	(3,508)	69,414	-864.1%	-61.4%	282,813	231,528	22.2%
Current income taxes	126,541	33,928	(5,050)	273.0%	-2605.8%	177,119	45,951	285.5%
Financial results - interest - lease	238	147	176	61.9%	35.2%	698	793	-12.0%
Financial results - interest and foreign exchange variation	(5,757)	223,870	231,305	-102.6%	-102.5%	257,823	733,306	-64.8%
Financial results - interest and foreign exchange variation - related parties	(42,139)	(10,372)	33,597	306.3%	-225.4%	(128,216)	160,280	-180.0%
Financial results - interest on short and long term investments	-	(56,564)	(2,761)	-100.0%	-100.0%	(58,078)	(7,872)	637.8%
Foreign exchange on customers	102,902	23,027	20,663	346.9%	398.0%	80,589	(1,177)	-6947.0%
Provision for lawsuit	9,603	(432)	6,565	-2322.9%	46.3%	14,216	18,429	-22.9%
Net gain with derivatives	(15,348)	(72,450)	(155)	-78.8%	9801.9%	(194,547)	(155)	125414.2%
Net loss on derivative financial instruments	3,974	-	-	n/a	n/a	3,974	-	n/a
(Reversal) / provision for loss of tax credits	(12,027)	(8,429)	1,030,760	42.7%	-101.2%	(28,438)	1,087,288	-102.6%
Tax credits	(62,683)	-	-	n/a	n/a	(62,683)	-	n/a
Estimated inventory loss	4,576	-	-	n/a	n/a	4,576	-	n/a
Bad debt provision	5,520	1,463	1,071	277.3%	415.4%	10,072	(4,733)	-312.8%
	<b>1,283,163</b>	<b>1,336,776</b>	<b>735,787</b>	<b>-4.0%</b>	<b>74.4%</b>	<b>4,516,616</b>	<b>3,383,159</b>	<b>33.5%</b>
<b>Decrease (increase) in assets</b>								
Trade receivables	(344,136)	(198,195)	105,566	73.6%	-426.0%	(732,395)	(171,051)	328.2%
Inventories	(19,508)	75,251	78,153	-125.9%	-125.0%	(57,460)	6,677	-960.6%
Tax receivables	44,785	2,480	8,764	1705.8%	411.0%	35,611	63,081	-43.5%
Advances to suppliers	13,235	(40,651)	15,821	-132.6%	-16.3%	(28,574)	8,648	-430.4%
Other current and non-current assets	10,454	65,767	47,854	-84.1%	-78.2%	(38,414)	41,557	-192.4%
<b>Increase (decrease) in liabilities</b>								
Trade payables	24,505	17,144	(15,668)	42.9%	-256.4%	39,536	10,597	273.1%
Accounts payable to related parties	-	-	-	n/a	n/a	(141)	(2,950)	-95.2%
Social tax and payroll payables	(17,229)	59,000	(11,979)	-129.2%	43.8%	45,734	43,535	5.1%
Tax payables	9,796	(1,518)	3,555	-745.3%	175.6%	9,213	(12,717)	-172.4%
Provisions for lawsuit	(10,756)	(1,117)	(1,499)	862.9%	617.5%	(17,992)	(15,363)	17.1%
Other current and non current liabilities	28,014	(2,123)	82,075	-1419.5%	-65.9%	15,114	82,327	-81.6%
<b>Cash from operating activities</b>	<b>1,022,323</b>	<b>1,312,814</b>	<b>1,048,429</b>	<b>-22.1%</b>	<b>-2.5%</b>	<b>3,786,848</b>	<b>3,437,500</b>	<b>10.2%</b>
Income tax paid	(50,394)	(12,678)	(25,577)	297.5%	97.0%	(66,738)	(51,378)	29.9%
<b>Net cash from operating activities</b>	<b>971,929</b>	<b>1,300,136</b>	<b>1,022,852</b>	<b>-25.2%</b>	<b>-5.0%</b>	<b>3,720,110</b>	<b>3,386,122</b>	<b>9.9%</b>
<b>Cash flows of investing activities:</b>								
Additions to biological assets	(157,564)	(119,477)	(123,968)	31.9%	27.1%	(505,609)	(387,658)	30.4%
Additions to property, plant and equipment and intangible assets	(235,804)	(144,977)	(129,442)	62.6%	82.2%	(589,089)	(487,594)	20.8%
Cash received from disposal of property, plant and equipment	1,434	11,571	5,118	-87.6%	-72.0%	24,710	28,199	-12.4%
Financial investments, net	(79,703)	56,564	44,028	-240.9%	-281.0%	215,029	788,482	-72.7%
<b>Net cash used in investing activities</b>	<b>(471,637)</b>	<b>(196,319)</b>	<b>(204,264)</b>	<b>140.2%</b>	<b>130.9%</b>	<b>(854,959)</b>	<b>(58,571)</b>	<b>1359.7%</b>
<b>Cash flows of financing activities:</b>								
Proceeds from loans and borrowings	166,303	675,416	937,901	-75.4%	-82.3%	1,030,566	3,899,858	-73.6%
Payment of loans and borrowings - principal	(582,618)	(1,061,673)	(2,072,568)	-45.1%	-71.9%	(2,692,348)	(5,811,003)	-53.7%
Payment of loans and borrowings - interest	(33,013)	(200,454)	(68,436)	-83.5%	-51.8%	(409,668)	(405,126)	1.1%
Cash invested on short and long term investments	79,703	-	(24,924)	n/a	-419.8%	-	(910,456)	-100.0%
Receipt of operations with derivatives	5,933	63,865	-	-90.7%	n/a	69,798	-	n/a
Payment of lease liabilities	(61,613)	(65,965)	(47,319)	-6.6%	30.2%	(280,039)	(184,395)	51.9%
<b>Net cash (used in) / from financing activities</b>	<b>(425,305)</b>	<b>(588,811)</b>	<b>(1,275,346)</b>	<b>-27.8%</b>	<b>-66.7%</b>	<b>(2,281,691)</b>	<b>(3,411,122)</b>	<b>-33.1%</b>
Foreign exchange variance on cash and cash equivalents	(34,147)	45,323	23,037	-175.3%	-248.2%	(26,148)	(14,499)	80.3%
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>40,840</b>	<b>560,329</b>	<b>(433,721)</b>	<b>-92.7%</b>	<b>-109.4%</b>	<b>557,312</b>	<b>(98,070)</b>	<b>-668.3%</b>
Cash and cash equivalents at the beginning of the period	1,306,416	746,087	1,223,665			789,944	888,014	
Cash and cash equivalents at the end of the period	1,347,256	1,306,416	789,944			1,347,256	789,944	
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>40,840</b>	<b>560,329</b>	<b>(433,721)</b>			<b>557,312</b>	<b>(98,070)</b>	





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