

2Q23 RESULTS

Net income of R\$988 million and financial leverage reached a new record low of 0.41x.

PRODUCTION AND SALES VOLUME

Production and sales volumes surpass the marks of the previous quarter reaching 466 thousand tons and 474 thousand tons, respectively.

NET INCOME

Net income was R\$988 million in 2Q23, up by 11% and 40% over 1Q23 and 2Q22, respectively.

ADJUSTED FREE CASH FLOW

Quarterly free cash flow of R\$536 million, down by 21% over 1Q23 and up by 30% over 2Q22.

NET DEBT

Net debt ended 2Q23 at R\$1,756 million, 24% and 60% lower than 1Q23 and 2Q22, respectively. Leverage reached its lowest historical level, at 0.41x.



Indicators	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
Pulp Production	466	375	466	24.3%	0.0%	841	894	-5.9%
Pulp Sales	474	387	457	22.5%	3.7%	861	883	-2.5%
Net Revenue	1,491	1,536	1,834	-2.8%	-18.6%	3,027	3,278	-7.7%
Cash Cost	860	893	870	-3.7%	-1.1%	877	838	4.7%
Adjusted EBITDA	680	950	1,075	-28.3%	-36.7%	1,630	1,915	-14.9%
EBITDA Margin	45.6%	61.9%	58.7%	-26.3%	-22.3%	53.9%	58.5%	-7.4%
Net Financial Income (Expenses) (including derivatives)	356	107	(95)	232.7%	-	462	(154)	-400.0%
Foreign Exchange Variation	139	77	(367)	80.5%	-	217	327	-33.6%
Net Income	988	892	703	10.7%	40.4%	1,879	1,759	6.8%
Investments	317	331	248	-3.9%	28.2%	649	436	48.9%
Adjusted FCF	536	675	413	-20.5%	30.2%	1,211	834	45.2%
Net Debt	1,756	2,310	4,403	-24.0%	-60.1%	1,756	4,403	-60.1%
Net Debt w/ MTM Derivatives	1,288	2,055	4,206	-37.3%	-69.4%	1,288	4,206	-69.4%
Net Debt w/ MTM Derivatives in US\$	267	404	803	-33.9%	-66.7%	267	803	-66.7%
Net Debt/Adjusted EBITDA (R\$)	0.41x	0.49x	1.19x	-0.08x	-0.78x	0.41x	1.19x	-0.78x
Net Debt/Adjusted EBITDA (US\$)	0.44x	0.50x	1.19x	-0.06x	-0.75x	0.44x	1.19x	-0.75x
Net Debt w/ MTM/ Adjusted EBITDA (R\$)	0.30x	0.44x	1.13x	-0.14x	-0.83x	0.30x	1.13x	-0.83x

MARKET OVERVIEW

Demand for hardwood pulp, in 2Q23, had different dynamics according to segment and region. Price levels in the Asian market influenced paper producers to increase their fiber inventory, thus boosting orders in the period compared to the previous quarter. This also enabled these companies to improve margins and competitiveness. Paper production in the region increased across all segments compared to the previous quarter and in the twelve-month period.

In North America and Europe, the sanitary paper market proved to be more resilient, mainly in the first region, while demand for printing and writing papers continued to be diminished, reflecting the secular trend of decline in this segment.

In terms of supply, the market was influenced with the perspective of increased availability in the coming months due to the ramp-up process of the new factories. On the other hand, some producers announced reduction in production levels and stoppages for market reasons, seeking to maintain the profitability of their business given current price levels.

According to Pulp and Paper Products Council (PPPC) statistics, the combination between current production levels and the moderate demand in the paper market maintained inventories at high levels across the chain.



Given the current scenario, Eldorado maintained its commercial strategy and focus on the diversification of its customer portfolio, in the segments and regions where it operates, thus ensuring its solid sales performance. In the second quarter of 2023, the Company sold 474 thousand tons at an average net price of US\$/t 587.

PRODUCTION AND SALES

Pulp production totaled 466 thousand tons in 2Q23, up by 24.3% from 1Q23, affected mainly by the scheduled maintenance shutdowns and in line with 2Q22.

Volume ('000 tons)	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
Production	466	375	466	24.3%	0.0%	841	894	-5.9%
Sales	474	387	457	22.5%	3.7%	861	883	-2.5%

Sales volume totaled 474 thousand tons in 2Q23, increasing by 22.5% and 3.7% from 1Q23 and 2Q22, respectively. The increase in relation to the previous quarter was mainly due to a greater receptiveness by customers to resume the replenishing process of inventories.

NET REVENUE AND GROSS PROFIT

Net Revenue (R\$ million)	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
Total Net Revenue	1,491	1,536	1,834	-2.9%	-18.7%	3,027	3,278	-7.7%
Foreign Market	1,266	1,240	1,600	2.1%	-20.9%	2,507	2,829	-11.4%
Domestic Market	225	295	234	-23.7%	-3.8%	520	449	15.8%
Cost of Goods Sold - COGS	(764)	(531)	(572)	43.9%	33.6%	(1,295)	(1,095)	18.3%
COGS/ton (R\$/ton)	1,612	1,372	1,251	17.5%	28.9%	1,504	1,240	21.3%
Gross Profit	727	1,005	1,262	-27.7%	-42.4%	1,732	2,183	-20.7%
Gross Margin (%)	48.8%	65.4%	68.8%	-	-	57.2%	66.6%	-

Net revenue ended 2Q23 at R\$1,491 million, down by 2.8% and 18.6% from 1Q23 and 2Q22, respectively, resulting from the drop in pulp prices during the first and second quarters of 2023, slightly offset by higher sales volume in the period. The average price closed at US\$/t 587 at the end of 2Q23, down by 26% from the US\$/t 798 recorded in 1Q23, and 24% lower than the same period of the previous year.

The cost of goods sold per ton increased by 17.5% and 28.9% from 1Q23 and 2Q22, respectively, due to a higher depletion value of biological assets, which reflected in the appreciation of wood prices, forest productivity gains and inflationary pressure in the prices of some chemical and energy inputs.

Gross profit ended the quarter at R\$727 million, 27.7% lower than in 1Q23. Gross margin was 48.8% in the period, compared to 65.4% in the previous quarter.

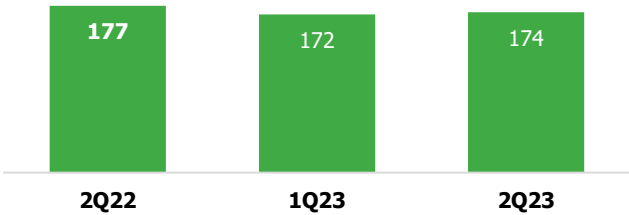
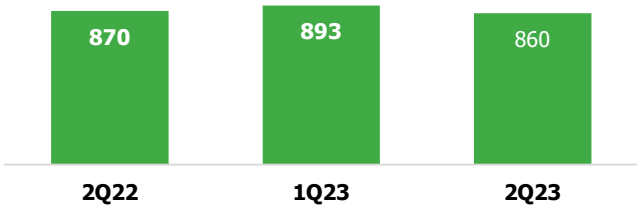


CASH COST

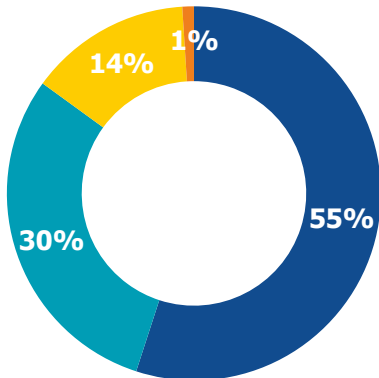
The cash cost of production without shutdown was R\$/t 860 (US\$/t 174) in 2Q23, down by 3.7% and 1.1% from 1Q23 and 2Q22, respectively, mainly due to lower overall costs and input consumption. The reduction in cost of chemical inputs was mainly due to the drop in dioxide and caustic soda prices.

Cash Cost - excluding shutdown (R\$/t)

Cash Cost - excluding shutdown (US\$/t)



2Q23 Cash Cost



■ Wood ■ Inputs and Utilities ■ Fixed Cost ■ Other



SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Operating Income/Expenses (R\$ million)	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
General and Administrative Expenses	(82)	(76)	(75)	7.9%	9.3%	(159)	(128)	24.2%
% of Net revenue	5.5%	5.0%	4.1%	10.0%	34.1%	5.3%	3.9%	35.9%
Selling and Logistics	(195)	(135)	(256)	44.4%	-23.8%	(330)	(465)	-29.0%
% of Net revenue	13.1%	8.8%	14.0%	48.9%	-6.4%	10.9%	14.2%	-23.2%
Total	(277)	(211)	(331)	31.3%	-16.3%	(489)	(593)	-17.5%

In 2Q23, general and administrative expenses totaled R\$82 million, 7.9% higher than the previous quarter, and 9.3% higher than the same period in 2022, due to increases in labor charges in the period.

Selling and logistics costs totaled R\$195 million at the end of 2Q23, up by 44.4% from the previous quarter, mainly due to higher sales volume, and 23.8% lower than in 2Q22, due to lower logistics expenses, whose prices reflected the reduction in fuel prices, and adjustments in the availability of containers and vessels, which were gradually attenuated during 2023.

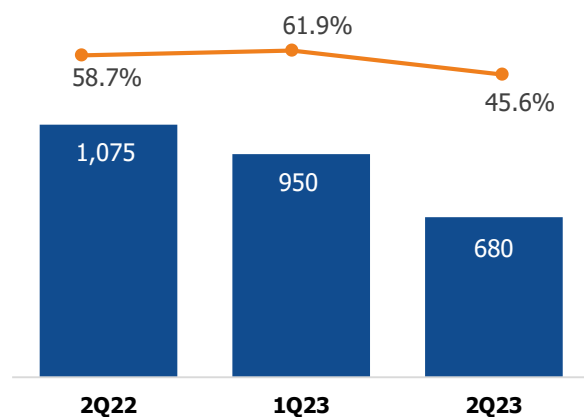
ADJUSTED EBITDA

In 2Q23, adjusted EBITDA totaled R\$680 million, with a margin of 45.6%, declining by 28.3% and 36.7% from 1Q23 and 2Q22, respectively. The adjusted EBITDA per ton was R\$/t 1,435 in the quarter, down by 41.5% and 39.0% over 1Q22 and 2Q22, respectively.

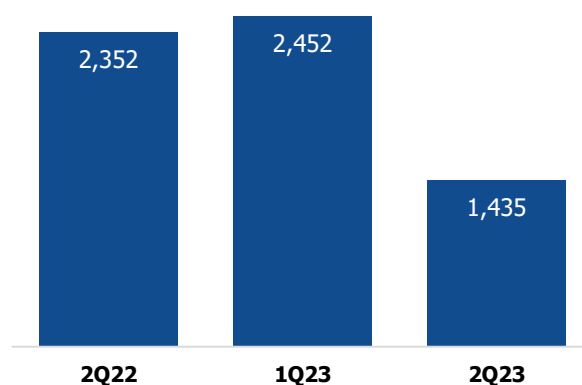
In the first six months of the year, adjusted EBITDA fell by 14.9% from the same period in the previous year.

Adjusted EBITDA	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
EBIT	815	804	1,196	1.4%	-31.9%	1,619	1,863	-13.1%
Depreciation, Amortization, and Depletion	241	154	134	56.5%	79.9%	394	310	27.1%
Fair Value Adjustment on Biological Assets	(369)	-	(249)	N/A	48.2%	(369)	(249)	47.8%
Tax Credit Adjustments	(7)	(8)	(5)	-12.5%	40.0%	(14)	(8)	87.5%
Adjusted EBITDA	680	950	1,075	-28.4%	-36.8%	1,630	1,915	-14.9%

Adjusted EBITDA (R\$MM) and adjusted EBITDA margin (%)



Adjusted EBITDA (R\$/t)



FINANCIAL RESULT

Net financial expenses totaled R\$76 million, compared to R\$103 million in the previous quarter and R\$147 million in the same period of 2022. The 26.2% and 48.3% declines compared to previous quarters were mainly due to a lower financial debt balance. Including the market value of financial derivative instruments, the Company's financial income was R\$356 million compared to a net financial income of R\$107 million in 1Q23 and a negative amount of R\$95 million in 2Q22. The increase in comparison with the previous quarter and against the same period of the previous year was related to the mark-to-market of derivate operations and the gradual reduction of our debt balance.

The monetary and foreign exchange variation was positive by R\$139 million in 2Q23, due to the 5% appreciation of the BRL against the USD in the quarter.

Financial Result (R\$ million)	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
Net Financial Expenses	(76)	(103)	(147)	-26.2%	-48.3%	(179)	(278)	-36%
Derivative Financial Instruments¹	432	210	52	105.7%	728.8%	641	124	417%
Net Financial Income (Expenses) (including derivatives)	356	107	(95)	232.7%	N/A	462	(154)	N/A
Foreign Exchange Variation	139	77	(367)	80.5%	N/A	217	327	-34%
(=) Financial Result	495	184	(426)	169.0%	N/A	679	173	292%
Cost of Debt in US\$² (% p.a.)	6.14%	6.18%	5.20%	-	-	6.14%	5.20%	-

1- Considers interest rate swap and currency.

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



NET INCOME

Despite the reduction in gross profit, Eldorado recorded a net income of R\$ 988 million in the second quarter of the year, against R\$ 892 million in the previous quarter, due to the higher financial result and the appreciation of Biological Assets, which are revalued every six months. Compared to the same period of the previous year, net income increased by 40%, mainly due to financial income.

OPERATING CASH GENERATION

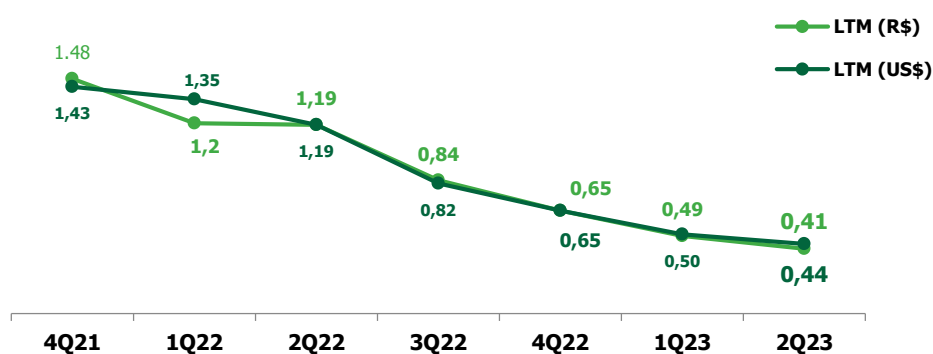
Operating Cash Generation (R\$ million)	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22	6M23	6M22	6M23 vs. 6M22
Adjusted EBITDA	680	950	1,075	-28.4%	-36.7%	1,630	1,916	-14.9%
Maintenance Capex ¹	272	240	180	13.3%	51.1%	512	296	73.0%
Operating Cash Generation	408	710	895	-42.5%	-54.4%	1,117	1,620	-31.0%
Cash Generation per ton (R\$/t)	860	1,834	1,958	-53.1%	-56.1%	1,298	1,832	-29.1%

1-Considers investments in the industrial and forestry areas.

Operating cash generation was R\$408 million in the quarter, down by 42.5% from the previous period and 54.4% lower than 2Q22, reflecting the more challenging environment for pulp prices, mainly in the Asian market. The higher investment volume in the period also explains the lower generation of operating cash.

INDEBTEDNESS

Financial leverage (net debt/adjusted EBITDA), reaching its lowest historical level in 2Q23, closing at 0.41x, compared to 0.49x in 1Q23 and 1.19x in the same period of the previous year.





The Company contracted derivative operations to change the debt index from BRL to USD and hedge the export cash flow. The fair value of the derivative operations totaled R\$469 million in 2Q23, compared to R\$256 million in 1Q23.

The leverage ratio in 2Q23 would fall to 0.30x if we considered the market value of these derivatives.

Net debt, on June 30, 2023, was R\$1,756 million, declining by 24% and 60% from 1Q23 and 2Q22, respectively, due to debt amortization and prepayments during the previous quarters. Including the market value of the derivative instruments, net debt totaled R\$1,287 million.

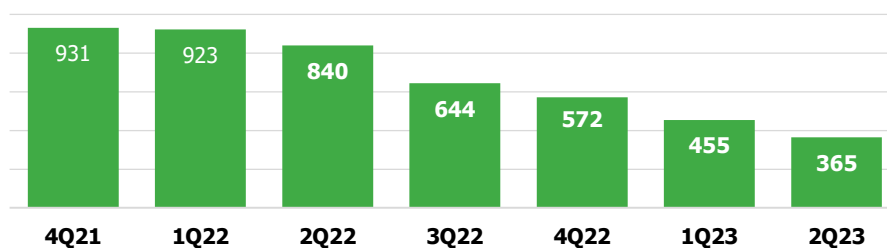
The Company denominates the foreign exchange component of interest rate swaps for cash flow hedge accounting.

Indebtedness	2Q23	1Q23	2Q22	2Q23 vs. 1Q23	2Q23 vs. 2Q22
Gross Debt	3,637	4,040	5,149	-10.0%	-29.4%
Short-Term Debt	1,038	1,384	1,671	-25.0%	-37.9%
Cash and Financial Investments	1,881	1,730	746	8.7%	152.1%
Net Debt	1,756	2,310	4,403	-24.0%	-60.1%
Net Debt in US\$	364	455	840	-19.9%	-56.6%
MTM Derivatives	469	256	197	83%	138%
Net Debt w/ MTM Derivatives	1,287	2,055	4,206	-37.3%	-69.4%
Net Debt w/ MTM Derivatives in US\$	267	404	803	-33.9%	-66.7%
Net Debt/Adjusted EBITDA (R\$)	0.41x	0.49x	1.19x	-0.08x	-0.78x
Net Debt/Adjusted EBITDA (US\$)	0.44x	0.50x	1.19x	-0.06x	-0.75x
Net Debt w/ MTM/ Adjusted EBITDA (R\$)	0.30x	0.44x	1.13x	-0.14x	-0.83x

The Company's cash balance was R\$1,881 million or US\$390 million at the end of 2Q23, increasing by 8.7% from the previous quarter.



Net Debt in US\$ million

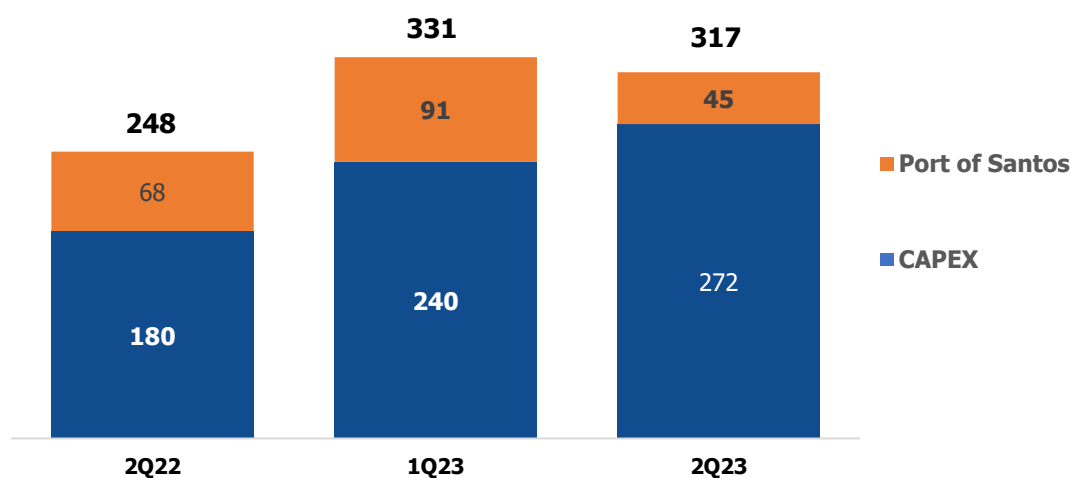


In U.S. dollars, our net debt ended the quarter at US\$365 million, maintaining a downward trajectory. Our net debt, considering derivative operations, was 100% dollar-denominated and, considering the net market value of the derivatives, totaled US\$267 million.

INVESTMENTS

Investments in industrial and forestry maintenance and other projects totaled R\$317 million, 4% lower than the previous quarter, and up by 28% over 2Q22, mainly due to increased investment in forestry and industrial maintenance.

The new port terminal, one of the Company's main projects, was concluded and inaugurated in July 2023. With total investments of around R\$500 million, the operational startup of the new terminal increases Eldorado's logistical efficiency in pulp exports from the port of Santos.





FREE CASH FLOW

At the end of 2Q23, free cash flow totaled R\$536 million, down by 21% over 1Q23 and 30% higher than in 2Q22. The variation in free cash flow was mainly related to the lower contribution of adjusted EBITDA, which reduced by R\$ 270 million from the previous quarter, basically impacted with the reduction in pulp prices. On the other hand, the Company obtained gains in relation to the previous quarter, with a lower cash impact on financial expenses, which fell by R\$122 million due to a lower debt balance and increased the positive impact from gains in derivative instruments, in the amount of R\$83 million.

Free Cash Flow (R\$ million)	2Q23	1Q23	2Q22
Adjusted EBITDA	680	950	1,075
(-) Total CAPEX	(317)	(331)	(248)
(-/+) Working Capital	(3)	113	(404)
(-) Net Interest Paid	(13)	(135)	(66)
(+) Realized Gains with Derivatives	271	188	(7)
(-) Lease Agreements – IFRS 16*	(70)	(118)	(52)
(-) Income Tax and Social Contribution	(22)	(85)	(1)
(-/+) Other	(34)	2	48
Free Cash Flow	491	584	345
(+) Onça Pintada Project / Port of Santos (Eblog*)	45	91	68
(=) Adjusted Free Cash Flow	536	675	413

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

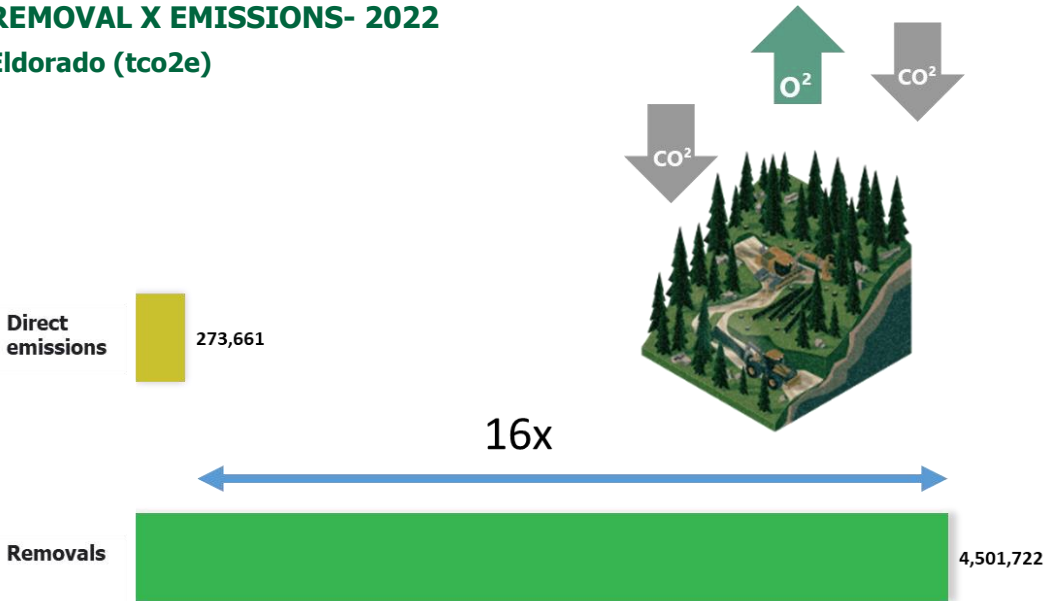


SUSTAINABILITY (ESG)

In the second quarter of 2023, the Company maintained relationships and engagement practices with stakeholders, always aimed at creating positive value based on socio-environmental programs and actions, providing shared sustainability among the Company, society, and the local communities.

In 2Q23, we disclosed our 2022 Sustainability Report, which is in its 10th edition, gathering all the Company's environmental, social and governance information, in addition to the results and highlights achieved in the year. We also highlight that approximately 38 million TCO2e (tons of carbon equivalent) over the last 10 years of carbon were captured and removed from the atmosphere in the quarter, thanks to the Company's forests, which allowed Eldorado to capture 12x more carbon than it emitted in the period.

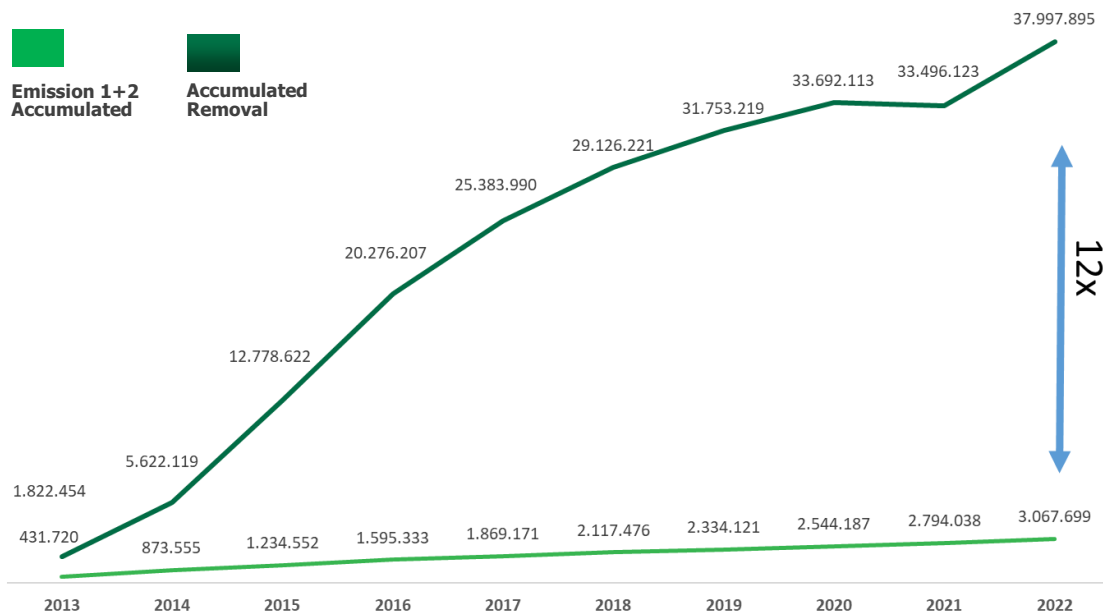
**REMOVAL X EMISSIONS- 2022
Eldorado (tco2e)**



In this graph, it is possible to verify that carbon sequestration was 16 times greater than the direct emissions from our operations in 2022. The graph below shows the evolution of carbon sequestration since the beginning of operations, and the accumulated direct emissions.

REMOVAL X EMISSIONS- 2022

Eldorado (tco2e)



This result was only achievable because Eldorado's commitments are 100% aligned with the Sustainable Development Goals (SDGs), which led the Company to join the UN Global Compact in 2020, reaffirming this adherence every year. The Company's activities are linked with the Ten Principles of the Global Compact, enabling the sustainability agenda to advance, improving communication with stakeholders, and strengthening the management of economic, social and environmental themes.

During the same period, we disclosed our Public Summary of the Forestry Management Plan, with information on Eldorado's planning of its forestry activities, describing the Company's key objectives, responsibilities, resources, and strategies for adopting responsible and sustainable practices.

We also advanced in the conclusion of our 10th Complete Greenhouse (GHG) Inventory, which was submitted for assessment by a third-party audit firm, pursuant to the Verification Specifications of the Brazilian GHG Protocol Program and ABNT NBR ISO 14064-3:2007, in which we received a statement attesting our compliance with the established standards and norms.

The Company also remained improving its Compliance Program, with actions to prevent, detect, correct and promote a culture of ethics, integrity and transparency in business. The compliance department maintained its regular functions of communication, internal and external, with monthly communications about the Ethics Line (compliance hotline), internal presentations, daily safety dialogues, articles and news on the company's social networks and also through



internal vehicle called “Radar” and “Conexão” magazine, disclosing its Diversity, Inclusion and Equity Campaign, among other actions.

Training was carried out to develop new leaders, focusing on the culture of compliance, prevention of moral and sexual harassment, the role of leadership and the Ethics Line; on Information Security, highlighting the identification and prevention of possible security incidents, security plans with prevention measures, identification and mitigation of risks and good practices for cybersecurity and data privacy. The monitoring actions of Eldorado's compliance, internal controls and internal audit functions were also maintained. The compliance's indicators are constantly updated and presented to senior management.

Engaging closely with our communities is a cornerstone of Eldorado Brasil's operations. We seek to contribute to local social development, a top priority within our ESG strategy that underpins our environmental, social and governance commitments.

Our sustainability function holds regular meetings with 15 surrounding communities, actively and transparently engaging with the local residents. These meetings aim to address priority issues and establish a positive agenda for our social investment initiatives. Over the past decade, we have organized approximately 1,500 meetings with stakeholders from area where he operates.

Our programs and initiatives are focused on education, job creation, and boosting the local economy. In the last ten years, we have invested R\$ 35 million in social actions and initiatives. We have also prioritized local suppliers to support the regional economy. Currently, 60% of our suppliers and contractors are located in Três Lagoas (MS), while the remaining suppliers are based in other municipalities where we operate. As part of our commitment to continuous improvement, we actively engage in industry and government forums where we support the development of policies and practices that benefit both people and the environment.

To view our 2022 Sustainability Report and Forest Management Plan, click on the link below:

[2022 Sustainability Report](#)

[Forest Management Plan](#)



APPENDIX I

Balance sheets (in thousands of Reais)

ASSETS	Consolidated			LIABILITIES	Consolidated		
	30/06/2023	31/03/2023	30/06/2022		30/06/2023	31/03/2023	30/06/2022
Current assets				Current liabilities			
Cash and cash equivalents	1.200.018	1.730.027	746.087	Suppliers	244.651	270.986	296.219
Interest earning bank deposits	680.857	-	-	Loans and financing	1.038.417	1.384.428	1.670.636
Trade accounts receivable	1.263.884	1.279.706	1.138.861	Leases payable	250.653	234.335	224.792
Inventories	792.806	933.238	765.042	Labor and social security obligations	189.331	146.834	176.605
Recoverable taxes	43.622	20.572	47.324	Tax liabilities	14.813	19.649	14.714
Income tax and social contribution - current	7.538	22.762	712	Income tax and social contribution - current	88.647	57.000	16.052
Derivative financial instruments	205.637	98.213	90.361	Other current liabilities	64.334	99.661	96.082
Advances to suppliers	101.865	83.273	78.956				
Other current assets	51.696	49.405	84.691				
	4.347.923	4.217.196	2.952.034		1.890.846	2.212.893	2.495.100
Non-current assets				Non-current liabilities			
Recoverable taxes	22.125	42.903	52.097	Loans and financing	2.599.119	2.656.017	3.477.655
Advances to suppliers	327.969	290.021	212.383	Loans with related parties	1.306.916	1.095.218	856.285
Derivative financial instruments	263.338	157.391	106.807	Income tax and social contribution - deferred	596.288	337.202	235.622
Loans with related parties	4.052	3.730	6.105	Provision for legal risks	35.764	33.696	33.842
	617.484	494.045	377.392	Other non-current liabilities	26.341	23.110	23.491
					4.564.428	4.145.243	4.626.895
Biological assets	4.308.094	3.859.173	3.952.654	Shareholders' equity			
Property, plant and equipment	5.023.802	4.968.188	4.816.316	Capital	1.788.792	1.788.792	1.788.792
Intangible assets	423.194	384.427	193.537	Profit reserves	5.889.613	5.889.613	2.350.806
Rights-of-use	1.522.486	1.312.898	1.091.500	Equity valuation adjustments	234.429	312.118	362.502
	11.895.060	11.018.731	10.431.399	Retained earnings	1.874.875	887.268	1.759.338
					9.787.709	8.877.791	6.261.438
Total assets	16.242.983	15.235.927	13.383.433	Total liabilities and shareholders' equity	16.242.983	15.235.927	13.383.433



APPENDIX II

Income statement and Adjusted EBITDA (In thousands of Reais)

	Consolidated							
	2Q23	1Q23	2Q22	2Q23 vs 1Q23	2Q23 vs 2Q22	6m23	6m22	6m23 vs 6m22
Net revenue	1.491.316	1.535.357	1.833.894	-2,9%	-18,7%	3.026.673	3.278.202	-7,7%
Cost of products sold	(764.203)	(530.849)	(571.705)	44,0%	33,7%	(1.295.052)	(1.094.569)	18,3%
Gross income	727.113	1.004.508	1.262.189	-27,6%	-42,4%	1.731.621	2.183.633	-20,7%
Operating revenues (expenses)								
Administrative and general	(81.825)	(76.752)	(75.078)	6,6%	9,0%	(158.577)	(127.887)	24,0%
With sales and logistics	(195.381)	(134.565)	(256.196)	45,2%	-23,7%	(329.946)	(465.459)	-29,1%
Fair value of biological assets	368.877	-	248.708	n/a	48,3%	368.877	248.708	48,3%
Expected credit losses	(4.198)	5.580	(4.399)	-175,2%	-4,6%	1.382	(3.089)	-144,7%
Other operating revenues, net	561	5.452	20.120	-89,7%	-97,2%	6.015	26.628	-77,4%
Operating income (loss) before financial income	815.147	804.223	1.195.344	1,4%	-31,8%	1.619.372	1.862.534	-13,1%
Net financial income (loss)								
Financial revenues	37.409	25.035	7.207	49,4%	419,1%	62.444	14.350	335,1%
Financial expenses	(113.430)	(128.008)	(154.775)	-11,4%	-26,7%	(241.440)	(293.232)	-17,7%
Derivative financial instruments	431.543	209.646	52.887	105,8%	716,0%	641.188	125.025	412,8%
Net foreign exchange rate	139.445	77.161	(367.300)	80,7%	-138,0%	216.607	326.829	-33,7%
Income before taxes	1.310.114	988.057	733.363	32,6%	78,6%	2.298.171	2.035.506	12,9%
Income tax and social contribution								
Current	(82.008)	(24.994)	(8.031)	228,1%	921,1%	(107.002)	(16.650)	542,7%
Deferred	(240.500)	(71.255)	(22.219)	237,5%	982,4%	(311.755)	(259.518)	20,1%
Net income for the period	987.606	891.808	703.113	10,7%	40,5%	1.879.414	1.759.338	6,8%
Basic and diluted net earnings per share - in reais (R\$)	0,65	0,58	0,46			1,23	1,15	6,8%
Earnings before financial income/(expenses) and taxes								
Depreciation, amortization and depletion charges	240.828	153.337	134.215	57,1%	79,4%	394.165	309.752	27,3%
Fair value of biological assets	(368.877)	-	(248.708)	n/a	48,3%	(368.877)	(248.708)	48,3%
Reversal of extemporaneous tax credits		(7.623)	(5.711)	-100,0%	-100,0%	(7.623)	(7.982)	-4,5%
PIS_COFINS extemporaneous	(6.632)	-	-	n/a	n/a	(6.632)	-	n/a
Adjusted EBITDA	680.466	949.937	1.075.140	-28,4%	20,5%	1.630.405	1.915.596	-14,9%



APPENDIX III

Cash flow statements (in thousands of Reais)

	Consolidated							
	2Q23	1Q23	2Q22	2Q23 vs 1Q23	1Q23 vs 1Q22 vs	6m23	6m22	6m23 vs 6m22
Cash flow from operating activities:								
Net income for the period	987.606	891.808	703.113	10,7%	40,5%	1.879.414	1.759.338	6,8%
Adjustments to reconcile income (loss) to cash and cash equivalents generated by operating activities:								
Depreciation, amortization and depletion	240.828	153.337	134.215	57,1%	79,4%	394.165	309.752	27,3%
Income (loss) from disposal of property, plant and equipment and biological assets	(390)	(11.952)	(8.261)	-96,7%	-95,3%	(12.342)	(10.740)	14,9%
Fair value of biological assets	(368.877)	-	(248.708)	n/a	48,3%	(368.877)	(248.708)	48,3%
Deferred income tax and social contribution	240.500	71.255	22.219	237,5%	982,4%	311.755	259.518	20,1%
Income tax and social contribution - current	82.008	24.994	8.031	228,1%	921,1%	107.002	16.650	542,7%
Financial charges - interest and exchange-rate change	(58.742)	39.722	561.857	-247,9%	-110,5%	(19.020)	(81.022)	-76,5%
Yield on interest earning bank deposit	(8.770)	-	(7.330)	n/a	19,6%	(8.770)	(1.514)	479,3%
Net gain with derivatives	(431.542)	(209.646)	(59.768)	105,8%	622,0%	(641.188)	(106.749)	500,7%
Provision for legal risks	6.758	6.020	2.569	12,3%	163,1%	12.778	5.045	153,3%
Reversal of loss of ICMS credits	-	(7.623)	(5.711)	-100,0%	-100,0%	(7.623)	(7.982)	-4,5%
Reversal of estimated losses on inventories	(541)	(388)	-	39,4%	n/a	(929)	-	n/a
Reversal of expected credit losses	(17.416)	(5.580)	4.399	212,1%	-495,9%	(22.996)	3.089	-844,4%
	671.422	951.947	1.106.625	-29,5%	-39,3%	1.623.369	1.896.677	-14,4%
Decrease/(increase) in assets:								
Trade accounts receivable	(49.800)	226.077	(220.363)	-122,0%	-77,4%	176.277	(190.064)	-192,7%
Inventories	75.319	(58.421)	(56.330)	-228,9%	-233,7%	16.898	(113.203)	-114,9%
Recoverable taxes	(14.003)	65.912	(5.351)	-121,2%	161,7%	51.909	(11.654)	-545,4%
Advances to suppliers	(18.710)	(14.461)	101.538	29,4%	-118,4%	(33.171)	(1.158)	2764,5%
Other current and non-current assets	(2.522)	12.193	(118.490)	-120,7%	-97,9%	9.671	(114.635)	-108,4%
Decrease/(increase) in liabilities:								
Suppliers	(1.990)	(16.325)	(141.667)	-87,8%	-98,6%	(18.315)	(2.113)	766,8%
Accounts payable to related parties	-	-	(56)	n/a	-100,0%	-	(141)	-100,0%
Labor and social security obligations	42.609	(71.458)	35.400	-159,6%	20,4%	(28.849)	3.963	-828,0%
Tax obligations	(2.819)	(6.789)	(1.254)	-58,5%	124,8%	(9.608)	935	-1127,6%
Provision for legal risks	(4.691)	(3.464)	(3.489)	35,4%	34,5%	(8.155)	(6.119)	33,3%
Other current and non-current liabilities	(28.928)	(20.213)	6.304	43,1%	-558,9%	(49.141)	(10.777)	356,0%
Cash generated by operating activities	665.887	1.064.998	702.867	-37,5%	-5,3%	1.730.885	1.451.711	19,2%
Income tax and social contribution paid	(22.456)	(84.632)	(892)	-73,5%	2417,5%	(107.088)	(3.666)	2821,1%
Net cash generated by operating activities	643.431	980.366	701.975	-34,4%	-8,3%	1.623.797	1.448.045	12,1%
Cash flow from investment activities:								
Increase in biological assets	(124.355)	(118.841)	(118.156)	4,6%	5,2%	(243.196)	(228.568)	6,4%
Additions to property, plant and equipment and intangible assets	(193.054)	(212.278)	(130.240)	-9,1%	48,2%	(405.332)	(208.308)	94,6%
Cash received upon disposal of property, plant and equipment	1.783	15.612	9.468	-88,6%	-81,2%	17.395	11.705	48,6%
Dividends received	-	-	-	n/a	n/a	-	-	n/a
Net cash generated (used) by/in investment activities	(315.626)	(315.507)	(238.928)	0,0%	32,1%	(631.133)	(425.171)	48,4%
Cash flow from financing activities:								
Loans and financing obtained	11.459	578.279	146.169	-98,0%	-92,2%	589.738	188.847	212,3%
Amortization of loans and financing - principal	(365.590)	(774.653)	(861.131)	-52,8%	-57,5%	(1.140.243)	(1.048.057)	8,8%
Amortization of loans and financing - interest	(12.592)	(134.864)	(66.122)	-90,7%	-81,0%	(147.456)	(176.201)	-16,3%
Interest earning bank deposits, net	-	-	113.683	n/a	-100,0%	-	238.168	-100,0%
Receipt of operations with derivatives	(672.087)	-	1	n/a	n/a	(672.087)	(79.703)	743,2%
Amortization of related party loans - interest	274.835	185.916	-	47,8%	n/a	460.751	-	n/a
Payment of lease agreements	(70.208)	(118.235)	(52.652)	-40,6%	33,3%	(188.443)	(152.461)	23,6%
Net cash invested in financing activities	(834.183)	(263.557)	(720.052)	216,5%	15,9%	(1.097.740)	(1.029.407)	6,6%
Exchange-rate change on cash	(23.631)	(18.531)	80.353	27,5%	-129,4%	(42.162)	(37.324)	13,0%
Increase (decrease), net of cash and cash equivalents	(530.009)	382.771	(176.652)	-238,5%	200,0%	(147.238)	(43.857)	235,7%
Cash and cash equivalents at the beginning of the period	1.730.027	1.347.256	922.739			1.347.256	789.944	70,6%
Cash and cash equivalents at the end of the period	1.200.018	1.730.027	746.087			1.200.018	746.087	60,8%
Increase (decrease), net of cash and cash equivalents	(530.009)	382.771	(176.652)			(147.238)	(43.857)	235,7%



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