

# Management Report

## 3<sup>rd</sup> quarter of 2022

São Paulo, November 11, 2022 – Management Report of Itaúsa S.A. (“Itaúsa” or “Company”) for the third quarter of 2022 (3Q22). The Financial Statements were prepared in accordance with the standards established by the Accounting Pronouncement Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM), as well as the International Financial Reporting Standards (IFRS).

## Executive Summary

### Recurring Profit

# R\$ 3.6 billion

▲ 33% vs. 3Q21

### Net Asset Value

# R\$ 116.5 billion

▼ 1.6% vs. 09.30.2021

### Recurring ROE

# 20.6% p.y.

▲ 2.9 p.p. vs. 9M21

### Itaúsa's Highlights

- **Recurring Profit:** growth reflects the strength of the portfolio and gain from asset turnover.
- **10% bonus shares:** held in November 2022, creating value to stockholders in addition to dividends and interest on capital.
- **IOC declaration:** in the amount of R\$425 million net (R\$0.043809 net per share) to be paid up to December 29, 2023.
- **Purchase of CCR:** completion of purchase of 10.33% equity interest in CCR worth R\$ 2.9 billion, mostly financed through debentures.
- **Sale of XP Inc. shares:** 41 million shares of XP were sold in the year (representing 7.4% of its total capital) for R\$ 4.6 billion, which reduced equity interest to 6.39% in XP.
- **Credit rating of Itaúsa:** Moody's upgrades credit rating to AA+ and Fitch Ratings assigned AAA to Itaúsa, both in national scale.
- **ESG Agenda:** ESG practices made headway with the performance evaluation of the board of directors and committees, the establishment of the Audit Committee, in addition to the set-up and update of policies and the Code of Conduct.

R\$ million	3Q22	3Q21	Change	9M22	9M21	Change
<b>PROFITABILITY AND RETURN<sup>1</sup></b>						
Profit	3,555	2,361	50.6%	10,350	8,082	28.1%
Recurring Profit	3,553	2,674	32.9%	10,409	7,930	31.2%
Return on Equity (%) <sup>2</sup>	20.6%	15.3%	5.3 p.p.	20.5%	18.0%	2.5 p.p.
Recurring Return on Equity (%) <sup>2</sup>	20.5%	17.3%	3.2 p.p.	20.6%	17.6%	2.9 p.p.
<b>BALANCE SHEET</b>						
Total Assets	82,627	70,712	16.9%	82,627	70,712	16.9%
Net Debt	5,812	4,024	44.4%	5,812	4,024	44.4%
Stockholders' Equity	70,827	62,602	13.1%	70,827	62,602	13.1%
<b>CAPITAL MARKET</b>						
Market Value <sup>3</sup>	85,813	93,607	-8.3%	85,813	93,607	-8.3%
Average Daily traded Volume (ADTV) <sup>4</sup>	182	353	-48.2%	222	346	-35.8%

(1) Attributable to controlling stockholders.

(2) Annualized ROE (Return on Equity).

(3) Calculated based on the closing price of preferred shares on 09.30.2021 and 09.30.2022, excluding treasury shares.

(4) It includes preferred shares in Itaúsa (ITSA4) traded on B3.



In collaboration with SAM

# Management Report

3<sup>rd</sup> quarter of 2022

## Message from Management

**“Our 3Q22 results reflect the strength of our portfolio, even in the most challenging macroeconomic scenario in Brazil and across the world”**

**Alfredo Setubal**  
Itaúsa's CEO



### Macroeconomic Scenario

The macroeconomic scenario is still one of uncertainty and volatility regarding the **performance of the world economy**. Developed countries remain attentive to potential effects related to high inflation and interest rates, in addition to the aftermath of the conflict between Russia and Ukraine and the maintenance of the policy to combat Covid-19 in China, which underline the prospect of a global growth slowdown and short-term risk aversion. At the **domestic scenario**, on the other hand, improved economic indicators, such as inflation, consumption, investments and GDP, combined with the expected end of the cycle of rises in the basic interest rate from 2023 onwards, may favor the local business environment.

## Operational Performance

**Itaúsa** recorded consistent results in the quarter, reflecting the ability of investee companies to capture opportunities and tackle volatility scenarios.

**Itaú Unibanco** once again showcased the strength of its operations, recording solid growth in profits, driven by the consistent growth of loan portfolio and higher financial margin, partially offset by higher expected loan losses, as a result of the bank's prudent risk management.

**Alpargatas** (consumer goods) and **Dexco** (civil constructions materials) were once again impacted by inflationary pressures on costs and slowdown in demand, mitigated by the leadership position of both companies in their markets, which allowed the implementation of their commercial policies, resulting in satisfactory results against a challenging backdrop.

Both **Copa Energia** (LGP distribution) and **NTS** (natural gas transportation) recorded higher revenues and profits, mainly as a result of the implementation of their commercial strategy.

**Aegea** (sanitation) also posted operational gains and successfully implemented programs to reduce delinquency levels, in addition to expanding the supply of sanitation services to new households.

At last, **CCR** (infrastructure and mobility) had its results recognized by Itaúsa as of September, with the results of **XP Inc.** (financial services), as well as the capital gain from the divestiture in the company carried out by the holding company, also contributing positively to Itaúsa's results.

## Governance

Major advances were made as part of Itaúsa's ongoing improvement on governance, with the highlight going to the **4<sup>th</sup> Itaúsa Good Practices Week**, an event that addressed, alongside employees, senior management and investees, material topics in capital markets, such as Ethics, Insider Trading, Cybersecurity, Diversity and Inclusion, as well as ESG issues (focused on Climate Change).

Other highlights were the establishment of the **Audit Committee**, with a consultancy firm being hired to carry out the performance evaluation process of the Board of Directors and its Advisory Committees, in addition to the **set-up of the Indemnity Policy and updates made to the Corporate Governance Policy, the Itaúsa Code of Conduct and in the Internal Rules of the Board of Officers and Fiscal Council**.

## Active Portfolio Management

In line with the pillar of efficient capital allocation, in September 2022 Itaúsa completed the **purchase of a 10.33% equity interest in CCR**, with total investment worth **R\$ 2.9 billion**. Furthermore, during the year, **41 million shares of XP Inc. were sold**, for the total amount of **R\$ 4.6 billion**, reducing Itaúsa's equity interest to 6.39% of XP's total capital, with positive impact on Itaúsa's results of R\$ 1.2 billion in 1Q22, R\$ 314 million in 3Q22 and R\$ 980 million (estimated) in 4Q22, net of taxes.



**XP inc.**



**DEXCO**



## 1. Portfolio Management

### Efficient capital allocation



#### CCR Investment in CCR S.A. completed

On September 9, 2022, Itaúsa informed its stockholders and the market of the completion of its investment in CCR S.A. alongside Votorantim S.A. This transaction involved an investment worth R\$ 2.9 billion for the purchase of a 10.33% equity interest in the company's total capital.

With this transaction, Itaúsa is now entitled to nominate two board members and make up the investee company's control block with equal rights to the other signatories of the Stockholders' Agreement, in addition to the right to appoint one member for each of its following Advisory Committees: (i) Strategy, (ii) Personnel and ESG, and (iii) Audit, Compliance and Risks.



It should be noted that the investment made by Itaúsa was financed by a combination of its own funds and the proceeds from the 5<sup>th</sup> issuance of debentures carried out in August 2022 (further information in section 4 "Capital Structure and Indebtedness").



#### Partial sale of shares in XP Inc.

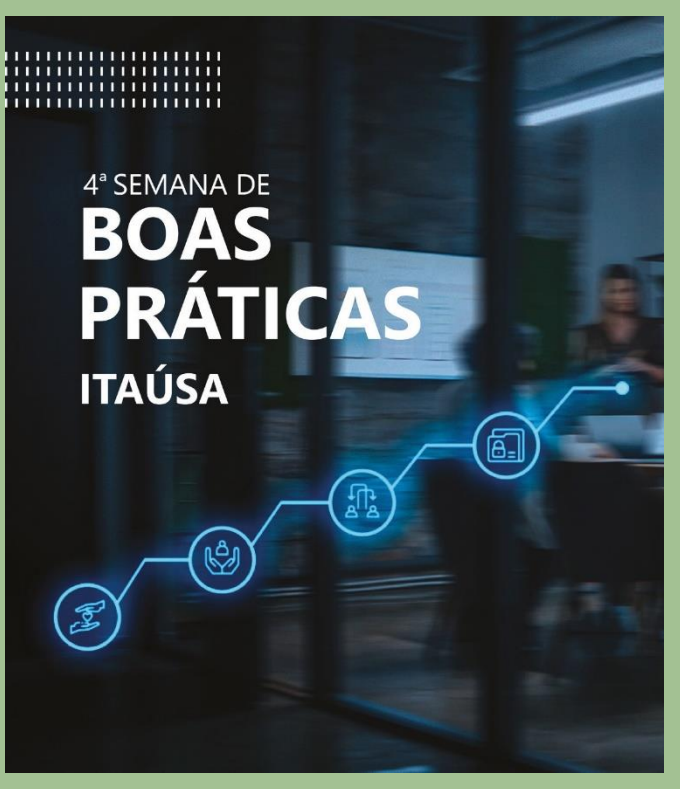


As part of its efficient capital allocation strategy, in March, July, October and November 2022 Itaúsa announced to the market the sale of shares of XP Inc. When added up together, these sales totaled 41 million Class A shares, corresponding to 7.4% of the company's capital stock, for approximately R\$ 4.6 billion (with positive impact of R\$1.2 billion on the 1Q22 results, R\$314 million in 3Q22 and R\$980 million (estimated) in 4Q22, net of taxes). Accordingly, Itaúsa has become the direct holder of 6.39% of XP's total capital and 2.27% of its voting capital.

In spite of such sales of shares, Itaúsa has kept its rights as defined in the XP's Stockholders' Agreement, including the right to nominate members to XP's Board of Directors and Audit Committee. This transaction was driven by Itaúsa's strategic decision to reduce its equity interest in XP, as previously disclosed, as it is not a strategic asset, as well as to restore the cash flows after the investments made in the follow-on of Alpargatas's follow-on and in the acquisition of equity interest in CCR and to increase the Company's liquidity level.

For further information on the aforementioned transactions, please access the Material Facts and Notices to the Market on [www.itausa.com.br/material-facts-and-notices](http://www.itausa.com.br/material-facts-and-notices).

## 2. Environmental, Social and Governance (ESG) Performance



### 4<sup>th</sup> Itaúsa Good Practices Week

In October 2022, for the 4<sup>th</sup> consecutive year, we held the Itaúsa Good Practices Week, aimed to underline expected ethical attitudes and conduct in connection with business decisions. On that occasion, our updated Code of Conduct was given out to Itaúsa's employees, management members, investees' representatives and other stakeholders.

A number of lectures, conversation circles and panels were hosted by experts on ethics, diversity and inclusion, information security, and ESG, among other topics. This event showcases the efforts carried out by Itaúsa to disseminate the culture of good governance in the Company and strengthen the ESG agenda.

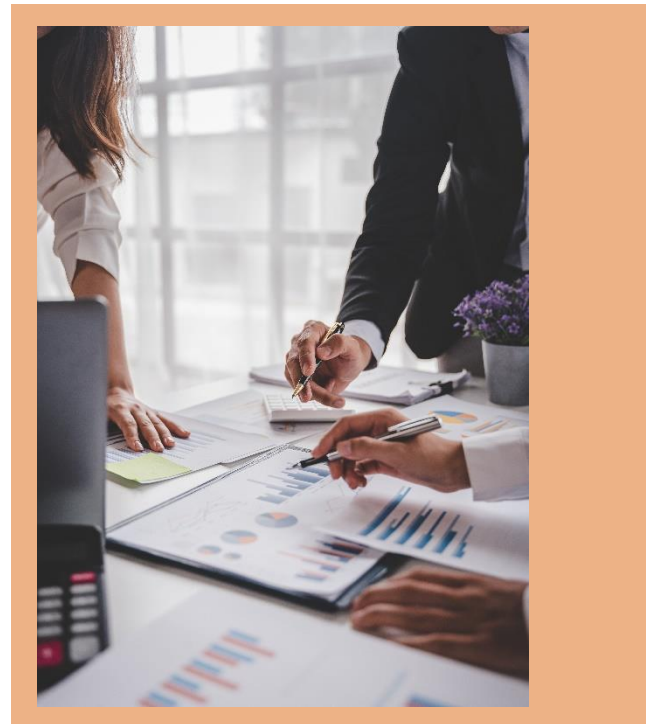
[Click here](#) to learn more about how the week unfolded

### Audit Committee established

On August 15, 2022, Itaúsa established its Audit Committee aimed to strengthen governance and advise the Board of Directors on accounting, auditing and finance-related issues. This Committee will also support the monitoring and quality control of financial statements, internal controls and risk and compliance management.

Edson Carlos De Marchi (Committee coordinator and independent member), Henri Penchas, Patrícia de Moraes and Ricardo Egydio Setubal were all appointed to sit on this Committee.

The upcoming General Stockholders' Meeting will resolve on its proposed transformation into a statutory committee, in addition to the proposed change in its composition for it to be made up of a majority of independent members.





## Panorama Itaúsa 2022: Here we change the future together




*Save  
the date!*

**The Panorama Itaúsa 2022: Aqui transformamos o futuro juntos (here we change the future together) will be held on December 1, 2022.**

This event will address topics that are essential to the progress of Itaúsa's efficient capital allocation strategy, as well as the ESG pillars that support it, in addition to an interactive panel with senior management members of Itaúsa and our investees, where it will address common topics on their strategic agendas and the role of each of them in changing the future of Brazil and in contributing to the lives of Brazilians.

**You may join the Panorama Itaúsa 2022 by sending your questions to:**

 [ri@itausa.com.br](mailto:ri@itausa.com.br)

 +55 11 3543-4277

**[Click here to enrol!](#)**

Learn more about Itaúsa at our **Institutional Campaign** launched this month, which addresses how Itaúsa is present in the day-to-day of Brazilians through its investees. [Click here](#) to watch.

### 3. Itaúsa's Operational and Financial Performance

#### 3.1. Individual Result of Itaúsa

Itaúsa S.A. is an investment holding company with equity interests in other operating companies, with its results basically derived from its Equity in the Earnings of Investees, determined based on the profit of its investees, revenues from investments in financial assets and the result of possible sales of assets of its portfolio.

The equity in the earnings of investees and the individual result of Itaúsa are presented in the table below, including recurring events (non-recurring events are presented in detail in table Reconciliation of Recurring Profit).

Managerial Individual Result of Itaúsa <sup>1</sup>						
R\$ million	3Q22	3Q21	Δ%	9M22	9M21	Δ%
<b>Investees' Recurring Profit</b>	<b>3,599</b>	<b>2,814</b>	<b>28%</b>	<b>9,787</b>	<b>8,263</b>	<b>18%</b>
<b>Financial Sector</b>	<b>3,122</b>	<b>2,653</b>	<b>18%</b>	<b>8,699</b>	<b>7,790</b>	<b>12%</b>
Itaú Unibanco	3,003	2,561	17%	8,335	7,647	9%
XP Inc.	119	92	30%	364	143	154%
<b>Non-Financial Sector</b>	<b>521</b>	<b>167</b>	<b>213%</b>	<b>1,180</b>	<b>493</b>	<b>139%</b>
Alpargatas	12	45	-72%	56	120	-53%
Dexco	61	99	-38%	212	273	-22%
CCR	(1)	n.a.	n.a.	(1)	n.a.	n.a.
Aegea Saneamento	9	11	-15%	26	11	139%
Copa Energia	40	23	72%	77	12	557%
NTS <sup>2</sup>	401	(10)	n.a.	813	84	868%
Other Companies	(2)	(1)	71%	(3)	(7)	-52%
<b>Other results<sup>3</sup></b>	<b>(44)</b>	<b>(6)</b>	<b>686%</b>	<b>(93)</b>	<b>(20)</b>	<b>372%</b>
<b>Itaúsa's Own Results</b>	<b>169</b>	<b>(76)</b>	<b>n.a.</b>	<b>1,067</b>	<b>(245)</b>	<b>n.a.</b>
Administrative Expenses	(39)	(37)	7%	(121)	(104)	17%
Tax Expenses	(101)	(38)	164%	(308)	(142)	116%
Other Operating Revenues/Expenses	310	(1)	n.a.	1,496	1	n.a.
<b>Finance Results</b>	<b>(165)</b>	<b>(73)</b>	<b>127%</b>	<b>(416)</b>	<b>(109)</b>	<b>282%</b>
<b>Profit before income tax and social contribution</b>	<b>3,603</b>	<b>2,665</b>	<b>35%</b>	<b>10,437</b>	<b>7,909</b>	<b>32%</b>
Income Tax/Social Contribution	(51)	10	n.a.	(29)	21	n.a.
<b>Recurring Profit</b>	<b>3,553</b>	<b>2,674</b>	<b>33%</b>	<b>10,409</b>	<b>7,930</b>	<b>31%</b>
<b>Non-recurring Result</b>	<b>2</b>	<b>(313)</b>	<b>n.a.</b>	<b>(59)</b>	<b>152</b>	<b>n.a.</b>
Itaúsa's results	63	(5)	n.a.	117	15	676%
Financial Sector	(37)	(311)	-88%	(141)	(70)	100%
Non-Financial Sector	(24)	3	n.a.	(35)	207	n.a.
<b>Profit</b>	<b>3,555</b>	<b>2,361</b>	<b>51%</b>	<b>10,350</b>	<b>8,082</b>	<b>28%</b>
<b>Return on Equity (%)</b>	<b>20.6%</b>	<b>15.3%</b>	<b>5.3 p.p.</b>	<b>20.5%</b>	<b>18.0%</b>	<b>2.5 p.p.</b>
<b>Recurring Return on Equity (%)</b>	<b>20.5%</b>	<b>17.3%</b>	<b>3.2 p.p.</b>	<b>20.6%</b>	<b>17.6%</b>	<b>2.9 p.p.</b>

(1) Attributable to controlling stockholders.

(2) It includes dividends/interest on capital received, adjustment to fair value of shares, and expenses on time installment of the invested amount denominated in U.S. dollars and corresponding foreign exchange variation.

(3) It refers mainly to PPAs (purchase price allocations) of the goodwill from investments in Alpargatas, Copa Energia and Aegea Saneamento.

### 3.2. Recurring Profit of investees, as recorded by Itaúsa

Recurring profit of investees, recorded in Itaúsa in 3Q22, totaled **R\$ 3,599 million**, up 28% on a year-on-year basis, as a result of its investees' outperformance, as shown below.

**Itaú Unibanco** reported a better mix of revenues with improved financial margin with clients, commissions and fees and revenues from insurance operations, which were partially offset by expected loan losses and higher non-interest expenses, arising from the impacts from the collective bargaining agreement.

**Alpargatas** recorded increased revenue and **Dexco's** revenues remained stable, on a year-on-year basis, notably as a result of their commercial strategies, which partially offset the slowdown in demand and strong inflation pressures and high interest rates. **Alpargatas** posted increased net revenue, mainly driven by the strategic positioning of RGM (Revenue Growth Management), with the quarter's results adversely impacted by reduction in demand and pressure on some input costs, in addition to the negative impact of equity in Rothy's, with resulting drop in margins and profit. **Dexco's** revenues remained stable in the period, as a result of the commercial policy adopted, which partially mitigated the contraction in demand, higher cost of some input costs and finance costs, caused by inflation pressures and the resulting interest rate rise.

The results of the investment in **NTS**, recorded by Itaúsa as a "financial asset", were positively impacted mainly by the gain from the periodic assessment of the fair value of the asset, as a result of revisited assumptions to better reflect the macroeconomic scenario and the business modeling. **Copa Energia** posted strong increases in EBITDA and profit, mainly driven by the implementation of the commercial strategy and cost reduction.

In 3Q22, **Aegea** reported higher revenue and EBITDA, reflecting the higher volume billed and revenue from the consideration of concessions, in addition to the positive impact of the kick-off of operations in SPCs Águas do Rio 1 and 4 in 4Q21.

With its results now recognized by Itaúsa as of September 2022 under the equity method, **CCR** posted higher net revenue, EBITDA and profit in the quarter, mainly driven by better operating performance in all transportation modes, as a result of the increased volume of traffic of vehicles and passengers.

Furthermore, the results of **XP Inc.**, also recognized by Itaúsa under the equity method, also contributed positively to Itaúsa's results in the period.

Further information on the performance of each investee and Itaúsa's equity interest is available in section 9.1 ("Operational and financial performance of investees").

### 3.3. Itaúsa's Own Results

**Administrative Expenses** totaled R\$ 39 million in 3Q22, basically stable compared to the R\$ 37 million on a year-on-year basis, mainly due to expenses on IT initiatives focused on information security and advisory services in new business projects, in addition to higher personnel expenses and normalization of management fees as a result of the election of new independent board members, partially offset by lower marketing campaign expenses.

**Tax Expenses** totaled R\$ 101 million in 3Q22, up 166% compared to the R\$ 38 million on a year-on-year basis. These expenses were mainly driven by PIS/COFINS taxes levied on interest on capital declaration made by Itaú Unibanco in the period, as well as on capital gains from sale of shares in XP.

### 3.4. Finance Result

**Finance Result** totaled negative R\$ 165 million in 3Q22, from negative R\$ 73 million in 3Q21. This increase by R\$ 92 million was mainly due to higher interest expenses driven by a higher basic rate in the period, the 4<sup>th</sup> issuance of debentures in June 2021, which financed the purchase of equity interest in Aegea, and the interest from the 5<sup>th</sup> issuance of debentures in August 2022, which financed the purchase of equity interest in CCR, partially offset by the higher return on cash.

### 3.5. Profit

**Profit** totaled R\$ 3,555 million in 3Q22, up 51% from the R\$ 2,361 million on a year-on-year basis, mainly due to better results from investees (mainly Itaú Unibanco and NTS), as well as capital gains from the sale of shares in XP Inc. in July 2022.

### 3.6. Recurring Profit

**Recurring Profit** was R\$ 3,553 million, up 33% from the R\$ 2,674 million reported in 3Q21.

Profit was impacted by non-recurring events, which totaled a positive effect of R\$ 2 million in 3Q22. **Itaúsa** received earn-out in connection with the sale of Elekeiroz. At **Itaú Unibanco**, the main effect was the positive impact from the rise in the rate of social contribution on profit (CSLL), while at **Dexco**, the main non-recurrent event was LD Celulose's result, which is still undergoing a ramp-up phase in 2Q22.

Reconciliation of Recurring Profit				
R\$ million	3Q22	3Q21	9M22	9M21
<b>Recurring Profit</b>	<b>3,553</b>	<b>2,674</b>	<b>10,409</b>	<b>7,930</b>
<b>Total non-recurring items</b>	<b>2</b>	<b>(313)</b>	<b>(59)</b>	<b>152</b>
<b>Itaúsa's Own Result</b>	<b>63</b>	<b>(5)</b>	<b>117</b>	<b>15</b>
<b>Financial Sector</b>	<b>(36)</b>	<b>(311)</b>	<b>(141)</b>	<b>(70)</b>
<b>Itaú Unibanco</b>	<b>(24)</b>	<b>(311)</b>	<b>(95)</b>	<b>(70)</b>
Rise in social contribution (CSLL) rate	39	(278)	39	198
Treasury shares	-	-	71	116
Gain from partial sale of XP Inc. stake	-	-	-	69
Liability readjustment test	-	-	50	(29)
Interbank Payments	-	-	89	-
Voluntary severance program	-	-	(284)	-
Provision for structural adjustment	-	-	-	(276)
Others	(63)	(33)	(59)	(147)
<b>XP Inc.</b>	<b>(12)</b>	<b>-</b>	<b>(46)</b>	<b>-</b>
<b>Non-Financial Sector</b>	<b>(25)</b>	<b>3</b>	<b>(35)</b>	<b>207</b>
Alpargatas	1	1	(14)	(3)
Dexco	(3)	(5)	(6)	148
Copa Energia	(1)	7	(6)	66
Others <sup>1</sup>	(21)	-	(9)	(1)
<b>Profit</b>	<b>3,555</b>	<b>2,361</b>	<b>10,350</b>	<b>8,082</b>

(1) It refers mainly to PPA of Aegea.



# Management Report

3<sup>rd</sup> quarter of 2022

## 4. Capital Structure and Indebtedness

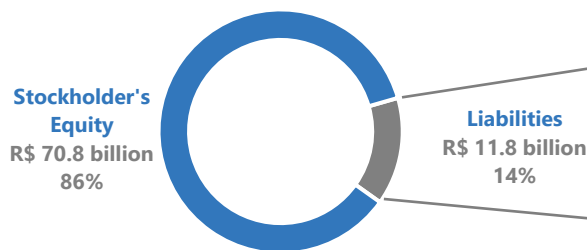
### 4.1. Breakdown of Capital and Leverage

Itaúsa has a conservative cash management approach and the maintenance of proper leverage ratios among its practices, subject to the proper liquidity level of cash and cash equivalents and focus on capital preservation. On September 30, 2022, the Company's leverage ratio was 7.0% (net debt of R\$ 5.8 billion to total liabilities + equity of R\$ 82.6 billion).

Itaúsa's financial and equity positions are sufficient for the continuity of its business plan and meet short-, medium- and long-term obligations, third-party loans included, on the grounds of its liquidity buffer, if one includes its cash flows, current cash position, liquidity of assets and capital call capacity, if required.

It is worth mentioning that the shares in XP Inc. held by Itaúsa, whose market value as of September 30, 2022 was R\$ 5.9 billion, represent a major source of liquidity, given the strategic decision already announced by Itaúsa to sell this equity interest. If we include this amount as a cash position, the Company would have a net cash position of R\$ 95 million.

Breakdown of Capital on 09.30.2022



Breakdown of Liabilities (R\$ million)

Category	Value (R\$ million)	Percentage
<b>Total Liabilities</b>	<b>11,800</b>	<b>14.3%</b>
Debentures	8,357	10.1%
Dividends and IOC payable	1,525	1.8%
Tax Contingencies	1,745	2.1%
Other liabilities	173	0.2%

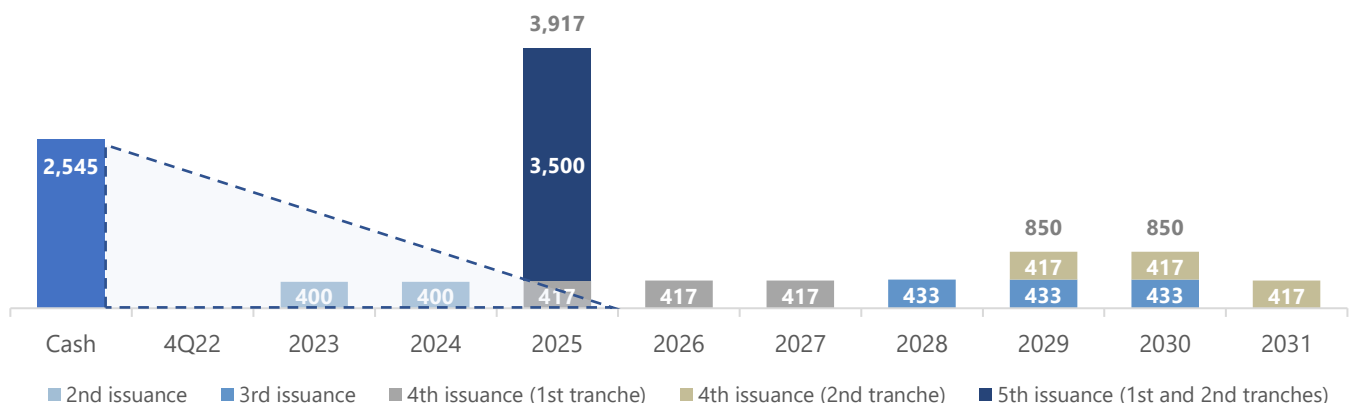
Note: amounts related to Itaúsa's parent company's balance sheet.

### 4.2. Repayment Schedule

Please see below the current cash position on September 30, 2022, the debt instruments that account for over 70% of the Company's total debt, and its repayment schedule.

On September 30, 2022, the Company's average term of debt was four years and three months, with average cost of CDI + 1.43% p.y.

Cash Position and Principal Repayment Schedule on 09.30.2022 (in R\$ million)



- 2<sup>nd</sup> issuance of debentures with cost of 106.9% of CDI and a 7-year term.
- 3<sup>rd</sup> issuance of debentures with cost of CDI + 2.4% p.y. and a 10-year term.
- 4<sup>th</sup> issuance of debentures (1<sup>st</sup> tranche) with cost of CDI + 1.4% p.y. and a 6-year term.
- 4<sup>th</sup> issuance of debentures (2<sup>nd</sup> tranche) with cost of CDI + 2.0% p.y. and a 10-year term.
- 5<sup>th</sup> issuance of debentures (1<sup>st</sup> and 2<sup>nd</sup> tranches) with cost of CDI + 1.12% p.y. and a 3-year term.

# Management Report

## 3<sup>rd</sup> quarter of 2022

In August 2022, the 5<sup>th</sup> issuance of non-convertible debentures was carried out, in the amount of R\$ 3.5 billion, with a three-year term and cost of CDI + 1.12% p.y., which was mostly allocated to purchase equity interest in CCR. Part of these proceeds were also used to increase cash position and repay Itaúsa's activities-related costs and expenses.

In September 2022, Moody's upgraded the corporate credit rating of Itaúsa to AA+.br from AA.br (national scale) with a stable outlook, the same rating assigned to the 3<sup>rd</sup> and 4<sup>th</sup> issuances of the Company's debentures. According to Moody's, this new credit rating to Itaúsa reflects the latter's increasingly diversified investment portfolio, the maintenance of low leverage levels and reasonable cash position and liquidity buffers for debt service.

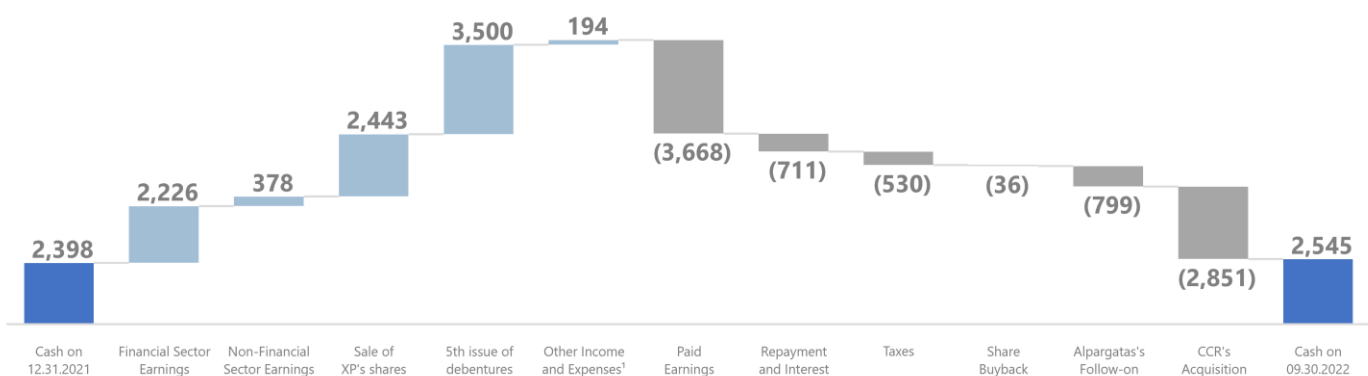
In November 2022, Fitch Ratings started covering Itaúsa's corporate credit and assigned it an AAA rating (investment grade) on a national scale, underlining Itaúsa's trustworthiness in the capital markets and its management's conservative financial discipline.

For further information on the issuance of debentures, please see Note 16 or access: [www.itausa.com.br/debt-and-rating](http://www.itausa.com.br/debt-and-rating).

### 4.3. Cash Flow

Itaúsa ended 3Q22 with a R\$ 2,545 million cash balance, and its evolution from December 31, 2021 is presented below, with highlights going to (i) proceeds from the financial sector of R\$ 2,226 million, (ii) sale of 19 million shares in XP held by Itaúsa with impact on cash of R\$ 2,443 million, (iii) proceeds of R\$ 3,668 million paid by the Company, (iv) subscription of R\$ 799 million in shares in Alparagatas in its follow-on, (v) purchase of a 10.33% equity interest in CCR, (vi) inflow of proceeds from the 5<sup>th</sup> issuance of debentures, and (v) repayment of principal and interest on debentures issued in the amount of R\$ 711 million.

(R\$ million)



(1) It includes revenue from cash profitability, and general and administrative expenses, among others.

### 4.4. Treasury Shares

## ITSA

### B3 LISTED N1

The Share Buyback Program in connection with the issuance of treasury shares, approved by the Board of Directors on February 22, 2021, and in effect for 18 months, came to an end on August 22, 2022.

From the start of the program to its end in August 2022, Itaúsa bought back 8.0 million preferred shares and 3.5 million common shares of own issue, at the average price of R\$ 10.92 per share. Furthermore, on December 13, 2021 Itaúsa received 400,000 preferred shares as bonus (attributed cost of R\$ 18.89 per share), totaling 11.9 million shares in Itaúsa.










On November 7, 2022, the Board of Directors approved the cancellation of these treasury shares.

# Management Report

## 3<sup>rd</sup> quarter of 2022

### 5. Asset Value

On September 30, 2022, Itaúsa's market capitalization, based on the price of the most liquid share (ITSA4), was **R\$ 85.8 billion**, whereas the sum of interests in investees at market value totaled **R\$ 116.5 billion**, resulting in a **23.3%** discount, up **540 bps** compared to 20.9% on a year-on-year basis.

Portfolio Companies	Price of most liquid share (R\$) (A)	Total Shares (million) (B)	Market Value (R\$ million)	Itaúsa's stake (%) (C)	Market Value of the Stake (R\$ million)
 Itaú	28.06	9,801	275,012	37.2%	102,419
 XP Inc. (D)	US\$19.01	556	57,110	10.3%	5,907
 ALPARGATAS	21.27	674	14,342	29.6%	4,240
 DEXCO	9.35	734	6,867	37.9%	2,600
 CCR	12.53	2,020	25,311	10.3%	2,615
 aegea (E)	n/a	n/a	n/a	12.9%	2,568
 ntr (F)	n/a	n/a	n/a	8.5%	2,038
 COPA energia (E)	n/a	n/a	n/a	48.9%	1,253
<b>Other Net Assets and Liabilities (G)</b>					<b>-7,177</b>
<b>Market Value of the Sum of the Parts</b>					<b>116,464</b>
 ITAÚSA	9.73	8,819	85,813		85,813
<b>Discount</b>					<b>-26.3%</b>

(A) Closing prices of the last business day of the period of the most liquid shares of Itaú (ITUB4), XP Inc. (Nasdaq: XP), Alpargatas (ALPA4), Dexco (DXCO3), CCR (CCRO3) and Itaúsa (ITSA4). | (B) Total shares issued less treasury shares. | (C) Itaúsa's direct and indirect equity interest in the total capital of investees, according to Note 1 to the Financial Statements of Itaúsa as of September 30, 2022. | (D) It considers the foreign exchange rate of R\$ 5.41/US\$. | (E) It includes the investment value recorded in the Balance Sheet as of September 30, 2022. | (F) It includes the fair value recorded in the Balance Sheet as of September 30, 2022. | (G) Data from the Parent Company's Balance Sheet as of September 30, 2022.

Discount is an indicator resulting from the difference between the market price ascertained for Itaúsa's shares and the theoretical value obtained through the sum of the market (for listed companies), at fair or investment values (for unlisted companies) of the parts that compose the holding company's investments ("sum of the parts").

Part of this discount can be justified in view of the holding company's maintenance expenses, taxes levied on a fraction of the earnings received (tax inefficiency), and risk assessment, among other factors. Taking into account the foundations that justify it, Itaúsa's management believes that the current level is overstated and does not reflect the proper indicator level.

Itaúsa discloses information about the discount on a monthly basis, which is available on: [www.itausa.com.br/net-asset-value](http://www.itausa.com.br/net-asset-value).



### 6. Capital Markets

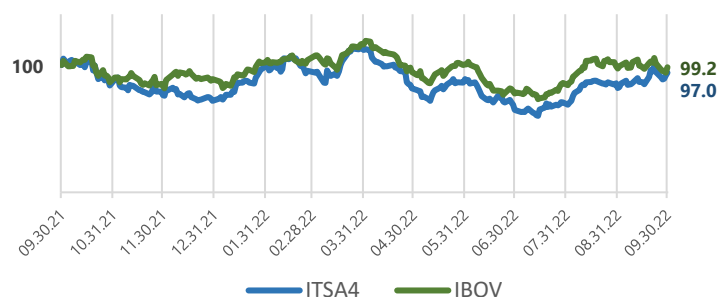
#### 6.1. Share Performance

Itaúsa's preferred shares (B3: ITSA4) closed the third quarter of 2022 at R\$ 9.73, up 17.7% in the period, when adjusted by payment of dividends and interest on capital, whereas Ibovespa, B3's main index, appreciated by 11.7% in the same period. In the last 12 months, Itaúsa's share price, adjusted by earnings and Ibovespa index, fell by 3.0% and 0.8%, respectively.

#### Performance of Itaúsa's and Investees' shares

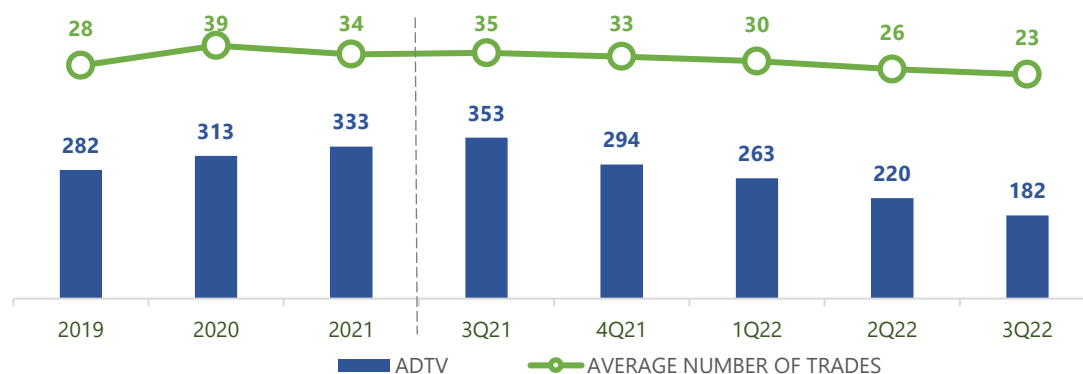
Company	Close	Δ 3Q22	Δ 9M22	Δ 12 months
ITSA4	R\$ 9.73	17.7% ▲	12.9% ▲	-3.0% ▼
ITSA3	R\$ 9.87	12.4% ▲	9.9% ▲	-3.0% ▼
ITUB4	R\$ 28.04	25.5% ▲	36.4% ▲	21.5% ▲
ALPA4	R\$ 21.27	11.1% ▲	-42.3% ▼	-59.3% ▼
DXCO3	R\$ 9.35	-5.3% ▼	-37.5% ▼	-35.1% ▼
CCRO3	R\$ 12.53	0.0% -	8.8% ▲	8.5% ▲
XP	R\$ 19.01	5.8% ▲	-33.5% ▼	-52.7% ▼
Ibovespa	110,037	11.7% ▲	5.0% ▲	-0.8% ▼

#### ITSA4 vs. Ibovespa (last 12 months)



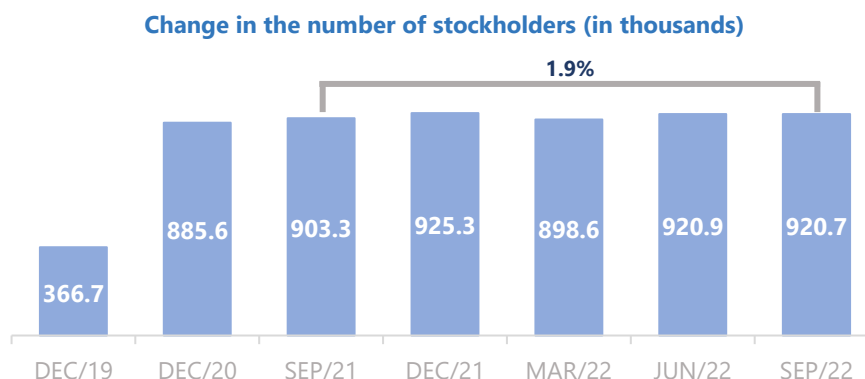
The daily average trading volume of Itaúsa's preferred shares in 3Q22 was R\$ 182 million, compared to R\$ 353 million on a year-on-year basis, with 23,000 daily trades on average compared to 35,000 trades on a year-on-year basis, down 48.2% and 34.3%, respectively, on a year-on-year basis.

#### ITSA4 - Volume (R\$ million) and average trading volume (number in thousands)



### 6.2. A broader stockholder base

On September 30, 2022, Itaúsa had 920,700 stockholders (99.6% individual stockholders), which places it as one of the companies with the largest stockholder base on B3. It is slightly up by 1.9% from the 903.300 stockholders on a year-on-year basis.



## 7. Return to stockholders

### 7.1. Earnings and dividend yield (for the last 12 months)

Investors who remained as stockholders for the last 12-month period ended September 30, 2022 will be entitled to receive the gross amount of **R\$ 4.8 billion** in earnings, that is, R\$ 0.53849 (gross) per share, which, divided by the preferred share quoted on September 30, 2022, resulted in a 5.5% dividend yield.

Base Year	Earnings Declared	Stockholding Position	Payment date	Gross amount declared	Gross amount per share <sup>2</sup>
2021	IOC <sup>1</sup>	11.23.2021	03.11.2022	R\$ 1,300.1 million	R\$ 0.15472
	Quarterly IOC <sup>1</sup>	11.30.2021	01.03.2022	R\$ 197.7 million	R\$ 0.02353
	Quarterly IOC <sup>1</sup>	12.13.2021	04.01.2022	R\$ 207.6 million	R\$ 0.02353
2022	IOC <sup>1</sup>	01.14.2022	04.29.2022	R\$ 1,176.5 million	R\$ 0.13334
	IOC <sup>1</sup>	03.24.2022	08.30.2022	R\$ 999.9 million	R\$ 0.11337
	Quarterly IOC <sup>1</sup>	05.31.2022	07.01.2022	R\$ 207.5 million	R\$ 0.02353
	IOC <sup>1</sup>	08.18.2022	08.30.2022	R\$ 90.8 million	R\$ 0.01030
	IOC <sup>1</sup>	08.18.2022	up to 12.29.2023	R\$ 435.7 million	R\$ 0.04940
	Quarterly IOC <sup>1</sup>	08.31.2022	10.03.2022	R\$ 207.5 million	R\$ 0.02353
<b>Total earnings in the last 12 months</b>					<b>R\$ 0.55525</b>
<b>Total earnings in the last 12 months adjusted by the 5% bonus share<sup>3</sup></b>				<b>R\$ 4,823 million</b>	<b>R\$ 0.53849</b>
Preferred share (ITSA4) value at 09.30.2022					R\$ 9.73
<b>Dividend Yield</b>					<b>5.5%</b>

(1) Interest on capital is subject to tax rate of 15% of withholding income tax according to legislation in force. | (2) Itaúsa's capital stock was represented by 8,831,355,677 shares on September 30, 2022 (of which 8.4 million preferred shares and 3.5 million common shares were held in treasury). | (3) By market convention, dividend yield was calculated based on earnings per share adjusted by the 5% bonus shares in December 2021 divided by share value (ITSA4) on September 30, 2022.

On November 10, 2022, the Company's Board of Directors declared interest on capital in the amount of R\$ 500 million (R\$ 425 million, net) or R\$ 0.05154 per share (R\$ 0.043809, net per share), based on the stockholding position at the end of November 18, 2022, to be paid up to December 29, 2023.



### History of Itaúsa's Dividend Yield

Base Year	2019	2020	2021	3Q22 LTM <sup>1</sup>
Dividend Yield	8.5%	5.5%	4.2%	5.5%

(1) LTM: Last twelve months.

The complete record of earnings paid and payable already announced is available on [www.itausa.com.br/dividends-and-ioc](http://www.itausa.com.br/dividends-and-ioc).

## 7.2. Increase of Capital with Bonus Shares

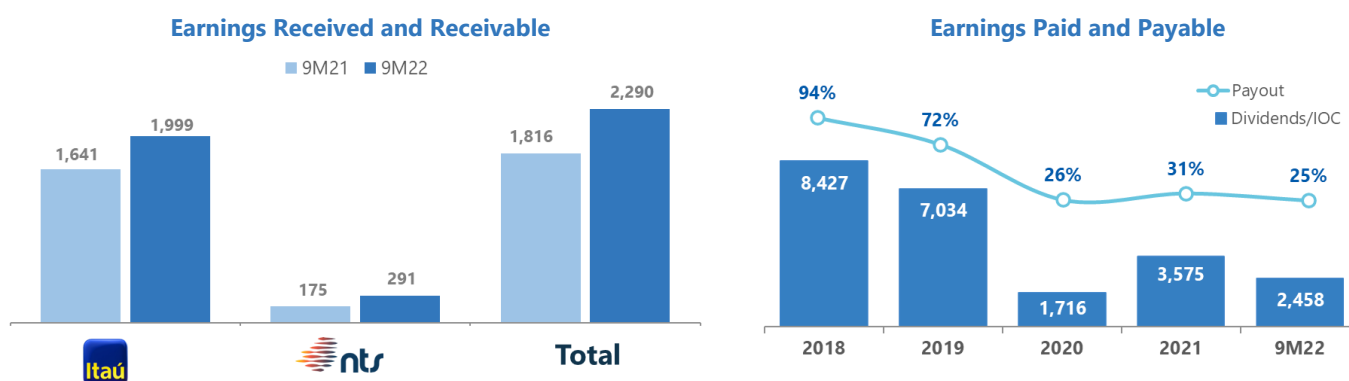
Itaúsa's Board of Directors, meeting on November 7, 2022, approved the increase in the Company's capital with capitalization of revenue reserve worth R\$ 12.04 billion to a capital worth R\$ 63.5 billion, by issuing 881,946,338 new book-entry shares (303,083,736 common and 578,862,602 preferred shares) to be attributed free of charge to stockholders, as bonus, at the proportion of one (1) new share for every ten (10) shares of the same type held by stockholders at their final stockholding position on November 10, 2022.

Bonus will be made in whole numbers and new shares will be included in the stockholders' position on November 16, 2022; any surplus resulting from share fractions will be set apart, grouped in whole numbers and sold on the Brazilian Stock Exchange (B3), with the sale proceeds made available proportionally to the holders of these fractions on a date to be informed in due course.

We also inform that the cost attributed to bonus shares was R\$ 13.65162423 per share. This cost is aimed to maximize tax benefits to stockholders and was calculated based on the amount of revenue reserves available for the bonus (i.e., R\$ 12.04 billion) divided by the number of new shares issued.

## 7.3. Flow of Dividends and Interest on Capital<sup>1,2</sup>

We present below the flow of dividends and interest on capital **based on the base period of each fiscal year**, which is understood by Management as the most suitable for monitoring the Company's earnings pay-out practice, which has been to at least fully transfer the amounts received as earnings from its investee Itaú Unibanco.



(1) It refers to parent company's Balance Sheet (in R\$ million).

(2) Payout = dividends and interest on capital, net, paid and payable / Profit deducted from the legal reserve of 5%.

## 8. Independent Auditors – CVM Instruction No. 381

### Procedures adopted by the Company

The policy adopted by Itaúsa, its subsidiaries and parent company, to engage non-audit services from our independent auditors is based on the applicable regulations and internationally accepted principles that preserve the auditors' independence. These principles include the following: (a) an auditor cannot audit their work; (b) an auditor cannot hold managerial positions at their clients; and (c) an auditor cannot promote the interests of their client.

In the period from January to September 2022, the independent auditors PricewaterhouseCoopers Auditores Independentes provided the following non-audit services, corresponding to 18.06% of total external audit fees provided by these auditors, as set forth in CVM Instruction No. 381:

**Itaúsa:** (i) due diligence service, engaged on April 12, 2022, in the amount of R\$ 178,000; (ii) other services, engaged on July 21, 2022, in the amount of R\$ 8,000; and (iii) assurance services for Reference Form and Integrated Report, engaged on September 15, 2022, in the amount of R\$ 139,000.

**Subsidiary Dexco:** project consulting services, engaged on January 18, 2022, February 15, 2022 and June 1, 2022, in the amount of R\$ 345,000.

**Justification of independent auditors – PwC:** The provision of the aforementioned non-audit services does not affect the independence or the objectivity of the external auditor of Itaúsa and its subsidiaries. The policy adopted for providing non-audit services to Itaúsa is based on principles that preserve the independence of the Independent Auditors, all of which were considered in the provision of the referred service.

## 9. Appendices

### 9.1. Operational and financial performance of investees

We present below the main highlights of the 3Q22 results of the investees that make up Itaúsa's portfolio.

Investee Company	Sector	Itaúsa's Stake <sup>1</sup>	Ticker
Itaú Unibanco Holding S.A. <sup>2</sup>	Financial Institution (Bank)	37.24%	B3: ITUB4
XP Inc. <sup>3</sup>	Financial Products and Services	10.36%	Nasdaq: XP
Alpargatas S.A.	Footwear and Apparel	29.57%	B3: ALPA4
Dexco S.A.	Wood, Porcelain, Sanitary Metals and Dissolving Wood Pulp	37.86%	B3: DXCO3
CCR S.A.	Infrastructure and Mobility	10.33%	B3: CCRO3
Aegea Saneamento e Participações S.A. <sup>4</sup>	Sanitation	12.88%	n.a.
Copa Energia S.A.	Distribution of Gas (LPG)	48.93%	n.a.
Nova Transportadora do Sudeste S.A. (NTS)	Transportation of Natural Gas	8.50%	n.a.

(1) It includes the direct and indirect interest held by Itaúsa on September 30, 2022, according to Note 1 (Operations).

(2) Itaúsa holds indirect interest in Itaú Unibanco Holding, as it holds a 66.53% interest in the capital of IUPAR – Itaú Unibanco Participações S.A., whose only investments are the equity interests in Itaú Unibanco.

(3) It does not include the indirect interest of 3.75%, held by jointly-controlled subsidiary Itaú Unibanco, as the latter does not exercise material influence on XP, and it classifies this interest as a financial asset measured at fair value through "other comprehensive income", in Equity. The effects of this interest in Itaúsa are recorded in "carrying amount adjustments", in Equity, reflecting the recording in Itaú Unibanco's Equity.

(4) Itaúsa holds a stockholding position of 10.20% of voting capital and 12.88% of total capital of Aegea Saneamento. Additionally, it has equity interests of 4.97% and 4.89% in SPCs 1 and 4 of Águas do Rio, respectively.



Itaú Unibanco Holding S.A.

### Recent developments:

- **ESG:** in August 2022, the bank raised R\$ 1 billion in green bills in the local market; the transaction was broken down into two tranches, of which R\$ 500 million were raised from individual clients, companies and asset managers, and R\$ 500 million were raised from the International Finance Corporation (IFC). Furthermore, Itaú executed an agreement with Enel to supply about 80% of the bank's units with renewable energy.
- **Perpetual Financial Bills:** in September 2022, aimed to optimize capital structure, the bank issued R\$ 1 billion in Perpetual Subordinated Financial Bills, authorized to comprise the Additional Tier 1 of the company's Referential Equity, with an estimated impact of 0.08 p.p. in its Tier 1 capitalization ratio.
- **Digital performance:** aimed to have a leading role in the adoption of new payment technologies, some of the bank's initiatives in the quarter stand out, as follows: (i) availability of personal credit on WhatsApp; (ii) iti digital account for minors, encouraging financial management from an early age; and (iii) launch of the 1<sup>st</sup> 100% digital card, the Itaú Click Digital Mastercard, which aims to provide a fully digital experience, with no physical card or annual fees charged.

Financial and Operational Data (in IFRS) (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Operating Revenues <sup>1</sup>	37,658	32,481	15.9%	109,303	92,825	17.8%
Expected Loss on Financial Assets and Claims	(7,412)	(4,425)	67.5%	(21,373)	(8,210)	160.3%
General and Administrative Expenses	(17,295)	(14,876)	16.3%	(50,627)	(45,764)	10.6%
Profit <sup>2</sup>	8,092	6,076	33.2%	22,199	20,164	10.1%
Recurring Profit <sup>2</sup>	8,156	6,906	18.1%	22,645	20,662	9.6%
ROE (annualized)	20.1%	16.7%	3.4 p.p.	18.9%	18.5%	0.4 p.p.
Recurring ROE (annualized)	20.3%	19.0%	1.3 p.p.	19.2%	19.0%	0.2 p.p.
Stockholders' Equity <sup>2</sup>	164,875	147,606	11.7%	164,875	147,606	11.7%
Loan Portfolio <sup>3</sup>	1,114,104	966,852	15.2%	1,114,104	966,852	15.2%
Tier I capital ratio	13.2%	12.9%	0.3 p.p.	13.2%	12.9%	0.3 p.p.

(1) For better comparability, the tax effects of hedge on foreign investments were reclassified. | (2) Attributable to controlling stockholders. | (3) Loan Portfolio with Financial Guarantees provided and Corporate Securities.

### Financial Performance:

- **Loan portfolio:** totaled R\$ 1.1 trillion in 3Q22, up 15.2% in a year-on-year basis, driven by the growth in the main Brazilian segments (+27% in individuals, +16% in very small, small and middle-market companies, and +16% in the corporate segment). The positive effect of this increased portfolio was followed by the 10.9% rise in interest income from loans.
- **General and administrative expenses:** increased 16.3% in 3Q22 on a year-on-year basis, mainly due to higher personnel expenses arising from effects of the negotiated collective bargaining agreement and profit-sharing expenses, and expenses on credit card reward programs, third-party services and marketing campaigns in the media.
- **Expected loss of financial assets and claims:** in 3Q22, increased R\$ 3.0 billion on a year-on-year basis, mainly due to higher expect loan losses and nonperforming loans.
- **Profit:** up 33.2% on a year-on-year basis, mainly due to increases of 15.9% in Operating Revenues, as a result of increases of (i) 19.2% in net financial revenue, due to higher revenues from loan operations; (ii) 224.0% in Result of Financial Assets at Fair Value, mainly in investment funds.
- **Tier 1 capital ratio:** capital management is key, since it drives the search for optimization of investments and ensures the bank's strength. At the end of September 2022, Tier I capital ratio was 13.2%, above the minimum required by the Central Bank of Brazil (9.5%).

**i** For further information on Itaú Unibanco's results, please access: [www.itaú.com.br/relacoes-com-investidores](http://www.itaú.com.br/relacoes-com-investidores)

## XP Inc.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Client Assets	924,632	789,433	17.1%	924,632	789,433	17.1%
Net Revenue	3,620	3,171	14.2%	10,171	8,817	15.3%
Adjusted EBITDA	1,153	1,005	14.7%	3,133	2,949	6.2%
Adjusted EBITDA margin	31.8%	31.7%	0.1 p.p.	30.8%	33.4%	-2.6 p.p.
Profit <sup>1</sup>	1,031	936	10.2%	2,796	2,600	7.5%
ROE (annualized) <sup>1</sup>	24.4%	28.8%	-4.4 p.p.	23.4%	28.6%	-5.2 p.p.
Credit Portfolio <sup>2</sup> (R\$ billion)	16.3	8.6	88.2%	16.3	8.6	88.2%

(1) Attributable to controlling stockholders. | (2) It does not include intercompany loans or receivables related to credit cards.

### Financial Performance:

- **Client assets:** totaled R\$ 925 billion, up 17% on a year-on-year basis, driven by R\$ 172 billion in net funding, partially offset by R\$ 37 billion in market devaluation.
- **Loan portfolio<sup>2</sup>:** totaled R\$ 16.3 billion with average maturity of 3.2 years and NPL 90 equal to zero.
- **Volume of credit card transactions:** R\$ 6.6 billion in 3Q22, up 103% on a year-on-year basis, which had totaled R\$ 3.3 billion.
- **Net Revenue:** totaled R\$ 3.6 billion in 3Q22, up 14% on a year-on-year basis, driven by the growth of franchises for institutional and large corporate clients.
- **Profit<sup>1</sup>:** up 10% on a year-on-year basis, driven by the aforementioned factors.

**i** For further information on XP Inc.'s results, please access: <https://investors.xpinc.com/>



### Recent developments:

- **Increased logistics capacity:** the opening of a new Distribution Center in Campina Grande (PB), with an area of 50,000 sq. m, as a result of the investment in the growth and value creation strategy, will ramp up the logistics network in Brazil and the international market, improving the level of service and service to the value chain.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Net Revenue	65,839	68,496	-3.9%	178,126	183,388	-2.9%
Wood Division	59,073	62,620	-5.7%	151,871	158,315	-4.1%
Deca Division	6,766	5,876	15.1%	26,255	25,073	4.7%
Ceramic Tiles Division	1,090	988	10.3%	3,079	2,880	6.9%
Adjusted and Recurring EBITDA	184	189	-2.5%	536	582	-7.8%
Adjusted and Recurring EBITDA Margin	16.9%	19.1%	-2.2 p.p.	17.4%	20.2%	-2.8 p.p.
Profit <sup>1</sup>	45	156	-71.3%	142	395	-64.1%
Recurring Profit <sup>1</sup>	46	152	-69.7%	190	421	-54.9%
ROE (annualized)	3.1%	18.9%	-15.8 p.p.	3.7%	16.6%	-12.9 p.p.
Recurring ROE (annualized)	3.2%	18.3%	-15.1 p.p.	4.9%	17.7%	-12.7 p.p.
CAPEX	188	86	118.6%	511	185	176.2%

(1) It includes Havaianas operations only. | (2) Attributable to controlling stockholders. | (3) Attributable to controlling stockholders and from continuing operations.

### Financial Performance:

- **Net Revenue:** growth was driven by the strategic pillar RGM (Revenue Growth Management), with impacts on higher unit price and better product and channel mix, partially offsetting the drop in volume.
- **Recurring EBITDA:** adversely impacted by higher input costs due to inflation pressures, logistics expenses and negative equity investment of Rothys.

- **Cash position:** a negative net financial position of R\$ 131 million, down from the position of R\$ 678 million on a year-on-year basis. This decrease was the result of higher investments to improve efficiency and the logistics network, in addition to the payment of R\$ 159 million in earnings paid to stockholders.

**i** For further information on Alpargatas's results, please access: <https://ri.alpargatas.com.br>

## DEXCO

### Recent developments:

- **Dissolving Wood Pulp (DWP):** the plant ramp-up process is within schedule, with premium DWP already being delivered. Sector indicators stood out, such as exchange rate and commodity prices at promising levels for the business.
- **Recognition:** (i) 1<sup>st</sup> place in the construction and decoration material sector by ISTOÉ Dinheiro magazine, (ii) 1<sup>st</sup> place in the construction and decoration materials sector in the Época Negócios 360º Yearbook, and (iii) ranked among the Top 5 in open innovation in the construction and real estate sector in the 100 Open Startups ranking.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Net Revenue	2,162	2,177	-0.7%	6,506	5,919	9.9%
Wood Division	1,314	1,249	5.2%	3,949	3,460	14.1%
Deca Division	542	603	-10.2%	1,650	1,620	1.8%
Ceramic Tiles Division	306	325	-5.7%	907	839	8.2%
Adjusted and Recurring EBITDA	416	604	-31.2%	1,366	1,600	-14.7%
Adjusted and Recurring EBITDA Margin	19.2%	27.7%	-8.5 p.p.	21.0%	27.0%	-6.0 p.p.
Profit <sup>1</sup>	154	255	-39.6%	547	1,145	-52.2%
Recurring Profit <sup>1</sup>	163	268	-39.1%	564	741	-23.9%
ROE (annualized)	10.6%	17.5%	-6.9 p.p.	12.7%	27.9%	-15.2 p.p.
Recurring ROE (annualized)	11.2%	18.3%	-7.2 p.p.	13.1%	18.1%	-4.9 p.p.
CAPEX (Maintenance and Forestry Opex)	195	173	12.7%	604	399	51.4%
Net Debt/EBITDA	1.96x	0.81x	1.15x	1.96x	0.81x	1.15x

(1) Attributable to controlling stockholders.

### Financial Performance:

- **Net Revenue:** higher net revenue in all divisions, underlying the strategy to position their products in the market. This improvement made up for the drop in sales volume and led net revenue to reach levels similar to 3Q21.
- **Adjusted and Recurring EBITDA:** the increase in net revenue was not enough to make up for higher costs resulting from the pressure of inputs and the lower volume sold, which resulted in a drop in Adjusted and Recurring EBITDA. It is worth pointing out that the comparative period refers to the year when Dexco posted record results.
- **LD Celulose:** even in its pre-operational phase, the new dissolving wood pulp (DWP) business unit is posting positive results already, having totaled EBITDA of USD 22.7 million in the quarter and USD 12.0 million in the year. The positive impact of R\$ 15.3 million in the quarter, as calculated under the equity method, has not yet been reflected in Dexco's Adjusted and Recurring EBITDA as it is a project in the pre-operational phase.
- **Recurring Profit:** impacted by strong inflationary pressure from costs, especially freight and chemicals, in addition to higher interest expenses due to the rise in the basic interest rate on debt.
- **Leverage:** level remained low, in spite of a slight increase in the period, driven by worsening results in the last 12 months. Additionally, the company renewed its revolving credit facility in the amount of R\$ 500 million, reinforcing its strong cash position and financial liquidity.

**i** For further information on Dexco's results, please access: [www.dex.co/ri](http://www.dex.co/ri)





### Recent developments:

- **Capital allocation:** sale of all its equity interest in the capital stock of Total Airport Services (TAS), a US provider of airport services provider, completed in July 2022, generating an impact of R\$ 505 million in 3Q22 results.
- **Sustainability:** a decarbonization target proposal was forwarded to SBTi (Science Based Targets), as part of the company's commitment to carbon emission reduction targets in accordance with the Paris agreement.
- **Renovias (SP):** in September 2022, Amendments No. 21/2022 and No. 22/2022 were signed, aimed to extend the term of the Renovias concession agreement by October 13, 2024.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Net Revenue (excluding construction)	3,175	2,573	23.4%	14,282	8,341	71.2%
Highways	2,058	1,849	11.3%	10,975	6,387	71.8%
Airports	463	331	40.0%	1,308	809	61.7%
Urban Mobility	639	385	65.9%	1,961	1,118	75.3%
Others <sup>1</sup>	16	8	89.5%	39	27	45.1%
Adjusted and Recurring EBITDA <sup>2</sup>	1,533	1,357	13.0%	4,405	3,528	24.9%
Adjusted and Recurring EBITDA margin <sup>2</sup>	62.7%	66.5%	-3.8 p.p.	63.5%	63.9%	-0.4 p.p.
Profit <sup>3</sup>	607	184	229.8%	4,350	829	424.9%
Recurring Profit <sup>2</sup>	228	180	26.9%	304	679	-55.2%
CAPEX	1,022	660	54.9%	1,803	1,319	36.7%
Net Debt/EBITDA	1.6x	2.4x	-0.8x	1.6x	2.4x	-0.8x

(1) It includes holding companies, SAMM and intragroup eliminations. | (2) Equivalent to the figures on the "same base" reported by CCR. | (3) Attributable to controlling stockholders.

### Financial Performance:

- **Traffic performance:** on the same basis of comparison, the traffic of equivalent vehicles increased by 5.3%, passengers transported at airports by 41.9%, and passengers transported in mobility business by 38.5%.
- **Net Revenue (excluding construction):** this increase was driven by the rise in the volume of vehicle and passenger traffic resulting from the kick-off of operation of the new concessions RioSP, Lines 8 and 9, Pampulha and Blocos Sul and Central, partially offset by the exits of the NovaDutra and RodoNorte concessions, in addition to the adoption of tariff adjustments.
- **Adjusted and Recurring EBITDA:** mainly driven by better operating performance in all transportation modes.
- **Profit:** the year-on-year increase was driven by higher net revenue and the effect of the sale of TAS, partially offset by the partial recognition of the impairment test at ViaOeste.
- **CAPEX:** increase as a result of advances in the purchase of new trains on Lines 8 and 9, duplication of BR-386 highway on ViaSul and duplication of several sections on ViaOeste.
- **Indebtedness:** consolidated Net Debt (under IFRS) reached R\$ 20 billion at the end of September 2022 and the leverage ratio measured by Net Debt/Adjusted EBITDA (last 12 months) reached 1.6 times.
- **Earnings:** in October 2022, dividends were declared in the amount of R\$ 591.6 million, to be paid on November 30, 2022. Of this total, approximately R\$ 60 million will be allocated to Itaúsa.

**i** For further information on CCR's results, please access: <https://ri.ccr.com.br/>



### Recent developments:

- **Auction of Cagece:** Aegea won the two blocks in the auction of Cagece for wastewater services in the Ceará State. With this win, Aegea will now operate in 178 municipalities and 13 states, serving approximately 26.0 million inhabitants.
- **ESG rating:** on October 19, 2022, Sustainalytics published the updated ESG Rating for the company, in which Aegea was placed 1<sup>st</sup> in the world's ranking, that is, with the best ESG Risk Rating among its peers in the sanitation sector. Aegea was also ranked 1<sup>st</sup> in the world in the Corporate Governance, Ethics in Business and Community Relations categories.

- **Gold Seal in the Brazilian GHG Protocol Program:** Aegea achieved the Gold Seal in the Brazilian GHG Protocol Program, for the public registration of the audited inventory of greenhouse gas (GHG) emissions, 2021 base year.
- **Lugares Incríveis para Trabalhar (awesome places to work at) 2022 Award:** 15 Aegea's concessionaires were recognized with the *Lugares Incríveis para Trabalhar* (awesome places to work at) 2022 Award, a partnership between Fundação Instituto de Administração (FIA) and UOL.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Billed volume ('000 m <sup>3</sup> )	140	135	3.5%	413	381	8.4%
Net Revenue <sup>1</sup>	949	780	21.6%	2,700	2,116	27.5%
EBITDA	644	475	35.6%	1,792	1,226	46.2%
EBITDA margin	67.9%	60.9%	6.9 p.p.	66.4%	57.9%	8.5 p.p.
Profit <sup>2</sup>	68	103	-33.8%	194	310	-37.2%
Recurring Profit <sup>2</sup>	68	103	-33.8%	235	310	-24.2%
CAPEX	261	216	20.8%	660	542	21.7%
Net Debt/EBITDA	2.80x	2.50x	0.30x	2.80x	2.50x	0.30x

(1) Net operating revenue, less construction revenue, with a margin close to zero and no cash effect. | (2) Attributable to controlling stockholders.

**Note:** The table above shows information from Aegea Saneamento, including the results of Águas do Rio (SPCs 1 and 4) recognized under the equity method.

### Financial Performance:

- **Net Revenue:** this increase was mainly driven by rise in tariffs and increase in volume billed, with the expansion of the concession network and higher savings, in particular those related to wastewater.
- **EBITDA:** mainly driven by the increase in volume billed and the results of Águas do Rio (RJ).
- **Profit:** decrease due to higher net finance costs, mainly driven by the rise in interest-bearing rate on debt.
- **CAPEX:** increase was driven by new operations and the headway made in the water and wastewater coverage network.
- **Águas do Rio:** in the year-to-date, it recorded net revenue of R\$ 3.8 billion, EBITDA of R\$ 1.1 billion, EBITDA margin of 28.0%, and Profit of R\$ 392 million. At the end of September 2022, Águas do Rio's net debt was R\$ 7.7 billion.

**i** For further information on Aegea Saneamento's results, please access: <https://ri.aegea.com.br/>



### Recent developments:

- **Recognition:** Copa Energia was present at the top Brazilian rankings promoted by renowned magazines: (i) 3<sup>rd</sup> best company in Brazil in the fuel sector by ISTOÉ Dinheiro magazine, (ii) 100<sup>th</sup> largest company in Brazil by Valor 1000 magazine, and (iii) 33<sup>rd</sup> place in the ranking of the Best and Largest Brazilian companies in the energy sector, according to Exame magazine.
- **Innovation:** through its innovation hub Copa Labs, Copa Energia was 4<sup>th</sup> in the ranking promoted by 100 Open Startups, which recognizes the companies that have made the most to promote open innovation in Brazil.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Volume ('000 tons)	478	509	-6.1%	1,370	1,415	-3.2%
Net Revenue	3,134	2,874	9.0%	8,950	7,591	17.9%
Recurring EBITDA	233	140	66.2%	558	245	127.6%
Recurring Profit	79	50	58.4%	155	26	498.6%
CAPEX	38	11	245.8%	79	60	31.2%

Unaudited figures.

### Financial Performance:

- **Sales volume:** still under the impact of the slowdown in consumption of households, the sales volume went slightly down on a year-on-year basis, as a result of the declining consumer purchase power.
- **Net Revenue:** better performance in the period, due to the price and commercial policy implemented by the company.

- **EBITDA and Recurring Profit:** increase is driven by better gross margin for the period.

**i** For further information on Copa Energia's results, please access: <https://www.copaenergia.com.br/>



### Recent developments:

- **Flexibility in Petrobras contracts:** on September 30, 2022, NTS entered into a Flexibility Reduction Agreement and the Amendment to Legacy Contracts with Petrobras S.A., which formalized the flexibility in part of the firm capacity currently contracted by the company in the NTS network, with no financial effect on the company's results. The agreement allows access to other agents to the NTS transport system, with no impact on the company's operating income.
- **Transport System Gas Balancing:** as part of the progress towards the transition to the new gas market and in compliance with the New Gas Law, NTS entered into a Flexible Agreement for the Purchase and Sale of Natural Gas with Galp Energia do Brasil, which provides for the balancing of gas in the multi-client scenario and underlines the operational security in asset management.

Financial and Operational Data (R\$ million, except where indicated)	3Q22	3Q21	Δ%	9M22	9M21	Δ%
Net Revenue	1,697	1,442	17.7%	5,040	4,276	17.6%
Profit	734	769	-4.4%	2,373	2,283	3.9%
Dividends <sup>1</sup> - Total	2,073	763	171.7%	2,971	2,307	28.8%
Dividends <sup>1</sup> - % Itaúsa <sup>2</sup>	216	58	270.5%	293	176	66.5%
CAPEX	81	80	0.6%	292	125	133.5%
Net Debt <sup>2</sup>	10,957	3,899	181.0%	10,957	3,899	181.0%

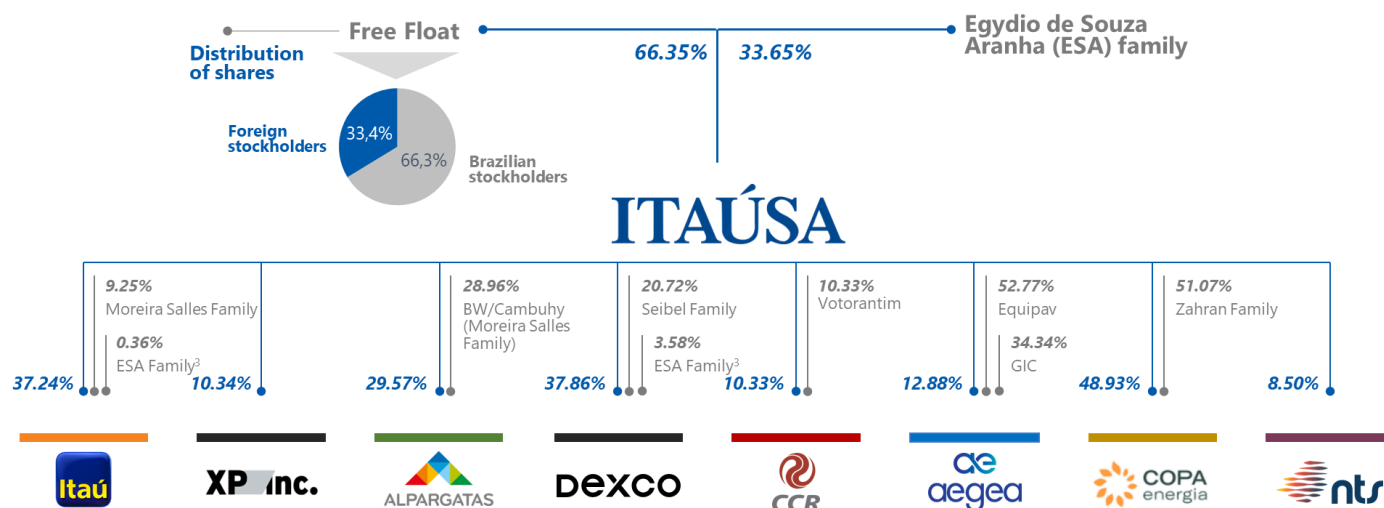
(1) It includes dividends and interest on capital, gross (paid by NTS and by NISA). | (2) Preliminary results, not yet audited.

### Financial Performance:

- **Net Revenue:** up 17.7% in 3Q22 was due to contractual adjustments provided for in gas transportation agreements.
- **Profit:** down 4.4%, as a result of non-recurring higher finance costs in 3Q22, in connection with the company's higher debt level after the merger of NISA in 2Q22, in addition to the rise in the CDI rate between comparative periods.
- **Earnings:** NTS paid R\$ 2,073 million in dividends and interest on capital (gross) in 3Q22, based on the intermediate distribution criterion adopted by the company, which factored in the profit determined in the first half of the year. This system allowed the dividend distribution in advance based on the result for the year itself. Of the total declared paid, R\$ 216 million was allocated to Itaúsa and already includes the NISA portion.
- **CAPEX:** NTS invested R\$ 81 million in 3Q22, with the GASIG project, which consists in the construction of the gas pipeline to deliver gas from pre-salt route 3, as the most significant investment in the quarter.
- **Indebtedness:** due to the merger of NISA into NTS, the net debt of NTS was added by outstanding balances of NISA's debentures and commercial notes, plus interest and any balances corresponding to derivative financial instruments.

**i** For further information on NTS's results, please access: <https://ri.ntsbrasil.com>

### 9.2. Ownership structure on 09.30.2022<sup>1,2</sup>



(1) Interests shown exclude treasury shares.

(2) These correspond to direct and indirect interest in investees.

(3) Shares directly held by individuals or entities of the ESA Family.

### 9.3. Balance Sheet (parent company and managerial)

(R\$ million)

ASSETS	09/30/2022	12/31/2021	LIABILITIES AND STOCKHOLDERS' EQUITY	09/30/2022	12/31/2021
<b>CURRENT</b>	<b>5,531</b>	<b>4,952</b>	<b>CURRENT</b>	<b>4,042</b>	<b>2,454</b>
<b>Current Assets</b>	<b>5,338</b>	<b>4,863</b>	Debentures	673	428
Cash and cash equivalents	2,545	2,398	Dividends / Interest on Capital payable	1,525	1,882
Financial assets - FVTPL (NTS/NISA)	2,038	1,516	Suppliers	7	19
Dividends / Interest on Capital receivable	755	949	Tax liabilities	34	80
<b>Tax Assets</b>	<b>173</b>	<b>65</b>	Personnel expenses	44	42
Taxes to be offset	173	65	Leases liabilities	3	3
<b>Other Assets</b>	<b>20</b>	<b>24</b>	Provisions	1,733	-
Prepaid expenses	13	10	Other liabilities	23	-
Other assets	7	14			
<b>NON-CURRENT</b>	<b>77,096</b>	<b>69,650</b>	<b>NON-CURRENT</b>	<b>7,758</b>	<b>6,262</b>
<b>Investments</b>	<b>76,000</b>	<b>68,520</b>	Debentures	7,684	4,587
Investments in controlled companies	75,996	68,516	Provisions	12	1,663
Other	4	4	Other deferred taxes	59	7
<b>Tax Assets</b>	<b>937</b>	<b>965</b>	Leases liabilities	3	5
Taxes to be offset	9	8			
Deferred Income Tax and Social Contribution	928	957			
<b>Fixed Assets</b>	<b>104</b>	<b>107</b>	<b>STOCKHOLDERS' EQUITY</b>	<b>70,827</b>	<b>65,886</b>
<b>Other Assets</b>	<b>55</b>	<b>58</b>	Capital	51,460	51,460
Right of use assets	5	7	Capital reserves	521	572
Prepaid expenses	1	5	Revenue reserves	23,235	16,319
Judicial deposits	33	31	Carrying value adjustments	(4,256)	(2,368)
Other assets	16	15	Treasury shares	(133)	(97)
<b>TOTAL ASSETS</b>	<b>82,627</b>	<b>74,602</b>	<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>82,627</b>	<b>74,602</b>

Notes:

- Balance Sheet attributable to controlling stockholders.

- Deferred income tax and social contribution, assets and liabilities, are presented already offset by the taxable entity.

### 9.4. Determination of Equity in the Earnings of Investees

Itaúsa results are basically derived from its Equity in the Earnings of Investees, determined based on the profit of its investees and revenues from investments in financial assets.

#### Visualization of the 3rd quarter of 2022 and 2021

(R\$ million)

Calculation of Investees' Results	Financial Sector						Non-financial Sector						Holding							
	Itaú		XP Inc.		ALPARGATAS		DEXCO		CCR		aegea		COPA energia		ntr		Outras		ITAÚSA	
	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21
<b>Recurring Net Income of Investees</b>	8,156	6,906	1,149	936	46	154	163	268	(10)	-	187	19	79	50	-	-	(2)	(1)		
(x) Direct/Indirect interest	37.24%	37.32%	10.35%	15.12%	29.57%	29.18%	37.86%	36.83%	10.33%	0.00%	See note.	See note.	48.93%	48.78%	8.50%	8.50%	100.00%	100.00%		
<b>(=) Share in recurring net income</b>	3,039	2,578	119	92	12	46	61	99	(1)	-	9	11	39	24	-	-	(2)	(1)	3,276	2,849
(+/-) Other Results	(36)	(17)	-	-	(6)	(6)	-	-	-	-	(32)	-	(6)	-	-	-	-	-	(80)	(23)
<b>(=) Recurring share of income</b>	3,003	2,561	119	92	6	40	61	99	(1)	-	(23)	11	33	24	-	-	(2)	(1)	3,196	2,826
(+/-) Non-recurring income	(24)	(311)	(12)	-	1	-	(3)	(5)	-	-	(21)	-	(1)	6	-	-	-	-	(60)	(310)
<b>(=) Share of income</b>	2,979	2,250	107	92	7	40	58	94	(1)	-	(44)	11	32	30	-	-	(2)	(1)	3,136	2,516
<b>(+) Revenues from Investments in Financial Assets - FVTPL</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	401	(10)	-	-	401	(10)
<b>(=) Investees' Results in Itaúsa</b>	2,979	2,250	107	92	7	40	58	94	(1)	-	(44)	11	32	30	401	(10)	(2)	(1)	3,537	2,506
<b>Contribution</b>	84.2%	89.8%	3.0%	3.7%	0.2%	1.6%	1.6%	3.8%	0.0%	0.0%	-1.2%	0.4%	0.9%	1.2%	11.3%	-0.4%	-0.1%	0.0%	100.0%	100.0%

Notes:

- Interest (direct and indirect) in investees includes the average percentage of interest held by Itaúsa in the period.
- The investment in NTS is recognized as a financial asset, and is not accounted for under the equity method.
- For Aegea Saneamento, the interest shown in the table above includes equity in the results of Aegea Saneamento and Águas do Rio 1 and 4, in compliance with the apportionment of results agreed by the parties.
- "Other companies" includes the investments in Itaútec and ITH Zux Cayman (non-operating companies).

#### Visualization of the nine-month period of 2022 and 2021

(R\$ million)

Calculation of Investees' Results	Financial Sector						Non-financial Sector						Holding							
	Itaú		XP Inc.		ALPARGATAS		DEXCO		CCR		aegea		COPA energia		ntr		Outras		ITAÚSA	
	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21	9M22	9M21
<b>Recurring Net Income of Investees</b>	22,645	20,662	3,171	1,377	190	410	564	741	(10)	-	583	19	155	26	-	-	(3)	(7)		
(x) Direct/Indirect interest	37.25%	37.34%	11.62%	15.12%	29.53%	29.18%	37.72%	36.77%	10.33%	0.00%	See note.	See note.	48.93%	48.59%	8.50%	8.50%	100.00%	100.00%		
<b>(=) Share in recurring net income</b>	8,436	7,713	364	143	56	121	212	272	(1)	-	26	11	76	12	-	-	(3)	(7)	9,166	8,265
(+/-) Other Results	(102)	(68)	-	-	(23)	(19)	-	-	-	-	(32)	-	(37)	-	-	-	-	-	(194)	(87)
<b>(=) Recurring share of income</b>	8,334	7,645	364	143	33	102	212	272	(1)	-	(6)	11	39	12	-	-	(3)	(7)	8,972	8,178
(+/-) Non-recurring income	(95)	(70)	(46)	-	(2)	(4)	(6)	149	-	-	(21)	-	(5)	63	-	-	-	-	(175)	138
<b>(=) Share of income</b>	8,239	7,575	318	143	31	98	206	421	(1)	-	(27)	11	34	75	-	-	(3)	(7)	8,797	8,316
<b>(+) Revenues from Investments in Financial Assets - FVTPL</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	813	84	-	-	813	84
<b>(=) Investees' Results in Itaúsa</b>	8,239	7,575	318	143	31	98	206	421	(1)	-	(27)	11	34	75	813	84	(3)	(7)	9,610	8,400
<b>Contribution</b>	85.7%	90.2%	3.3%	1.7%	0.3%	1.2%	2.1%	5.0%	0.0%	0.0%	-0.3%	0.1%	0.4%	0.9%	8.5%	1.0%	0.0%	-0.1%	100.0%	100.0%

Notes:

- Interest (direct and indirect) in investees includes the average percentage of interest held by Itaúsa in the period.
- The investment in NTS is recognized as a financial asset, and is not accounted for under the equity method.
- For Aegea Saneamento, the interest shown in the table above includes equity in the results of Aegea Saneamento and Águas do Rio 1 and 4, in compliance with the apportionment of results agreed by the parties.
- "Other companies" includes the investments in Itaútec and ITH Zux Cayman (non-operating companies).