



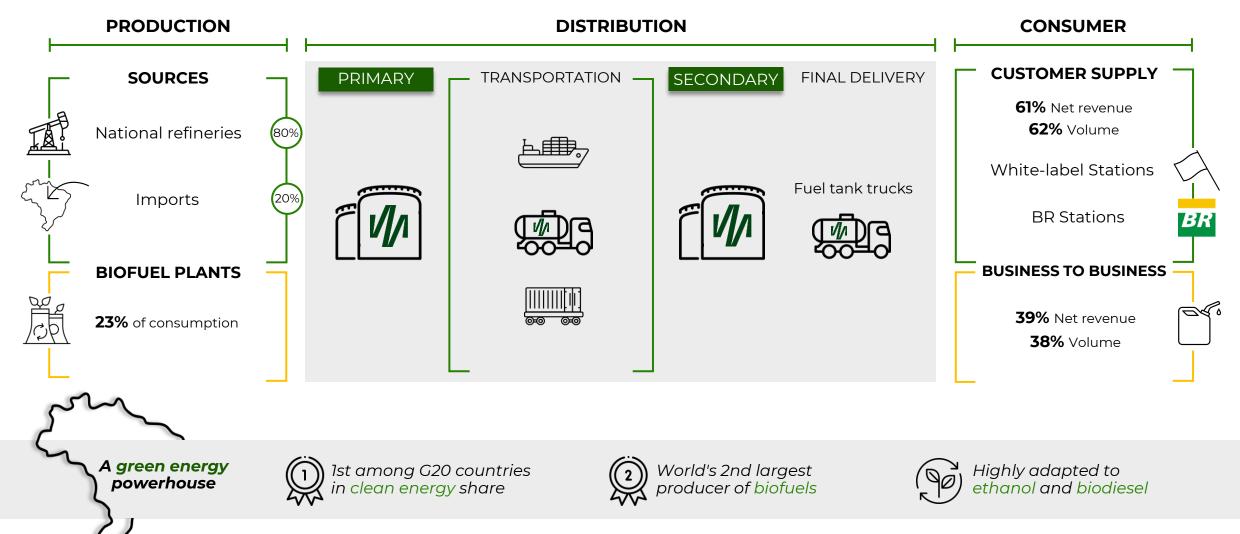
Recommendation: BUY

Target Price: 24.6 BRL Upside: 38.9%



Value Chain





Sources: Company, ANP, Team 11

Vibra at a glance



THE LARGEST BRAZILIAN FUEL DISTRIBUTOR



1971 Founded as a state-owned company

2014 The "Lava Jato" operation impacts Petrobras

2017 Vibra's IPO on the B3





GAS STATION NETWORK



OWN LUBRICANT PRODUCTION



BIG FRANCHISE OPERATOR

+3,000 ACTIVE STORES

+1,300 BR Mania + 1,700 Lubrax+ lubricant stores

8,198 FUEL STATIONS

87.1% BR stations **12.9%** White label stations

1st Latam producer

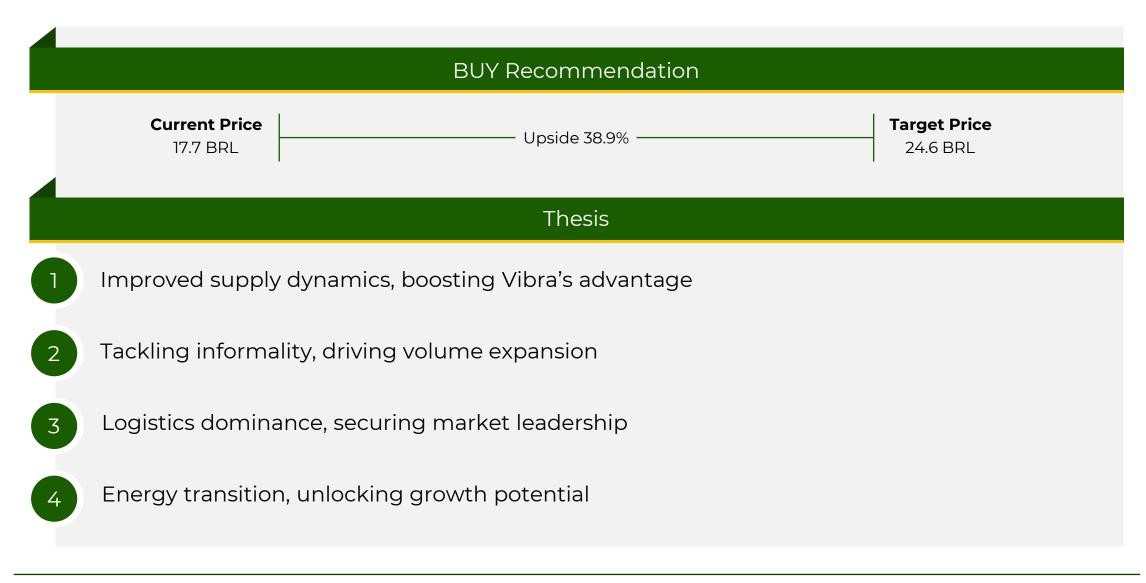
LUBRICANT FACTORY (RJ)

1st Latam producer **500M liters** annual capacity

Sources: Company







1. Improved supply dynamics, boosting Vibra's advantage

Changes in the supply landscape and Vibra's positioning will allow the company to expand its MOAT



Sources: Petrobras, Company, ANP

Distributors are in a constant race for the cheapest supply option

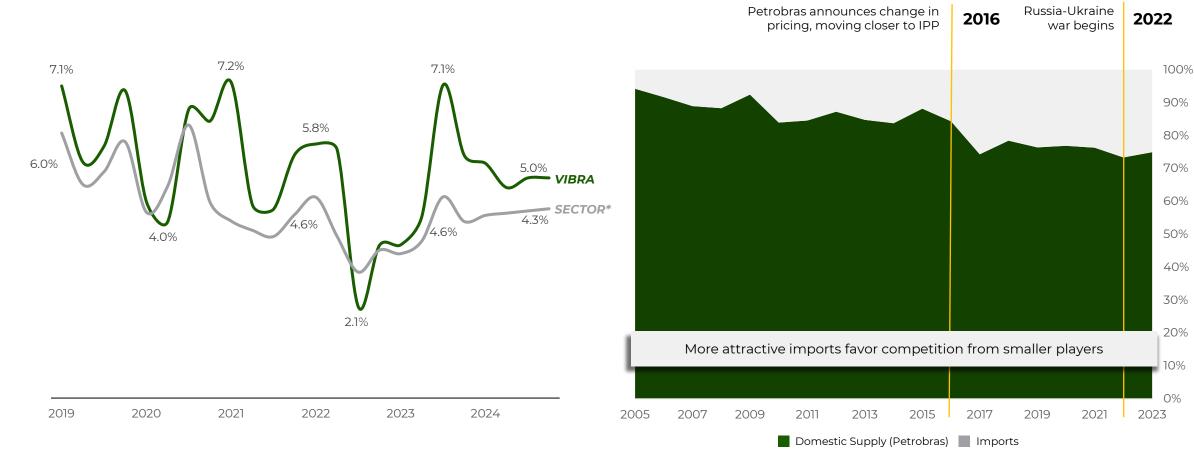


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This is the consequence of tighter margins and them having control over only a small part of prices

Vibra's gross profit margin & sector's gross profit margin

In an attempt to improve this condition, they are importing more Petrobras and imports' share of diesel supply



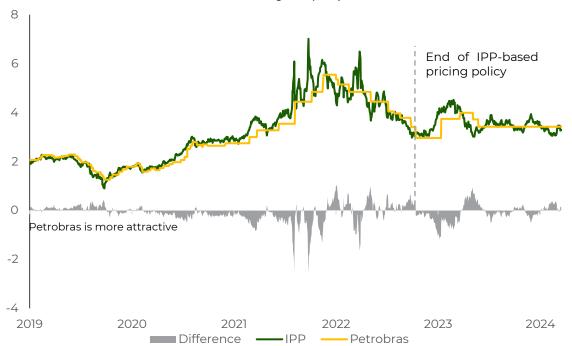
*To calculate the sector's margin, we considered Vibra, Ultrapar and Raízen

Overview **Supply Conditions** Illegality Fight Strategic Logistics Energy Transition Valuation Risks

V// VIBR/

The supply scenario is expected to change significantly over the next years

Prices and volatility must be considered to predict future conditions Petrobras and IPP Diesel Price Analysis (R\$)





Considering these, Petrobras will be the best source of fuel in the future This is based on three main points



- Important Countries Involved in Wars
 They are causing major fluctuations in the price
- Decrease in the Urals Spread

 Russian oil is not as cheap as it was at the beginning

MAIN TAKEWAY Lower attractiveness of imported products

Overview Supply Conditions Illegality Fight Strategic Logistics Energy Transition Valuation Risks

Vibra is extremely well placed to benefit from this shift



To buy from Petrobras, the company has an unparalleled advantage... Petrobras quota system analysis which is proven by our analysis of the number of quotas owned by Vibra Estimated distributor quotas (% of Petrobras' total volume destined to domestic market)

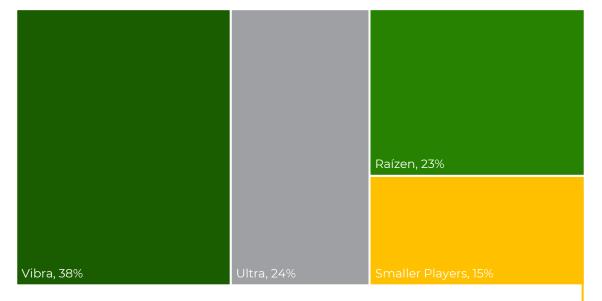
Vibra's Positioning according to the Variables

1st in Purchase Historical

1st in Market Share

1st in Regional Coverage

1st in Logistics Capabilities



Each one owns a maximum of 1%

More QUOTAS The possibility of buying more from Petrobras MOAT

This reinforces the size of the competitive advantage held by Vibra and the incumbents over time

Sources: Team 11, Company, ANP, Petrobras

This supply condition is similar to the sector's Golden Age (2013-2017)

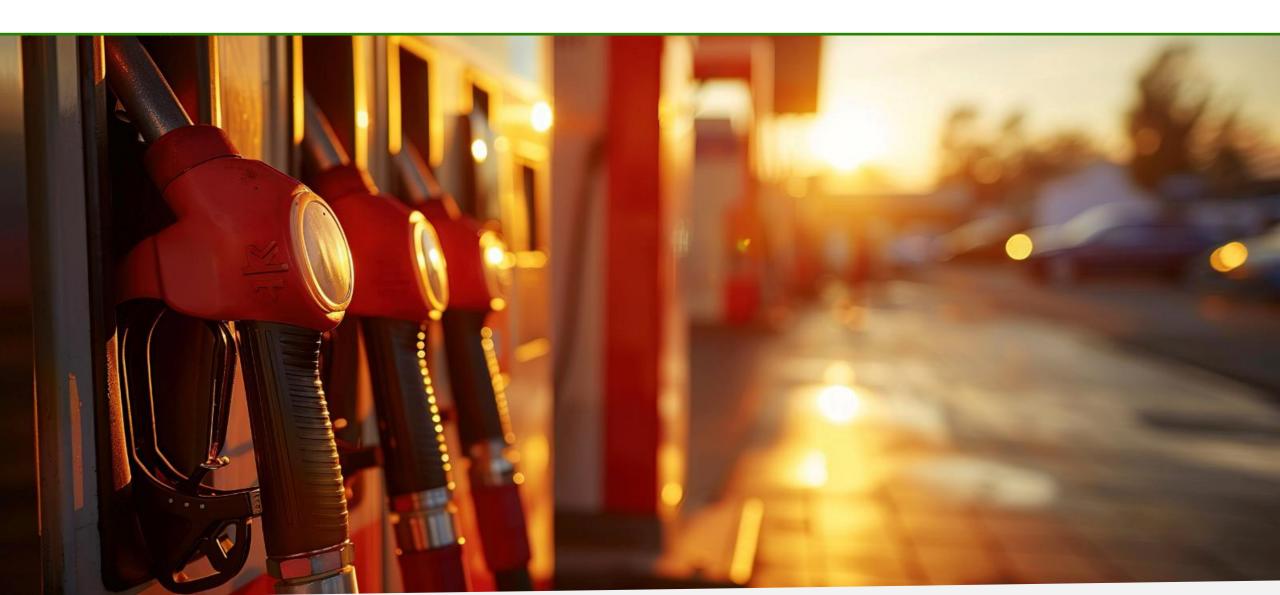


During this period of favorable conditions, the 3 largest companies had a large advantage and were traded at much more attractive multiples Vibra's P/E NTM premium over IBOV



2. Tackling informality, driving volume expansion

As the sector leader, Vibra is optimally positioned to absorb uncovered illegal players while maintaining its dominance in market share



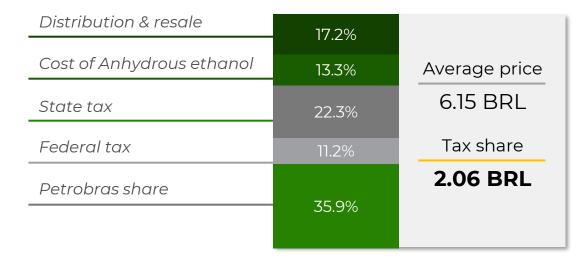
Fighting Illegality as an Opportunity

Illegal players have a major impact on the sector



11

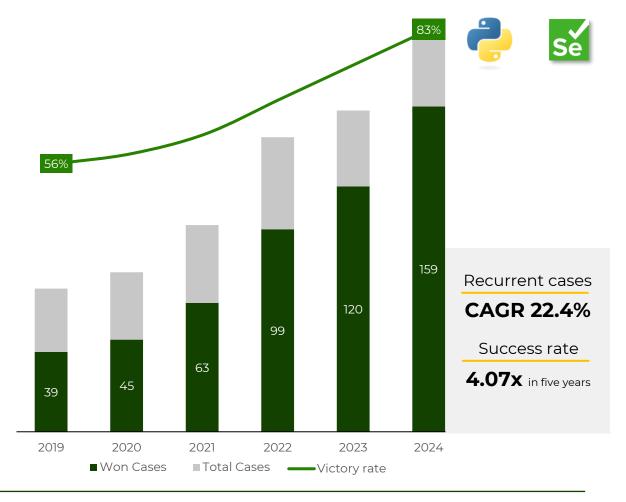
Tax loopholes are an atractive edge in a low–margin sector Composition of the gasoline price (%)





Governments convictions pave the way for fairer competition

Growth of legal proceedings involving tax evasion in the fuel sector



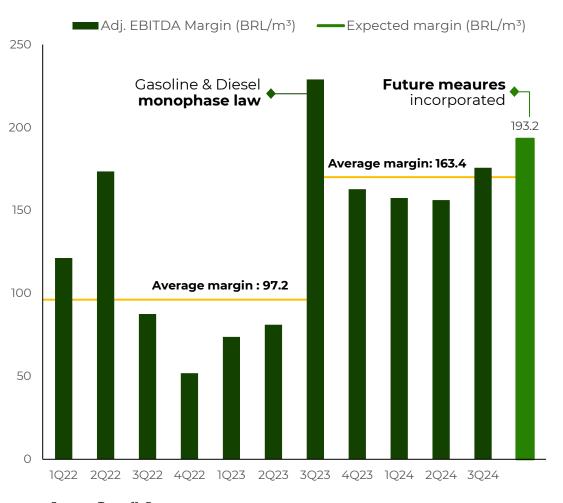
Sources: Team 11, ANP, ICL, FGV

Overview Supply Conditions **Illegality Fight** Strategic Logistics Energy Transition Valuation Risks

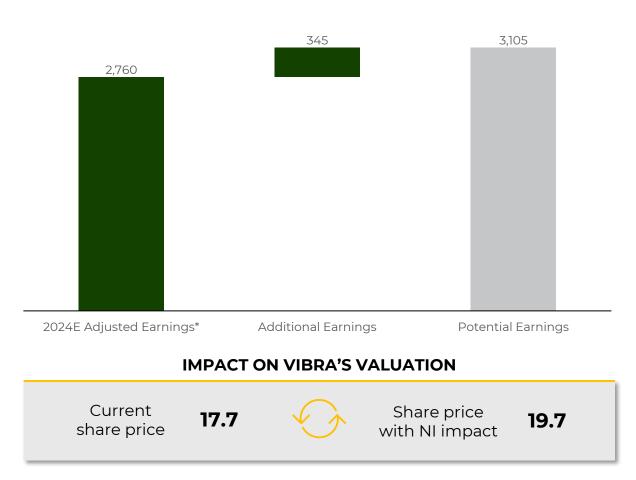
Vibra's financials are highly sensitive to this competitive environment



Monophase success: future legal measures expeced to boost margins *Vibra's adj. EBITDA margin/m3*



A persistent legal battle require post damage valuation adjustments Earnings (BRL mn) lost due to illegal practices



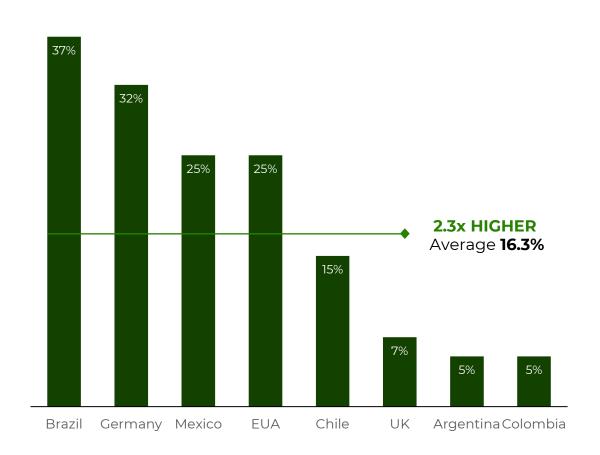
Sources: Team 11, Company

Overview Supply Conditions Illegality Fight Strategic Logistics

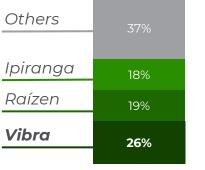
This condition creates an opportunity for Vibra to gain market share



Brazil's unbranded & regional market share outpaces global peers Unbranded/regional market share worldwide (% of total volume sold) From hidden practices to greater oversight and exposure Proxy of illegal share through CBIOS target









Sources: Statista, Team 11, Ministery of Mines and Energy

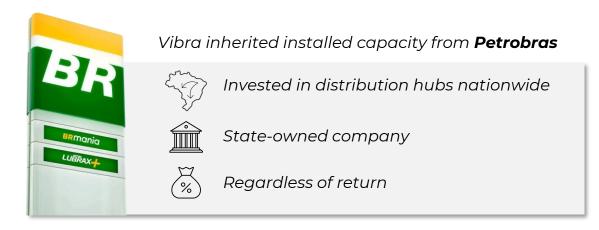
3. Logistics dominance, securing market leadership

Vibra is well-positioned for market share consolidation opportunities, also generating efficiency gains

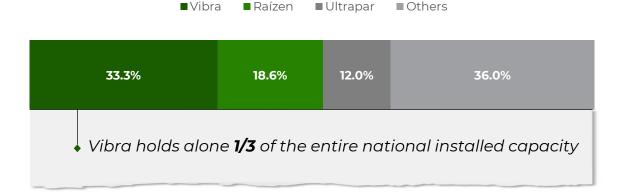


Vibra's large scale allows it to differentiate among peers

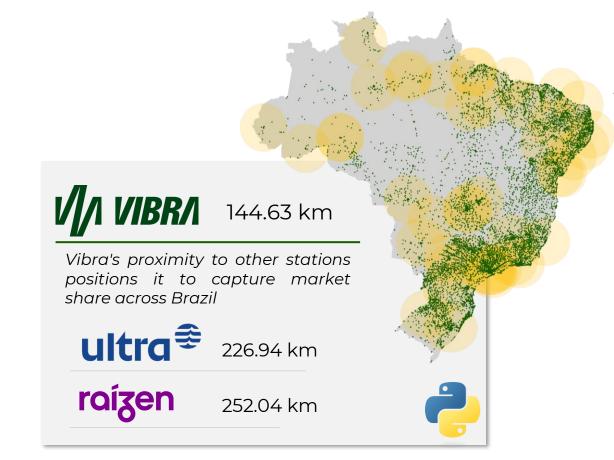




Installed tanking capacity as a percentage of total Brazilian capacity 3Q24 (%)



... Therefore, is able to operate in all Brazilian states and closer to stations Average distance from the distribution base to white flag stations (km)



Sources: ANP, Team 11

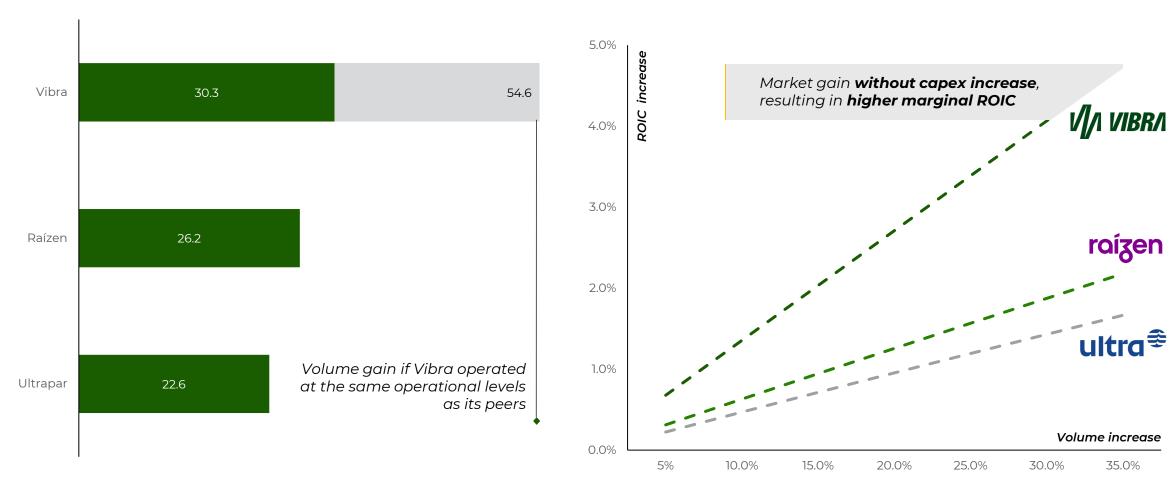
Overview Supply Conditions

V// VIBR/

Unmatched installed capacity ensures higher potential share gains

Vibra's idle capacity shows potential for market share consolidation... Volume of gasoline, diesel, and ethanol sold in 2023 (Mn m³)

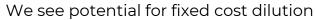
... Being the most prepared to absorb market and expand profitability Marginal ROIC gain given an increase in volume (%)



Sources: Team 11, ANP, Companies

How else can Vibra benefit from this volume gain?

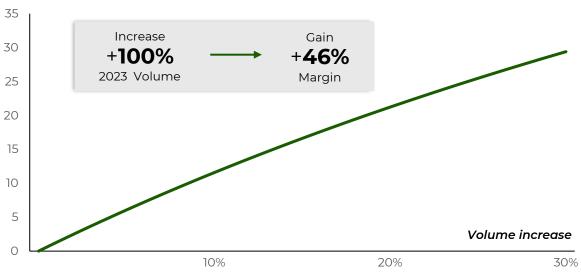




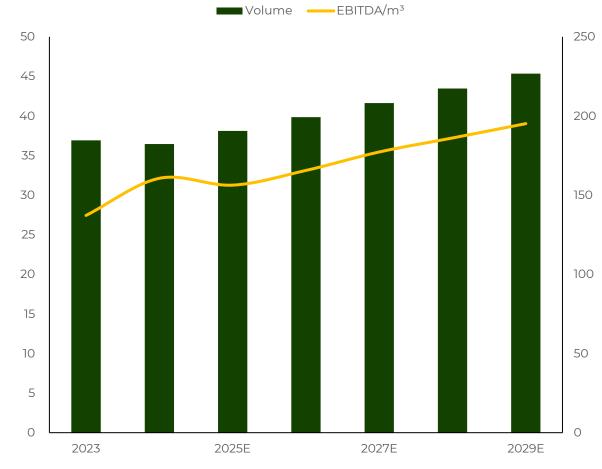
Fixed costs in percentage of gross profit (%)



EBITDA/m³ gain from volume Increase (BRL)



Thus, we project a 58 nominal Adj. EBITDA/ m^3 gain from economies of scale Volume ('000 m^3) and adjusted EBITDA/ m^3 (BRL/ m^3)



4. Energy transition, unlocking growth potential

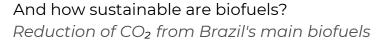
Vibra capitalizes on Brazil's energy shift, driving growth with biofuels and renewables



Safeguarding Vibra's position amid Brazil's unique energy transition



Brazil should remain dependent on diesel while expanding biofuels Brazilian total fuel consumption (in % of total and EJ)



			Biofuel	Replaces	C0₂ reduction
Fuel use	79.8%	20.2%	Ethanol	Gasoline	76%
	Cargo/heavy Transportation	Light Vehicles	Biodiesel	Diesel	69%
5,000	•	•	Aviation Kerosene	Kerosene	60%
,	(epe)	_	Biomethane	Gas	95%
4,000				•	
3,000			Brazilian ener	getic transition	
2,000			Biofuels advantages	Electric c	ar setbacks
1,000			I. Adapted fleetII. Blendable with fuelsIII. Good infrastructureIV. Local expertise	II. High tr	ravel distances ansition costs frastructure argo demand
0			TV. Local expercise	TV.Tilgit co	argo derriaria
	2020 2030	2040 2050			
	■ Diesel ■ Gasoline ■ Others ■	Biofuel Electricity			
Sources: To	eam 11, EPE				

Supply Conditions Strategic Logistics **Energy Transition** Risks Overview Illegality Fight Valuation 19

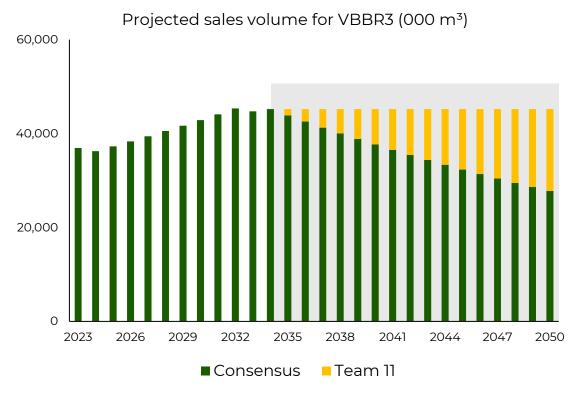
Unlocking Value through the Energy Transition

An alternative long term take on the energetic transition



The market is excessively pessimistic about volumes... Projected sales volume for VBBR3 (000' m³)





... which leads to an excessively discounted valuation Upside sensitivity of VBBR3 (%)

Real perpetuity growth rate (%)

		-3.0%	-1.5%	0.0%	1.5%	3.0%
Gain (%)	0.0%	7.0%	12.3%	19.0%	27.6%	39.2%
Gair	0.4%	15.4%	21.4%	29.0%	38.8%	51.9%
Market Share	0.8%	24.0%	30.7%	38.9%	50.1%	64.8%
rket 9	1.2%	32.7%	40.2%	49.5%	61.6%	77.9%
Маі	1.6%	41.6%	49.8%	60.0%	73.3%	91.2%

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The bear steps in... The result of overly pessimistic volume projections is excessively low perpetuity values



And out... Given the unique conditions of Brazil's energy transition, an optimistic volume scenario is more likely

Sources: Company, Bloomberg, Team 11

Overview Supply Conditions Illegality Fight Strategic Logistics **Energy Transition** Valuation

Risks

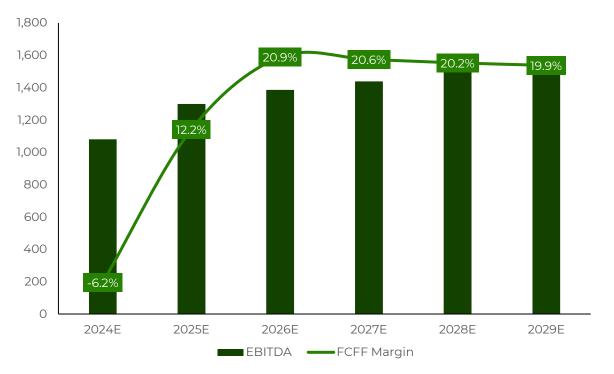
The acquisition of Comerc enhances Vibra's energy transition position





Comerc is a major energy player in Brazil with focus on generation, trading and energy services

High cash generation as CapEx cycle ends... Comerc's EBITDA (BRL mn) and FCFF Margin (%)



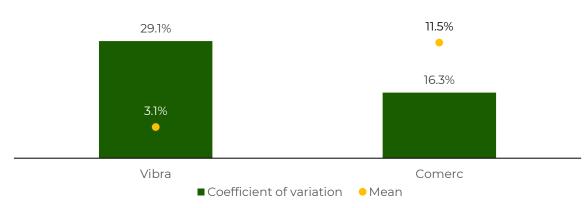
Bringing diversification...

Vibra standalone and Proforma model EBITDA Margins (%)



And resilience amid market fluctuations.

Adj. EBITDA margin coefficient of variation and mean (%)

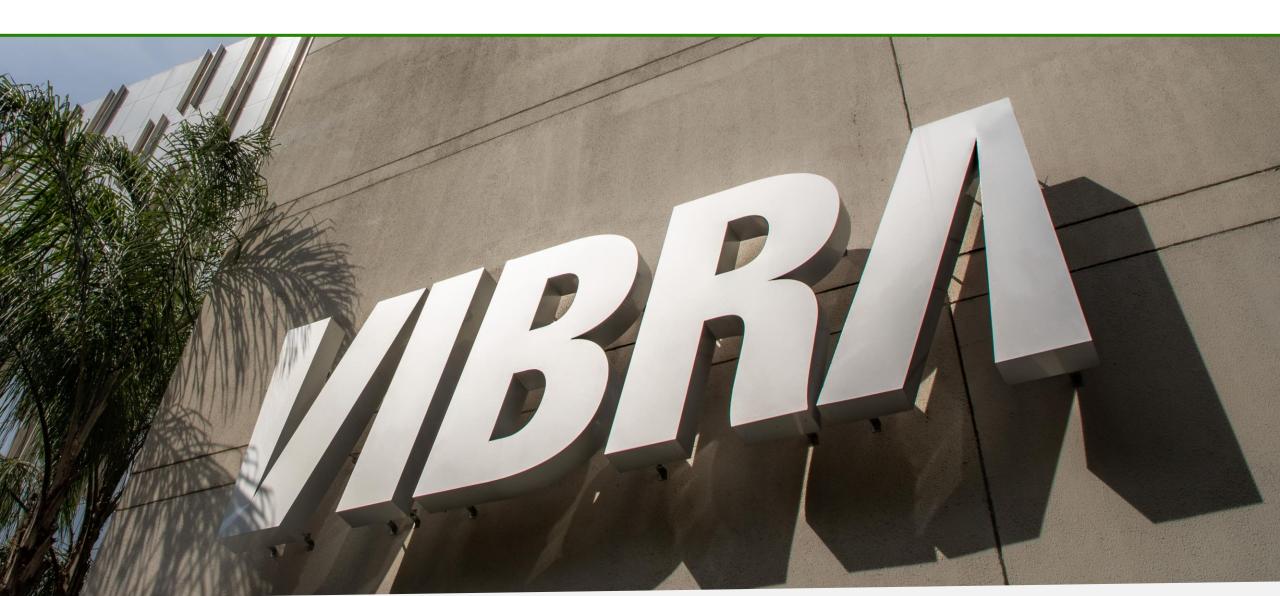


Source: Team 11

Overview Supply Conditions Illegality Fight Strategic Logistics **Energy Transition** Valuation Risks

Valuation and Investment Risks

Current price levels present a satisfying margin of safety for the investment

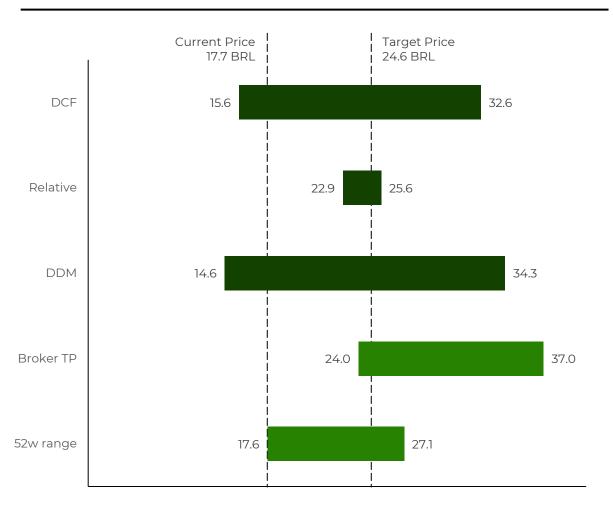


Our target price represents a 38.9% premium over the 1-month VWAP



Football Field

Assumptions



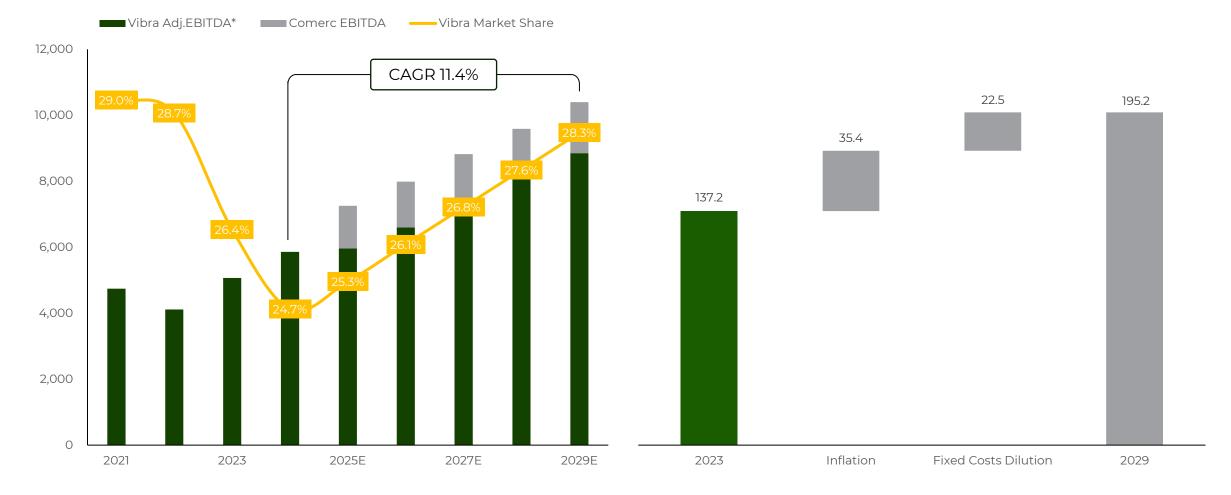
	BASE	BEAR	BULL
Upside	38.9%	-12.0%	84.4%
Market Share ('24-'29)	24.6 -> 28.3%	-> 24.6%	-> 30.2%
Adj. EBITDA CAGR ('24-'29)	8.6%	3.9%	12.0%
Adj. EBITDA/m³ ('24-'29)	143 -> 195	->178	->216
Ke	15.2%	15.2%	15.2%
Terminal Growth Rate	3.5%	0.0%	3.5%

Source: Team 11

V// VIBR/

Pro-forma assumptions of Vibra's key financial lines

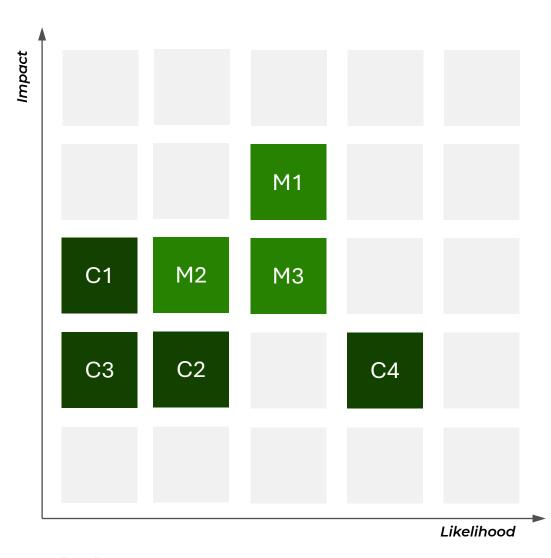
We project growth consistent with our market consolidation theses... Market Share (%) and EBITDA (mn BRL) And a margin growth in line with the gains from scale Adj. EBITDA/m³ Growth Breakdown 2023-2029



Source: Team 11 *non-recurring

Risk Matrix: Points to pay attention to





Business & Operational

- C1. Failure of the Rebranding Process
- **C2.** Errors in Supply Strategy
- C3. Logistics Infrastructure Issues
- C4. Increased Interest Risk due to Post-Acquisition Debt

Market and Macro

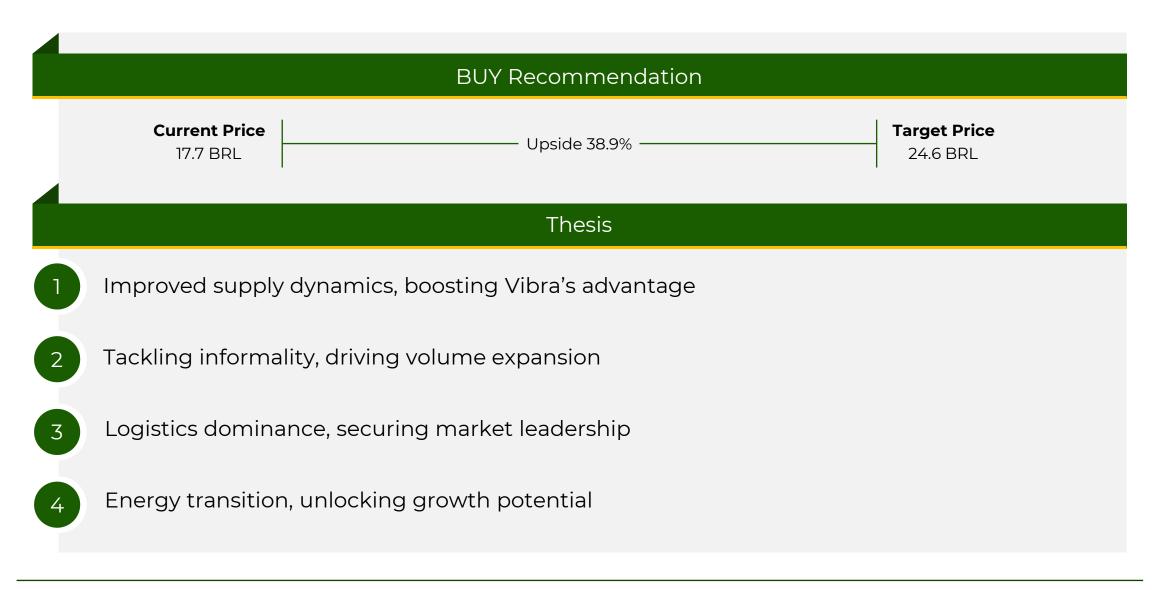
- M1. Abrupt Changes in Supply Dynamics that Favor Imports
- M2. Failure to Combat Illegal Activity
- M3. Slower National Economic Activity

Source: Team 11

Risks













Q&A

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Vibra is extremely well placed to benefit from this shift in both scenarios



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To buy from Petrobras, the company has an unparalleled advantage... *Petrobras quota system analysis*

Vibra's Positioning according to the Variables

1st in Purchase Historical

1st in Market Share

1st in Regional Coverage

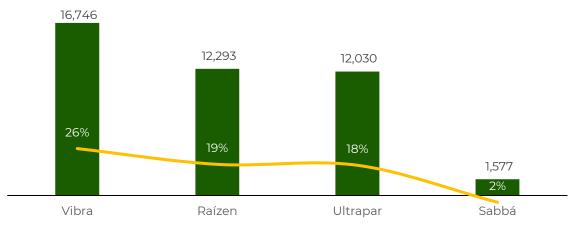
1st in Logistics Capabilities



but it is also well positioned for import moments Infraestructure and efficiency advantages



High volumes also allow it to better absorb the costs and risks Diesel volume (000' m³) and market share per distributor in 2023

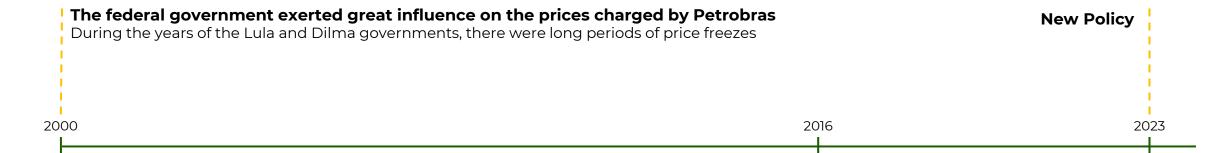


Sources: Team 11, Company, ANP

Over the last few years, Petrobras has undergone several changes



Golden Age: Petrobras's monopolistic position, its low margins and the quota system allowed the large distributors to have great competitive advantages



Temer implemented the IPP, seeking to dissociate the interests of the two entities The value of a barrel of oil began to be used as the main reference for price adjustments, which also suffered from fluctuations

Import Era: These changes have made imports more attractive, which has increased competition from smaller distributors and threatened the value of the big brands

Source: Petrobras, Team 11

Announced in May 2023 by Lula, it introduced significant differences



With the adoption of a range, it tends to have more competitive prices Description of the Price Policy The sharp drop of 20% in its share has damaged its economies of scale Share of Fuel Sources in the National Market

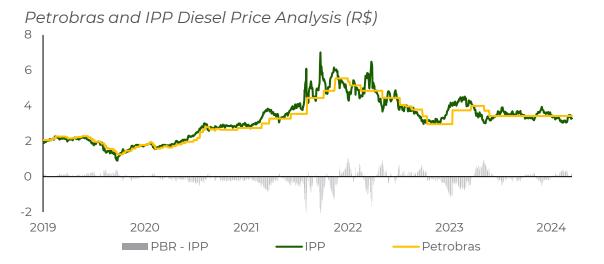


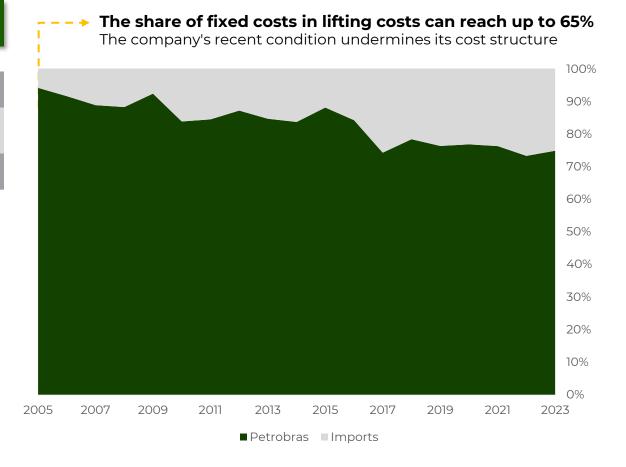
The new policy now takes into account the domestic market and creates a price range

Top level: customer's alternative cost

Price charged by Petrobras

Lower level: Petrobras's marginal value





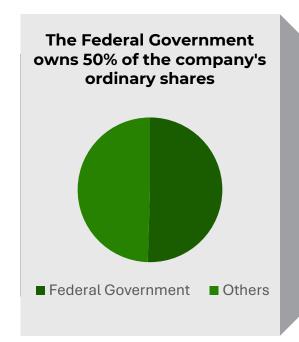
Sources: Petrobras, EPE

Government Influence on Petrobras

The government has the ability to exercise significant influence



In the past, the company has been used on several occasions to satisfy national interests, and this could happen again In a scenario of rising fuel prices, the political pressure on the management to subsidize fuel will increase significantly





As such, it has the prerogative to choose:



who will be the president

and the seven executive directors



It is precisely this group of professionals - most of whom are appointed directly or indirectly by the government itself - that defines:

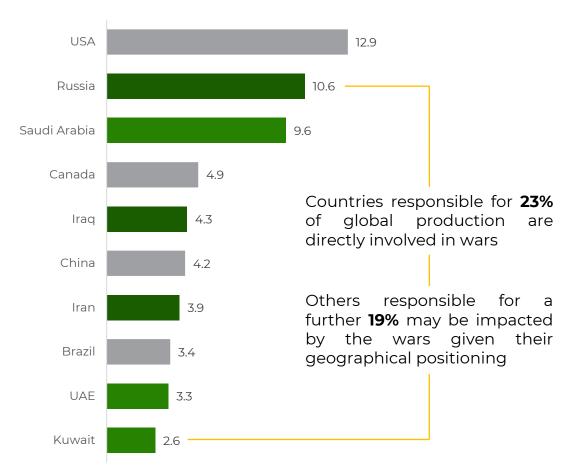
- the fuel price policy and any readjustments;
- all the most important decisions about the business;

Source: Petrobras

Recently, the price of oil has fluctuated several times due to wars



Most of the major oil producers are involved in wars Million barrels per day by country



Recent news shows the sensitivity of the oil price to the issue Recent news

12/12/2024

Oil Broadly Flat Amid Demand Weakness, New Sanctions Against Russia

12/10/2024

Oil Eases But Mideast Turmoil, China Optimism Provide Support

11/22/2024

Oil rises 1% to 2-week high as Ukraine war intensifies

11/18/2024

Oil rises more than 3% as Norway's shutdown and the war in Ukraine escalate

10/03/2024

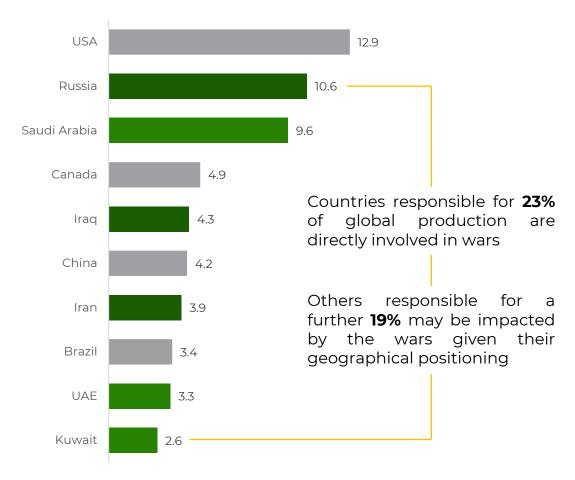
Oil soars more than 5% on fears of escalating conflicts in the Middle East

Sources: IBP, WSJ, Reuters, CNN

Recently, the price of oil has fluctuated several times due to wars



Most of the major oil producers are involved in wars Million barrels per day by country



There are different reasons why wars lead to these fluctuations Key points

- Wars involving producers have a direct impact on **supply**, which can be reduced or impacted through sanctions
- This scenario can slow the pace of global growth or boost demand for military issues, causing fluctuations
- If it affects crucial regions for global **transportation**, as the Strait of Hormuz, the impacts are even bigger
- The **market reaction** combined with an environment of unpredictability exacerbates these fluctuations

Sources: IBP, WSJ, Reuters, CNN



In recent years, Urals has had a significant impact on the Brazilian market

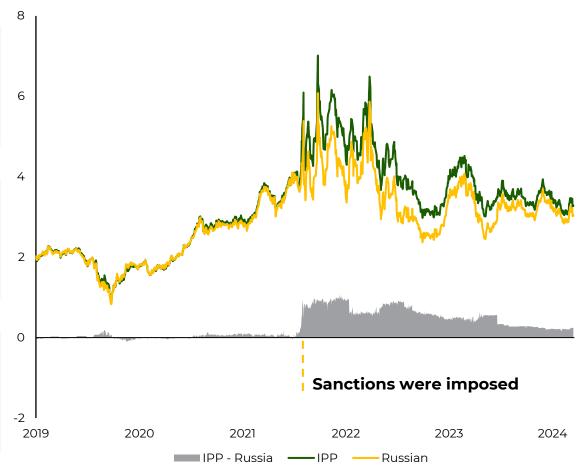
The sanctions imposed have made Urals an extremely cheap option Scenario Development

Since the beginning of the war, the European Union, the US and other countries have imposed a series of **sanctions** on Russian products. As a result, due to tighter demand, Urals began to be traded at a significant **discount** to Brent.

This value, which reached almost 30%, led to a great opportunity for **smaller Brazilian distributors**: they were able to import fuel at a significantly **cheaper price** than Petrobras was negotiating on the domestic market. This has increased their competitiveness.

The **difference** between those prices has been steadily **narrowing**. The Russians are now **refusing** to sell their fuel at a highly discounted price and are suffering with the **producton**. Consequently, the import opportunity faced by distributors is becoming less attractive.

The spread is constantly falling, diminishing the advantages of Urals IPP and Russian Diesel Price Analysis (R\$)

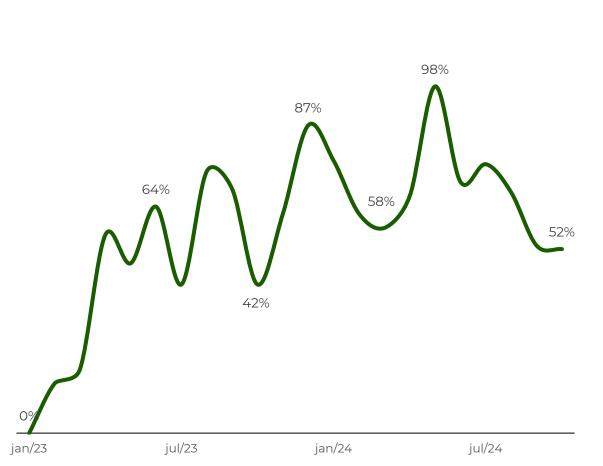


Source: Team 11

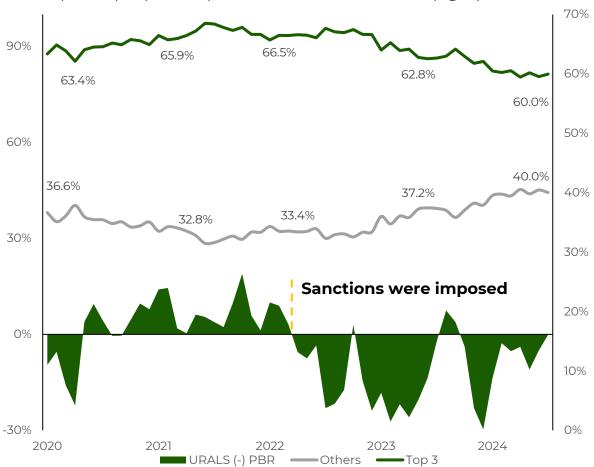
In recent years, Urals has had a significant impact on the Brazilian market



The sanctions imposed have made Urals an extremely cheap option Russian diesel's share of Brazilian imports (%)



This dynamic has greatly favored smaller competitors gaining share Urals spread (left) and top 3 vs. others' market share (right)



Source: Team 11, ANP, IBP

The time it takes to import significantly reduces its attractiveness



Considering all the stages of the process, importing diesel via the USGC-Brazil route can take up to **45 days**

- **1.** Freight negotiation and bureaucracy
- **2.** Preparing for loading at the port of origin
- 3. Maritime transit
- **4.** Arrival and processing at the Brazilian port
- **5.** Internal distribution and transportation

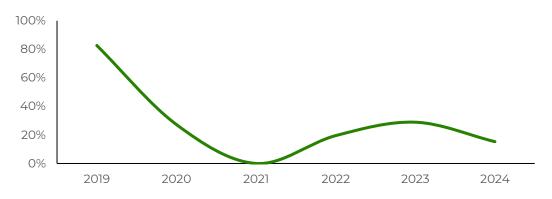


This period is enough for imports to carry a **considerable risk**, given the volatility of prices

 $Import_{t=0}$ = attractive if: IPP < Petrobras in t = 0

 $Import_{t=0}$ = successful if: attractive + IPP < Petrobras in t = 45

Percentage of Days with Successful Imports



Source: Team 11

The time it takes to import significantly reduces its attractiveness



Considering all the stages of the process, importing diesel via the USGC-Brazil route can take up to **45 days**

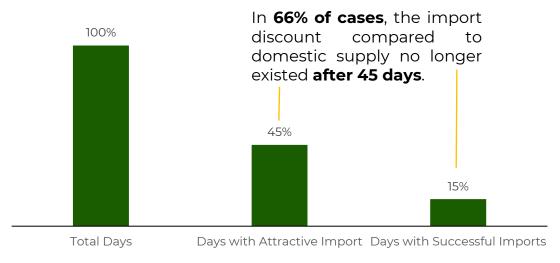
- **1.** Freight negotiation and bureaucracy
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- **3.** Maritime transit
- **4.** Arrival and processing at the Brazilian port
- **5.** Internal distribution and transportation



This period is enough for imports to carry a **considerable risk**, given the volatility of prices

In 2024:

Imports Analysis (% of Days)



In conclusion, **imports were a good deal on only 15% of the** days in 2024.

Source: Team 11

This system creates specificities for the operation of Brazilian distributors



Petrobras defines the volume of fuel to be sold to each distributor through a quota system, which considers different variables Petrobras Quota System Overview



The aim of this system is to:

Ensure that the domestic market is widely served; Allow for greater recurrence of revenue for Petrobras.

2

Although Brazil is self-sufficient in crude oil production, it is **not self-sufficient in the production of refined fuels**. This is why the quota system is necessary.

3

Because of this system, distributors who have a good number of quotas have a **great advantage at times** when Petrobras is the best alternative. Considering these objectives, the quotas for each distributor are defined according to the following variables:

- **1. Purchase Historical:** Distributors with a better record of purchasing from Petrobras in the past are entitled to larger volumes, as they provide greater predictability for the company.
- **2. Market Share:** Distributors with larger shares are able to serve a larger part of the market, which is why they have more quotas.
- **3. Regional Coverage:** To ensure that the entire national market is served, it is also essential that distributors operating in more regions of the country have access to larger volumes
- **4. Logistics Capabilities:** Finally, for distributors to have enough quotas, it is essential that they have the logistical and operational capacity to handle larger volumes.

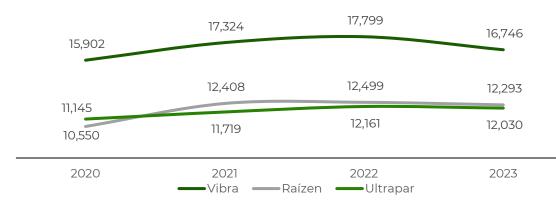
Source: Petrobras, ANP, Team 11

Considering the variables, Vibra is the best positioned for the quota system

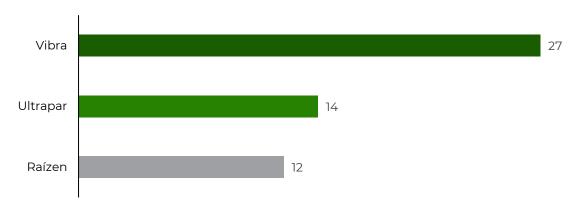


42

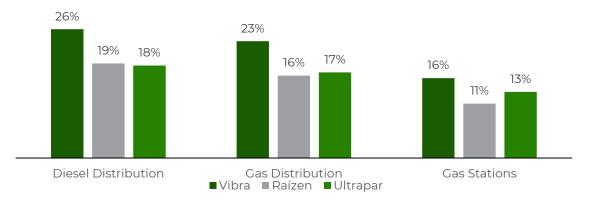
Vibra's annual volume has been 4 million m³ higher than Raízen's Purchase Historical – Historical Volume (000' m³)



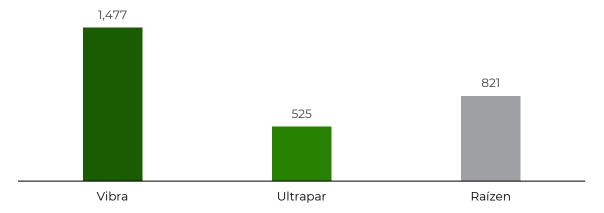
It is the only one present in all states, with a significant gap Regional Coverage – Number of States with Distribution Bases



Its market share is 7% higher than Raízen's in both distribution sectors Market Share – per Segment



Its capacity is almost double that of Raízen and triple that of Ultrapar Logistics Capabilities – Capacity Volume (000' m³)



Source: ANP

Why is it a MOAT?

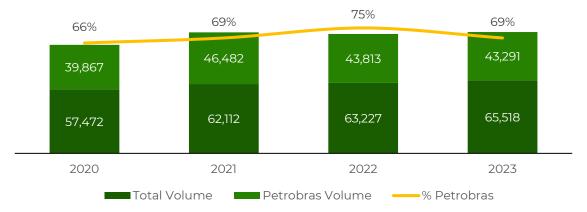


The MOAT held by Vibra guarantees fundamental advantages and is also resistant to the passage of time MOAT Features

A MOAT is a competitive advantage which gives a company a unique edge over its rivals.

1. Limited Access: The volume supplied by the company is not enough to supply the entire national market.

Breakdown of Diesel Sold by Source ('000 m³)



2. Incomparable Advantages: Being able to buy high quantities from Petrobras will allow to operate at significantly lower costs.

It also takes a long time to build up this position

Quotas are defined according to **factors influenced by long time horizons and which are not easily improved**: historical purchasing relationship with Petrobras, market share, regional coverage and logistical capacity.

Vibra has an **undisputed and significant leadership position**. It stands out from its peers in all the relevant variables.

In addition, the three largest distributors are much bigger than the other competitors. To give you an idea, the fourth largest player in diesel distribution has a 9x smaller share than the third.

Source: ANP, Petrobras

The amount of quotas allocated to each distributor is not publicly disclosed



Given the difficulty of making this estimate, we based it on data provided by Petrobras and made some adjustments

Adoption of the **supplier-based perspective** (Petrobras)



Data collection for the last 5 years



Calculation of the **adjusted share** for each distributor over 5 years



Final calculation of the amount of quotas for each distributor

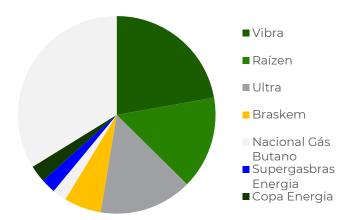


Validating and testing sensitivity of results



We relied on the perspective of the supplier

Share of Petrobras' main clients in the sale of liquid and solid derivatives (%)



This data allows us to identify those distributors that buy the most from **Petrobras**



Certain adjustments had to be made

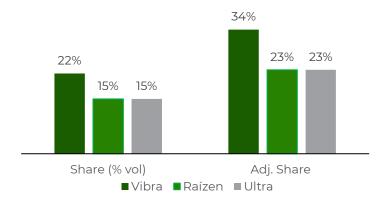


Definition of each distributor's quota

Adjusted Share Calculation

Adjusted Share = Share x (1/ % of Total Volume Destined for the Domestic Market)

Distributors Share and Adjusted Share (2023)



Final Calcuation

Quotas = Mean of Distributors' Adjusted Share

This method is consistent with the fact that the quotas reflect a long history between the distributors and Petrobras and with the flexibility they give

Vibra:

Owns 38% of the quotas --> this indicates that 89.7% of its volume is supplied by Petrobras.

This is consistent with management's statements on the subject.

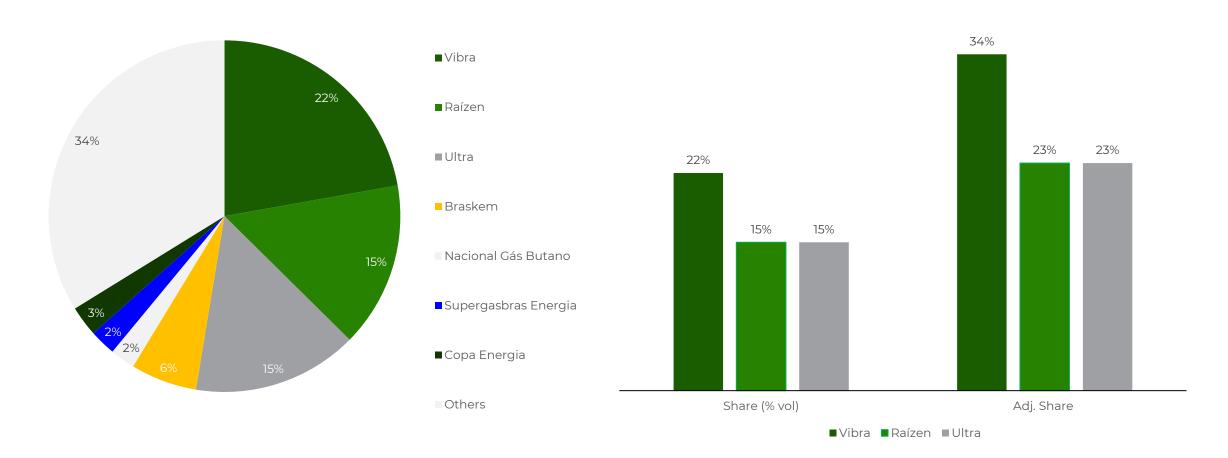
Sources: Team 11, Petrobras

Estimate Calculations



Share of Petrobras' Main Clients in the Sale of Liquid and Solid Derivatives (2023)

Distributors Share and Adjusted Share (2023)

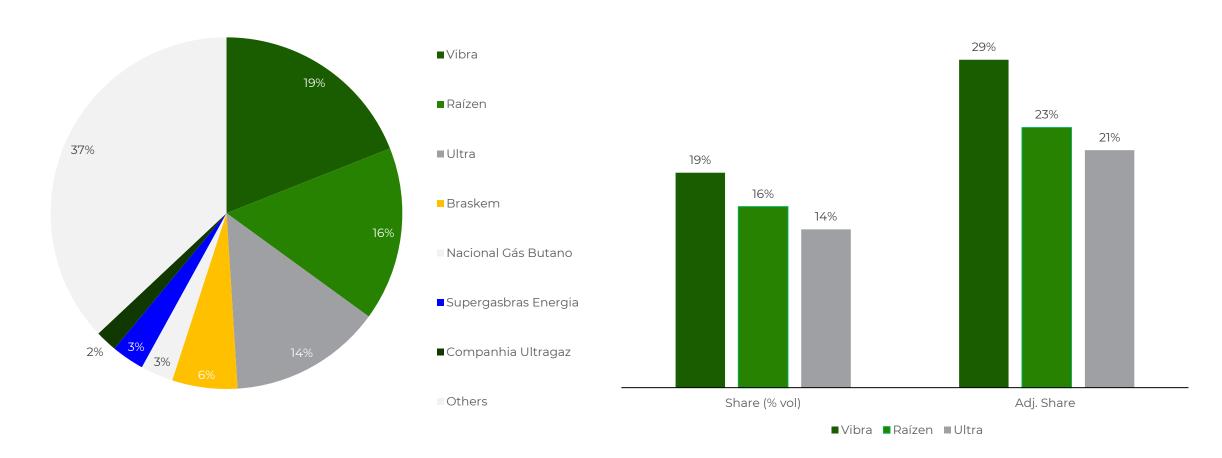


Sources: Team 11, Petrobras

Estimate Calculations



Share of Petrobras' Main Clients in the Sale of Liquid and Solid Derivatives (2022) Distributors Share and Adjusted Share (2022)



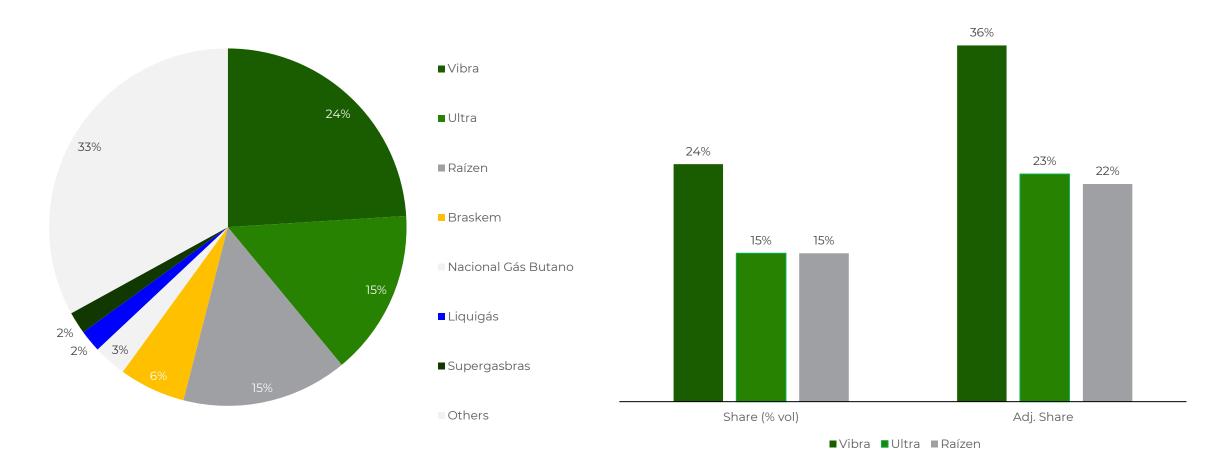
Sources: Team 11, Petrobras

Estimate Calculations



Share of Petrobras' Main Clients in the Sale of Liquid and Solid Derivatives (2021)

Distributors Share and Adjusted Share (2021)



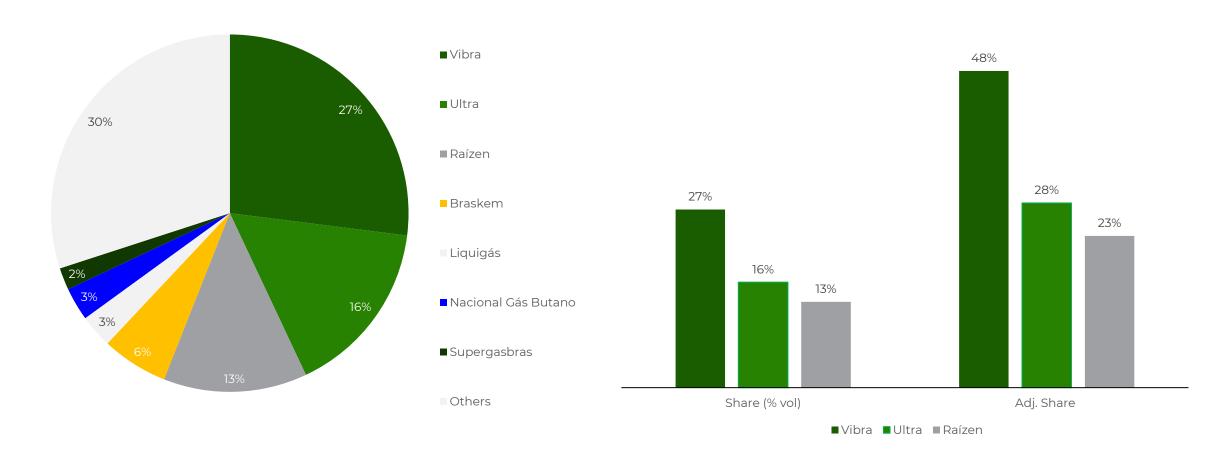
Sources: Team 11, Petrobras

Estimate Calculations



Share of Petrobras' Main Clients in the Sale of Liquid and Solid Derivatives (2020)

Distributors Share and Adjusted Share (2020)



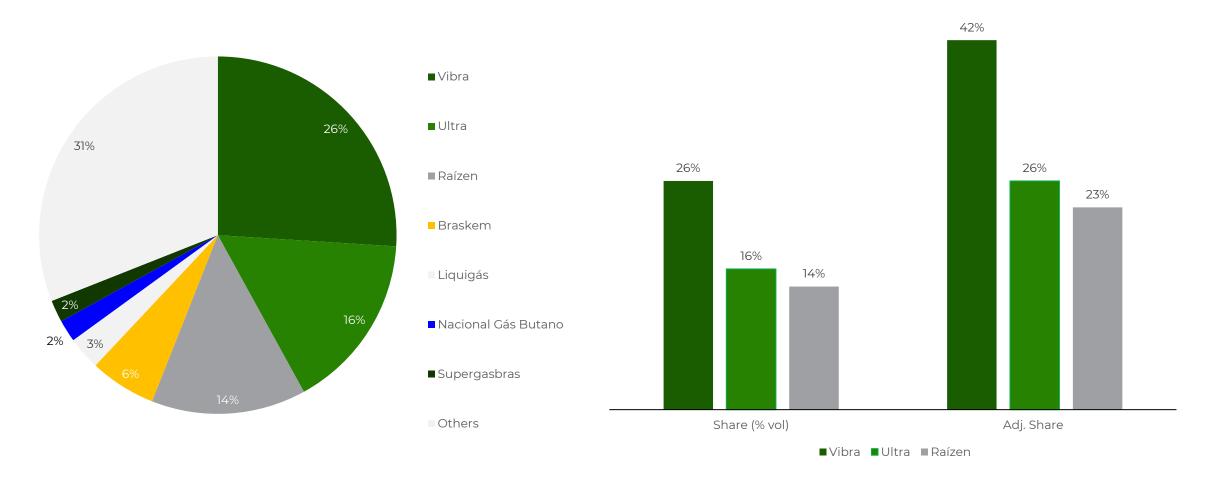
Sources: Team 11, Petrobras

Estimate Calculations



Share of Petrobras' Main Clients in the Sale of Liquid and Solid Derivatives (2019)

Distributors Share and Adjusted Share (2019)



Sources: Team 11, Petrobras

Estimate Calculations



Calculation of Petrobras' total volume destined for distributors (national market)

Volume	2023	2022	2021	2020	2019
Diesel - National Market	746	755	801	687	725
Gasoline - National Market	418	407	409	343	378
Total Volume Produced	1,772	1,743	1,852	1,828	1,779
% National Market	66%	67%	65%	56%	62%

Calculation of the quotas allocated to each distributor (as a % of the total volume allocated to the national market)

Consolidated - Quotas (%)	2023	2022	2021	2020	2019	Final Quotas
Vibra	34%	29%	36%	48%	42%	38%
Raízen	23%	23%	22%	23%	23%	23%
Ultra	23%	21%	23%	28%	26%	24%
Top 3	80%	74%	82%	99%	90%	85%

Calculation of quotas for each distributor (as 000' m³)

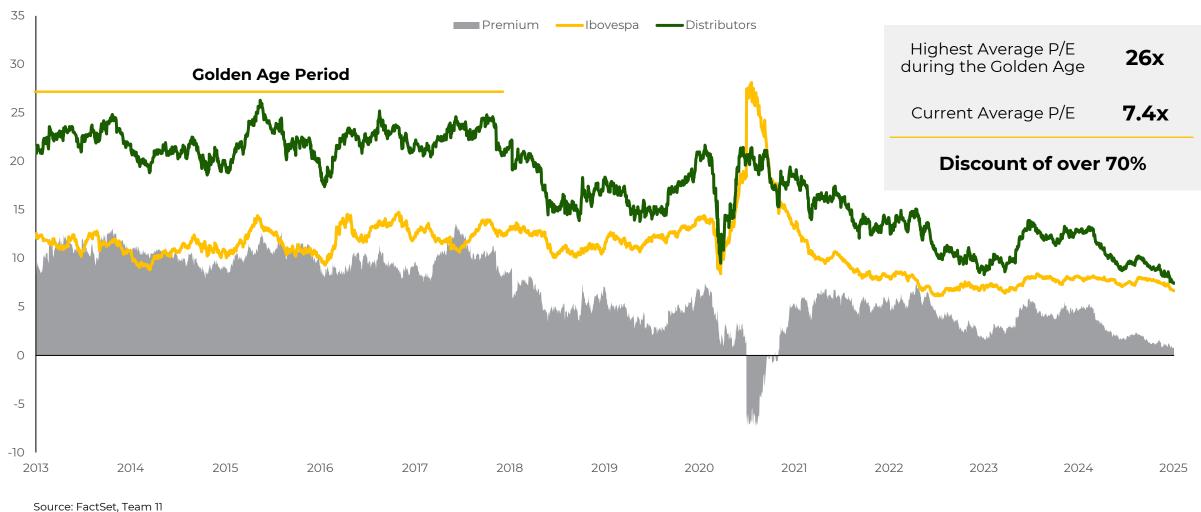
Consolidated - Quotas (000 m3)	2023	2022	2021	2020	2019	Final Quotas
Vibra	22,830	19,523	25,365	28,644	26,844	24,641
Raízen	15,631	15,679	15,585	13,791	14,454	15,028
Ultra	15,631	14,364	16,445	16,974	16,519	15,987
Top 3	54,093	49,566	57.395	59,409	57,817	55,656

Source: Team 11

These conditions were also reflected in the market's vision







This was an extremely positive period for the largest distributors

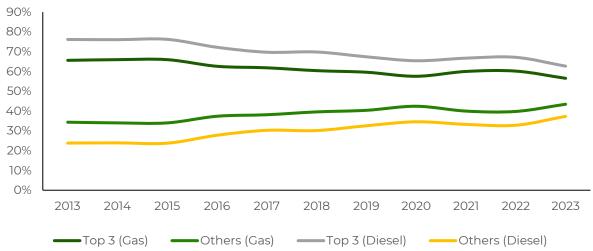


The pricing policy adopted by Petrobras was the main reason for this Main Features

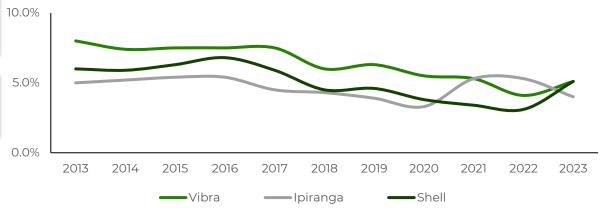
Petrobras followed a more **interventionist pricing policy** that provided substantial stability for fuel distribution incumbents.

This approach allowed major players to secure consistent fuel supplies domestically with favorable terms.

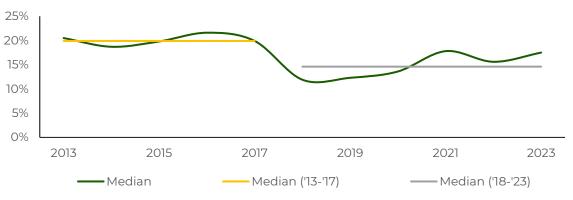
Top 3 Market Share vs. Others Market Share



Consequently, the results of these companies were also much better Distributors' Historical Gross Margin



Distributors' Historical ROIC



Source: ANP, Team 11, Companies

This was an extremely negative period for the largest distributors

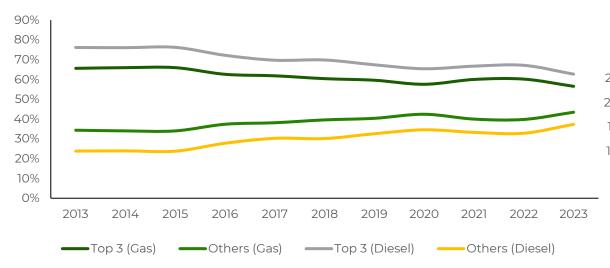


The pricing policy adopted by Petrobras was the main reason for this Main Features

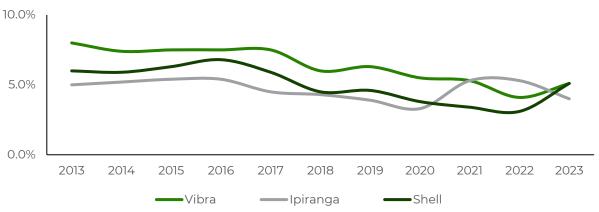
Petrobras changed its policy, **moving closer to the IPP and increasing the attractiveness of imports**. Urals spread was also a major factor.

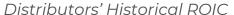
This allowed **smaller players to access better costs**, increasing their competitiveness with incumbents and **threatening** them

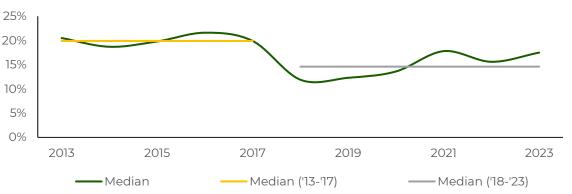
Top 3 Market Share vs. Others Market Share



Consequently, the results of these companies were also much worse Distributors' Historical Gross Margin







Source: ANP, Team 11, Companies

Diesel Price Comparison

Petrobras and IPP Diesel Price



Some accounts and changes were necessary to make both prices comparable Petrobras and IPP Diesel Price Analysis (R\$)



Conversions Performed Low Sulfur Diesel - USD/gal, Petrobras S10 Diesel - BRL/ m³ in Santos (SP) **U.S. Gulf Coast** 1. USD to BRL 2. Gallons (gal) to liters (l) 1. Cubic meters (m³) to liters (l) 3. Addition of freight costs Petrobras S10 Diesel - BRL/I Low Sulfur Diesel - BRL/I, in Santos (SP) Santos (SP) Platts Clean USGC-Brazil 38kt MR index was used

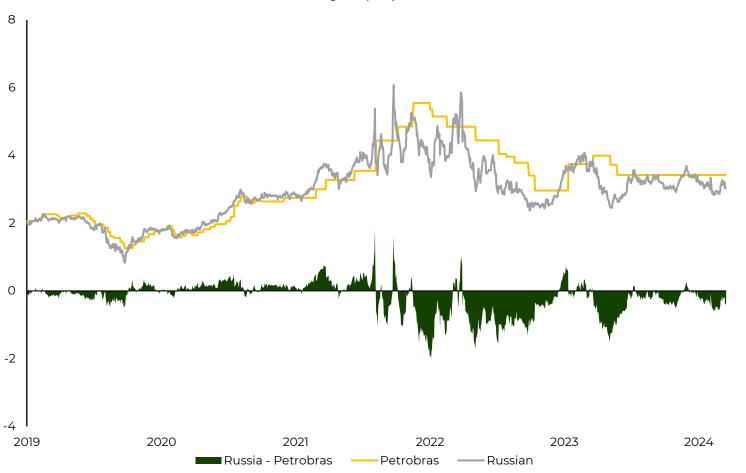
as a proxy for freight costs (USD 30/MT)

Source: Team 11

Petrobras and Russian Diesel Price



Based on the IPP, the Brent price and the Urals price, we determined the price of Russian diesel *Petrobras and Russian Diesel Price Analysis (R\$)*



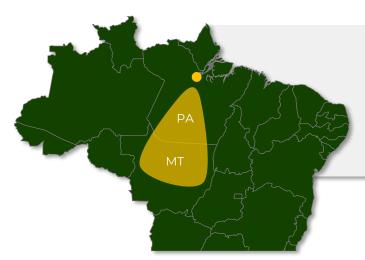
Conversions Performed				
Petrobras S10 Diesel – BRL/ m³ in Santos (SP)	Low Sulfur Diesel – USD/gal, U.S. Gulf Coast			
	1. USD to BRL			
	2. Gallons (gal) to liters (I)			
1. Cubic meters (m³) to liters (l)	3. Addition of freight costs			
	4. Addition of the Urals Spread against Brent			
Petrobras S10 Diesel – BRL/l in Santos (SP)	Russian Low Sulfur Diesel – BRL/I, Santos (SP)			

Source: Team 11

The Santarém base is strategically positioned for fuel imports



It enables Vibra to make major cost savings when serving important areas of agribusiness, thus increasing its competitiveness Main Features and Advantages



The Santarém Base is the result of a joint investment between Vibra (40%) and Raízen (60%). It has the capacity to store 120 million liters and handle 2 billion liters a year.

It is located at the meeting of two large rivers, which allows even medium-sized ships to **unload fuel directly into Santarém**.



- Reduced freight costs
- Greater competitiveness
- Service to agribusiness

Sorriso is the main agricultural producing city in Mato Grosso and Brazil

The Manaus base is one of the main alternatives to the Santarém base

Transportation Cost Savings Simulation



Estimated Data:

- Average truck capacity: 30,000 liters
- Average consumption of loaded truck: 1 km/liter of diesel
- Average cost of diesel: R\$5.50 per liter
- Other operating costs: R\$1.50 per km

2

Cost per liter per km $= \frac{Total\ Cost\ per\ km}{Average\ truck\ capacity}$ $= \frac{5.5 + 1.5}{20.000} = R0.00023

3

Simulated Freight Cost:

- 1. Santarém -> Sorriso: 1,374 km
- 2. Belém -> Sorriso: 1.994 km

Savings of 0.1426 per liter

Source: Companies, Team 11

Questions about a future price increase have arisen recently



This is the result of abrupt market movements in the price of Brent crude and the dollar, which have increased the gap in Petrobras' prices

Brent Crude Oil

US\$ 80.83

+ 6.74 (9.10%) last month

USD/BRL

R\$ 6.09

+ 0.48 (8.52%) last 3 months



The gap between Petrobras' prices and the IPP has reached 22% for diesel and 13% for gasoline

However, several points diminish our concern about the issue



The company has reinforced the operation of its new pricing policy

InfoMoney

"Petrobras reiterates that it avoids passing on external volatility to fuel prices"

January 13t, 2025



At an economically unstable time, a pass-through would generate significant pressure on the country's inflation.

The government must therefore exert political pressure to prevent this from happening.



A pass-through in itself would not end the competitive advantage held by Vibra and the other incumbents

The real risk would be a price increase that exceeds the PPI, which is even more unlikely to occur.

Their competitive advantage would be sustainable in any scenario in which:

- 1. Petrobras' price is lower than the import price;
- 2. Imports are less attractive for other reasons, such as high volatility and risk

Sources: Investing.com, InfoMoney, Focus

The new sanctions should make it more difficult to import Russian products



This time, more restrictive and effective, it had a major impact on the global market Key Points



"New U.S. sanctions against Russian energy interests"

January 10, 2025



"Russian oil products trapped at sea by US sanctions, LSEG data shows"

January 15, 2025

The new sanction includes **2 major oil companies**, more than **180 ships** and insurance companies.

This could the global market in several ways:

Pravasi, one of the vessels affected, was **scheduled for the port of Santos**

2

Traders said that concerns about penalties had **reduced activity**

3

The **price of oil also rose** significantly due to supply concerns

Although Brazil will not be directly affected, the sanctions could make it **more difficult to transport and insure cargo**, as well as **increasing caution** among traders and logistics companies due to the fear of penalties.

Source: Reuters

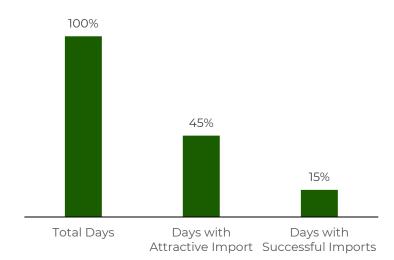
The market ignores fundamental questions about supply dynamics



The market does not take into account the **volatility of imports** when considering their attractiveness

Even in periods with cheaper IPP, high volatility can make these operations difficult

Imports Analysis for 2024 (% of Days)

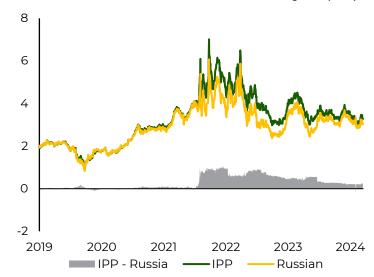


2

Analysts ignore the **reduction in the Urals spread** (in relation to IPP) that has been taking place

The Urals spread has been one of the main drivers of the increase in imports in recent years

IPP and Russian Diesel Price Analysis (R\$)

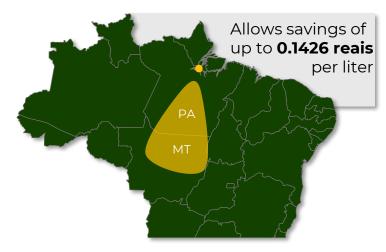


3

The advantages held by Vibra for a favorable scenario for imports are underestimated

The market does not correctly price the company's cost advantages linked to imports

Santarém Base



Source: Team 11

Prominence & victory rate of legal actions related to tax evation



Court's discussions about illegality in the sector gained prominence and achieved favourable success rates for the government!

Definition of the **crime** segmentation



Acess to the Court of Justice website



Web scraping of cases by keywords

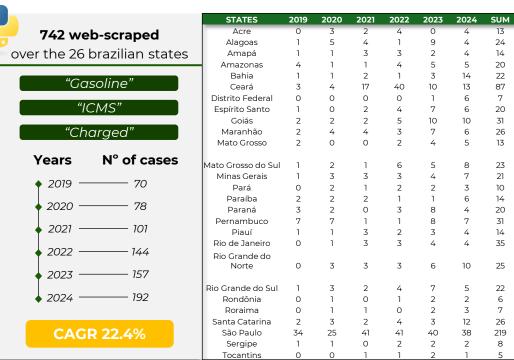
Mapping the **behavior** of relevant cases

 $\rangle\rangle\rangle$

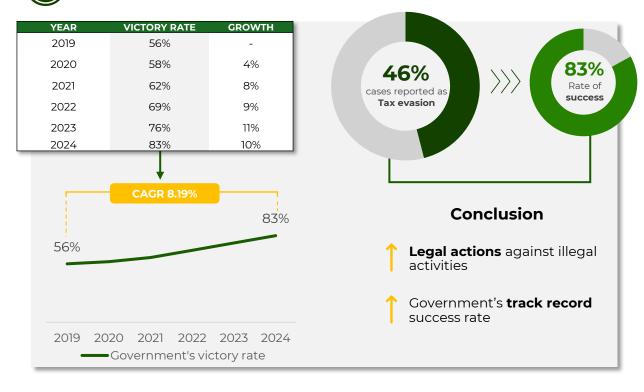
Counting the **evolution** & **sucess rate** of the cases



Lawsuits incidence by state







Sources: Team 11, Ministério da Fazenda, Court of Justice





```
from selenium import webdriver
from selenium.webdriver.common.by import By
from selenium.webdriver.common.keys import Keys
import time
# Step 1: Set up the Selenium WebDriver
# Replace 'path/to/chromedriver' with the actual path to your Chrome WebDriver
driver = webdriver.Chrome(executable path='path/to/chromedriver')
try:
   # Step 2: Navigate to the São Paulo Court of Justice website
   url = "https://esaj.tjsp.jus.br/cjsg/consultaCompleta.do"
   driver.get(url)
   # Wait for the page to load
   time.sleep(3)
    # Step 3: Locate the search field for "Jurisprudência"
   search field = driver.find element(By.NAME, "dadosConsulta.palavraChave")
    # Step 4: Enter the search terms (e.g., "Gasolina", "Cobrança", "ICMS")
   search_terms = ["Gasolina", "Cobrança", "ICMS"]
   search query = " E ".join(search terms) # Combine with "E" as logical operator
   search field.send keys(search query)
```

```
# Step 5: Submit the search query
   search field.send keys(Keys.RETURN)
   # Wait for the results to load
   time.sleep(5)
   # Step 6: Extract data from the results
   # Locate result rows
   results = driver.find elements(By.CLASS NAME, "resultadoClassificacao")
   for index, result in enumerate(results[:10]): # Extract first 10 results
       print(f"Result {index + 1}:")
       print(result.text)
       print("-" * 50)
   # Optional: Save results to a file or database
   # with open("results.txt", "w") as f:
         for result in results:
             f.write(result.text + "\n")
finally:
   # Step 7: Close the WebDriver
   driver.quit()
```

Sources: Team 11

Estimating future margin growth from regulatory measures



Monophase tax impact serves as a baseline to estimate margin improvements from future regulatory measures targeting illegal practices!

Identifying the **pre & post** impact of **Monophasic tax system**



Segmenting impacts by **fuel type**



Calculating the **implied** share of monophase



Projecting future impacts for other illegal practices



Validating and testing sensitivity of results



Measurement of Monophase implicit share



Estimation of implied impact



Projection from new regulatory measures

Fuels involved in the most common crimes



Impact of monophase law on margins

Pre-monophase

Average margin 1Q22 - 2Q23

Post-monophase

Average margin 1Q24 - 3Q24

Tax segmentation

Divided impact regarding **proportional contributions**Gasoline

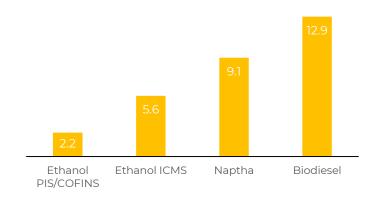
Diesel

Impact calculation

Implied impact = volume share * tax rates

*Margin impact for each of these practices using the same methodology applied to monophase.

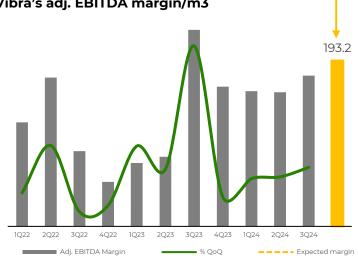
Practices margin impact (m³)



Proposing an Expected margin

∑ impacts + 2024 until today margin = Expected margin

Vibra's adj. EBITDA margin/m3



Sources: Team 11, IBP, Petrobras

Expected margin reasoning



IMPLICIT VOLUM	1E
Vibra margin variation (m ₃)	66.2
Per liter	0.0662
Tax Diesel (BRL)	1.38
Market Diesel (in I)	65,518,000,000
Tax Gasoline (BRL)	2.06
Market Gasoline (in I)	46,030,000,000
Implicit Volume (in I)	1,005,829,317
Share	0.9%

ETHANOL						
PIS/COFINS		ICMS				
Volume market (in I)	28,463,100,000	Volume market (in I)	28,463,100,000			
Share	0.9%	Share	0.9%			
Impacted volume	256,652,028	Impacted volume	256,652,028			
Tax (BRL)	0.24	Tax (BRL)	0.62			
Margin impact (in I)	0.0	Margin impact (in I)	0.0			
In m ³	2.2	In m³	5.6			

NAPHTHA	
Tax Gasoline (BRL)	2.06
Tax Nafta (BRL)	1.05
Diff (BRL)	1.01
Share	0.9%
Market Gasoline (in I)	46,030,000,000
Impacted Volume (in I)	415,052,923
Margin Impact (in I)	0.0
In m ³	9.1

BIODIESEL	
Price Diesel (BRL)	6.13
BioDiesel impact in Diesel (BRL)	0.87
% Biodiesel in Diesel	13%
Price BioDiesel (BRL)	6.69
Price Diesel without Biodiesel (BRL)	5.26
Diff BioDiesel and pure Diesel (BRL)	1.43
Share	0.9%
Market Diesel (in I)	65,518,000,000
Impacted volume (in I)	590,776,394
Margin impact (in I)	0.0
In m ³	12.9

Sources: Team 11, ANP, Petrobras

Impact on incremental margin & EV/EBITDA multiples on Vibra's value



Step by step

Base volume: the starting point is Vibra's 2023 total volume

Incremental margin: an additional margin of BRL 29.8/m³, derived from the analysis, is applied to the base volume.

Incremental EBITDA: This is calculated by multiplying the incremental margin (BRL/m³) by the base volume, resulting in the additional EBITDA generated by the new margin.

EV Incremental: Using different EV/EBITDA multiples, the incremental EBITDA is converted into incremental Enterprise Value (EV).

Current EV: The current EV of the company is calculated using current Net Debt and Market Cap

Incremental EV Comparison: The incremental EV is then compared to the current EV to determine the proportion of the additional value in relation to the company's existing valuation.

		EV/EBITDA				
		3.7	4.2	4.7	5.2	5.7
ırgin	19.8	9.3%	10.5%	11.8%	13.0%	14.3%
ıl mc n3)	24.8	11.6%	13.2%	14.7%	16.3%	17.9%
nentc 3RL/i	29.8	13.9%	15.8%	17.7%	19.6%	21.5%
Incremental margin (BRL/m3)	34.8	16.3%	18.5%	20.7%	22.9%	25.1%
In.	39.8	18.6%	21.1%	23.6%	26.2%	28.7%

Sources: Team 11, ANP, Petrobras

Assessing Vibra's potential in a market free of illegality



The estimated volume impacted by illegality highlights Vibra's potential for significant recovery in a fully formalized market!

5 year analysis of "ANP illegality bulletin"



Mapping of the **3 most** reported crimes



Break down of the **5 most harmful cases** for financials



Personalized **volume impact estimation**



Measure of **financial impacts** from this affected volume

Learning from ANP: a key stakeholder



"Supply monitoring in the News" is one of the main reports about fuel irregularities & crimes

5 year analysis of the most reported crimes (2019 – 2023)

Total volume impacted (000 m³)

Numerical sources:









	Gás Natural e Biocombustiveis RenovaBio	HRASILEINO DE PETROLEO E GAS
Manaus free-trade zone fraudulent imports	580m³ + 40m³ (Diesel imported + Gasoline)	620m³
1 Tax evasion 2 Fraudulent raw material	2,400,000m³ = 3,300,000m³ (Imported Naphtha = Blended Gasoline)	3,300m³
3 Surrogate distributors	5,700,000m³ (Hydrous Ethanol Volume)	5,700m³
2 Non-compliance ———— 4 Carbon credits collection failure	15,048,000m³ (Unpaid C-Bios Volume)	15,048m³
3 Regulatory violation — 5 Low biodiesel mix	2,000,000m³ * R\$830 (Estimated volume * Loss per unit)	1,660m³
		TOTAL - 26 729m3

Sources: ANP "Fiscalização de abastecimento em notícia", Fecombustível, Ministery of Mines and Energy, IBP, ICL



Gaps left by the impacted volumes result in sensitive pricing of the company

The previously estimated impacted volume let us quantify the financial effect on the company!

Individual volume based on market share >>> Individual EBITDA impact based on EBITDA/m³ margin

>>> Define a **conversion rate** by dividing Earnings/EBITDA

Apply **fair multiples** to determine valuation impact

Estimate the **upside scenarios** based on the variations

Estimation of individual impacted volumes and EBITDA

Total volume impacted (000 m³)

 \sum individual volumes = 26,328 m³

Individual volumes

Total volume impacted x 50% Market share

Individual EBITDA

Individual volume **x** EBITDA/m³ margin

V// VIBR/

Ipiranga

2023 margin

raízen

Individual volume
Individual EBITDA

3,238 m³ 444 MM 2,158 m³ 332 MM

3 m³ 2,501 m³ 2,501 m³ MM 392 MM

Conversion rate (%) Earnings Impact (BRL)

Earnings / EBITDA

Valuation sensitivity analysis

EBITDA impact **x** Conversion rate

Multiples: proposed values

	P/E	EV/EBITDA
1 Valuation multiple at the time of analysis	→ 6.7x	4.7x
2 Average trading multiple – σ	→ 9.6x	6.2x
3 Historical Average	→ 13.7x	8.1x

Impact on valuation

(Multiple **x** Earnings impact)/Number of shares

Upside impact on valuation

Impact on valuation / Price

Sources: Team 11



Gaps left by the impacted volumes result in sensitive pricing of the company

The previously estimated impacted volume let us quantify the financial effect on the company!

Individual volume based on market share >>> Individual EBITDA impact by based on EBITDA/m³ margin >>> Define a conversion rate by dividing Earnings/EBITDA >>> Apply fair multiples to determine valuation impact based on the variations

2 Valuation sensitivity analysis

Conversion rate (%) ———— Earnings Impact (BRL)

Earnings / EBITDA EBITDA impact **x** Conversion rate

Multiples: proposed fair values

_			Fair P/E	Fair EV/EBITDA
1	Valuation multiple at the time of analysis	→	6.7x	4.7x
2	Average trading multiple – σ	→	9.6x	6.2x
3	Historical Average	→	13.7x	8.1x

Estimated upside based on Equity value impact

Earnings Impact	Fair P/E	Impact on Valuation	Upside
345	6.7x	2.0	11.8%
345	9.6x	2.9	16.9%
345	13.7x	4.2	24.1%

Impact on valuation

(Multiple **x** Earnings impact)/Number of shares

Upside impact on valuation

Impact on valuation / price

Estimated upside based on EV impact

EBITDA Impact	Fair EV/EBITDA	Impact on Valuation	Upside
444	4.7x	1.9	9.8%
444	6.2x	2.5	13.0%
444	8.1x	3.2	17.2%

Sources: Team 11

EBITDA margin & Illegality gone



EBITDA margin x Illegal Volume

Illegality gone x Illegal volume

Illegal Volume

		22,328	24,328	26,328	28,328	30,328
EBITDA Margin (BRL/m³)	107	7.8%	8.5%	9.2%	9.9%	10.6%
	122	8.9%	9.7%	10.5%	11.3%	12.1%
	137	10.0%	10.9%	11.8%	12.7%	13.6%
	152	11.1%	12.1%	13.1%	14.0%	15.0%
	167	12.2%	13.3%	14.3%	15.4%	16.5%

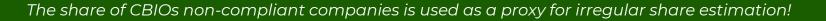
Illegal Volume

		22,328	24,328	26,328	28,328	30,328
llegality gone (%)	10%	2.0%	2.2%	2.4%	2.5%	2.7%
	30%	6.0%	6.5%	7.1%	7.6%	8.1%
	50%	10.0%	10.9%	11.8%	12.7%	13.6%
	70%	14.0%	15.2%	16.5%	17.7%	19.0%
=	90%	18.0%	19.6%	21.2%	22.8%	24.4%

Sources: Team 11



Quantifying the opportunity for market share growth in a market of leaders



Classify non-compliance as an irregularity



Access the **ANP Target Compliance Report**



Count distributors **≤60%** of their targets fulfilled



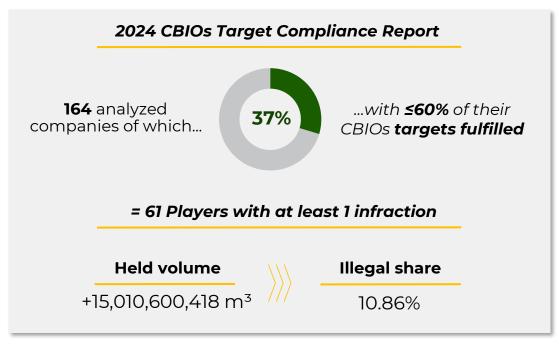
10.86% = Cross-reference with **market share data**



Growth potential for top 3 distributors in this **absorption**



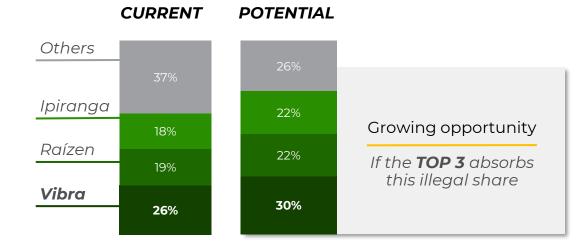
Collect and data analysis from...





Opportunity estimate proportional to the top 3 combined share

New share = Current share +
$$\left(\frac{Current}{\sum Current}\right) \times 10.86\%$$



Sources: Ministery of Mines and Energy, Fecombustíveis



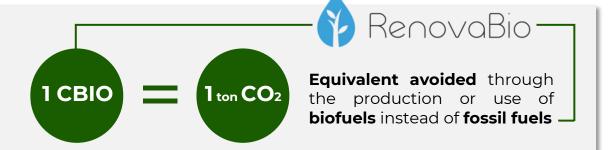
Environmental assets dedicated to achieve national decarbonization targets

What are CBIOs?

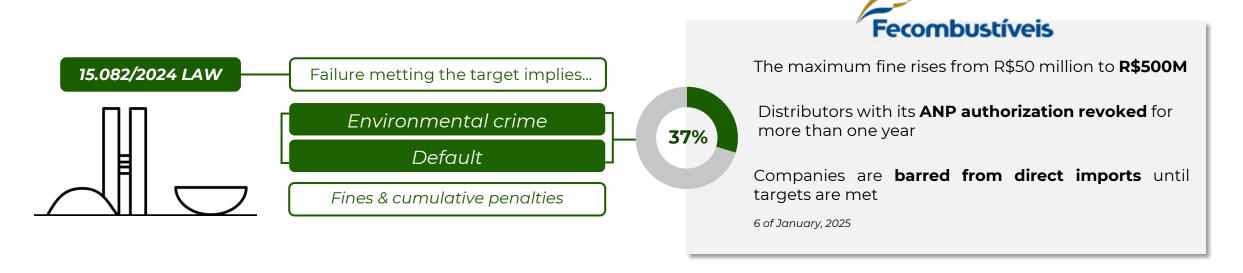


CBIOs (Carbon Credits) are environmental assets traded on the Brazilian Stock Exchange (B3) since December 2019.

Distributors are required to acquire these credits annually based on the volume of gasoline and diesel sold.



Recently enacted the CBIOs law strengthens penalties for non-compliance with program targets...

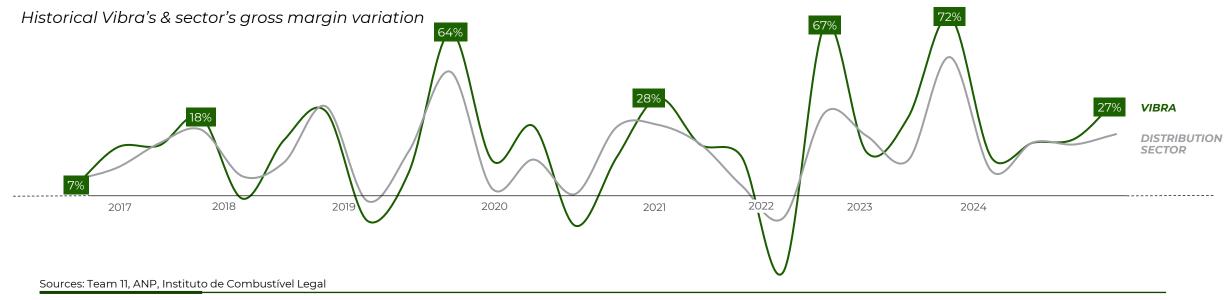


Sources: Fecombustíveis, Renova Bio, Ministery of Mines and Energy

Vibra's and sector's gross profit margin variation & historical interventions







Main illicit practices has been mapped by ANP



TAX EVASION



Fraudulent imports

Importing products under false pretenses to avoid paying the appropriate fuel taxes.



Fictitious distributors (Surrogate)

Issuing fraudulent invoices and evading substantial amounts of state and federal taxes.



Persistent tax debtors

Accumulating significant tax debts while using legal loopholes to delay or avoid payment.





Fuel adulteration

Selling fuels outside technical specifications or delivering lower volumes than stated, violating established industry standards.



Lower biodiesel mix

Non-compliance with blending requirements to gain a competitive advantage.





Pipeline theft

Unauthorized siphoning of fuel from pipelines, endangering human lives and the environment.



Carbon credit non-collection

Failure to acquire or report mandatory carbon credits for fuel sales, which violates environmental regulations.

Sources: ICL

Adavances and achievements in the fuel sector Post-Tax reform



What is the Brazillian Tax Reform?



Approved in December 2023, Brazil's tax reform replaces complex overlapping taxes with streamlined models like IVA (IBS and CBS) and Selective Tax, aiming to simplify processes, combat evasion, ensure fairness, and boost economic competitiveness.

September 5th, 2024



Why is the sector in favor of the policy?



The fuel sector contributes **40% of its price to taxes**, almost **3x** the value added by distribution, retail, and logistics.



Tax evasion creates **unfair competition**, harming compliant players like Vibra Energia.

Changes on the Fuel Sector

Simplification of Tax structure

- Monophasic ICMS system
- Fixed rate (ad rem) taxation
- Integration of PIS, Cofins, IPI, ISS and ICMS

Competitive environment

- Nationally unified rate eliminating regional disparities
- Curtails advantages of informal players

Compliance & Transparency

- Tax evasion reduction
- More predictable revenues and cost stability

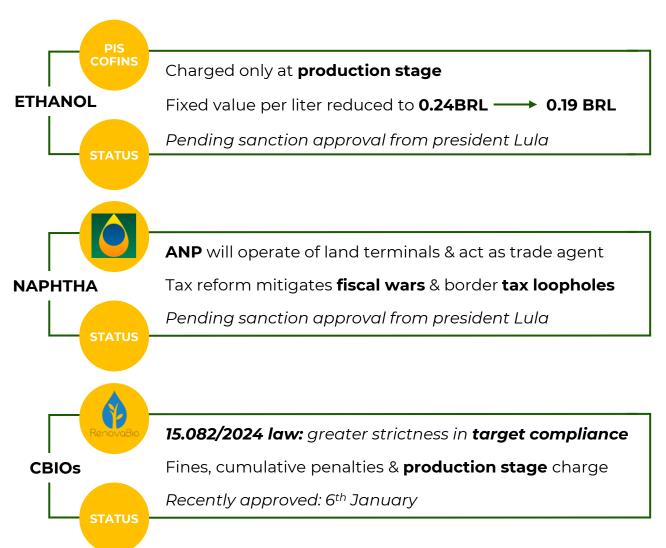
Environmental & Economic Implications

- Differentiated rates to support biofuels and cleaner energy
- Incentivized shift from fossil fuels to sustainable alternatives

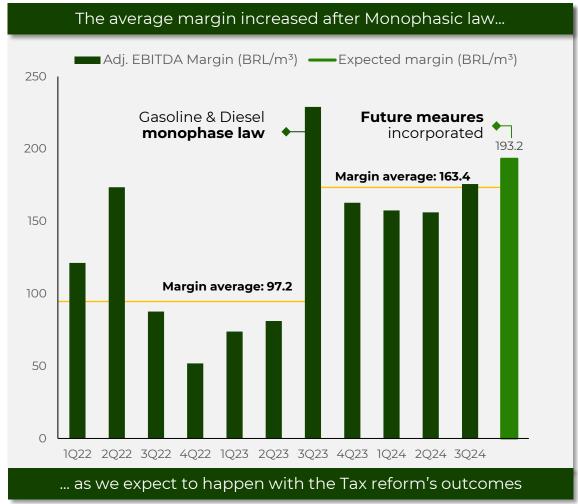
Sources: Câmara dos Deputados, ANP

Historically, regulatory changes generate great impact on margins





All of them, affected by the **Tax reform** promise to generate growth



Sources: Ministery of Mines and Energy, Canaoeste

Strengthening taxation and oversight systems



Tax evasion dimension in Brazil



+R\$ 70 billion

Represents the outstanding debt registered by the State treasury departments attributed to tax-evading companies in the fuel sector



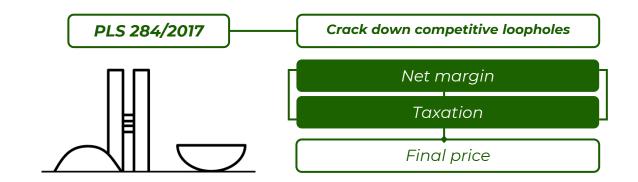
+R\$ 14 billion

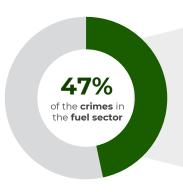
Represents the additional amount related to tax evasion and defaults in the fuel market, according to an FGV study

Who is a Persistent debtor?

"Persistent debtors are the ones who use **tax evasion** as their **business strategy**."







Description	Potential Collection			Effective Collection			Estimated Tax Losses					
Description	ICMS	PIS/COFINS	CIDE	Total	ICMS	PIS/COFINS	S CIDE	Total	ICMS	PIS/COFINS	CIDE	Total
Fuels	98,884	52,569	3,845	155,298	89,849	43,778	3,900	137,527	9,035	8,791	-55	17,771
(-) Ethanol Tax Incentives	-1,521	0	0	-1,521	0	0	0	Ο	-1,521	0	0	-1,521
(-) ICMS Credits	-2,226	0	0	-2,226	0	0	0	0	-2,226	0	0	-2,226
(=) Default, Fraud & Evasion	95,137	52,569	3,845	151,551	89,849	43,778	3,900	137,527	5,288	8,791	-55	14,024

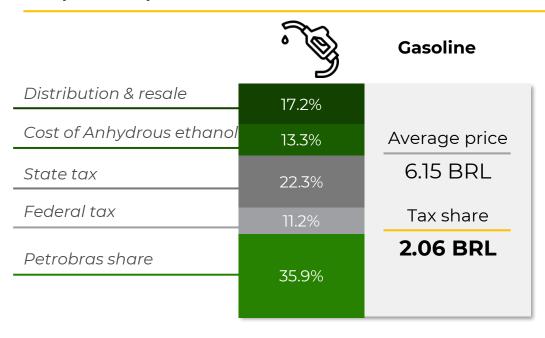
Sources: FGV

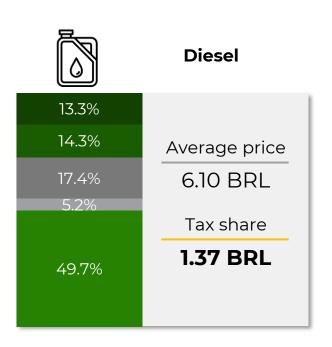
Tax importance

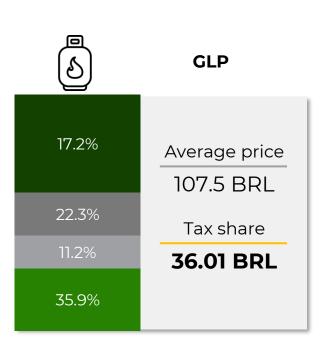
Why do we consider tax evasion as the cut?



Fuel price composition







Source: Petrobras

Estimated losses through the five main illicit cases



Data collection = Main informative channels + Irregularities via ANP bulletin

Sum of estimated average volumes

Total volume impacted = 26,328 m³



Product regarding specific tax rates





Crime	Case	(1.0) Volume Calculation	(1.1) Volume impacted (000 m³)	(2.0) Government Calculation	(2.1) Total revenue impact on government
Tax Evasion	Manaus Free-Trade Zone Fuel imports misclassified as industrial products	580m³ + 40m³ (Diesel imported + Gasoline)	620m³	580m ³ * R\$353/m ³ (Diesel imported * PIS/COFINS) + 40m ³ * R\$750/m ³ (Gasoline * PIS/COFINS)	R\$ 234.74 MM
	Fraudulent Raw Material Naphtha sold as gasoline	2,400,000m³ = 3,300,000m³ (Imported Naphtha = Blended Gasoline)	3,300m³	3,300,000m³ * R\$950/m³ (Blended volume * Tax rate)	R\$ 3,135 MM
	Surrogate Distributors Exploiting temporary companies	5,700,000m³ (Hydrous Ethanol Volume)	5,700m ³	7,200,000m ³ * 0.34 (Hydrous ethanol * Tax rate)	R\$ 5,256 MM
Non-compliance	Carbon Credits Collection failure on fuel sales	15,048,000m³ (Unpaid C-Bios Volume)	15,048m³	R\$7,500,000 * 0.23 (Volume of C-Bios * Tax Rate)	R\$ 172.5 MM
Regulatory violation	Biodiesel Mandate Non-compliance by distributors	2,000,000m³ * R\$830 (Estimated volume * Loss per unit)	1,660m³	-	-
		Total	26,328m³	Total	R\$ 8,798 MM

Sources: ICL

Impacts of monophase as opportunities for legal players



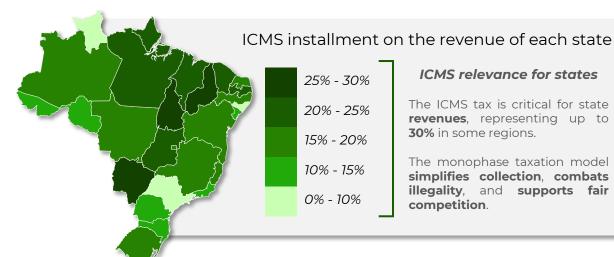
What is Monophase Taxation?



Introduced by Complementary Law n° 192/2022, monophase taxation replaces the substitution tax regime (ST) by concentrating ICMS collection at a single stage in the production chain.

Applicable to fuels such as gasoline, diesel, ethanol, biodiesel, and LPG

Diesel 1.0635 BRL/liter (from 2024) & Gasoline 1.3721 BRL/liter from 2024

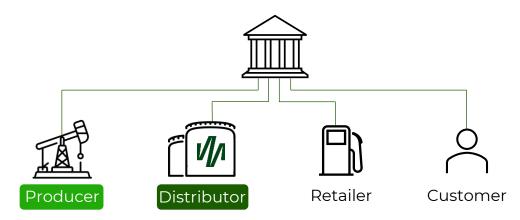


ICMS relevance for states

The ICMS tax is critical for state **revenues**, representing up to 30% in some regions.

The monophase taxation model simplifies collection, combats illegality, and supports fair competition.

Taxation flow in the fuel supply chain



Before monophasic law

The distributor, under the regime, was often responsible for paying the ICMS for the entire chain, calculating the tax for future stages, up to the final consumer

After monophasic law

Taxation is centralized at the producer and refinery level, ICMS is collected only once ("ad rem" taxation) with a fixed rate per liter, defined nationally

Sources: Team 11

Strategic economic model, but fertile for unfair competition & illegality

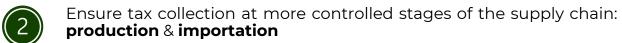


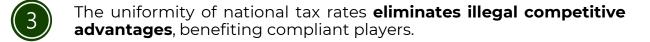


The **ZFM**, created in 1957, spans municipalities in five Brazilian states, offering **tax incentives** (federal, state, and municipal) to attract companies **reducing production costs** for industries that manufacture goods locally.

What is the best scenario?









Fuel importation to ZFM

Leveraging regional tax benefits



Imported fuels blended

With components like biofuels to modify their composition



Reclassification as "Industrialized Products"

Enabling tax exemptions



Tax Exemptions

IPI, PIS & COFINS exemptions lower operational costs



Sales outside ZFM

Portion of the fuels violates the conditions for tax benefits

730k m³ fuel evolved = R\$ 230 million losses

Sources: Team 11, FGV

Enhancing market integrity and promoting sustainability



What is **Selective tax**?



Created by **Constitutional Amendment 132/2023** as part of the tax reform.



Main objective: Correct negative externalities, such as environmental & public health impacts.

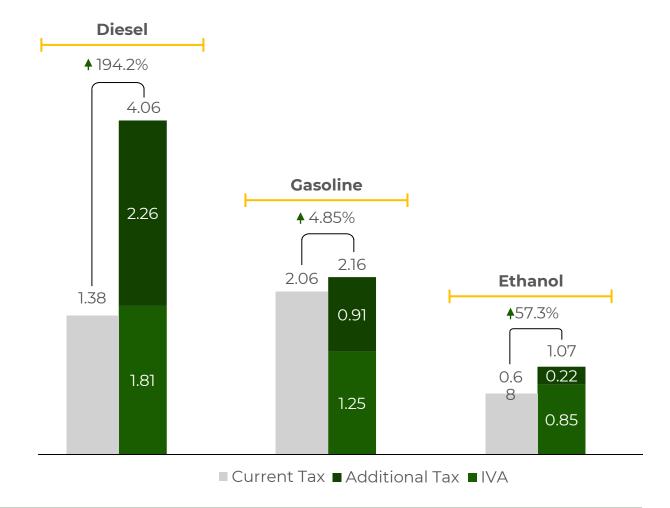


Scope: Applied to harmful products, such as fossil fuels, tobacco, alcoholic, and sugary beverages.

How does it **benefit** the thesis on Illegality?

- Simplifies tax collection via a monophase system, reducing opportunities for fraud and evasion.
- 2 Maintains **market competitiveness** against informal operators.
- The tax encourages a shift toward **cleaner energy** and sustainable consumption patterns.

Tax burden before and after Tax reform BRL/liter



Sources_ ANP, IBS, Valor Econômico

Promoting fair competition and sustainability in the fuel Sector



What is B14?

14%

biodiesel

blend

"The **B14 policy** mandates a **14%** biodiesel blend in diesel fuel, effective from July 2024.



AVOIDING:

BRL 7.2 billion on fossil diesel expenses





Reduction of Informality

By increasing the biodiesel blend, B14 limits opportunities for non-compliant distributors to exploit regulatory loopholes.



Levelling the Playing Field

Legal operators such as Vibra benefit as the policy reduces the financial advantage (~0.30 BRL per liter) previously enjoyed by informal competitors.



Increased Fiscal Responsibility

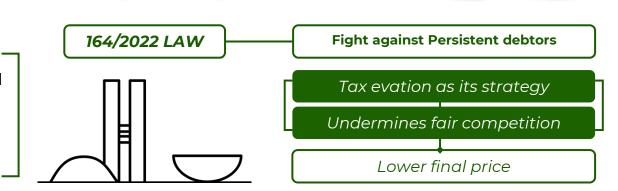
The B14 policy discourages tax evasion by ensuring a stricter enforcement mechanism.

Non-compliance

Competitive advantage

Biodiesel is generally more expensive tha diesel

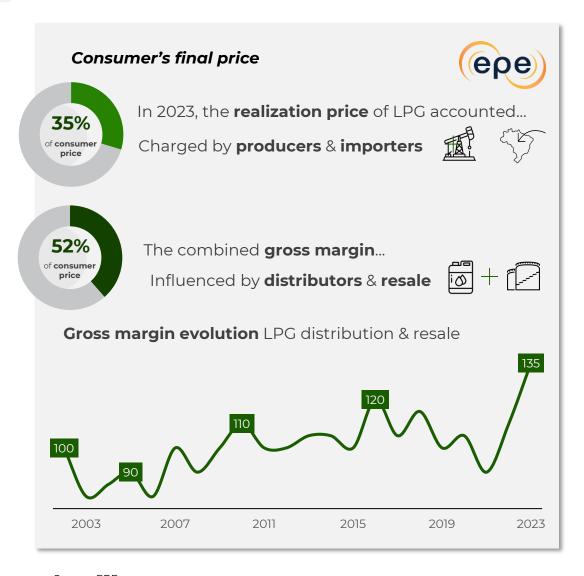
- Expensive production cost
- More limited supply

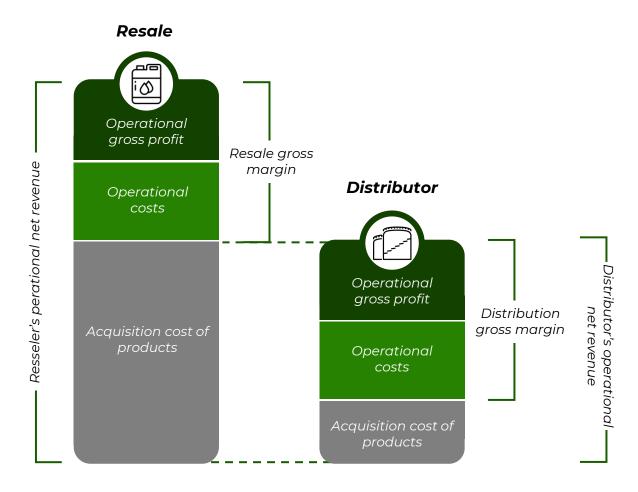


Sources: Senado, ANP





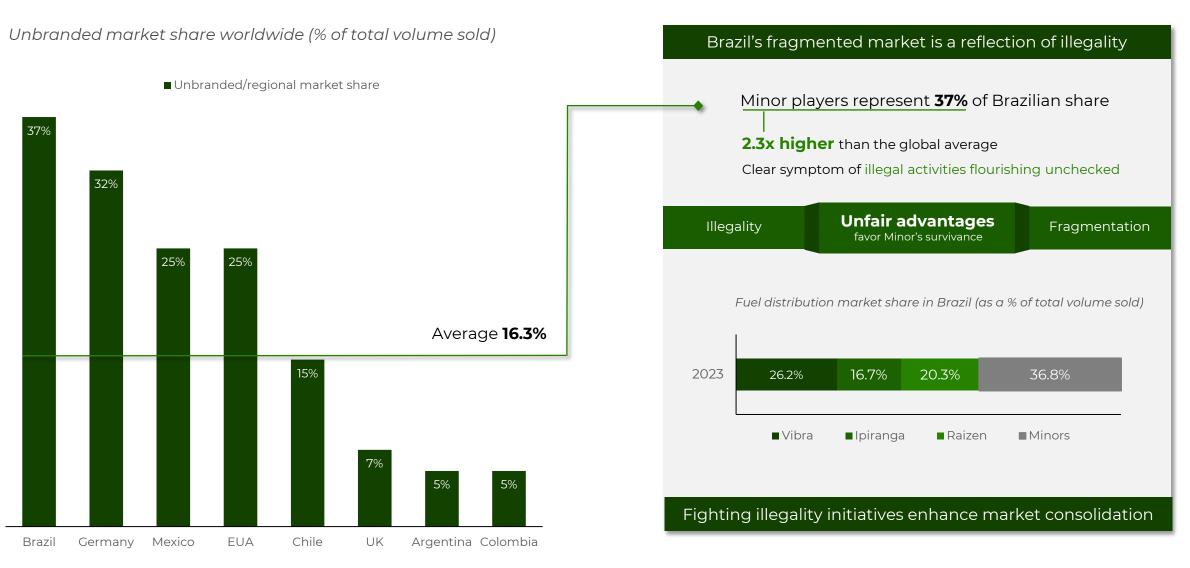




Source: EPE

Proving how illegality combat would benefit the consolidated companies





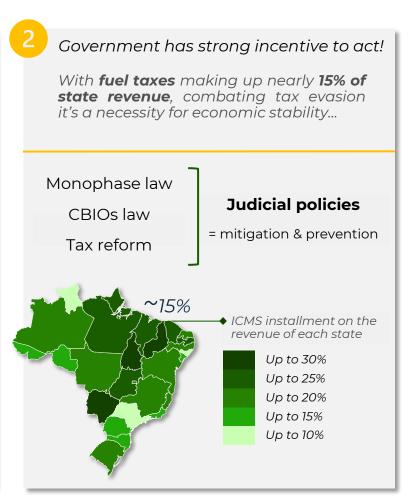
Appendix

Source: Petrobras

What makes this thesis reliable, even in a country like Brazil?



Growing effectiveness & Jurisprudence Rise of jurisprudence and an 83% success rate in lawsuits prove that the fight against is **delivering results**... Recurrent cases **CAGR 22.4% Jurisprudence** Success rate = greater predictability **4.07x** in five years Growth of legal proceedings involving tax evasion in the fuel sector 56% ■ Won Cases Total Cases ■ Victory rate





Sources: Ministery of Mines and Energy, Fecombustíveis

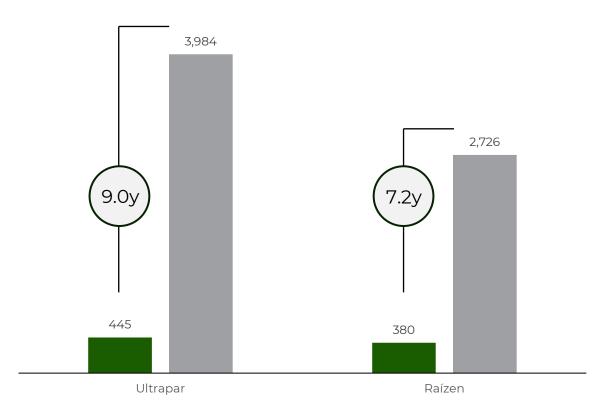
Why do we believe this advantage is unattainable in the short term?



Vibra's position is unattainable in the short term

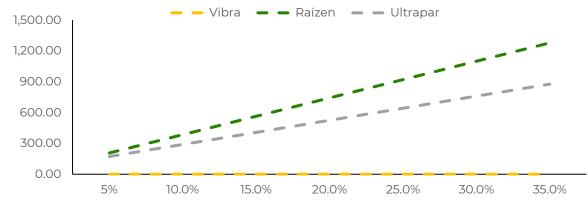
2023 Expansion CapEx and CapEx to Match Vibra (Mn BRL)

■ Expansion CapEx for fuel distribution in 2023 ■ Total CapEx to match Vibra installed capacity

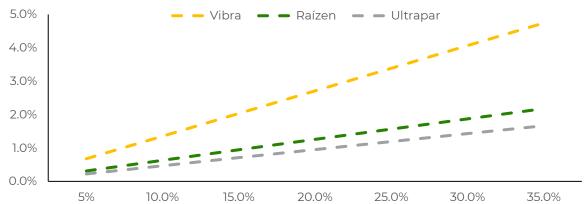


Peers need heavy investment to match Vibra, which may not justify the opportunity cost.

Necessary CapEx (BRL Mn) Given an Increase in Volume (%)



Marginal ROIC Gain Given an Increase in Volume (%)



Sources: Team 11, Companies

Unmatched installed capacity ensures higher potential profitability gains



Vibra									Raízen								
BRL/m³ of addition	al capacity	4,269	E	:BIT/m³	0.12	1-	Tax Rate	74%	BRL/m³ of addition	al capacity	4,269	E	EBIT/m³	0.14	1-	Tax Rate	66%
Volume ('000 m³) YoY	2023 36,932 0%	38,778 5%	40,625 10%	42,471 <i>1</i> 5%	44,318 20%	46,165 25%	48,011 4	49,858 <i>3</i> 5%	Volume ('000 m³) YoY	2023 35,135 <i>0%</i>	36,892 5%	38,649 <i>10%</i>	40,406 15%	42,162 20%	43,919 25%	45,676 30%	47,433 35%
Adj. EBIT (BRL Mn)	4,514	4,740	4,965	5,191	5,417	5,643	5,868	6,094	Adj. EBIT (BRL Mn)	4,774	5,012	5,251	5,490	5,728	5,967	6,206	6,444
Tanc. Capac	1,469	1,469	1,469	1,469	1,469	1,469	1,469	1,469	Tanc. Capac Capital invested	821	869	911	953	995	1,037	1,079	1,120
Capital invested in tanking		0	0	0	0	0	0	0	in tanking		207	385	564	742	921	1,100	1,278
Marginal ROIC		0.7%	1.4%	2.0%	2.7%	3.4%	4.1%	4.7 %	Marginal ROIC		0.3%	0.6%	0.9%	1.3%	1.6%	1.9%	2.2%
Ultrapar									Marginal ROI	IC Gain Give	en an I	ncrease	in Volu	me (%)			
BRL/m³ of addition	al capacity																
	ai capacity	4,269	Е	:BIT/m³	0.10	1-	Tax Rate	70%	5.0%	'	Vibra -	– Raíze	en – –	Ultrapar			
	2023	4,269	E	BIT/m³	0.10	1-1	Tax Rate	70%	5.0% 4.0% Marginal	Incr	emental	EBIT × (1 –		Ultrapar	'	•	
Volume ('000 m³) YoY		4,269 24,260 5%	25,416	26,571	0.10 27,726 20%	2 8,881 25%	Tax Rate 30,037 30%	70% 31,192 35%	4.0% Marginal	Incr	emental			Ultrapar	'	· • •	
YoY	2023 23,105	24,260	25,416	26,571	27,726	28,881	30,037	31,192	4.0% Marginal 3.0%	Incr	emental	EBIT × (1 –		Ultrapar	·	•••	
` '	2023 23,105	24,260	25,416	26,571	27,726	28,881	30,037	31,192	4.0% Marginal	Incr	emental	EBIT × (1 –		Ultrapar			
YoY Adj. EBIT (BRL Mn) Tanc. Capac	2023 23,105 0%	24,260 5%	25,416 10%	26,571 <i>15%</i>	27,726 20%	28,881 25%	30,037 30%	31,192 35%	4.0% Marginal 3.0%	Incr	emental	EBIT × (1 –		Ultrapar			
YoY Adj. EBIT (BRL Mn)	2023 23,105 0% 2,304	24,260 5% 2,420	25,416 10% 2,535	26,571 15% 2,650	27,726 20% 2,765	28,881 25% 2,880	30,037 30% 2,996	31,192 <i>35%</i> 3,111	4.0% Marginal 3.0% 2.0%	Incr	emental	EBIT × (1 –		Ultrapar	Volu	me incred	ase

Appendix

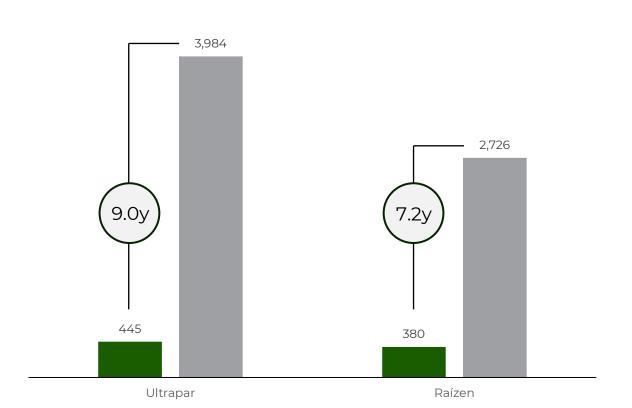
Sources: Team 11, Companies

Unmatched installed capacity ensures higher potential share gains



Vibra's position is unattainable in the short term 2023 Expansion CapEx and CapEx to Match Vibra (Mn BRL)

■ Expansion CapEx for fuel distribution in 2023 ■ Total CapEx to match Vibra installed capacity



To calculate the required CapEx to match Vibra, we used the cost of recent capacity expansion projects for tanking:

Date	Local	Company	Tanking Capacity (Cap - in m³)	Capital Expenditure (CapEx - in BRL mn)	CapEx/Cap (in BRL)
2024	Porto do açu (RJ)	Vibra + Vast	84,000	300	3,571
2024	Betim (MG)	Grupo potencial	25,000	120	4,800
2024	Betim (MG)	Grupo potencial	7,000	25	3,571
2024	Santarém (PA)	Raizen + Vibra	120,000	350	2,917
2024	Santa Maria (RS)	Grupo sim	10,000	50	5,000
2024	Juazeiro (BA)	Larco petróleo	3,500	20	5,714
2023	Fortaleza (CE)	Ipiranga	21,600	80	3,704
2023	Balsas (MA)	PetroBahia	1,265	8	6,324
2022	Miramar (PA)	Vibra	28,000	70	2,500
2021	Miritituba, Pará	Vibra + Ultrapar + Raízen	21,250	115	5,412
2021	Senador Canedo (GO)	Larco	5,800	20	3,448
	Average:	reais/m³ of additic	onal capacity		R\$ 4,269

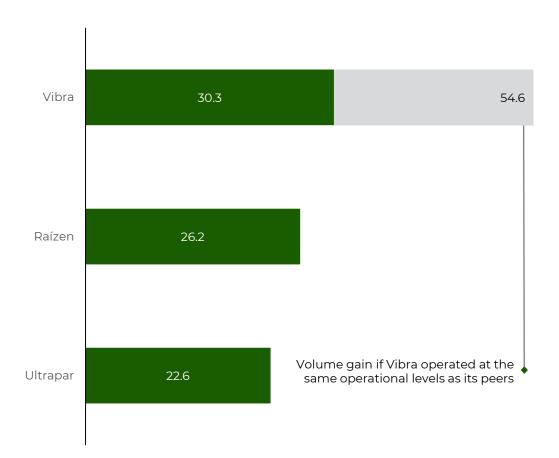
Company	Today's capacity (in m³)	CapEx to match Vibra (in BRL mn)	Fuel distribuition CapEx (in BRL mn)	Years to match
Ultrapar	531,440	3,984	445	9.0
Raízen	820,962	2,726	380	7.2

Sources: Team 11, ANP, Companies

Unmatched installed capacity ensures higher potential share gains



Idle capacity shows great potential for market share consolidation Volume of Gasoline, Diesel, and Ethanol Sold in 2023 (Mn m³)



To estimate Vibra's minimum potential idle capacity, we analyzed the hypothetical volume if Vibra operated at the same utilization rate as its competitors.

	Storage capacity (m³)	Volume sold 2023 (m³)	Volume per storage capacity
Vibra	1,468,583	30,307,175	21
Raízen	820,962	26,183,507	32
Ipiranga	531,440	22,564,848	42

	Raízen	Ipiranga	Average
Matched capacity volume (m³)	46,838,531	62,355,774	54,597,152

Sources: Team 11, ANP, Companies

Operational leverage: spending

Calculating Vibra's operational leverage: fixed and variable spending



To calculate operational leverage, we had to classify the expenses as fixed and variable Cost and Expenses Analysis of Vibra

Vibra's total spending breakdown (BRL M)	2023	% of total spending	Category	Type	How much % is variable
osts	-154,586	96.3%			
Products for Resale	-154,3	96.1%	Products for resale	Variable	100%
Third-Party Services and Rentals	-109	0.1%	Logistics	Hybrid	20%
Personnel Expenses	-40	0.0%	Salaries	Fixed	0%
Depreciation and Amortization	-13	0.0%	D&A	Fixed	0%
Inventory Variation (****)	0	0.0%	Other	Fixed	0%
Others	-124	0.1%	Other	Hybrid	50%
ales	-2,773	1.7%			
Third-Party Services, Freight, and Rentals	-1,672	1.0%	Logistics	Hybrid	25%
Personnel Expenses	-374	0.2%	Salários	Fixed	0%
Expected Credit Losses (*)	-59	0.0%	Provision	Variable	100%
Losses on Uncollectible Receivables (*)	-43	0.0%	Provision	Variable	100%
Depreciation and Amortization	-451	0.3%	D&A	Fixed	0%
Others	-174	0.1%	Other	Fixed	0%
Seneral and Administrative Expenses	-804	0.5%			
Third-Party Services and Rentals	-215	0.1%	Other	Fixed	0%
Personnel Expenses	-413	0.3%	Salaries	Fixed	0%
Depreciation and Amortization	-90	0.1%	D&A	Fixed	0%
Others	-86	0.1%	Other	Fixed	0%
Other Expenses	-2,436	1.5%			
Rental Expenses	-67	0.0%	Other	Fixed	0%
Losses and Provisions for Legal Proceedings	-283	0.2%	Provision	Fixed	0%
Pension and Healthcare Plans - Retirees	-103	0.1%	Salaries	Fixed	0%
Provision for Decarbonization Credits	-1,246	0.8%	Carbon credit	Variable	100%
Institutional Relations and Cultural Projects	-134	0.1%	Other	Fixed	0%
Performance Bonuses and Other Incentives	-152	0.1%	Salaries	Fixed	0%
Others	-91	0.1%	Other	Fixed	0%
Provision for Out-of-Court Settlements	-360	0.2%	Provision	Fixed	0%

Sources: Company; Team 11

Calculating Vibra's operational leverage: fixed and variable spending



The cost structure was used to assess operational leverage impact. Vibra's cost structure & operational leverage methodology

96.7% Inventory for resale

3.3% Others

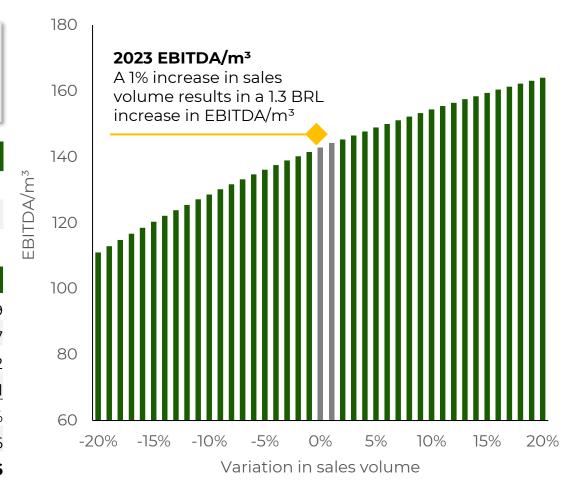
With an operation focused on distribution (rather than the

transformation of goods), Vibra has a highly variable cost structure

Total spending (BRL mm)	2023	% of Total spending
Variable spending	156,088	97.2%
Fixed spending	4,511	2.8%
Total spending	160,99	100%

Operat	ional leverage	
Total volume (000 m³)	35,852,880	36,211,409
Fixed costs	4,567	4,567
Variable costs	156,088	157,592
Average cost/m³	4,479.4	4,477.1
Volume increase		1%
Cost reduction BRL/m³		-1.26
EBITDA increase BRL/m³		1.26

An increase in sales volume can improve margins $Vibra's EBITDA/m^3$ as a function of the volume sold



Sources: Company, Team 11

Vibra's large scale allows it to differentiate among peers



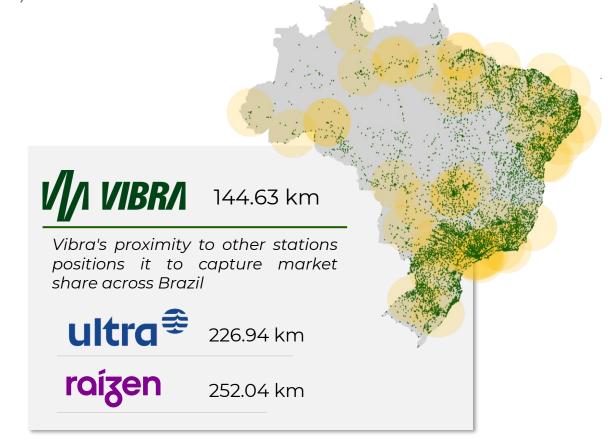
Python code:







... Therefore, is able to operate in all Brazilian states and closer to stations Average Distance from the Distribution Base to White Flag Stations (km)

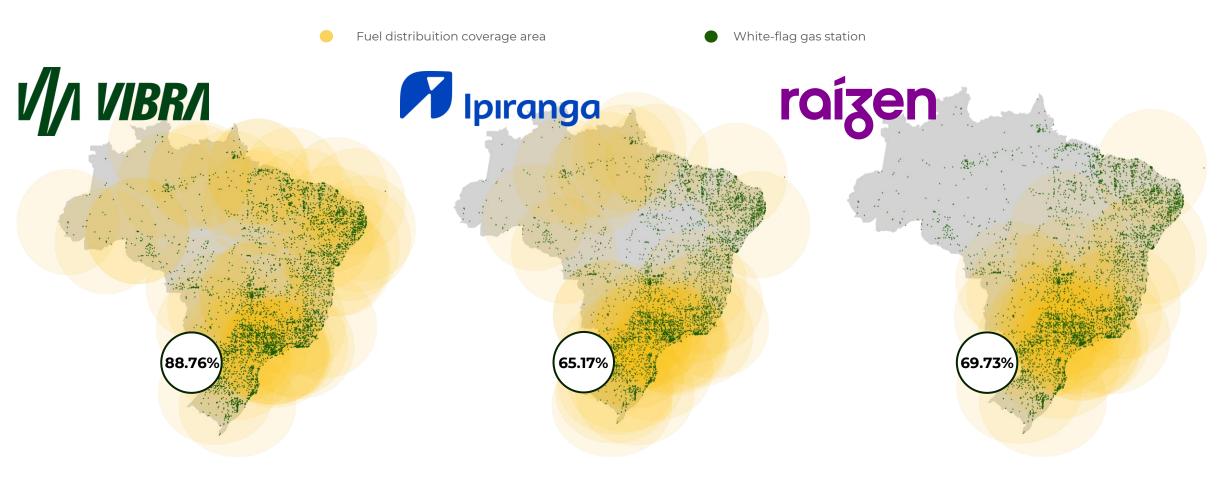


Sources: ANP, Team 11



Vibra is the most prepared to consolidate market share across the entire country due to its extensive network

Percentage of White-Flag Gas Stations Within a 300 km Radius of Any Fuel Distribution Base, by Company (%)

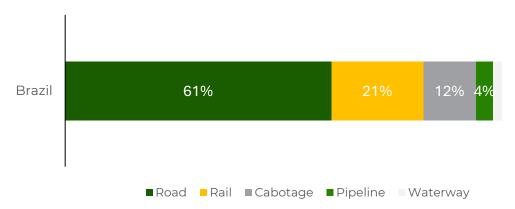


Sources: ANP, Team 11

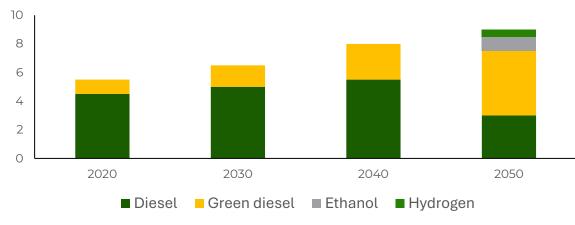
What could be the impact of electrification on Vibra's sectors of operation?



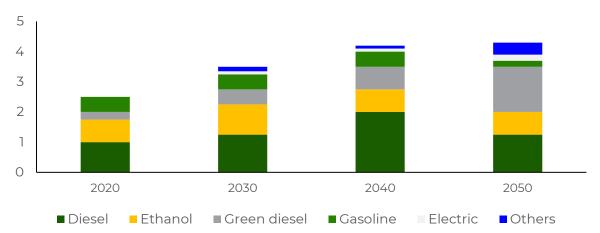
In Brazil, Transportation heavily relies on diesel Brazilian transportation matrix, by type



In freight transportation, electric vehicles are not a viable option Brazilian fuel share in cargo transportation (bn tkm, 2023)



Even in passenger transportation, electrification is not expected to prevail Brazilian fuel share in passangers Transportation (bn tkm, 2023)





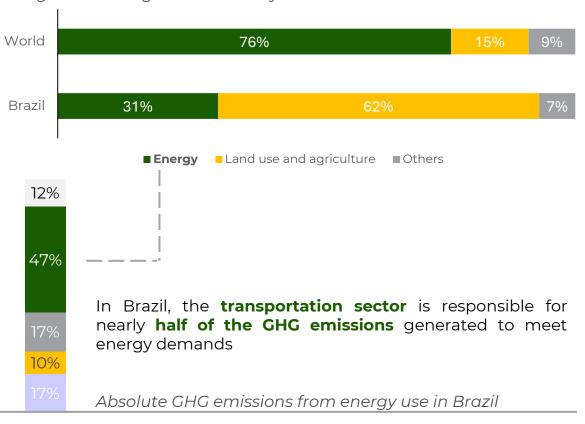


Sources: EPE

V// VIBR/

Still highly polluting, the transportation sector is expected to expand biofuels $m{V}$

With greener energy, Brazil faces challenges in land management Net green house gas emissions by source

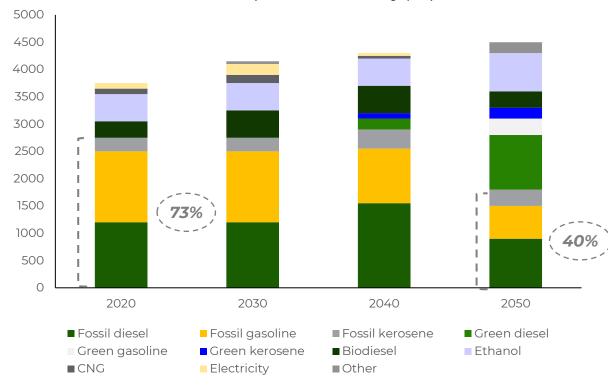


Brazil

■ Electricity generation ■ Fossil fuel production ■ Industry ■ Transportation ■ Others

Brazil is expected to reduce emissions through biofuels

Total use in the Brazilian transportation industry (PJ)



Around **73**% of the fuels used in Brazil have a fossil origin. By 2050, EPE projects a reduction of this indicator to **40**%, **driven by the expansion of biofuels**

Sources: EPE, CEBRI

State incentives for ethanol in Brazil



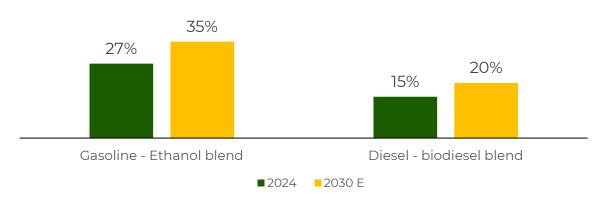
Fossil fuels lose competitiveness due to higher taxes and blending requirements.

Taxes, regulations, and rates on fuels in Brazil

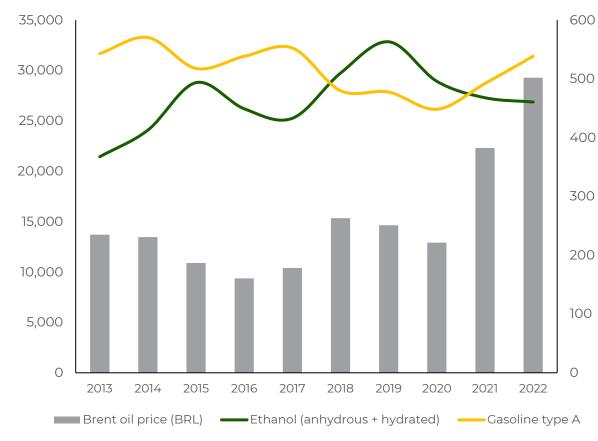
Contribution 2023	Ethanol	Gasoline	Diesel
ICMS (State)	12% to 18%	25% to 34%	12% to 18%
CIDE (Federal)	Exempt	R\$ 0.10 per liter	R\$ 0.05 per liter
PIS/COFINS (Federal)	R\$ 0.24 per liter	R\$ 0.79 per liter	R\$ 0.35 per liter
Ethanol/Biodiesel Blend (%)	-	27%	13%

Approved on October 8, 2024, the *combustível do futuro* law is a driver of the centrality of biofuels in the energy transition.

Current and expected mandatory percentages of biofuel blending (BR)



The competitiveness of ethanol depends on the price of Brent crude oil Fuel consumption in Brazil (million cubic meters per year) brent oil price (BRL/barrel)



Sources: ANP, Poder 360, Team 11

How sustainable and viable is Brazilian biofuel?



Brazilian Biofuels	Ethanol	Biodiesel	Aviation Kerosene	Biomethane
Substitutes	Gasoline	Diesel	Aviation Kerosene (QAV)	Vehicle Natural Gas or Diesel
Main Raw Materials	Sugarcane, Corn	Soy, Animal Fats, or Residual Oils (OGR), Palm Oil	Sugarcane, Macaúba	Organic Waste (e.g., vinasse and cake, sewage, animal waste)
Current Production (in bn L)	Sugarcane: 34.7 Corn: 1.3	5.9 (2019)*	Minor significance*	Minor significance*
Current Participation in Energy Matrix	7%	1.84%	< 0.1%	< 0.1%
Area for Biofuel Production (mn ha – % of total agricultural area)	4.3 (5.7%)	Soy: 5.08 (6.75%) Palm: Minor significance	Minor significance	Does not require own cultivation
Area Occupied by Crop (mn ha – % of total agricultural area)	8.6 (11.4%)	Soy: 35.8 (47.5%)	8.6 (11.4%)	Does not require own cultivation
Carbon Intensity (gCO₂eq/MJ)	21 to 26 (24% to 30% of gasoline)	Soy: 27 (31% of diesel) OGR: 3 (1% of diesel)	35 (40% of QAV)	4 to 7 (5 to 8% of CNG)
Disadvantages	Encourages monoculture of sugarcane, with little space for small producers	Larger production comes from soy, competing with small producers	Competes with ethanol for raw materials; high production costs	Requires efficient integration with activities that generate waste

Advantages



Flexibility, offering alternatives for different types of vehicles



Resilience, supported by an already established infrastructure



Sustainability, with significantly lower GHG emissions

Challenges



Investment, particularly in new technologies like SAF (Sustainable Aviation Fuel)



Land use, as deforestation for cultivation has a negative environmental impact



Competition, as expansion may conflict with crops intended for food production

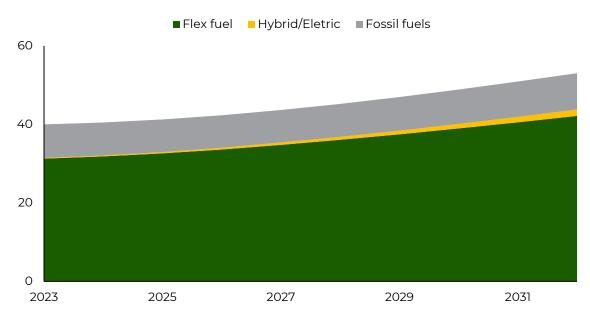
Sources: EPE, Team 11

Safeguarding Vibra's Position Amid Brazil's Unique Energy Transition



97

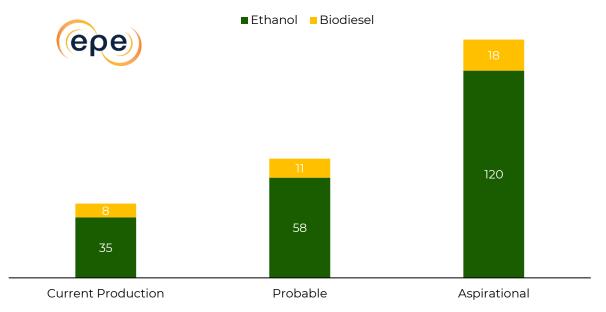
The rise of biofuels ensures a sustainable future for Vibras' operations Expected fleet of light vehicles in Brazil (mm)







Strong potential for production increase without deforestation Incremental biofuel production potential (BRL bn)



By simply restoring degraded areas, intensifying land use, and implementing existing technologies



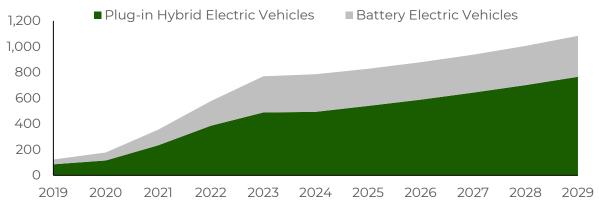
Brazil can increase its current biofuel production by over 200% without extra deforestation

Sources: Team 11, EPE

Adoption of electric cars worldwide

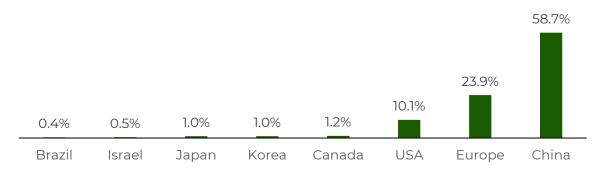


After a sharp increase, the outlook suggests more moderate growth Expected EV revenue growth by type (in USD bn)

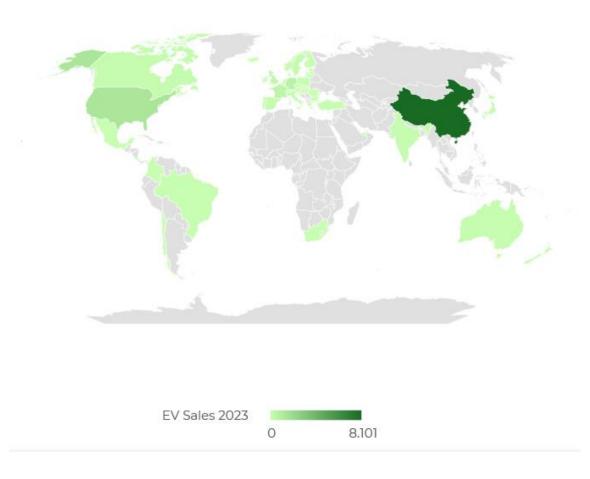


In 2023, China led global EV sales by a wide margin Market share of each country in global electric vehicle sales.

■ EV Sales 2023 (as a % of global EV sales)



Except for China, emerging countries have low EV sales Eletric Vehicle (all types) sales 2023 (in thousands)



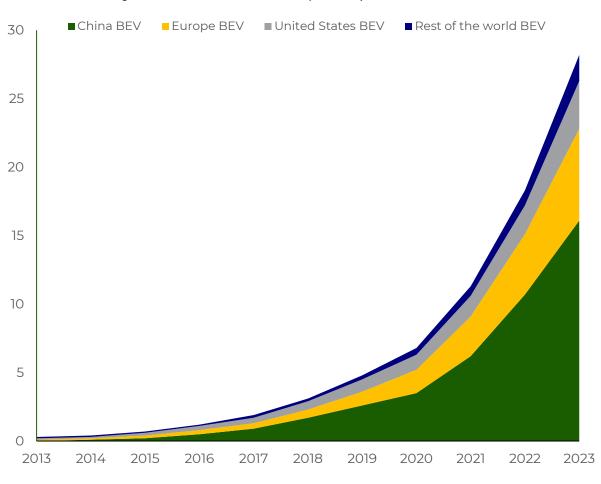
Sources: IEA, Statista

EVs in China

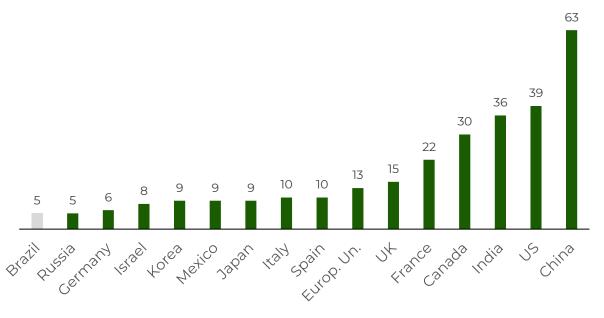
Adoption of Electric Vehicles in China



In China, BEV sales have skyrocketed in recent years Global battery electric vehicle stock (in mn)



The popularity of EVs in China is explained by the government's role Total number of policies supporting electric vehicles in effect



Current data indicates that electric vehicle adoption will accelerate in China and Europe. However, in other emerging markets with infrastructure challenges, such as **Brazil**, the **adoption curve is expected to be much slower**, and the viability of electric cars remains uncertain

Sources: IEA

In many emerging countries, the electric vehicle adoption has been slow



Price remains a significant barrier to EV adoption in Brazil

Price comparison between electric cars and conventional cars



Entry-level combustion engine car

Price R\$ 64,000

Model: Renault Kwid





Entry-level electric car

Price: R\$ 120,000

Model: BR Caoa Chery iCar





Entry-level PHEV* car

Price: R\$ 187,800

Model: BYD KING

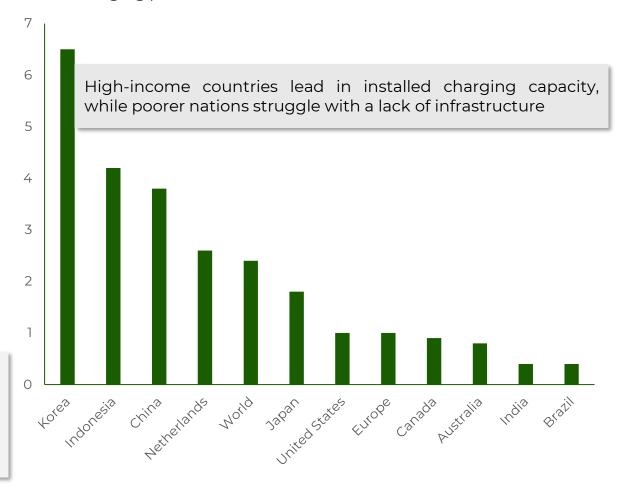




"The total average value of all passenger cars sold in the country is R\$140,000.00 while electrified vehicles start around this price point. This **significantly higher cost creates a constraint**."

Milad Kalume Neto, Director at JATO Dynamics Brazil.

Charging capacity is extremely low in Brazil kW of charging per EV



Sources: IEA, G1 * not considering MHEV

Consensus volume



In the long term, the market prices in a significant decline in cash generation **VIN VIBRA**

Financial modeling based on consensus data indicates significant long-term downside risk priced in FCFF consensus model (Bloomberg data, in BRL mn)

In BRL mn

FCFF VBBR3 - BB consensus	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Perp
EBIT	6,068	5,505	5,856	6,115	4,822	5,069	4,952	4,946	5,237	7,305	7,040
Tax rate	15.3%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%	18.0%
Nopat	5,140	4,514	4,802	5,014	3,954	4,156	4,061	4,056	4,294	5,990	5,773
Depreciation	565	715	746	774	750	779	814	846	878	1,007	1,007
Capex -	- 950 -	1,689 -	1,088 -	1,103 -	1,026 -	1,064 -	1,092 -	1,140 -	1,189 -	1,438 -	1,007
WK -	- 414	825 -	162 -	820	985	230 -	2,424 -	18 -	393 -	2,429 -	462
FCFF	4,139	4,158	4,132	3,720	4,488	3,947	1,308	3,604	3,456	3,013	5,112
Time step	0.25	1.3	2.3	3.3	4.3	5.3	6.3	7.3	8.3	9.3	9
IPCA (focus)	4,89%	4.99%	4.03%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%
WACC (n) 15.10%	9.73%	9.63%	10.64%	10.78%	10.78%	10.78%	10.78%	10.78%	10.78%	10.78%	37,097.17
Growth (g) -3.0%											4,01
PV	999	3,488	3,011	2,355	2,469	1,886	543	1,300	1,083	820	10,102
Valuation											

17,955
10,102
28,057
8,104
19,953
1,115
17.89
17.89
0%
3.5x

Modeling FCFF with Bloomberg consensus data and applying stress tests **reveals** a negative implicit real growth rate in perpetuity, reflecting anticipated declines in sales volume.

With the consensus data inputted, we adjusted the perpetuity growth rate (g) to achieve 0% upside.

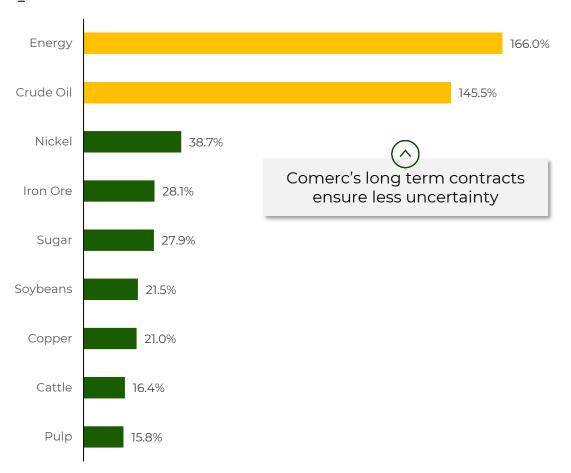
Sources: Bloomberg, Team 11

Comerc's Volatility

Cash flow resilience given lower volatility

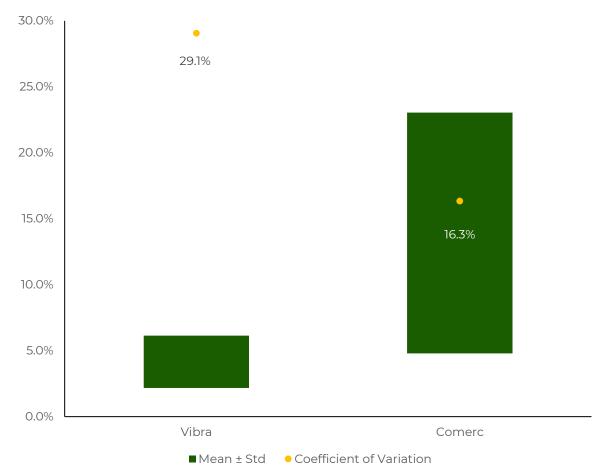


Having inflation-adjusted contract in a volatile market is huge! <u>5</u>Y Annualized volatility (%)



Comerc's margin is less volatile

Adj. EBITDA margin volatility comparison



Sources: Investing, CCEE, Companies, Team 11

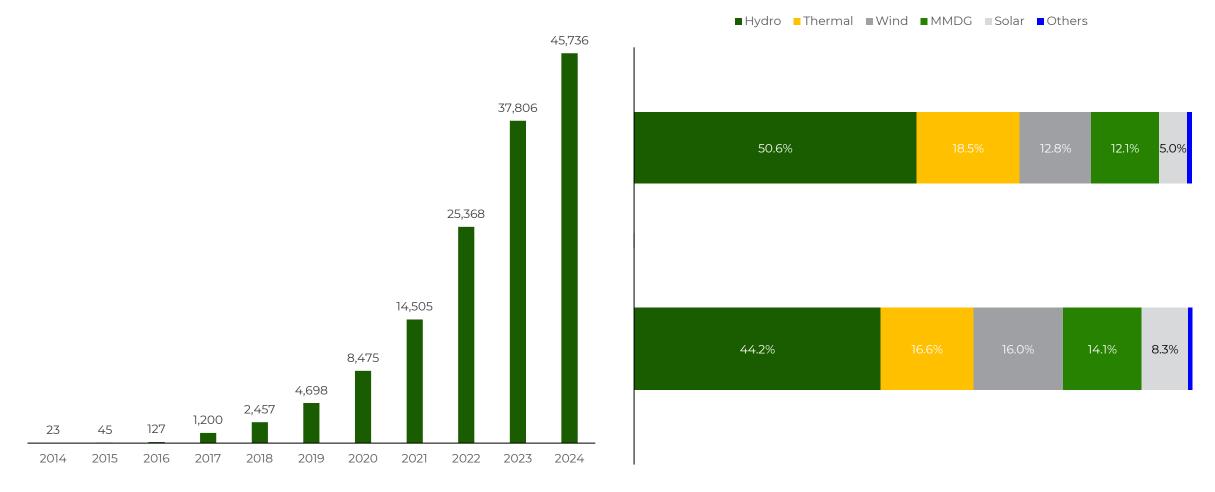
Solar Energy Mix

Solar energy in highlight



Huge increase in solar energy investments Solar installed capacity (MW)





Sources: ABSOLAR, ONS

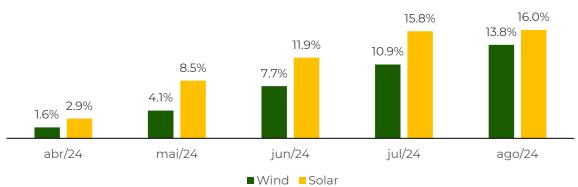
Curtailment

How does Comerc stand in regards of curtailment?

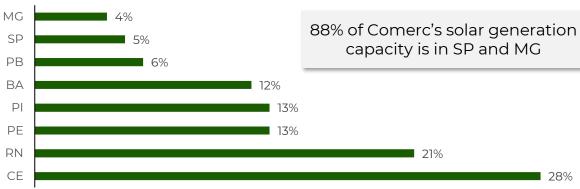


A recurring phenom in 2024

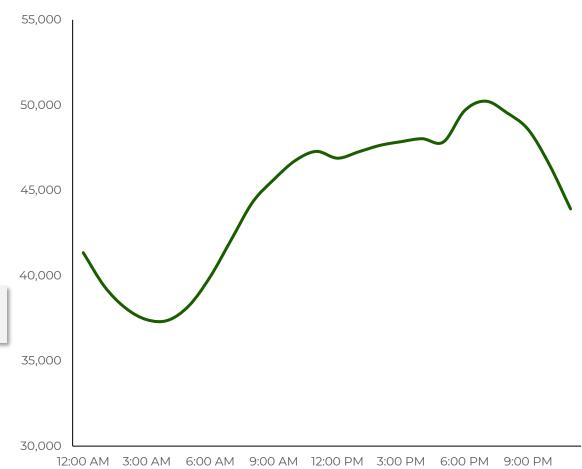
Wind and solar curtailment (% of total Generation)



Comerc's closeness to big urban centers offers curtailment protection Solar curtailment (% of total generation) by state (Apr-24 to Aug-24)



Solar Generation peaks during the day when demand is not at its peak Southeast's 2024 Energy Load Value (in Mwavg)



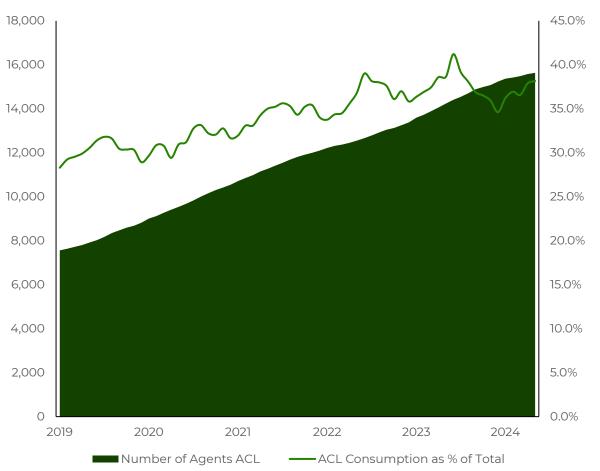
Sources: ONS, Team 11

Free Contracting Environment



Brazil's ACL has been growing steadily...

Number of agents in ACL and ACL Energy Consumption (as % of Total)



And it has a bright future ahead

Deregulation leads to TAM expansion

Silveira (Minister of Mines and Energy): consumer will be able to choose their energy supplier with the opening of the free market by 2030 **InfoMoney**

Sep 1st, 2024

What could happen between 2024 and 2025?

Aneel predicts that more than 36 thousands new consumers could enter the ACL until 2025, reflecting a potential TAM upside risk for companies like Comerc

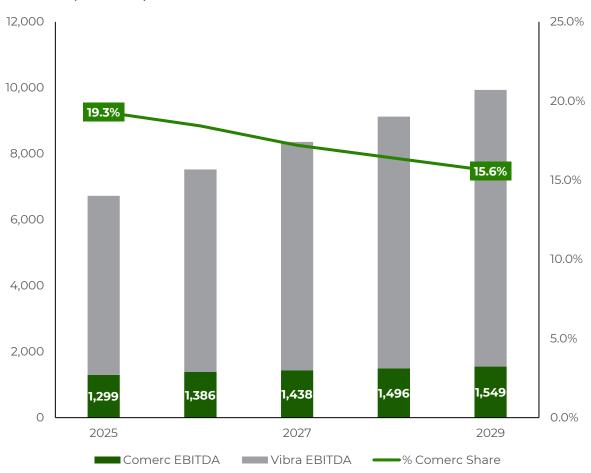
Sources: CCEE, Infomoney, Aneel

How does Vibra look with the acquisition?

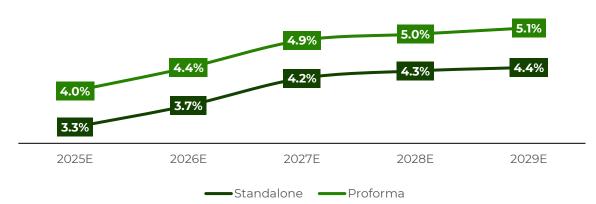


Comerc stands as a steady EBITDA generator

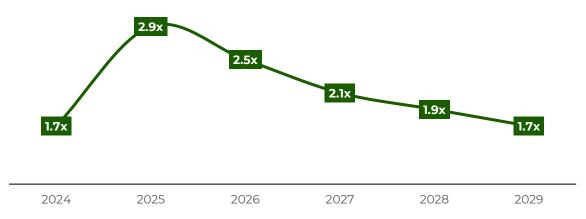
EBITDA (BRL mn) Breakdown and Comerc's EBITDA as % of Proforma



Comerc's mid-twenties EBITDA margin improves Proforma profitability Vibra standalone and Proforma model EBITDA Margins (%)



The acquisition temporally impacts leverage Proforma Net Debt / Adj. EBITDA



Sources: Team 11

How NPV and IRR is impacted by Ke and Selic?



Brazil's fiscal shock has impacted NPV status (22% implied premium) FCFE NPV of the acquisition (in BRL mn) based on Ke estimates

Still, the acquisition's return is greater than LT NTN-Bs Real internal rate of return (%) based on Selic sensibility

Ke	Var. Ke	NPV	Var. NPV
17.1%	2.0%	(1,134)	(349)
16.6%	1.5%	(1,056)	(271)
16.1%	1.0%	(972)	(187)
15.6%	0.5%	(882)	(97)
15.1%	-	(785)	-
14.6%	-0.5%	(680)	105
14.1%	-1.0%	(567)	218
13.6%	-1.5%	(444)	341
13.1%	-2.0%	(312)	463

Interest rate	Var. Interest rate	Real IRR	Var. IRR	
16.0%	2.0%	6.8%	-1.4%	
15.5%	1.5%	7.2%	-1.0%	
15.0%	1.0%	7.5%	-0.7%	
14.5%	0.5%	7.9%	-0.3%	
14%	-	8.2%	-	
13.5%	-0.5%	8.6%	0.4%	
13.0%	-1.0%	8.9%	0.7%	
12.5%	-1.5%	9.2%	1.0%	
10.0%	-2.0%	9.5%	1.3%	

Sources: Team 11

Transaction Comps

How does the transaction compare to others?



Transaction Comps point towards an expensive acquisition Implied EV and EBITDA (BRL mn)

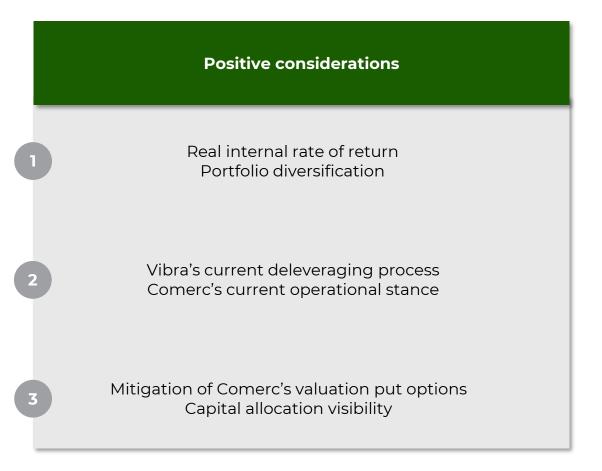
Year	Buyer	Target	Implied EV	EBITDA	EV/EBITDA	Fwd EV/EBITDA
2024	Auren	AES Brasil	17,974	1,595	11.3x	9.1x
2024	Vale	Aliança	6,898	846	8.2x	-
2021	Eneva	Focus	576	59	9.8x	2.6x
2021	Omega	Santa Vitória	1,505	179	8.4x	-
2020	AES Brasil	AES Tietê	9,619	1,108	8.7x	8.1x
2017	State Grid	CPFL	13,647	1,281	10.7x	9.0x
4th Quartile					10.4x	9.0x
Median					9.2x	8.5x
Deals with similar EV					10.7x	9.0x
2024	Vibra	Comerc	12,700	1,034	12.3x	9.8x

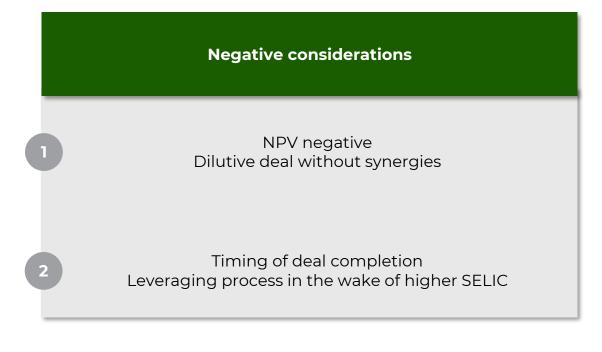
Sources: Capital IQ, Team 11

What are the positives and negatives of the deal?



In spite of timing in an ex-post analysis, Vibra's choice of antecipating the acquisition was correct given the deal structure Description





What is the bottomline in our view?

Given former management deal structure in 2021, the likelihood of a worst valuation and ex-ante view on monetary policy, anticipating the acquisition was the better available option.

Sources: Company, Team 11

Capital Allocation

What is next for Vibra?



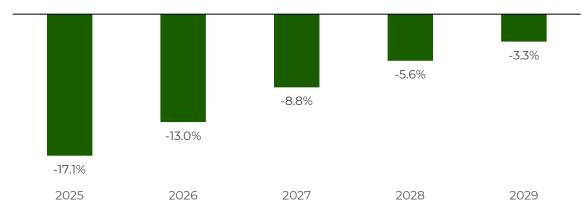
Share price went down by 3.4% following the announcement Vibra and market performance (100 basis points in Aug. 1st, 2024)



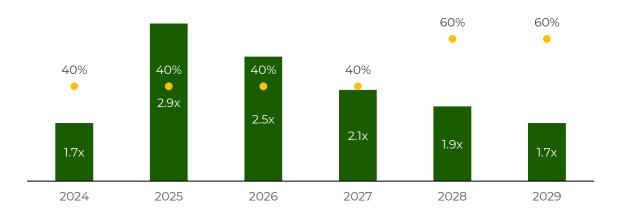
What can be done to regain re-trust on future capital allocation? Description



Deal became even more dilutive given Brazil's current yield curve EPS Accretion (Dilution) (%)



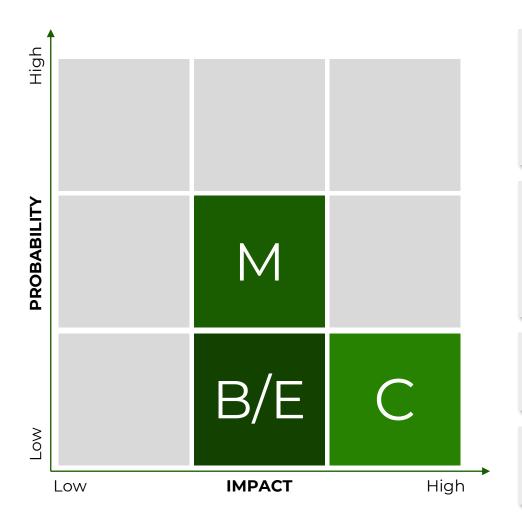
Deleveraging process while mainting high payout Proforma Net Debt /Adj. EBITDA and dividend payout (%)



Sources: Factset, Team 11

We see some risks associated with our investment thesis





Business and Operational Risks (B):

- (B1) Failure of the Rebranding Process Probability: Low | Impact: High
- (B2) Increased Interest Risk due to Post-Acquisition Debt Probability: Medium | Impact: Medium
- (B3) Errors in Supply Strategy Probability: Medium | Impact: Medium
- (B4) Logistics Infrastructure Issues Probability: Low | Impact: Medium

Competitive Risks (C)

- (C1) Failure to Combat Illegal Activity Probability: Low | Impact: High
- (C2) Changes in Petrobras' Quota System Probability: Low | Impact: High
- (C3) Abrupt Changes in Supply Dynamics that Favor Imports Probability: Low | Impact: High
- (C4) Heightened Competition Probability: Low | Impact: Medium

Macroeconomic Risks (M)

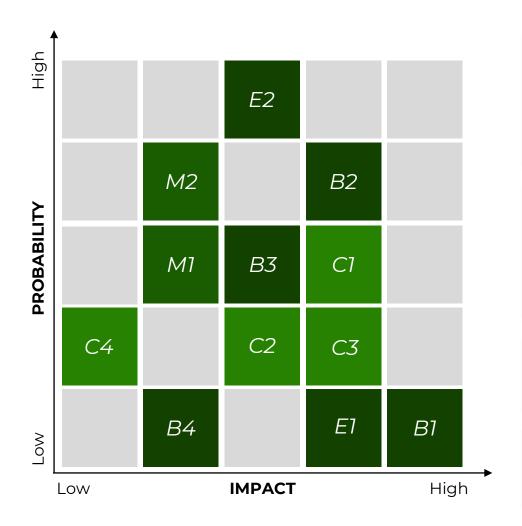
- (M1) Slower National Economic Activity Probability: Medium | Impact: Medium
- (M2) Impact of the Middle East Crisis Probability: Medium | Impact: Medium

ESG Risks (E)

- (E1) Misallocation of Capital for the Future Probability: Low | Impact: High
- (E2) Climate Risks to Agribusiness Probability: Medium | Impact: Medium

We see some risks associated with our investment thesis





Business and Operational Risks (B):

- (B1) Failure of the Rebranding Process Probability: Low | Impact: High
- (B2) Increased Interest Risk due to Post-Acquisition Debt Probability: Medium | Impact: Medium
- (B3) Errors in Supply Strategy Probability: Medium | Impact: Medium
- (B4) Logistics Infrastructure Issues Probability: Low | Impact: Medium

Competitive Risks (C)

- (C1) Failure to Combat Illegal Activity Probability: Low | Impact: High
- (C2) Changes in Petrobras' Quota System Probability: Low | Impact: High
- (C3) Abrupt Changes in Supply Dynamics that Favor Imports Probability: Low | Impact: High
- (C4) Heightened Competition Probability: Low | Impact: Medium

Macroeconomic Risks (M)

- (M1) Slower National Economic Activity Probability: Medium | Impact: Medium
- (M2) Impact of the Middle East Crisis Probability: Medium | Impact: Medium

ESG Risks (E)

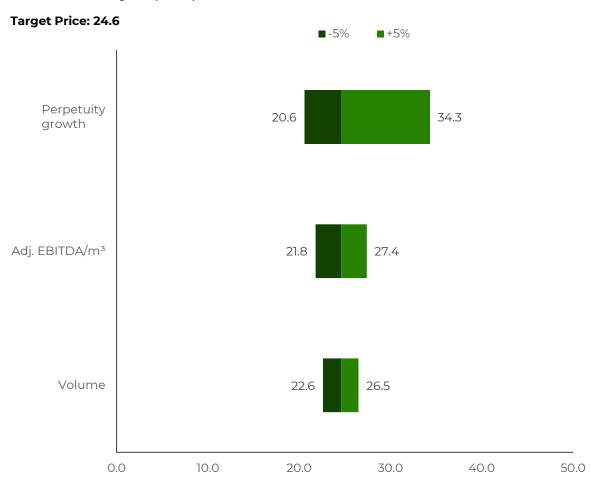
- (E1) Misallocation of Capital for the Future Probability: Low | Impact: High
- (E2) Climate Risks to Agribusiness Probability: Medium | Impact: Medium

Tornado Analysis

We carried out a Tornado Analysis to check the sensitivity of our target price



Our target price is sensitive to some important variables Tornado Analysis (BRL)



Our valuation is sensitive to **perpetuity growth, adjusted EBITDA margin and volume**

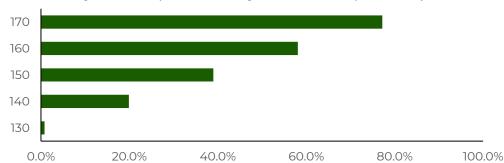
It is easy to see that our model is especially sensitive to perpetuity growth, as was expected.

It is worth noting that even in cases where one of these variables is 5% lower than expected, **the investment still offers a good upside**

Vibra is an investment with a great margin of safety

Our upside is also very sensitive to Adj. EBITDA/m³, but even pessimistic cases offer upside

Sensitivity of the upside to Adj EBITDA/m³ (BRL/m³)



In most cases, this analysis reinforced our buy recommendation





Variable	Distribution	Mean	Stdev
Market Share Gain (QoQ)	Normal	0.2%	0.2%
Efficiency Gain of Margin	Normal	50.0%	50.0%
Cost of Equity	Normal	15.2%	2.0%

Methodology:

We assumed the above distributions for key variables, simulated over 10,000 scenarios sampled randomly from those distributions and stored the resulting price target for each simulation.

Results:

In most scenarios, Vibra's current price level offers a highly favorable risk-reward ratio, taking into account the uncertainties of sales volume (market share), margin, and cost of capital.

Although very impactful, we consider this highly unlikely



A future scenario with more opportunities for imports, driven by lower international oil prices compared to Petrobras' ones, would harm Vibra

This would:

1. Enable independent stations to offer lower prices and create an excess supply in the market

2. Decrease the competitive advantage of incumbents in relation to their quota positions

3. Put pressure on Vibra's margin

4. Make it harder to present new market share gains

However, we see this as highly unlikely



Currently, **Petrobras has no incentive to change its policy**. The company has been performing well, and this would be contrary to the government's interests.



There are still **different relevant pressures** that mean that volatility and the price of imports will remain high.

Also, only significant reductions in our estimates would lead to a downside

Sensitivity Analysis

Adj. EBITDA 4Q24 (BRL/m3)

		130	140	150	160	170
Gain (%)	-0.8%	-27.4%	-14.0%	-0.6%	12.8%	26.3%
	0.0%	-13.7%	2.6%	18.8%	35.1%	51.4%
Annual MS	0.8%	0.8%	19.9%	38.9%	58.1%	77.2%
nnuc	1.6%	15.9%	37.9%	59.8%	81.8%	103.8%
₹	2.4%	31.6%	56.4%	81.2%	106.0%	130.8%

There are important channels that prevent major impacts should this happen $oldsymbol{V}$



These discoveries are practically unpredictable.

The most recent were:

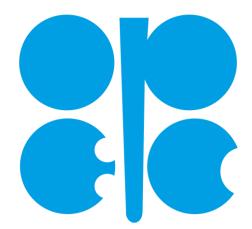
2006 – Brazil (Pre-Salt Layer, 2.2 mbpd)

Nothing Relevant

2015 - Guiana (Atlantic Ocean, 1.2 mbpd)

2018 – USA (Shale Oil, 1.1.3 mbpd)

2024 – Turkey (Şırnak, 0.1 mbpd)



The Organization of the Petroleum Exporting Countries (OPEC) is made up of major oil producers:

Algeria Congo Equatorial Guinea Gabon

Iran Iraq Kuwait Libya Nigeria Saudi Arabia

UAE Venezuela

They **coordinate** production policies and regulate prices on the international

If this were to happen, OPEC would probably seek to **limit the production of its members**, preventing the new demand from generating a drop in the price of the commodity.

Vibra could only be affected if it caused a very significant drop on the price

2015

Slower National Economic Activity

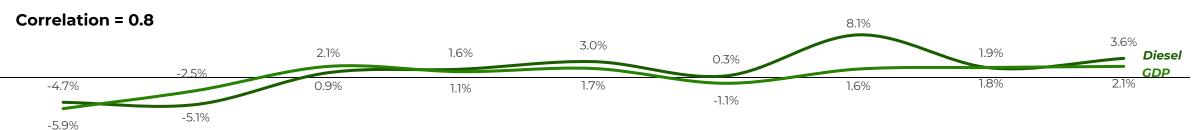
2016



2023

Due to the strong connection between economic performance and fuel demand, a worse outlook for the future could hurt Vibra's sales Diesel Sales and GDP YoY (%)

2018



2019

However, there are important points that protect Vibra from this risk

2017

Although the total volume of the sector may not grow, Vibra should gain share due to our first two theses.

There are **strong growth prospects for agribusiness** in 2025. The total crop is expected to grow by 7% and the soybean crop by 13%.

And our valuation reflects this investment safety margin

2021

2020

Market Share Gain YoY (%)

2022

(%)		0.0%	0.4%	0.8%	1.2%
3 6 6 6	-2.0%	-1.5%	7.8%	17.3%	26.9%
	-1.5%	0.9%	10.3%	19.9%	29.7%
	-1.0%	3.3%	12.8%	22.5%	32.4%
	-0.5%	5.6%	15.3%	25.2%	35.2%
	0.0%	8.0%	17.9%	27.9%	38.1%

Source: ANP, IBGE, Team 11, REA

We see little influence of Trump's election on Vibra's business



Bloomberg Línea

"Drill, baby, drill"? Increased drilling is unlikely under Trump, says Exxon.

The President of Upstream at the oil and gas giant stated that most companies are focused on economics and do not expect a radical shift in plans for drilling new wells in the US.

November, 26th, 2024



Donald Trump's plan **to boost oil exploration** focused on rolling back environmental regulations, opening federal lands and offshore areas for drilling

The market remains skeptical about the economic feasibility of an expansion in oil production, with companies increasingly focusing on financial returns and long-term efficiency.



How could Vibra be impacted?

Possible impacts of Trump's victory on the energy sector

1. Decrease in oil prices

2. Delays in the energy transition

3. Reduction in environmental policies

4. Increased state incentives

As a fuel distributor, Vibra is marginally affected by these changes.

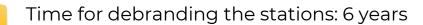
Sources: Bloomberg

Our perspective on the licensing of the BR brand



Licensing details

Contract termination: 2029



BR brand end if not renewed: 2035

Given Vibra's large network and long contract term, we don't see this as a relevant risk now.

How this could impact our valuation:

We can assume a negative impact on terminal growth in perpetuity to account for this long-term risk.

Perpetuity nominal growth rate (%)

-0.5%	0.0%	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
20.5%	22.3%	24.2%	26.3%	28.6%	31.0%	33.6%	36.4%	38.9%

Low impact due to being far in the long term

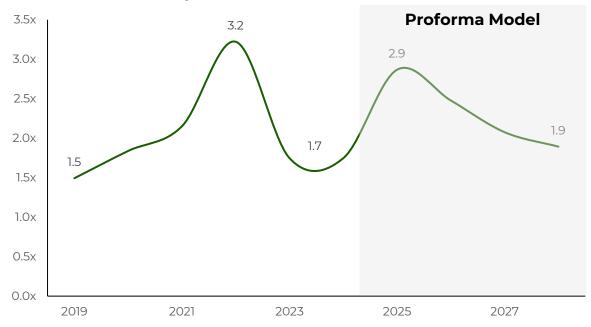
Risks linked to our thesis can make our recommendation a sell



A **poor allocation of capital**, with acquisitions that increase the company's indebtedness in the coming years

Its leverage is already compromised for the next few years after the acquisition of Comerc. This could cause significant risks.

Vibra's Net debt / Adj. EBITDA



2

Changes in Petrobras' pricing strategy that make it a more expensive alternative

3

Failure to combat players based on illegal practices

These points would damage the company's margin and future market share gains. In extreme scenarios, the investment would no longer be attractive.

Sensitivity Analysis

Adj. EBITDA 4Q24 (BRL/m3)

		130	140	150	160	170
(%) ر	-0.8%	-27.4%	-14.0%	-0.6%	12.8%	26.3%
Gain	0.0%	-13.7%	2.6%	18.8%	35.1%	51.4%
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חחת	1.6%	15.9%	37.9%	59.8%	81.8%	103.8%
Ĭ	2.4%	31.6%	56.4%	81.2%	106.0%	130.8%

Sources: Company, Team 11

Vibra x Ultrapar x Raízen



	Vibra	Ultrapar/Ipiranga	Raízen/Shell
Volume (2023)	36,931	23,105	27,858
Key Financials			
Adj. EBITDA/m³ (3Q24)	175.7 BRL/ m ³	153.2 BRL/m ³	129.9 BRL/m ³
2023 ROIC (Distibution segment)	18.3%	13.0%	17.5%
Net Debt/Adj. EBITDA (2023)	1.75	1.08	0.74
ESG			
MSCI Rating	AA	Α	₽ AA
B3 "Segmentos de listagem"	🔑 "Novo Mercado"	🔑 "Novo Mercado"	"Nível 2"
Competitive Advantage			
Market Share	25%	16%	19%
Petrobras quotas (Estimate)	38%	24%	23%
Tanking Capacity	1,468,583 m ³	531,440 m ³	820,962 m ³

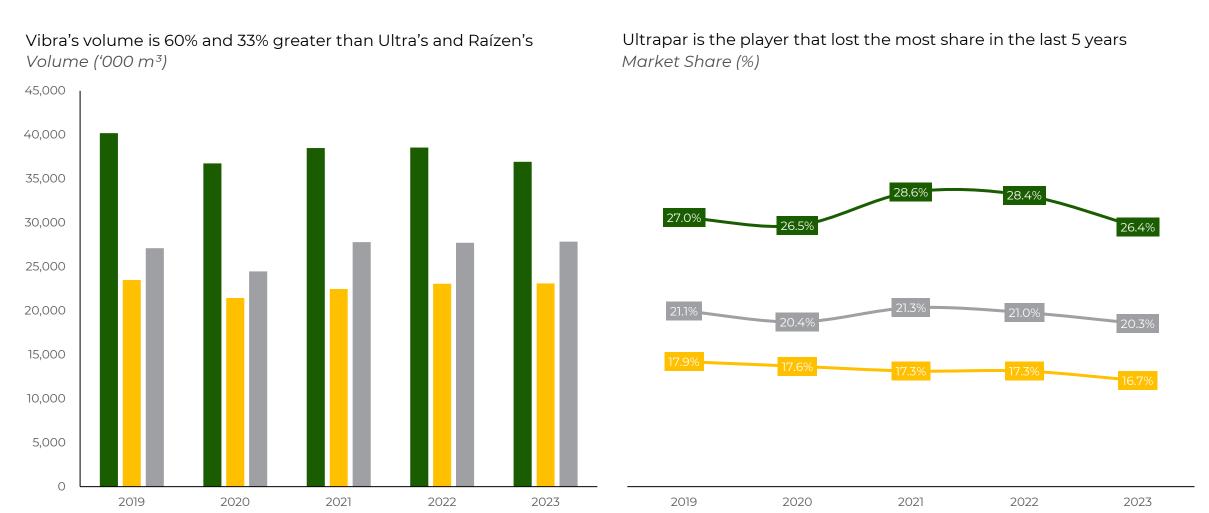
Source: Team 11

How does Vibra compare to its peers regarding scale?

■ Vibra ■ Ultrapar ■ Raízen



122

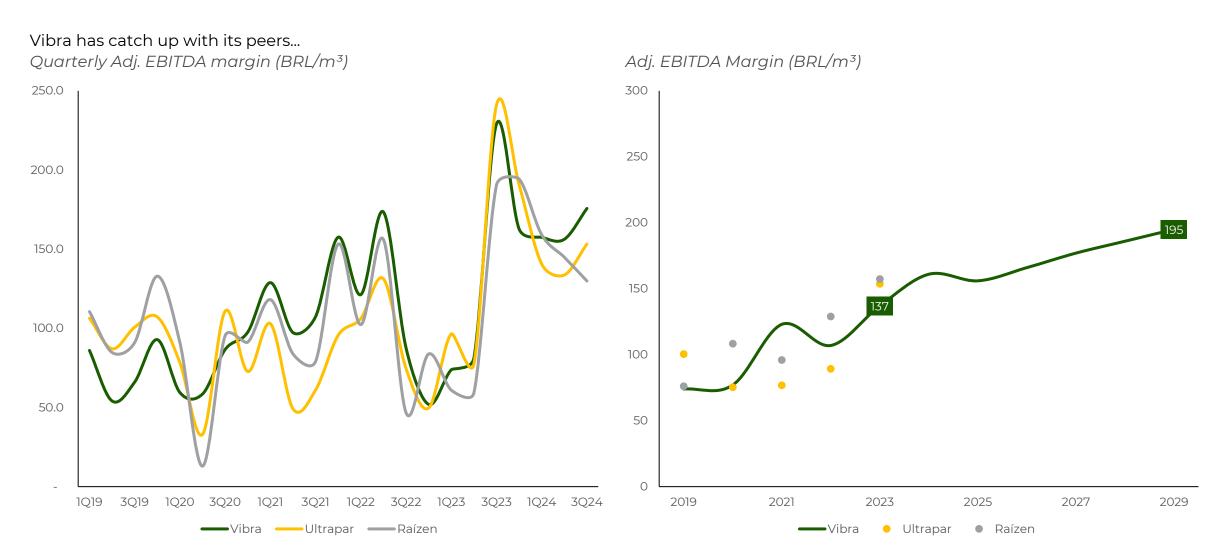


Sources: Companies, IBP

Adjusted EBITDA/m³



123



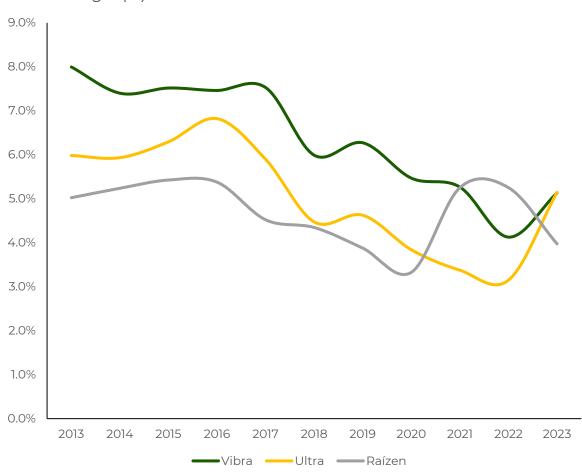
Sources: Company, Team 11

Margins

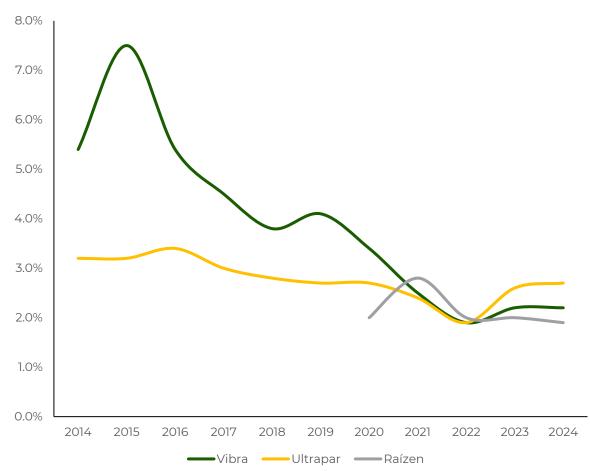


124

Historically, Vibra has the best gross margin between peers... Gross margin (%)



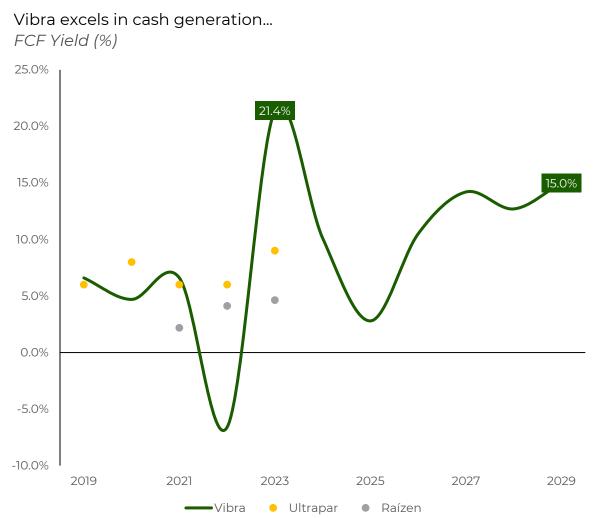
While having a huge SG&A control improvement SG&A margin (%)



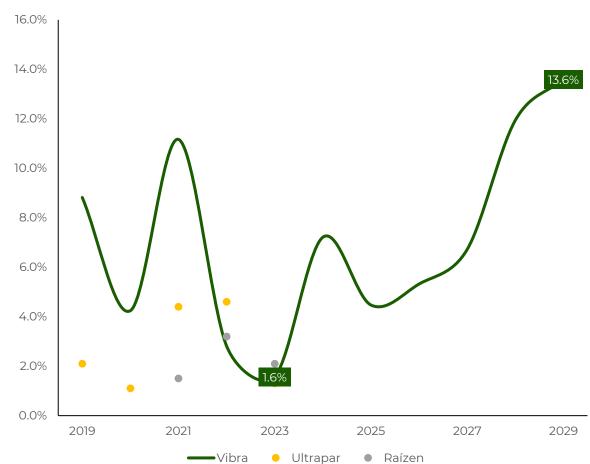
Sources: Companies, Team 11

Cash Generation and Dividends





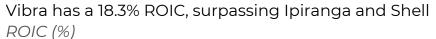




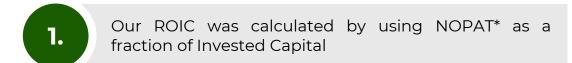
Sources: Companies, Team 11

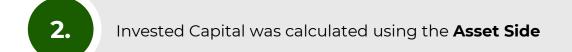
Return on Invested Capital



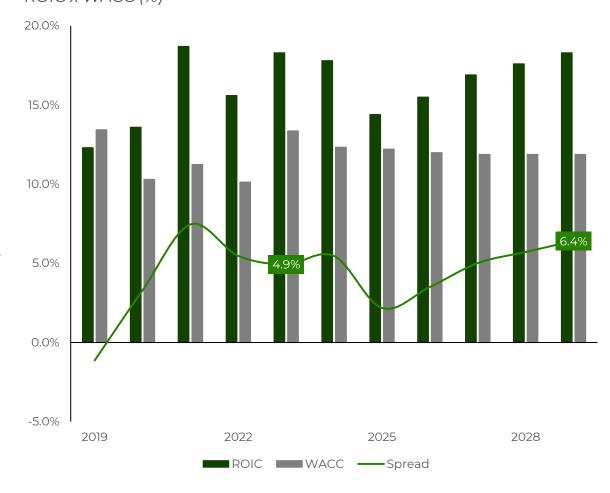








Value generation for years to come ROIC x WACC (%)



*For NOPAT, we used Adj. EBIT

Return on Equity and Return on Capital Employed



We did a **DuPont Analysis** for Vibra, resulting in a 30% ROE



Vibra stands with the most consistent ROCE among peers ROCE (%)



- ROCE was calculated by using Adj.EBIT as a fraction of the diff. between Assets and Current Liabilities
- Similarly to ROIC, it measures the companies' abilities to generate return based on their usage of capital

Sources: Companies, Team 11

Working Capital



Vibra is not the top player regarding cash flow efficiency Cash conversion cycle (in days)

Despite improvement, Vibra is very depleted when compared to its mains peers regarding working capital. The main reason is based upon DIO - Vibra's greater capacity asset base results in a lower inventory turnover.

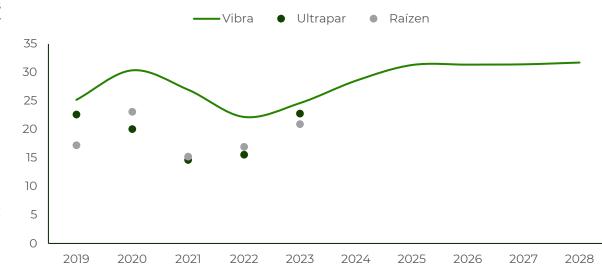


As seen in our catalysts, current positive industry tailwinds could lead to an outstanding volume growth for the company, given the reduction of tax evasion and its logistics competitive advantage.



Even so, we preferred to be conservative in our model, in which a 32 days CCC was forecasted with no improvement based on historical levels and considering Comerc's acquisition impact.





Vibra	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Receivables	17	18	16	14	14	13	15	15	15	15
Inventory	13	16	16	14	13	14	17	17	17	17
Payables	9	10	10	11	11	7	8	8	8	8
Tax	4	7	5	5	8	8	8	8	8	8
ссс	25	30	27	22	25	29	31	31	31	32

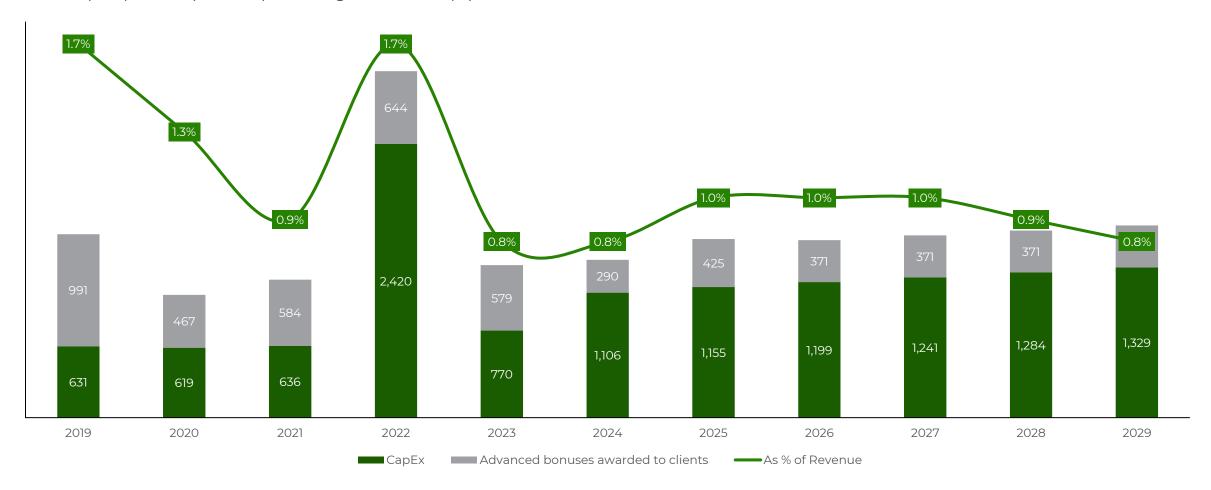
Sources: Company, Team 11

CapEx



We forecast a slight increase in Vibra's capital investment rate.

Total CapEx (BRL mn) and as percentage of revenue (%)

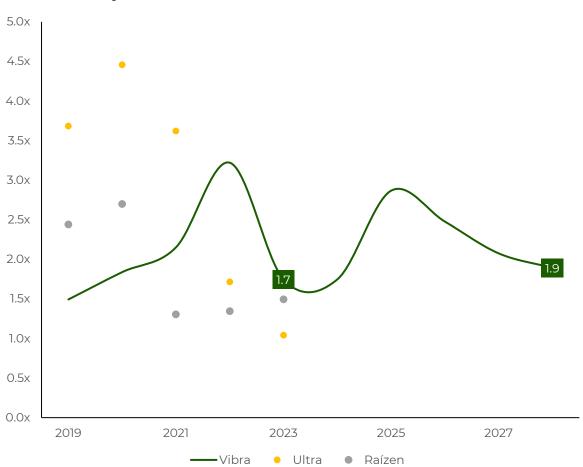


Sources: Company, Team 11

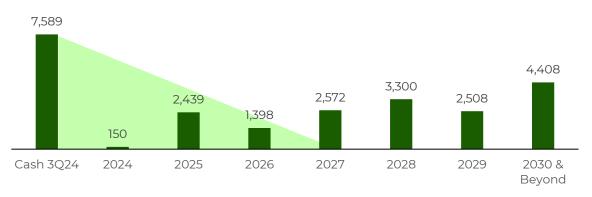
Leverage and Capital structure



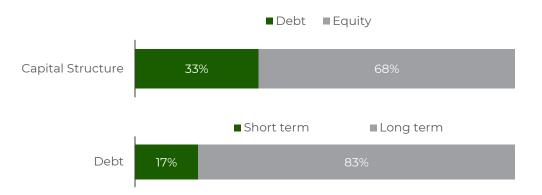
A possibly challenging short term given Comerc's acquisition Net debt / Adj. EBITDA



Vibra's current cash balance meets its debt ammortization until 2027 Ammortization schedule (BRL mn)



Almost 70% of Vibra's financing comes from equity Capital structure (%)

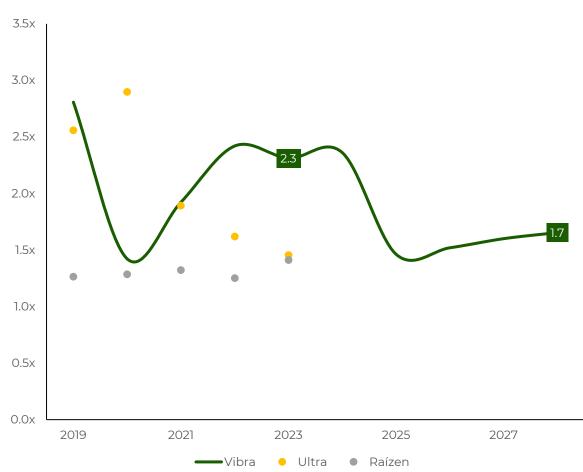


Sources: Companies, Team 11

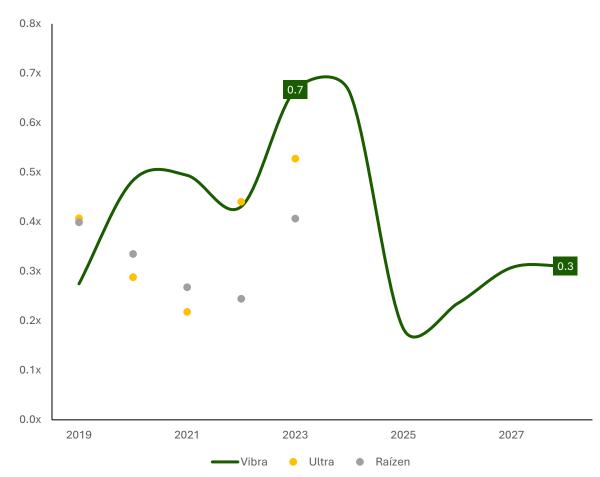
Financials Liquidity



Comerc's acquisition will impact Vibra's BS liquidity Current ratio



Comerc's acquisition will impact Vibra's BS liquidity Cash ratio



Sources: Companies, Team 11

Valuation Methodologies

How did we value Vibra?



FCFE DCF

Net Income

D&A (+)

CapEx (-)

Investment in WC (-)

Change in Debt (+)

FCFE

Cost of Equity: 15.2% g (perpet

g (perpetuity): 3.5%

Target Price = Equity Value # of Shares

Target Price: 24.6 BRL

Upside: 38.9%

Relative Valuation

2025 P/E	BR	LatAm	EU	US	Asia
Current P/E Median:	7.3x	6.2x	7.6x	14.3x	9.6x
Historical Premium:	(14.6%)	42.9%	52.0%	3.4%	30.0%
Adjusted P/E:	6.2x	8.8x	11.5x	14.8x	12.4x
Weighted Average:			10.1x		

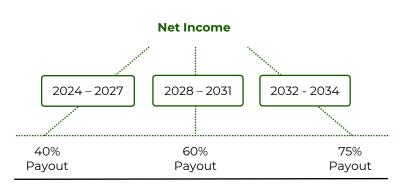
Equity value = Earnings 2025E * 10.1x

Target Price = Equity Value
of Shares

Target Price: 24.2 BRL

Upside: 37.0%

DDM



Cost of Equity: 15.2% g (perpetuity): 5.1%

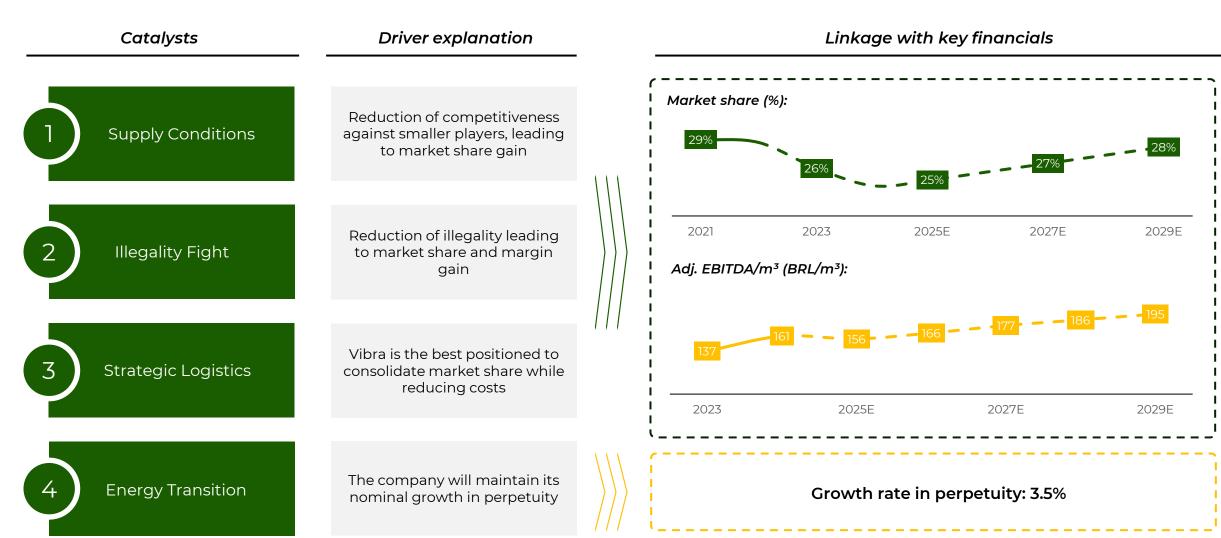
Target Price = Equity Value
of Shares

Target Price: 24.3 BRL

Upside: 37.4%

Our theses are directly linked to the financial forecast of Vibra





What if the gross margin varied?



There are two catalysts that could generate a higher gross margin

What if the gross margin varied?



Reduction of competitiveness against smaller players, leading to market share gain



Reduction of illegality leading to market share and margin gain

We decided not to incorporate gross margin gains out of conservatism

Market Share Annual Gain (%)

		0.0%	0.4%	0.8%	1.2%
(%	0.0%	19.2%	29.2%	38.9%	49.8%
Gain (0.1%	25.1%	35.6%	46.2%	57.0%
Gross Margin Annual Gain (%)	0.2%	31.1%	42.0%	53.0%	64.2%
argin A	0.3%	37.0%	48.3%	59.8%	71.4%
oss Ma	0.4%	43.0%	54.7%	66.5%	78.6%
Ğ	0.5%	48.9%	61.0%	73.3%	85.8%

Sources: Team 11

Our theses are directly linked to the financial forecast of Vibra



Our view

The market is not pricing in these long-term drivers



More unpredictable and risky imports will reduce the competitiveness of smaller players

2 Illegality Fight

Reduction of illegality leading to market share and margin gain

3 Strategic Logistics

Vibra is the best positioned to consolidate market share while reducing costs

4 Energy Transition

The company will maintain its nominal growth in perpetuity







Source: Team 11

19.718.4

1.115.3

17.7

17.68

0.0%

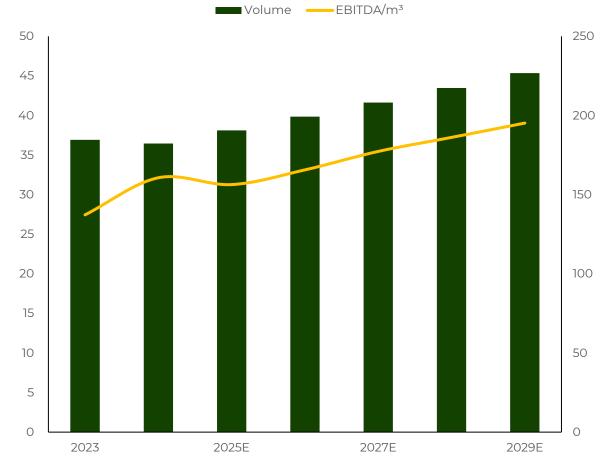
How do we project the margin in the model?



Our margin projection is based on our theses, yet we maintain strong conservatism in the model







Source: Team 11

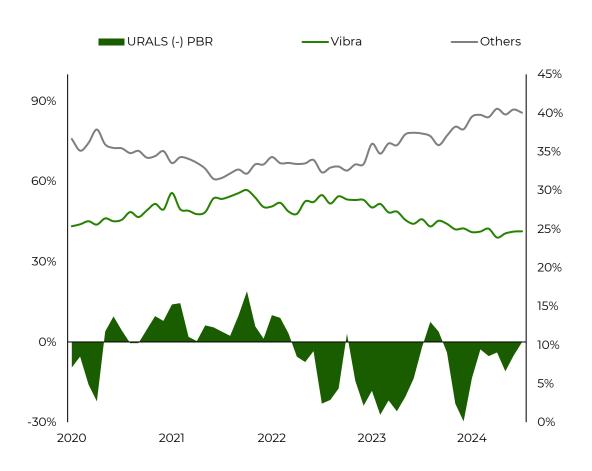
Valuation Assumptions

Reasoning behind market share forecast



Russian diesel is losing its edge...

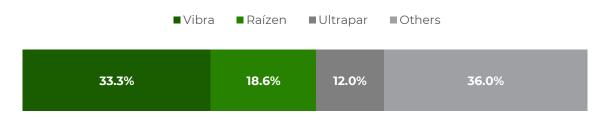
Spread URALS - PBR (left) and Vibra and others (exc. Top 3) MS (right)



Illegality combat will change market conditions... Proxy of Illegal Share through CBIOS Target



And Vibra is well positioned to gain share with its logistics moat Installed tanking capacity as a % of total brazilian capacity 3Q24 (%)



Sources: Team 11

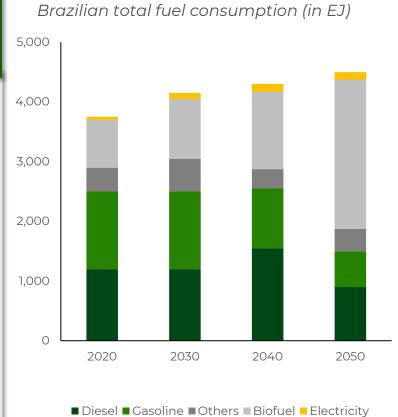
Valuation Assumptions

Perpetuity growth rate



We believe that the used growth rate reflects our instance on margin of safety Description





Real perpetuity growth rate (%)

		-3.0%	-1.5%	0.0%	1.5%	3.0%
5	0.0%	7.0%	12.3%	19.0%	27.6%	39.2%
	0.4%	15.4%	21.4%	29.0%	38.8%	51.9%
	0.8%	24.0%	30.7%	38.9%	50.1%	64.8%
	1.2%	32.7%	40.2%	49.5%	61.6%	77.9%
	1.6%	41.6%	49.8%	60.0%	73.3%	91.2%

Sources: Team 11

Team 11 vs Consensus

How do our forecasts compare to market ones?



How do our forecasts compare to the market?

Revenue, EBITDA and Net Income (BRL mn)

Income Statement	2022A	2023A	2024E	2025E	2026E	2027E	2028E
Revenue Team 11	181,446	162,947	172,636	164,286	165,054	166,311	176,144
Capital IQ Consensus			171,117	168,910	175,386	169,514	207,491
vs Consensus %			0.8%	-2.7%	-5.8%	-1.8%	-15.1%
Adj. EBITDA Team 11	4,113	5,068	5,858	5,959	6,601	7,382	8,091
Capital IQ Consensus			5,994	6,324	6,910	6,638	7,398
vs Consensus %			-2.3%	-5.8%	-4.5%	11.2%	9.4%
Net Income Team 11	1,537	4,766	6,462	2,658	3,105	3,634	4,157
Capital IQ Consensus			5,559	2,876	3,092	3,478	3,843
vs Consensus %			16.2%	-7.5%	0.4%	4.5%	8.1%
Sources: Team 11, Capital IQ							
Appendix							139

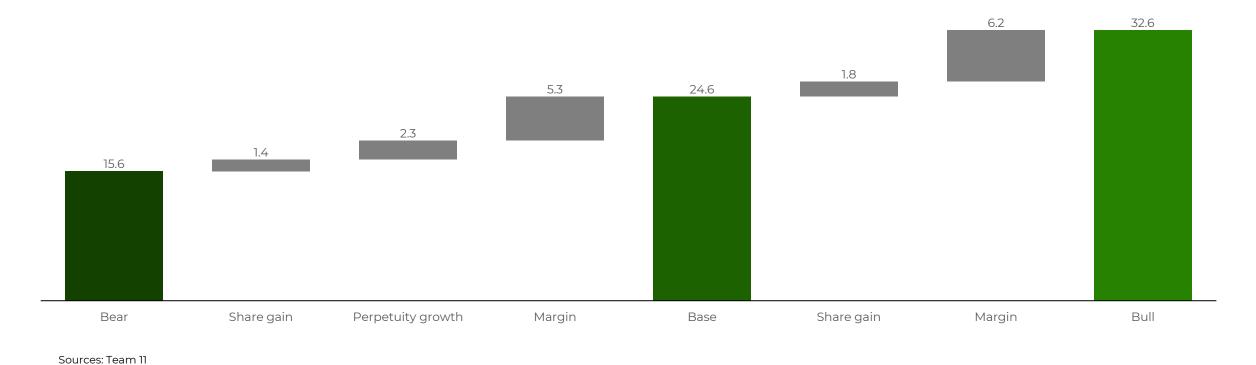
How can our cases' target prices be explained by different variables?



Pessimisitic assumption leads to limited downside

Scenarios and Variables Considered (BRL)

Variable	Bear Case	Base Case	Bull Case
Adj. EBITDA Margin 4Q2024 (BRL/m3)	150.0	153.0	156
Adj. EBITDA Margin growth rate (%)	Inflation	Inflation + 50% Efficiency gains	Inflation + 100% Efficiency gains
Quarterly share gain (%)	0.0%	0.2%	0.3%
Perpetuity growth rate (%)	0.0%	3.5%	3.5%

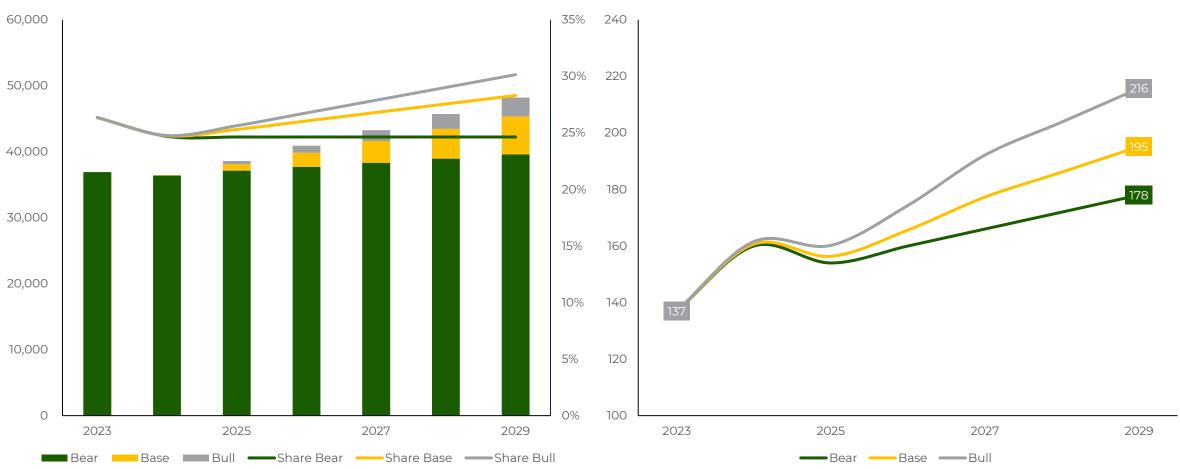


Vibra's key variables in each scenario





Base case assumes a 6% CAGR Adjusted EBITDA Margin (BRL/m³)



Sources: Team 11

FCFE

Annual MS Gain (%)

Sensibilities



Pessimistic assumptions lead to limited downside Perpetuity growth rate x Share gain Margin is the most sensible assumption in our model Margin x Share gain

Perpetuity growth rate (%)

	2.5%	3.0%	3.5%	4.0%	4.5%
-0.8%	-4.1%	-2.4%	-0.7%	1.3%	3.4%
0.0%	14.1%	16.3%	18.7%	21.4%	24.2%
0.8%	33.1%	35.9%	38.9%	42.2%	45.9%
1.6%	52.6%	56.0%	59.7%	63.7%	68.2%
2.4%	72.6%	76.7%	81.0%	85.8%	91.0%

Adj. EBITDA 4Q24 (BRL/m3)

		130	140	150	160	170
Annual MS Gain (%)	-0.8%	-27.4%	-14.0%	-0.6%	12.8%	26.3%
	0.0%	-13.7%	2.6%	18.8%	35.1%	51.4%
	0.8%	0.8%	19.9%	38.9%	58.1%	77.2%
	1.6%	15.9%	37.9%	59.8%	81.8%	103.8%
Ą	2.4%	31.6%	56.4%	81.2%	106.0%	130.8%

Upside greater than cost of equity in 76% of scenarios

Upside greater than cost of equity in 72% of scenarios

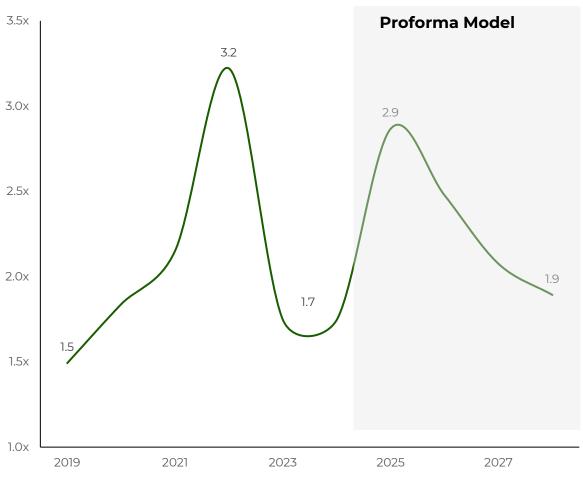
Sources: Team 11

How current yield curve impacts Vibra?



Increased leverage in a high interest rate scenario...

Vibra Net Debt/Adj. EBITDA



But Vibra is well protected

Upside sensibility to debt rate and cost of equity (%)

Debt rate (%)

		16.0%	15.0%	14.0%	13.0%	12.0%
Cost of equity (%)	17.2%	4.7%	9.5%	14.0%	18.4%	22.6%
	16.2%	15.7%	20.8%	25.7%	30.4%	34.8%
	15.2%	28.8%	34.3%	38.9%	44.5%	49.4%
Sost c	14.2%	44.5%	50.4%	56.1%	61.6%	66.8%
O	13.2%	63.6%	70.2%	76.4%	82.4%	88.1%

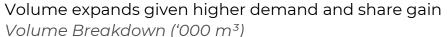
Upside greater than cost of equity in 88% of scenarios

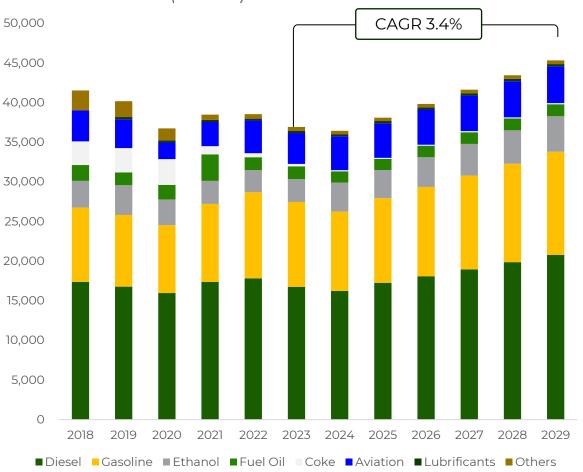
Sources: Team 11

Financial Forecast

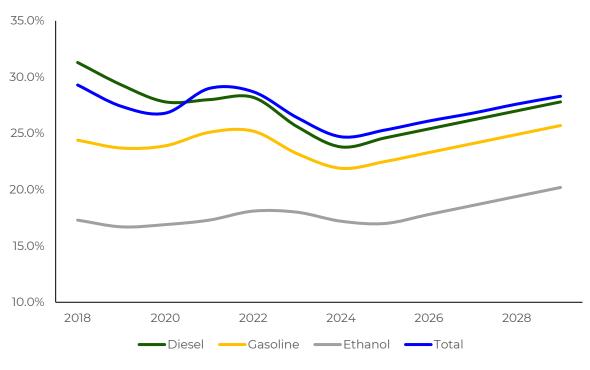
Vibra's key operational lines assumptions







Major market share gain (0.8% a year) given our catalysts Market Share (%)



No market share gain in the fuel oil and aviation segments. Flat in 3Q24 numbers, i.e. 73.3% and 62.9%

Sources: Vibra IR, Team 11

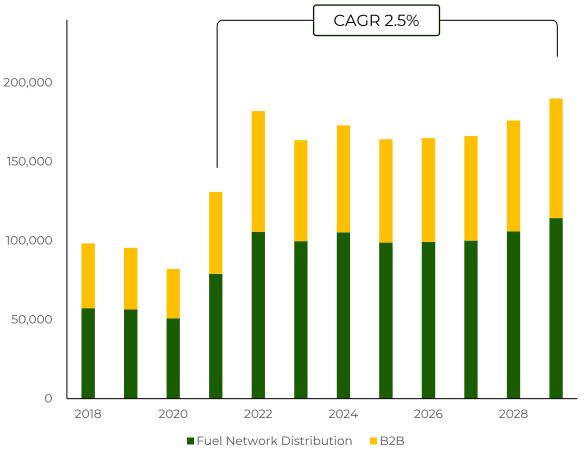
Financial Forecast

Vibra's key financial lines assumptions

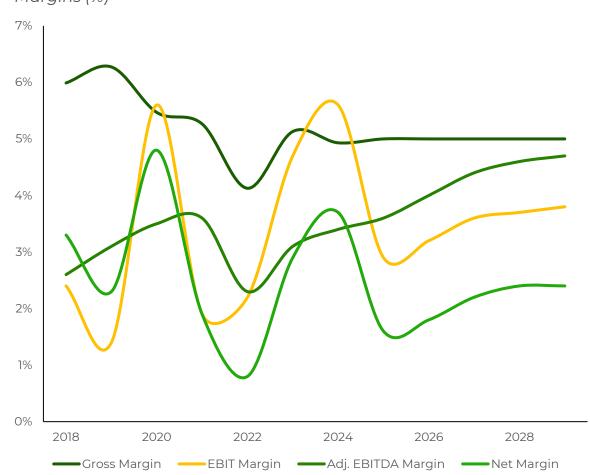


Revenue gradually returns to peak 2022 levels

Revenue Breakdown (in BRL mn)



Margin upwards trend given cost dilution Margins (%)

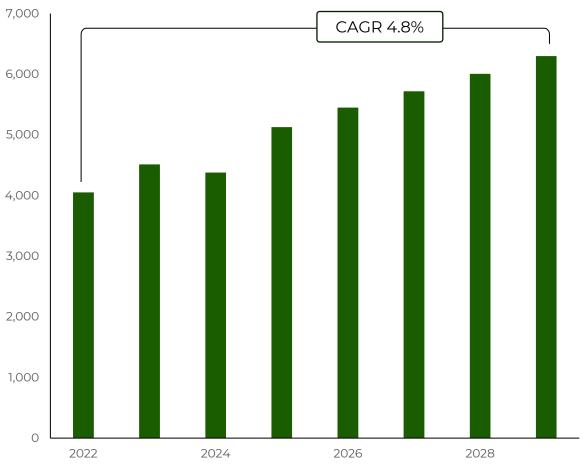


Sources: Vibra IR, Team 11

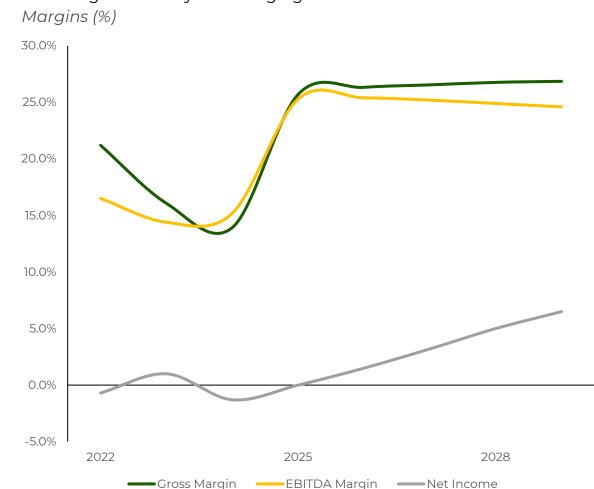
Comerc's key financial lines assumptions





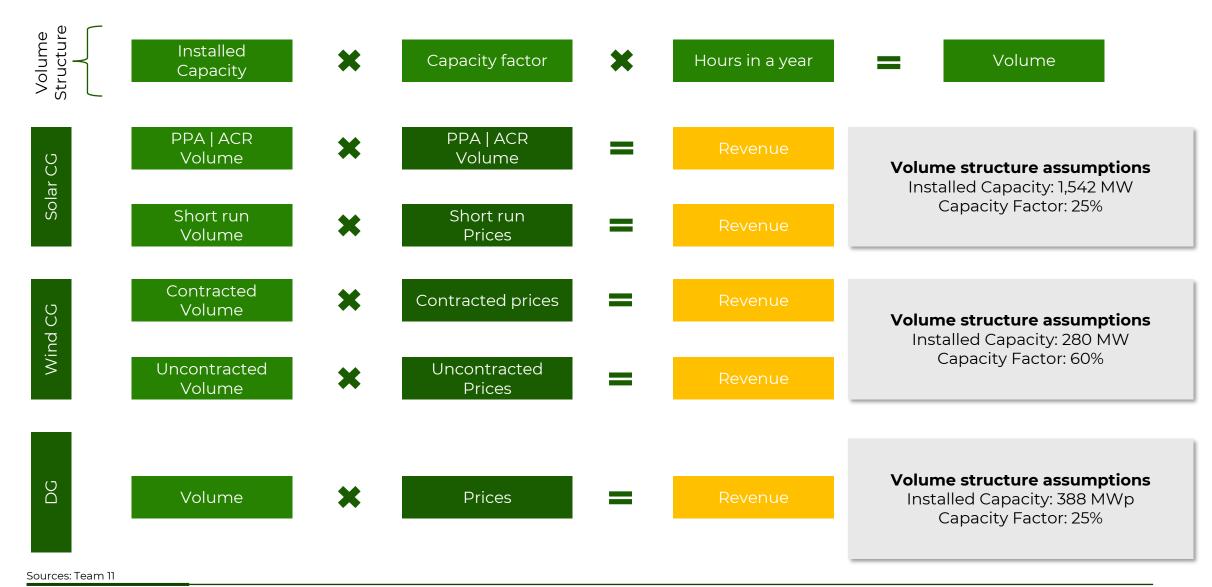


Net margin driven by deleveraging



CG and DG Revenue Build-UP

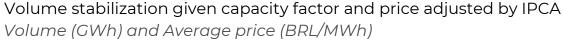


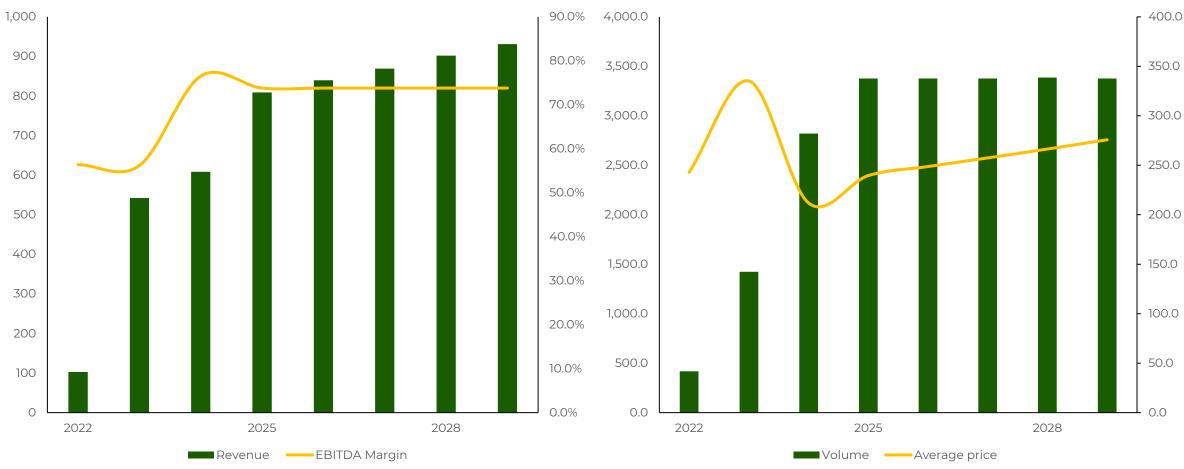


Solar CG financial lines assumptions



A 9.4% 2023-2029 CAGR Revenue (BRL mn) and EBITDA Margin (%)





Wind CG financial lines assumptions



8.1% Revenue CAGR Revenue (BRL mn) and EBITDA Margin (%)

Volume driven by capacity factor normalization Volume (GWh) and Average price (BRL/MWh)



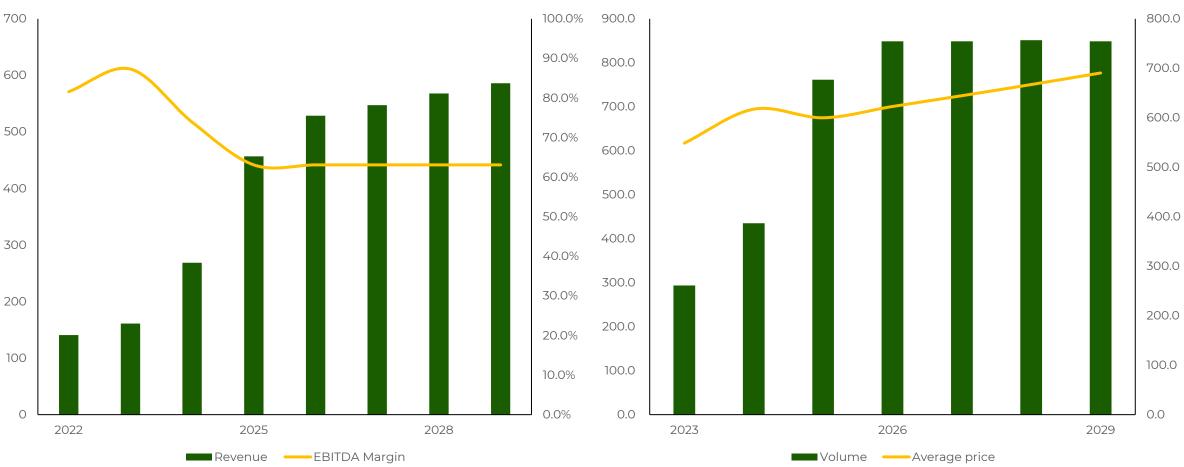
DG key financial lines assumptions



24.0% Revenue CAGR Revenue (BRL mn) and EBITDA Margin (%)

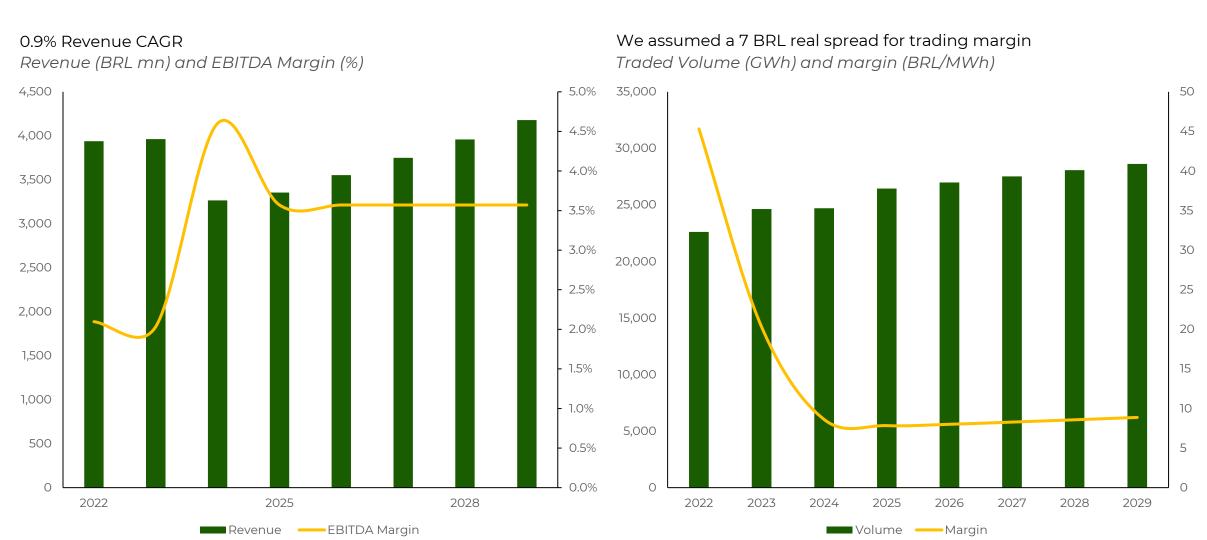
Volume driven by last capacity additions

Volume (GWh) and Average price (BRL/MWh)



Trading key financial lines assumptions



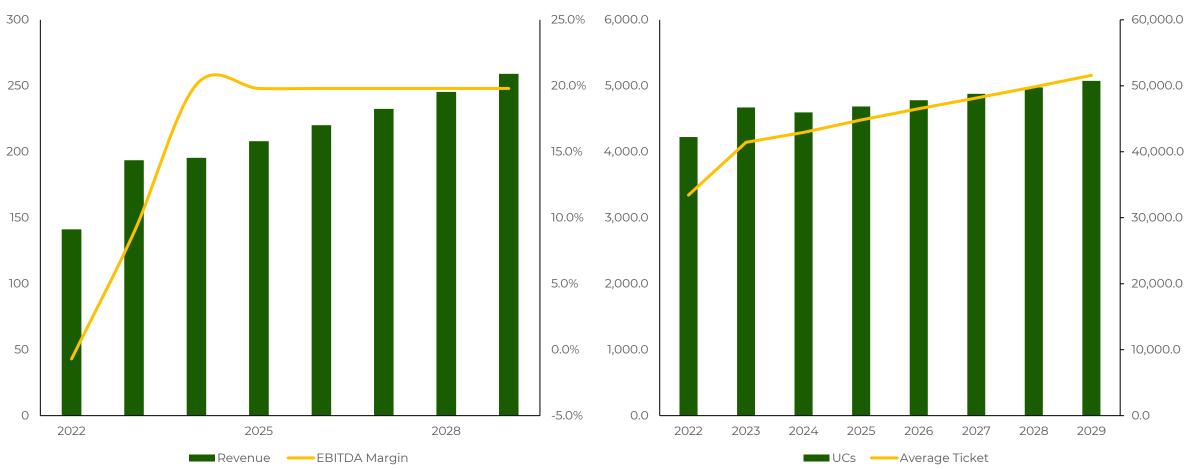


Services key financial lines assumptions



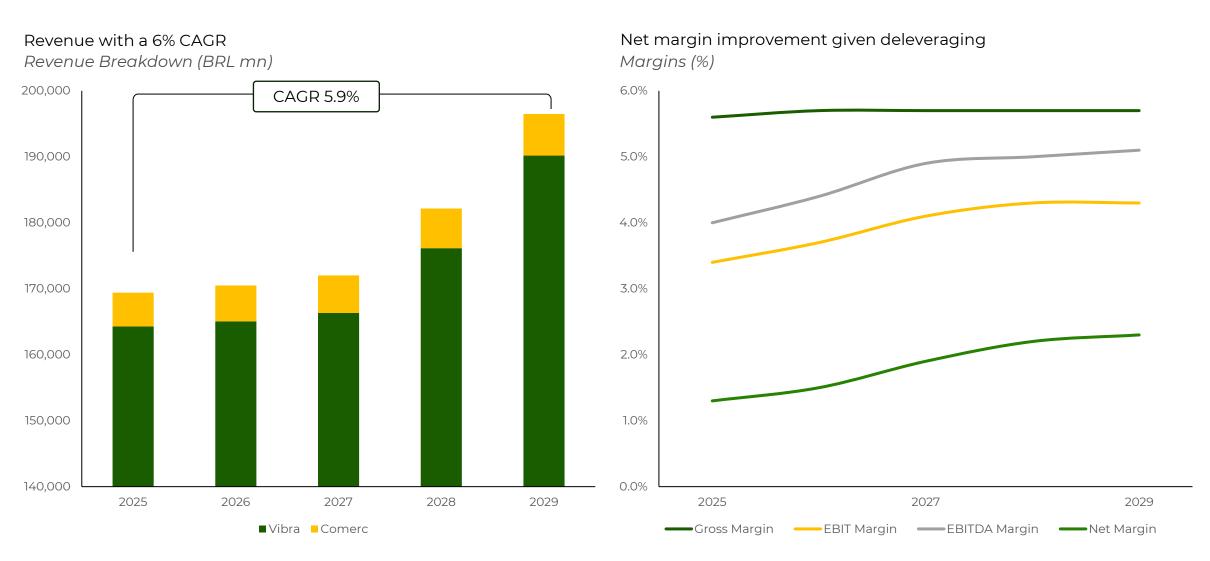
4.9% Revenue CAGR Services Revenue (BRL mn) and EBITDA Margin (%)

UCs grow in line with GDP and Average ticket with IPCA
Units of consumption (in thousands) and Average ticket (BRL)



Proforma's key financial lines assumptions

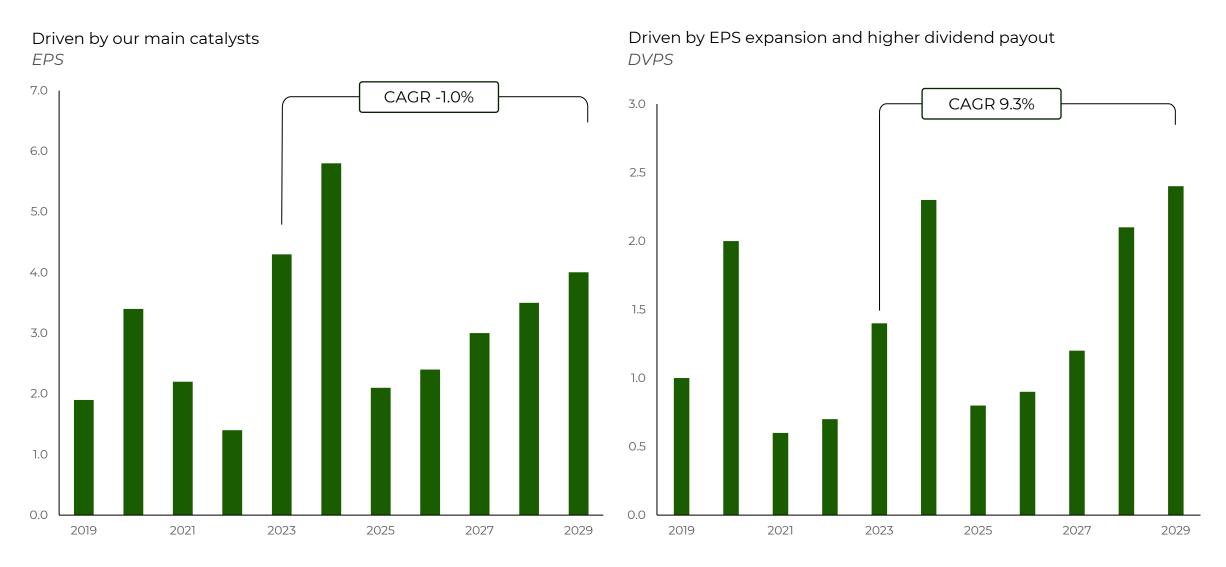




Sources: Team 11

Earnings and Dividends





Sources: Team 11

What does the market expect for 2025 EBITDA Margin?



How did we calculate it? Methodology explained

> **Market Cap Net Debt** (19.7 bn) (9.5 bn) **Enterprise Value** (29.2 bn) **Current Fwd EV/EBITDA** 4.5x **Implicit Fwd EBITDA** (6.5 bn) **2025 Volume Consensus** 41,070 Implicit EBITDA margin (158.1/m3)

Sensibility according to 2025 Volume and multiple *Volume x Forward EV/EBITDA*

2025 Volume

Forward EV/EBITDA

	2.5x	3.5x	4.5x	5.5x	6.5x
35,070	333.2	238.0	185.1	151.5	128.2
38,070	307.0	219.3	170.5	139.5	118.1
41,070	284.5	203.2	158.1	129.3	109.4
42,070	277.8	198.4	154.3	126.3	106.8
43,070	271.3	193.8	150.7	123.3	104.4

2024 Adj. EBITDA Margin until 3Q24 163.4 BRL/m3

Sources: Capital IQ, Bloomberg, Team 11

IRR approach also reiterates our buy recommendation



Even considering current P/E (6.4x), IRR is attractive in the long run Sensibility according to exit multiple and year Our exit multiple in the 5% historical Vibra's P/E percentile Sensibility according to exit multiple and earnings

Exit Forward P/E

	6.3x	7.3x	8.3x	9.3x	10.3x
2025	-12.0%	1.6%	15.2%	28.9%	42.6%
2026	7.8%	15.6%	22.9%	29.7%	36.3%
2027	13.0%	18.2%	23.0%	27.4%	31.6%
2028	15.3%	19.1%	22.5%	25.7%	28.6%
2029	16.7%	19.6%	22.3%	24.7%	26.9%

Exit Forward P/E

		6.3	7.3	8.3	9.3	10.3
	3,087	7.9%	10.3%	12.6%	14.7%	16.6%
Earnings	4,087	12.7%	15.4%	17.9%	20.1%	22.3%
Earr	5,087	16.8%	19.7%	22.3%	24.7%	27.0%
2030	6,087	20.3%	23.4%	26.2%	28.7%	31.1%
·	7,087	23.5%	26.7%	29.6%	32.3%	34.7%

IRR greater than cost of equity in 80% of scenarios

IRR greater than cost of equity in 80% of scenarios

Sources: Team 11, Capital IQ

Cost of Equity (%)

How sensible is our DDM model?



Our g is based on the SGR formula, using a 20% 2034E and 75% payout Perpetuity growth rate x Cost of equity We view low payouts as unlikely given Vibra's cash generation Perpetuity growth rate x Perpetuity payout

Perpetuity growth rate (%)

	1.1%	3.1%	5.1%	6.1%	7.1%
17.2%	-6.0%	0.3%	8.8%	14.1%	20.5%
16.2%	3.1%	11.0%	21.7%	28.6%	37.1%
15.2%	13.8%	23.6%	37.4%	46.5%	57.9%
14.2%	26.2%	38.7%	56.7%	69.0%	84.8%
13.2%	41.0%	57.1%	81.1%	98.2%	120.8%

Perpetuity growth rate (%)

		1.1%	3.1%	5.1%	6.1%	7.1%
(%)	45.0%	-7.1%	-1.2%	7.0%	12.5%	19.3%
Perpetuity payout (%)	60.0%	3.3%	11.2%	22.2%	29.5%	38.7%
ity pc	75.0 %	13.8%	23.6%	37.4%	46.6%	58.0%
petui	90.0%	24.3%	36.1%	52.6%	63.6%	77.3%
Per	100.0%	31.3%	44.4%	62.8%	75.0%	90.1%

Upside greater than cost of equity in 72% of scenarios

Upside greater than cost of equity in 72% of scenarios

Sources: Team 11

Cost of Equity Calculation

We calculated VBBR3's Ke using the CAPM Method

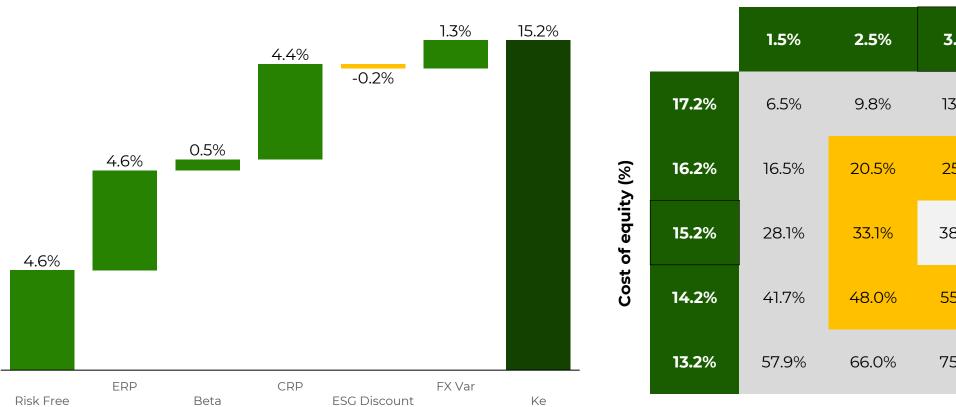


We reached a 15.2% Cost of Equity in BRL Ke Breakdown (%)

5Y Beta: 1.08

Pessimistics assumptions do not totally rule out our upside DCF Upside Sensitivity

Perpetuity growth rate (%)



	1.5%	2.5%	3.5%	4.5%	5.5%
17.2%	6.5%	9.8%	13.5%	17.7%	22.8%
16.2%	16.5%	20.5%	25.1%	30.5%	36.9%
15.2%	28.1%	33.1%	38.9%	45.9%	54.2%
14.2%	41.7%	48.0%	55.5%	64.6%	75.7%
13.2%	57.9%	66.0%	75.8%	87.8%	102.9%

Sources: Bloomberg, Damodaran, Team 11

V// VIBR/

Vibra's multiples point towards a discount and significant margin of safety

Current multiples stands at its cheapest levels ever

Vibra's Forward P/E since IPO

Current multiples stands at its cheapest levels ever

Vibra's Forward EV/EBITDA since IPO

16x |



Sources: Capital IQ, Team 11

Vibra's multiple point towards a discount and significant margin of safety

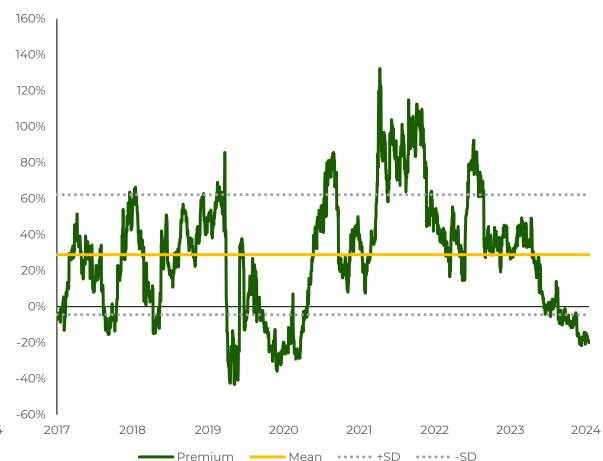


Current multiples stands below one standard deviation Vibra's Forward P/E premium over BOVA11 since IPO



Current multiples stands below one standard deviation

Vibra's Forward P/E premium over median peer multiple since IPO



Sources: Factset, Capital IQ, Team 11

How did we conduct our relative valuation?



Historical discount to median approach Methodology description

Global peer set:

Select companies in the following geographical regions: Brazil, Latin America, United States, Europe and Asia.

2

Historical multiples

Compute historical and average forward P/E premium (discount) to the daily median multiple of each peer set since Vibra's IPO in the end of 2017.

3

Weighted average

Apply the average premium (discount) to current median multiples and weight each region implicit forward P/E.

What is our relative valuation target price? Multiple build-up

	Brazil	LatAm	Europe	Asia	US
Current Premium (Discount)	(7.2%)	9.2%	(10.9%)	(29.6%)	(52.9%)
Average Premium (Discount)	(14.6%)	42.9 %	52.0%	30.0%	3.4%
Standard Deviation	15.2%	56.8%	45.2%	34.9%	33.2%
Comp Set Multiple	7.3x	6.2x	7.6x	9.6x	14.3x
Implied P/E	6.2x	8.8 x	11.5x	12.4x	14.8x
Implied Price	14.8	21.0	27.4	29.6	35.2
Weight	30%	20%	15%	15%	20%

Final Forward Price-to-Earnings: 10.1x 2025E Earnings: 2,568 mn Target Price: 24.2 Upside: 37%

Sources: Capital IQ, Team 11

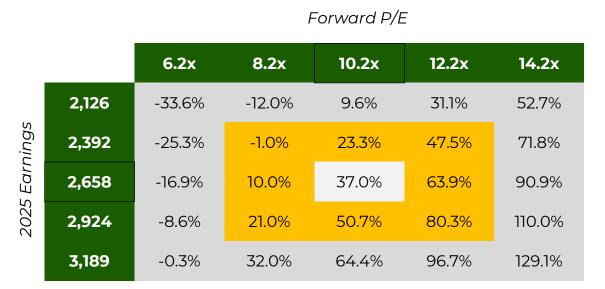
Relative Valuation

Sensibility analysis

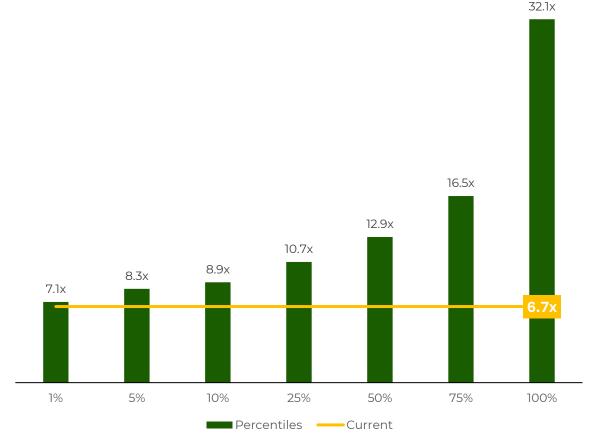


A possible multiple revision could drive a major re-rating Forward P/E x 2025 Earnings Vibra is in its cheapest levels ever!

Vibra's Forward P/E historical percentiles and current multiple



Upside greater than cost of equity in 64% of scenarios



Sources: Capital IQ, Team 11

Trading Comps

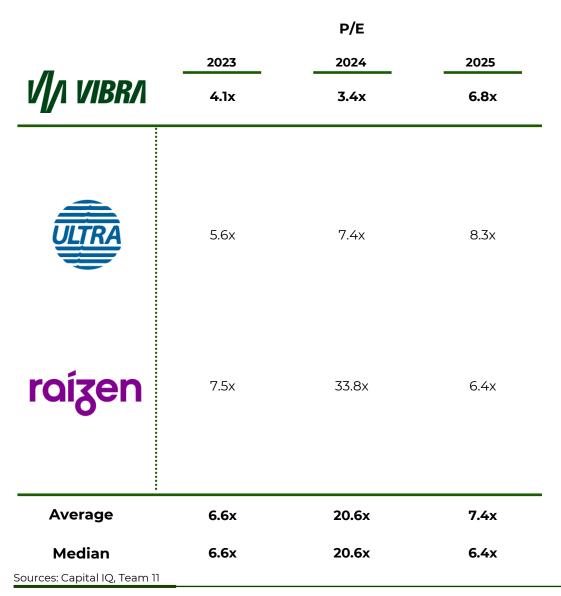
Comparison of Vibra's multiples with five geographical peer sets



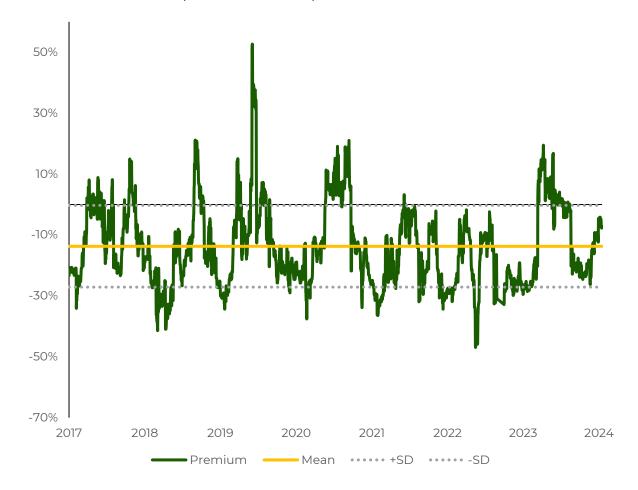
All data is in USD			Net Income			EBITDA								
Data covers from 19/12/1017 to 03/01/2025	Enterprise Value	Net Debt	Actual	FYI	FY2	Actual	FYI	FY2		EV/EBITDA			P/E	
									2023	2024	2025	2023	2024	2025
VBBR3	4,723	1,541	774	928	466	1,320	1,117	1,025	3.6x	4.2x	4.6x	4.1x	3.4x	6.8x
Brazilian Peers														
UGPA3	4,657	1,907	489	373	331	1,027	1,045	961	4.5x	4.5x	4.8x	5.6x	7.4x	8.3x
RAIZ4	12,062	8,491	474	106	557	2,729	2,961	2,777	4.4x	4.1x	4.3x	7.5x	33.8x	6.4x
Average									4.5x	4.3x	4.6x	6.6x	20.6x	7.4x
Median									4.5x	4.3x	4.6x	6.6x	20.6x	7.4x
LatAm Peers														
YPF	27,801	7,794	(5,965)	3,271	1,831	4,127	5,713	5,780	6.7x	4.9x	4.8x	-3.4x	6.1x	10.9x
ECOPETROL	46,033	29,118	4,433	4,179	3,013	13,631	14,638	12,474	3.4x	3.1x	3.7x	3.8x	4.0x	5.6x
COPEC	14,783	7,110	349	1,107	1,027	1,957	3,070	2,820	7.6x	4.8x	5.2x	22.0x	6.9x	7.5x
Average									5.9x	4.3x	4.6x	7.5x	5.7x	8.0x
Median									6.7x	4.8x	4.8x	3.8x	6.1x	7.5x
US Peers														
CVX	287,666	21,966	21,369	19,062	19,422	42,177	45,360	48,222	6.8x	6.3x	6.0x	12.4x	13.9x	13.7x
XOM	497,055	23,000	36,010	34,294	35,879	70,954	74,378	78,413	7.0x	6.7x	6.3x	13.2x	13.8x	13.2x
PSX	67,366	19,422	7,015	2,923	4,005	9,997	7,486	8,994	6.7x	9.0x	7.5x	6.8x	16.4x	12.0x
SU	54,129	8,322	6,147	4,888	3,750	11,856	12,394	10,574	4.6x	4.4x	5.1x	7.5x	9.4x	12.2x
MPC	76,907	31,032	9,681	3,427	2,963	16,951	10,876	10,388	4.5x	7.1x	7.4x	4.7x	13.4x	15.5x
Average									5.9x	6.7x	6.5x	8.9x	14.7x	13.0x
Median									6.7 x	6.7x	6.3x	7.5 x	13.8x	13.2x
Asia Peers														
PETRO CHINA	247,839	35,443	22,772	22,813	21,821	69,090	67,564	65,462	3.6x	3.7x	3.8x	9.3x	9.3x	9.7x
PETRONAS	8,338	(544)	372	421	505	871	970	1,135	9.6x	8.6x	7.3x	10.2x	21.1x	17.6x
ENEOS	34,256	19,802	1,064	1,995	1,356	4,633	5,535	4,874	7.4x	6.2x	7.0x	13.6x	7.2x	10.7x
Average									6.9x	6.2x	6.1x	11.0x	12.6x	12.7x
Median									7.4x	6.2x	7.0x	10.2x	9.3x	10.7x
Europe Peers														
SHEL	231,544	33,552	19,359	22,925	22,806	46,218	64,273	58,438	5.0x	3.6x	4.0x	10.2x	10.1x	9.3x
REP	23,256	8,872	3,426	3,131	2,804	7,090	8,552	7,813	3.3x	2.7x	3.0x	6.8x	7.4x	8.3x
ENI	66,029	22,509	5,160	4,989	5,844	18,088	20,408	18,383	3.7x	3.2x	3.6x	8.4x	8.7x	7.4x
ВР	124,466	45,241	15,239	4,271	9,993	44,158	37,102	37,227	2.8x	3.4x	3.3x	8.2x	29.1x	12.5x
TTE	155,194	28,445	21,384	17,293	18,404	43,909	41,364	41,358	3.5x	3.8x	3.8x	5.9x	7.3x	6.9x
Average									3.7x	3.3x	3.5x	7.9x	12.5x	8.9x
Median									3.5x	3.4x	3.6x	8.2x	8.7x	8.3x
Sources: Capital IQ, Team 11														

How does Vibra trade historically compared to BR peers?





Vibra is trading at a premium when compared to brazilian peers VBBR Forward P/E premium to BR peers' median

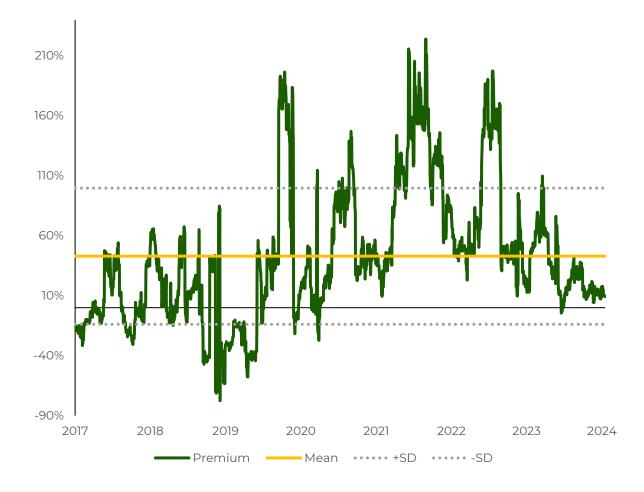


How does Vibra trade historically compared to LatAm peers?



		P/E	
71	2023	2024	2025
V// VIBR/	4.1x	3.4 x	6.8x
YPF	-	6.1x	10.9x
ecopetrol	3.8x	4.0x	5.6x
EMPRESAS COPEC	22.0x	6.9x	7.5x
Average	7.5 x	5.7 x	8.0x
Median Sources: Capital IQ, Team 11	3.8 x	6.1x	7.5 x

Vibra is trading at a discount when compared to latin american peers VBBR Forward P/E premium to latin american peers' median

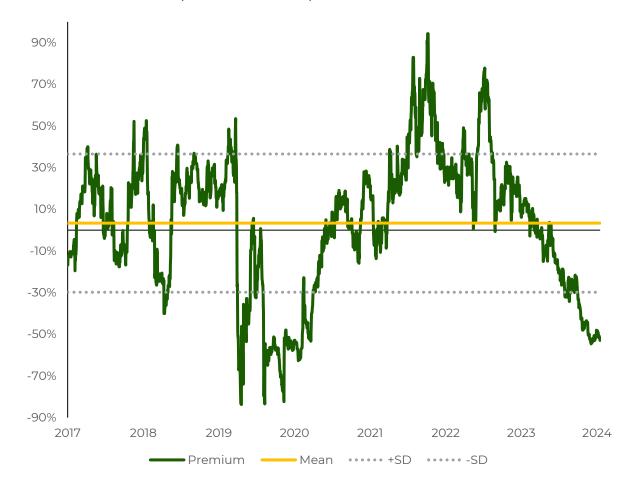


How does Vibra trade historically compared to US peers?



		P/E	
	2023	2024	2025
V// VIBR/	4.1x	3.4x	6.8x
Chevron	12.4x	13.9x	13.7x
E ‰ on	13.2x	13.8x	13.2x
PHILLIPS 66	6.8x	16.4x	12.0x
SUNCOR	7.5x	9.4x	12.2x
MARATHON	4.7x	13.4x	15.5x
Average	8.9x	14.7x	13.0x
Median Sources: Capital IQ, Team 11	7.5 x	13.8x	13.2x

Vibra is trading at a discount when compared to american peers VBBR Forward P/E premium to US peers' median

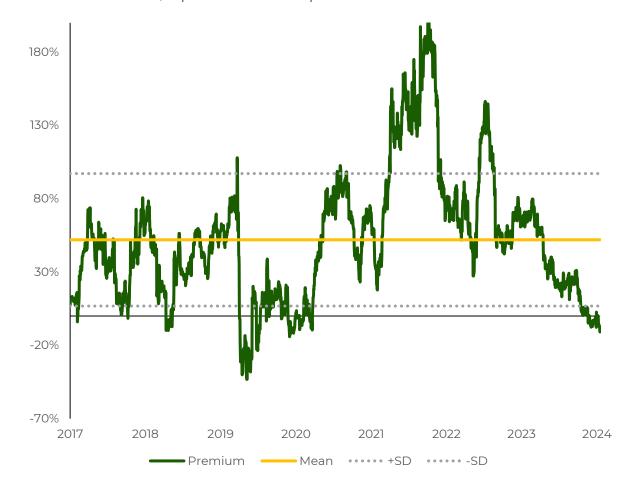


How does Vibra trade historically compared to EU peers?



		P/E	
	2023	2024	2025
V// VIBR/	4.1x	3.4x	6.8x
	10.2x	10.1x	9.3x
	6.8x	7.4x	8.3x
eni	8.4x	8.7x	7.4x
	8.2x	29.1x	12.5x
1	5.9x	7.3x	6.9x
Average	7.9 x	12.5 x	8.9x
Median Sources: Capital IQ, Team 11	8.2x	8.7x	8.3x

Vibra is trading at a discount when compared to european peers VBBR Forward P/E premium to EU peers' median

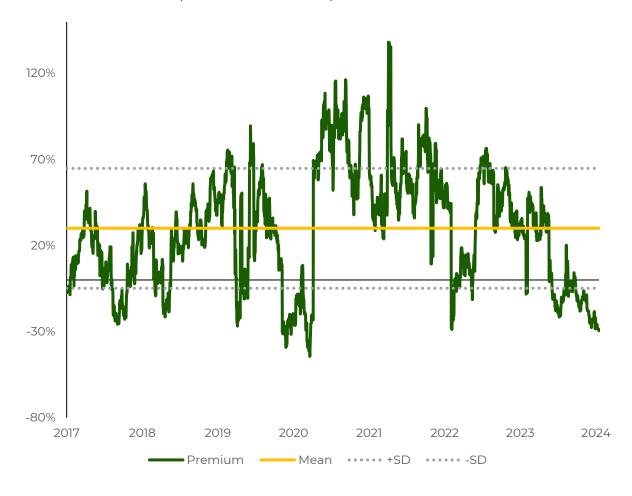


How does Vibra trade historically compared to Asian peers?



		P/E	
a	2023	2024	2025
V// VIBR/	4.1x	3.4x	6.8x
	9.3x	9.3x	9.7x
8	10.2x	21.1x	17.6x
ENEOS	13.6x	7.2x	10.7x
Average	11.0x	12.6x	12.7x
Median Sources: Capital IQ, Team 11	10.2x	9.3x	10.7x

Vibra is trading at a discount when compared to asian peers VBBR Forward P/E premium to asian peers' median



Valuation

Income Statement – Pro Forma



Income Statement	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Revenue	130121	181,446	162,947	172,636	169,413	170,504	172,030	182,151	196,489	211,829	228,228	245,762	264,486	284,494
(-) COGS	-123270	-173,957	-154,586	-164,123	-159,881	-160,816	-162,196	-171,736	-185,288	-199,785	-215,290	-231,869	-249,579	-268,503
Gross Profit	6851	7,489	8,361	8,513	9,532	9,688	9,834	10,415	11,202	12,044	12,938	13,893	14,907	15,991
Total Operational Expenses	-4357	-3524	-782	1119.3877 -	3844.6866	-3338.0329	-2754.0409	-2659.6558	-2716.133874	-2744.6143	-2774.1095	-2821.4186	-2835.8683	-2841.696
(-) SG&A	-4357	-3524	-782	1119.3877 -	3844.6866	-3338.0329	-2754.0409	-2659.6558	-2716.133874	-2744.6143	-2774.1095	-2821.4186	-2835.8683	-2841.696
(-) Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	O
EBIT	2494	3,965	7,579	9,632	5,687	6,350	7,080	7,755	8,485	9,299	10,164	11,072	12,071	13,149
Net Financial Income (Expenses)	568	-2,031	-1,084	-780	-2,018	-2,082	-1,826	-1,629	-1,586	-1,511	-1,422	-1,353	-1,348	-1,325
Foregone Interest on Cash	0	0	0	0	-520	-520	-520	-520	-520	-520	-520	-520	-520	-520
Others	112	-4	-36	0	0	0	0	0	0	0	0	0	0	O
Pretax Profit	3174	1,930	6,459	8,853	3,149	3,747	4,733	5,606	6,379	7,267	8,222	9,198	10,203	11,304
(-) Income tax	-677	-393	-1,693	-2,391	-945	-1,124	-1,420	-1,682	-1,914	-2,180	-2,467	-2,759	-3,061	-3,391
Consolidated Net Income	2497	1,537	4,766	6,462	2,204	2,623	3,313	3,924	4,465	5,087	5,755	6,439	7,142	7,913

Sources: Team 11

Balance Sheet - Pro Forma



Balance Sheet	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Cash	3,625	4.145	6.666	6.948	3,712	4,738	6,217	6,377	6,657	7,127	7,598	7,496	7,473	7,536
Receivables	5,587	6,931	6,135	6,310	7,128	7,201	7,286	7,835	8,451	9,109	7,330 9,812	10,564	11,367	12,225
Inventory	5,567 5,674	6,753	5,954	6,796	7,120	7,201	7,260 7,462	7,035 8,025	8,655	9,329	10,050	10,820	11,642	12,223
Taxes	1,844	2,701	3,642	3,861	7,960 3,943	7,575 3,984	4,030	4,334	4,675	5,039	5,428	5,844	6,288	6,763
Other current assets	1,030	1,714	1,202	1,231	7,364	7,364	7,364	7,364	7,364	7,364	7,364	7,364	7,364	7,364
Total current assets	17,760	22,244	23,599	25,146	29,446	30,662	32,359	33,935	35,801	37,967	40,251	42,087	44,134	46,409
Receivables	526	,- 574	3 91	775	-5, 11 5	775	775	775	775	775	775	775	775	775
Judicial	1,124	1,196	1,281	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347
Taxes	2,369	2,508	4,149	7,321	7,321	7,321	, 7,321	, 7,321	, 7,321	7,321	7,321	7,321	7,321	7,321
Other non-current assets	4,281	1,766	1,506	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101
Total non-current assets	8,300	6,044	7,327	10,544	10,544	10,544	10,544	10,544	10,544	10,544	10,544	10,544	10,544	10,544
Investments	609	4,984	4,490	4,501	6,135	6,097	6,061	6,027	5,994	5,963	5,934	5,906	5,879	5,854
Fixed Assets	6,762	6,944	6,954	7,155	15,592	16,026	16,396	16,718	17,000	17,251	17,675	17,880	18,074	18,263
Other	453	894	1,111	1,219	2,649	2,649	2,649	2,649	2,649	2,649	2,649	2,649	2,649	2,649
Total assets	33,884	41,110	43,481	48,565	64,365	65,977	68,009	69,872	71,987	74,374	77,053	79,065	81,280	83,718
Payables	3,310	5,134	4,496	3,228	3,806	3,844	3,887	4,181	4,510	4,862	5,239	5,641	6,071	6,530
Dividends / IoC	132	401	1,124	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057
Short term debt	1,339	1,674	1,349	2,758	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374
Leases	118	128	121	77	178	178	178	178	178	178	178	178	178	178
Pension Fund	108	153	155	124	124	124	124	124	124	124	124	124	124	124
Other	2,332	2,134	2,751	3,236	8,599	8,599	8,599	8,599	8,599	8,599	8,599	8,599	8,599	8,599
Total current liabilities	7,339	9,624	9,996	10,480	20,139	20,177	20,220	20,514	20,843	21,195	21,572	21,974	22,404	22,863
Long term debt	11,670	14,883	13,421	13,966	17,582	17,582	17,582	17,582	17,582	17,582	17,582	17,582	17,582	17,582
Long term leases	706	706	627	285	386	386	386	386	386	386	386	386	386	386
Pension Fund	751	828	1,251	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186
Other long term liabilities	1,110	2,456	2,455	1,875	2,976	2,976	2,976	2,976	2,976	2,976	2,976	2,976	2,976	2,976
Total non-current liabilities	14,237	18,873	17,754	17,312	22,131	22,131	22,131	22,131	22,131	22,131	22,131	22,131	22,131	22,131
Common equity	12,308	12,613	15,731	20,774	22,096	23,670	25,658	27,227	29,014	31,048	33,350	34,960	36,746	38,724
Total liabilities & equity	33,884	41,110	43,481	48,565	64,365	65,977	68,009	69,872	71,987	74,374	77,053	79,065	81,280	83,718

Sources: Team 11

Cash Flow – Pro Forma



Cash Flow	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
edsirriew	2021	2022	2023	2021	2023	2020	2021	2020	2023	2030	2001	2002	2000	203 1
Net income	2,497	1,537	4,766	6,440	2,204	2,623	3,313	3,924	4,465	5,087	5,755	6,439	7,142	7,913
(+) Depreciation	559	553	554	559	1,040	1,174	1,277	1,368	1,451	1,526	1,598	1,668	1,729	1,786
(+) Adjustmnets	2,584	3,416	1,792	-814	0	0	0	0	0	0	0	0	0	0
(-) NWC change	-2,906	-1,456	16	-2,504	-668	-151	-174	-1,123	-1,257	-1,344	-1,437	-1,535	-1,640	-1,752
(-) Other	-458	-2,787	-881	-812	0	0	0	0	0	0	0	0	0	Ο
Operating cash flow	2,276	1,263	6,247	2,868	2,576	3,646	4,416	4,169	4,659	5,269	5,917	6,571	7,230	7,947
(-) Capex	-636	-2,420	-770	-1,241	-2,017	-1,570	-1,612	-1,655	-1,700	-1,747	-1,992	-1,845	-1,896	-1,950
(-) Investments	-1,998	0	0	-7	0	0	0	0	0	0	0	0	0	Ο
(-) Dividends	15	53	137	7	0	0	0	0	0	0	0	0	0	Ο
(-) Asset sales (acquisitions)	204	356	1,078	367	0	0	0	0	0	0	0	0	0	0
Investing cash flow	-2,415	-2,011	445	-874	-2,017	-1,570	-1,612	-1,655	-1,700	-1,747	-1,992	-1,845	-1,896	-1,950
(-) Debt amortization	-2,313	-2,035	-4,546	-2,705	0	0	0	0	0	0	0	0	0	0
(-) Dividends	-2,761	-490	-401	-1,422	-882	-1,049	-1,325	-2,354	-2,679	-3,052	-3,453	-4,829	-5,356	-5,935
(+) Debt issued	5,845	4,508	1,836	2,909	0	0	0	0	0	0	0	0	0	0
(+) Others	-365	-743	-1,006	-586	0	0	0	0	0	0	0	0	0	0
Financing cash flow	406	1,240	-4,117	-1,804	-882	-1,049	-1,325	-2,354	-2,679	-3,052	-3,453	-4,829	-5,356	-5,935
FX cash effects	0	28	-54	92	0	0	0	0	0	0	0	0	0	0
Total cash flow	267	520	2,521	282	-323	1,027	1,479	159	280	470	471	-102	-23	63
Sources: Team 11														_

Valuation

Operational Data – Pro Forma



Operational Data	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Volume (000 m3)	38,493	38,553	36,931	36,460	38,113	39,851	41,636	43,467	45,346	47,274	49,253	51,282	53,364	55,499
YoY(%)	4.74%	0.16%	-4.21%	-1.28%	4.53%	4.56%	4.48%	4.40%	4.32%	4.25%	4.18%	4.12%	4.06%	4.00%
Gas Stations	22,534	23,787	23,072	21,909	22,902	23,947	25,019	26,119	27,249	28,407	29,596	30,816	32,067	33,350
YoY(%)	7.11%	5.56%	-3.01%	-5.04%	4.53%	4.56%	4.48%	4.40%	4.32%	4.25%	4.18%	4.12%	4.06%	4.00%
B2B	15,959	14,766	13,860	14,551	15,211	15,904	16,617	17,347	18,097	18,867	19,656	20,466	21,297	22,149
YoY(%)	1.57%	-7.47%	-6.14%	4.99%	4.53%	4.56%	4.48%	4.40%	4.32%	4.25%	4.18%	4.12%	4.06%	4.00%
Vibra market share														
Diesel	28.0%	28.2%	25.6%	23.8%	24.6%	25.4%	26.2%	27.0%	27.8%	28.6%	29.4%	30.2%	31.0%	31.8%
Gasolina	25.1%	25.2%	23.2%	21.9%	22.5%	23.3%	24.1%	24.9%	25.7%	26.5%	27.3%	28.1%	28.9%	29.7%
Etanol	17.3%	18.1%	18.0%	17.2%	17.0%	17.8%	18.6%	19.4%	20.2%	21.0%	21.8%	22.6%	23.4%	24.2%
Óleo Combustível	98.5%	86.8%	84.8%	75.6%	73.3%	73.3%	73.3%	73.3%	73.3%	73.3%	73.3%	73.3%	73.3%	73.3%
Combust. Aviação	68.7%	68.4%	59.2%	62.5%	62.9%	62.9%	62.9%	62.9%	62.9%	62.9%	62.9%	62.9%	62.9%	62.9%
Total	29.0%	28.7%	26.4%	24.7%	25.3%	26.1%	26.8%	27.6%	28.3%	29.1%	29.8%	30.6%	31.3%	32.1%
YoY(%)	2.14%	-0.27%	-2.36%	-1.61%	0.56%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Brazil total demand														
Diesel	62,112	63,227	65,518	68,282	70,032	71,152	72,291	73,447	74,622	75,816	77,029	78,262	79,514	80,786
Gasolina	39,317	43,039	46,030	45,699	47,570	48,331	49,105	49,890	50,688	51,499	52,323	53,161	54,011	54,875
Etanol	16,792	15,529	16,035	21,276	20,846	21,180	21,518	21,863	22,213	22,568	22,929	23,296	23,669	24,047
Óleo Combustível	3,390	1,869	1,906	1,902	1,933	1,964	1,995	2,027	2,060	2,093	2,126	2,160	2,195	2,230
Combust. Aviação	4,433	6,005	6,574	6,867	6,926	7,037	7,149	7,264	7,380	7,498	7,618	7,740	7,864	7,990
Total	126,043	129,669	136,063	144,027	147,307	149,664	152,058	154,491	156,963	159,474	162,026	164,618	167,252	169,928
Volume per mix														
Gas Stations	58.5%	61.7%	62.5%	60.1%	60.1%	60.1%	60.1%	60.1%	60.1%	60.1%	60.1%	60.1%	60.1%	60.1%
B2B	41.5%	38.3%	<i>37.5%</i>	39.9%	39.9%	39.9%	39.9%	39.9%	39.9%	39.9%	39.9%	39.9%	39.9%	<i>3</i> 9.9%
Volume per fuel														
Diesel	17,373	17,843	16,772	16,240	17,261	18,106	18,974	19,866	20,780	21,719	22,683	23,672	24,687	25,728
Gasolina	9,857	10,849	10,686	10,009	10,700	11,258	11,831	12,419	13,023	13,644	14,280	14,934	15,605	16,294
Etanol	2,909	2,810	2,891	3,663	3,540	3,766	3,999	4,238	4,483	4,735	4,994	5,261	5,534	5,815
Óleo Combustível	3,340	1,623	1,617	1,438	1,417	1,440	1,463	1,486	1,510	1,534	1,559	1,584	1,609	1,635
Coque	1,033	506	315	129	131	134	137	139	142	145	148	151	154	157
Combust. Aviação	3,047	4,107	3,892	4,291	4,360	4,429	4,500	4,572	4,645	4,720	4,795	4,872	4,950	5,029
Lubrificantes	267	257	261	268	273	279	284	290	296	302	308	314	320	326
Outros	667	559	498	422	431	439	448	457	466	475	485	495	505	515
Revenues /m3 (BRL k)	3,401	4,723	4,432	4,750	4,311	4,142	3,994	4,052	4,194	4,341	4,493	4,650	4,813	4,981
Adjusted EBITDA/m3 (BRL k) Adjusted EBITDA	123 4,745	107 4,113	137 5,068	161 5,858	156 5,959	166 6,601	177 7,382	186 8,091	195 8,851	205 9,681	214 10,558	224 11,469	234 12,467	244 13,535

Sources: Team 11

Beta Comerc



Peers	Beta	Tax Rate	Unlevered Beta	Debt	Equity	Debt/Equity	Wd	We
Comerc	-	34.0%	-	6,522	3,545	1.8x	64.8%	35.2%
National Players								
AESB3	0.74	34.0%	0.36	11,458	7,110	1.6x	61.7%	38.3%
AURE3	0.62	34.0%	0.44	6,351	10,320	0.6x	38.1%	61.9%
SRNA3	0.84	34.0%	0.38	9,884	5,324	1.9x	65.0%	35.0%
EQTL3	0.83	34.0%	0.47	46,452	40,721	1.1x	53.3%	46.7%
CPFE3	0.81	34.0%	0.55	26,437	37,690	0.7x	41.2%	58.8%
CPLE6	0.91	34.0%	0.67	14,962	28,285	0.5x	34.6%	65.4%
EGIE3	0.69	34.0%	0.49	20,106	33,682	0.6x	37.4%	62.6%
NEOE3	0.80	34.0%	0.35	45,883	23,414	2.0x	66.2%	33.8%
Median	0.81		0.46			0.92	0.47	0.53
Average	0.78		0.47			1.13	0.50	0.50
erage (Excluding outliers)	0.79		0.46			1.17	0.52	0.48

Sources: Factset, Team 11

Discount Rate - Comerc



Cost of Debt COMERC

Debt	Principal	Weight	Index	Spread	Effective Interest
In BRL					
Debenture	1002.5	20.4%	CDI	3.2%	15.2%
Debenture	854.9	17.4%	IPCA	7.9%	12.6%
Debenture	289.2	5.9%	CDI	2.1%	14.1%
Debenture	372	7.6%	IPCA	6.4%	11.1%
Debenture	1469	29.9%	IPCA	8.3%	13.0%
XP	227.7	4.6%	IPCA	8.8%	13.5%
XP	112.7	2.3%	IPCA	8.8%	13.5%
ABC	56.3	1.1%	IPCA	8.7%	13.4%
Desenvolve	3	0.1%	SELIC	2.6%	14.6%
BNDES	12.7	0.3%	None	2.1%	2.1%
BNDES	12.4	0.3%	IPCA	6.5%	11.2%
MG	n	0.2%	CDI	2.2%	14.2%
BNDES	9.6	0.2%	IPCA	7.3%	12.0%
Banco NE	92.2	1.9%	IPCA	3.27%	8.0%
Banco NE	92.1	1.9%	IPCA	3.27%	8.0%
Banco NE	188.9	3.9%	IPCA	4.29%	9.0%
In USD					
Santander	99.3	2.0%	None	5.41%	7.33%
			Pre-Tax Cost	of Debt	12.84%

Cost of Equity COMERC	
Risk Free Rate	4.6%
Equity Risk Premium USA	4.6%
Country Risk Premium BR	4.4%
Relevered Beta	1.01
Cost of Equity (Ke, USD)	13.7%
Inflation Differential	1.3%
Cost of Equity (Ke, BRL)	15.1%

WACC COMERC	
Ke	15.1%
Kd	12.8%
We	35.2%
Equity (in BRL mn)	3,545
Wd	64.8%
Total Debt (in BRL mn)	6,522
Tax Rate	34.0%
WACC	10.8%

Sources: Team 11

Discount Rate - Vibra



Cost of Debt Vibra					
Debt	Principal	Weight	Index	Spread	Effective Interest
In BRL					
CRA	215	1.46%	CDI	0.0%	12.0%
CRI	98	0.66%	IPCA	4.1%	8.8%
Debenture	462	3.13%	CDI	0.9%	12.9%
CRA	379	2.57%	IPCA	5.6%	10.3%
Finex	1,094	7.41%	CDI	1.7%	13.7%
Debenture	7 19	4.87%	CDI	1.5%	13.5%
NCE	493	3.34%	CDI	1.7%	13.7%
NCE	562	3.81%	CDI	1.7%	13.7%
CDCA	1,253	8.48%	CDI	1.6%	13.6%
Debenture	1,540	10.43%	CDI	1.5%	13.5%
CRA	912	6.17%	IPCA	5.4%	10.1%
Debenture	800	5.42%	CDI	1.8%	13.8%
CRI	335	2.27%	IPCA	5.0%	9.7%
In USD					
Citibank	582	3.94%	None	1.2%	3.1%
MUFG	141	0.95%	None	2.2%	4.1%
Scotiabank	1,083	7.33%	None	2.2%	4.1%
JPM	246	1.67%	None	5.9%	7.8%
BNP	246	1.67%	SOFR 3m	1.8%	8.5%
Scotiabank	487	3.30%	None	1.5%	3.4%
BNP	732	4.96%	None	2.0%	3.9%
BofA	364	2.46%	None	2.9%	4.8%
Citibank	367	2.48%	None	2.9%	4.9%
Bank of China	440	2.98%	None	4.1%	6.0%
Scotiabank	435	2.95%	None	2.4%	4.3%
Scotiabank	295	2.00%	None	2.7%	4.6%
Scotiabank	490	3.32%	None	5.0%	6.9%
			Pre-Tax Cost of [Debt	9.6%

Country Risk Premium BR	4.4%
5Y Beta	1.08
ESG Discount	0.2%
Cost of Equity (Ke, USD)	13.8%
Inflation Differential	1.3%
Cost of Equity (Ke, BRL)	15.2%

WACC	12.3%
Tax Rate	34.0%
Net Debt (in BRL mn)	9,497
Wd	32.5%
Mkt Cap (in BRL mn)	19,719
We	67.5%
Kd	9.6%
Ke	15.2%

Sources: Team 11

FCFE – Vibra Pro Forma



FCFE		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034
Net Income		6,462	2,204	2,623	3,313	3,924	4,465	5,087	5,755	6,439	7,142	7,913	7,913
D&A		559	1,040	1,174	1,277	1,368	1,451	1,526	1,598	1,668	1,729	1,786	1,786
CapEx		-1,241	-2,017	-1,570	-1,612	-1,655	-1,700	-1,747	-1,992	-1,845	-1,896	-1,950	-1,786
Investment in WC	-	-2,504	-668	-151	-174	-1,123	-1,257	-1,344	-1,437	-1,535	-1,640	-1,752	-1,752
Change in Debt		204	0	0	0	0	0	0	0	0	0	0	0
FCFE		3,479	559	2,076	2,804	2,514	2,959	3,522	3,925	4,727	5,334	5,998	54,357
Time Step		0.0	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	10.0
Ke	15.2%												
g	3.5%												
FCFE PV			487.5	1,571.8	1,842.9	1,433.0	1,463.8	1,512.2	1,462.2	1,527.8	1,496.1	1,459.9	13,231.2
Equity Value	27,	,488.3											
Target	24	4.6466											
Upside		38.9%											
Implicit P/E		6.87x											

Sources: Team 11

Valuation

DDM – Vibra Pro Forma



DDM		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034
Net Income		6,462	2,204	2,623	3,313	3,924	4,465	5,087	5,755	6,439	7,142	7,913	7,913
Payout		40%	40%	40%	40%	60%	60%	60%	60%	75%	75%	75%	75%
Dividends		2,585	882	1,049	1,325	2,354	2,679	3,052	3,453	4,829	5,356	5,935	61,627
Time Step		0.0	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	10.0
Ke	15.2%												
g (perpetuity)	5.1%												
ROE	20%												
Payout	75%												
NPV			769	794	871	1,342	1,325	1,310	1,287	1,561	1,502	1,445	15,001
Equity Value	27,108												
Shares Outstanding	1,115.3												
Target	24.3												
Upside	37.4%												

Sources: Team 11

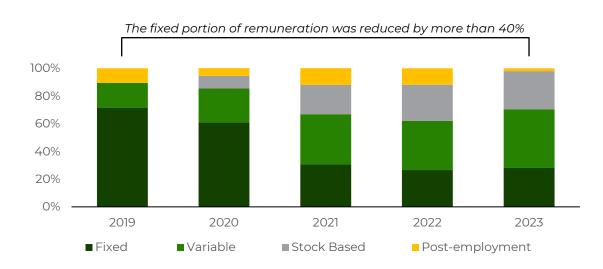
Vibra also stands out as a sustainable leader



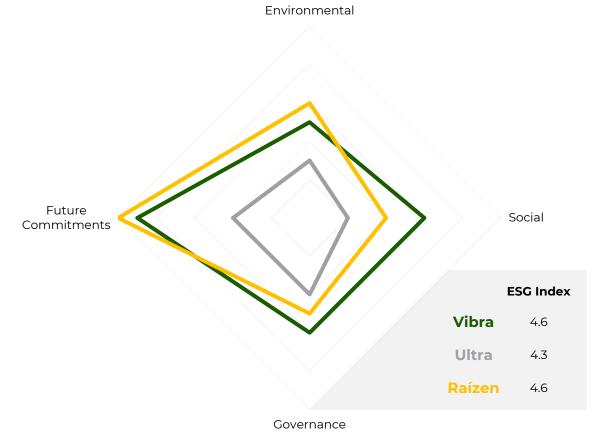
The market evaluates Vibra's positioning positively... ESG Scoreboard

	ESG Risk	ESG Management	S&P	MSCII	Bloomberg
Vibra	Low	Strong	59	AA	4.3
Ultra	High	Average	41	А	3.6
Raízen	Low	Average	70	AA	3.0

This was reinforced by measures taken by the company C-Level Compensation Breakdown



And on top of everything, it is able to position itself consistently on all fronts Proprietary ESG Index



Sources: Sustainalytics, S&P, MSCII, Bloomberg, Team 11

ESG Index: methodology summary



To analyze ESG performance, we compare Vibra with its peers Analyzed companies

	Local	Peers	Global	Latam Peers	
V// VIBR/	<u>ULTRA</u> I	raízen	bp	Shell	YPF

How did we create our ESG index?

Current efforts regarding the best business practices



Evaluated criteria

Environmental (25%)

- 1. Emission reduction initiatives prioritized.
- 2. Paris-aligned global environmental commitments.
- 3. Supply chain environmental monitoring
- 4. Biodiversity management in operational areas.
- 5. Water, energy managed across operations.

Social (25%)

- 1. Safety, health focus in operations
- 2. Labor relations and unionization strengthened
- 3. Community investments near fuel operations
- 4. Job satisfaction and organizational climate
- 5. Workforce diversity and inclusion prioritized

Governance (25%)

- 1. Transparent governance and compliance policies
- 2. Executive pay tied to sustainability
- 3. Transparent data availability prioritized.
- 4. Ownership structure and capital concentration
- 5. Board diversity, inclusion-driven commitments
- 6. Ethical, transparent employee evaluations

Future Commitments (25%)

- 1. Defined energy transition plans
- 2. Long-term sustainability strategies outlined
- 3. Clear pathways for ESG commitments

Future commitments towards strategic ESG goals



Sustainalytics ESG Risk Score



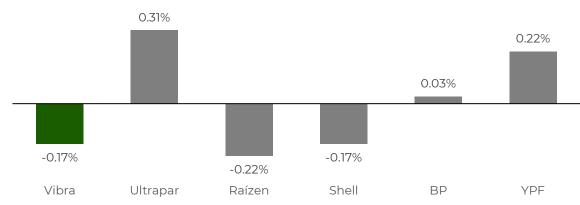
Team 11 ESG Score

Sources: Companies, Team 11

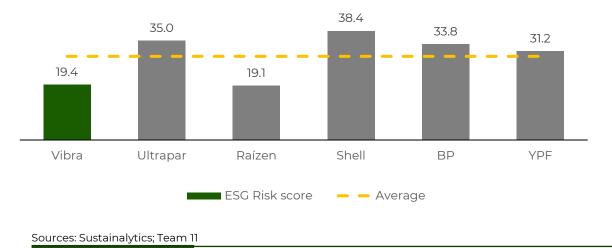
ESG Index: results & methodology



Leadership in ESG translates into a reduction in Ke ESG risk premium



The business model of Vibra carries lower FSG risk Sustainalytics ESG Risk Score



Sustainalytics assesses the extent to which a firm is vulnerable to ESGrelated risks through its ESG Risk Rating.



$$WeigtedRisk_{ESG} = \frac{1}{\left(\frac{Risk_i}{Risk_{mean}}\right)\beta} ESG_{mean} + ESGi$$

 β = 100 (maximum risk score)/5 (maximum ESG score)

"We demonstrated empirically, through a cross-sectional analysis of increasingly developed ESG research, that **ESG premia** geographically and longitudinally provides excess returns"



ESTABLISHING ESG AS RISK PREMIA

This seminal research provides statistically significant evidence for the empirical identification of Environmental, Social and Governance (ESG) as a factor of risk premium when integrated within an equity portfolio. This study purposes to establish that the conceptual development, adoption and population of ESG research-based strategies are leading to the documentation and acceptance of ESG risk premium as an intuitively and measurably independent risk premia. This study has demonstrated empirically, through a cross-sectional analysis of increasingly developed ESG research, that ESG premia geographically and longitudinally provides excess returns. Furthermore, this study presents the potential for ESG premia to take its place alongside other well-documented risk premia such as momentum, volatility, carry, size, value, and liquidity across asset classes

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ESG Index I

ESG Index I



		Local peers		Global		Latam			
Criteria	Vibra	Ultrapar	Raízen	Shell	ВР	YPF	Relevance in the industry	Median	Average
ESG Score	4,6	4,3	4,6	4,7	4,6	4,3		4,5	4,6
E - environmental	4,5	4,3	4,6	4,6	4,4	4,1		4,4	4,4
E1: Emission reduction initiatives (GRI 305: Greenhouse Gas Emissions)	4,6	4,3	4,8	4,7	4,6	4,2	Critical	4,5	4,6
E2: Commitments to global environmental agreements and goals aligned with the Paris Agreement (GRI 305: Greenhouse Gas Emissions)	5,0	4,7	5,0	5,0	4,3	4,2	Critical	4,7	4,9
E3: Environmental monitoring and responsibility in the supply chain (GRI 308: Supplier Environmental Assessment)	4,1	4,0	4,3	4,4	4,5	4,0	High	4,2	4,2
E4: Biodiversity management and environmental impacts in operational areas (GRI 304: Biodiversity)	3,8	4,0	4,2	4,3	4,0	4,1	Average	4,1	4,1
E5: Water and energy management in operations and supply chain (GRI 303: Water and Effluents; GRI 302: Energy)	4,5	4,3	4,5	4,5	4,3	4,1	Average	4,4	4,4
S - social	4,6	4,2	4,4	4,6	4,5	4,1		4,4	4,5
S1: Employee safety and health in high-risk operations (GRI 403: Occupational Health and Safety)	4,8	4,6	4,5	4,8	4,6	4,2	Critical	4,6	4,6
S2: Labor relations management and unionization (GRI 402: Labor/Management Relations) S3: Investments in local communities, particularly in fuel operation areas (GRI 413: Local	4,2	3,9	4,2	4,2	4,2	3,9	High	4,1	4,2
Communities)	4,8	4,1	4,6	4,7	4,5	4,0	High	4,5	4,6
S4: Organizational climate and job satisfaction (GRI 401: Employment)	4,4	4,3	4,3	4,3	4,4	4,2	Average	4,3	4,3
S5: Workforce diversity and inclusion (GRI 405: Diversity and Equal Opportunity)	4,5	4,1	4,6	4,6	4,8	4,3	Average	4,5	4,6
G - governance	4,6	4,4	4,5	4,7	4,6	4,2		4,5	4,5
G1: Transparency in governance and compliance policies (GRI 205: Anti-corruption Policies) G2: Executive compensation aligned with sustainability goals (GRI 102-35: Remuneration	4,9	4,2	4,6	5,0	4,8	4,2	Critical	4,6	4,7
Policies)	4,7	4,6	4,8	4,7	4,2	4,1	High	4,5	4,7
G3: Data Availability and Transparency (GRI 102: General Disclosures)	4,8	4,6	4,5	4,8	4,8	4,4	High	4,7	4,7
G4: Capital concentration and ownership structure (GRI 102-22: Governance Composition)	4,2	4,1	4,1	4,2	4,9	4,1	Average	4,3	4,2
G5: Board diversity and commitment to inclusion (GRI 405: Diversity and Equal Opportunity)	4,3	4,0	4,3	4,3	4,3	4,0	Average	4,2	4,3
G6: Transparency and ethics in employee evaluations (GRI 206: Anti-competitive Behavior)	4,6	4,5	4,5	4,5	4,4	4,5	Average	4,5	4,5
Future Commitments	4,9	4,4	5,0	5,0	4,8	4,7		4,8	4,8
FC1: Clear Energy Transition Plans	4,9	4,2	5,0	5,0	5,0	4,8	Critical	4,8	5,0
FC2: Long-Term Sustainability Management	4,7	4,5	5,0	5,0	4,8	4,6	High	4,8	4,8
FC3: Defined ESG Commitment Pathways	5,0	4,4	5,0	5,0	4,5	4,5	High	4,7	4,8

Souces: Team 11

ESG Index II



Risk score - Sustainalytics ESG Risk Score (0-100)	19,4	35,0	19,1	38,4	33,8	31,2	29,5	32,5
Environmental score	4,5	4,3	4,6	4,6	4,4	4,1	4,4	4,4
Social score	4,6	4,2	4,4	4,6	4,5	4,1	4,4	4,5
Governance score	4,6	4,4	4,5	4,7	4,6	4,2	4,5	4,5
Present effort (75% weight)	4,6	4,3	4,5	4,6	4,5	4,2	4,4	4,5
Future commitments (25% weight)	4,9	4,4	5,0	5,0	4,8	4,7	4,8	4,8
ESG Score	4,6	4,3	4,6	4,7	4,6	4,3	4,5	4,6
ESG risk adjsuted score	4,8	4,4	4,8	4,8	4,7	4,4	4,6	4,7
Deviation from the mean	0,2	-0,2	0,2	0,2	0,0	-0,3	N/A	N/A
ESG risk premium	-0,17%	0,31%	-0,22%	-0,17%	0,03%	0,22%	N/A	N/A

Rating	Description	Review			
1	Laggard	Initial efforts are visible, yet they have not translated into significant success in meeting the criteria.			
2	Satisfactory	Demonstrates a clear commitment with measurable progress towards achieving the criteria.			
3	Average	Performance meets industry benchmarks, reflecting a consistent effort and success.			
4	Excellent	Shows above-average dedication and superior results in fulfilling the criteria.			
5	Leader	Sets the benchmark through innovation and demonstrates exemplary efforts and results in achieving the criteria.			

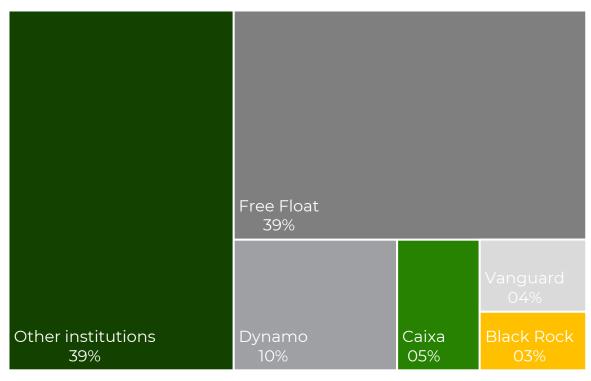
Methodology: Our ESG index is built upon the most relevant publicly available ESG data disclosed by companies in the energy distribution sector. The sector adheres to the standards set by the Sustainability Accounting Standards Board (SASB), Principles for Responsible Investment (PRI), and Global Reporting Initiative (GRI), enabling consistent and meaningful comparisons. To more accurately capture the dynamics of the sector, we have introduced a relevance criterion within the ranking that adjusts the weighting of each topic based on its significance to the sector. Given the diverse nature of company operations, each score is further refined using the Sustainalytics ESG Risk Score specific to each company.

Key Takeaways: Our ESG ranking highlights Vibra's strong leadership in the local market, where it is already recognized by leading global agencies. Locally, Vibra stands out among its peers with a lower-risk business model, a strong commitment to ESG targets, and top scores in MSCI and Bloomberg rankings. On a global scale, the company remains highly competitive, consistently aligning with industry best practices. Our methodology also quantifies this leadership in financial terms. This advantage positions the company to benefit from an ESG risk premium; specifically, its lower ESG risk relative to local peers can result in a reduced cost of equity.

Vibra is widely recognized for its commitment to best governance practices



Fully privatized, the government no longer holds any stake in Vibra Vibra's ownership structure



As a pure corporation, Vibra has dispersed shares and a significant presence of local and global funds

Governance practices recognized locally and globally Governance Highlights of Vibra

Listed on the B3 Novo Mercado index



- I. 100% Tag Along: granting shareholders protection
- II. Only voting shares (common shares) can be issued
- III. Board of Directors with independent members

ISE B3 - Corporate Sustainability Index of B3 (26 stocks)

ISEB3

- I. Best practices in sustainability and responsibility
- II. Focus on identifying and managing ESG risks
- III. Corporate transparency & ESG reports

Sustainalytics ESG Risk Score



- I. Adheres to international ESG standards
- II. Anti-Corruption Practices and Governance
- III. Detailed information on its ESG practices

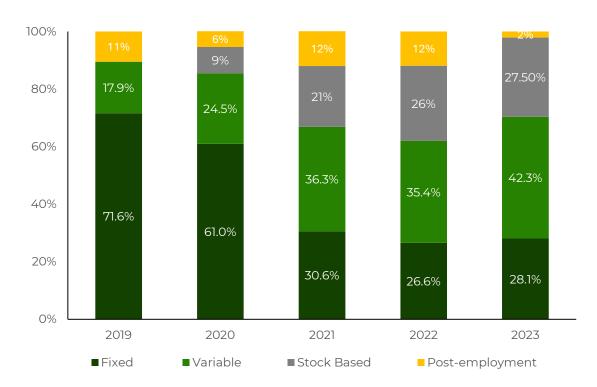
Source: Vibra IR

C-level compensation policy

Compensação variável

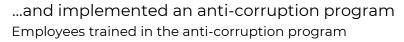


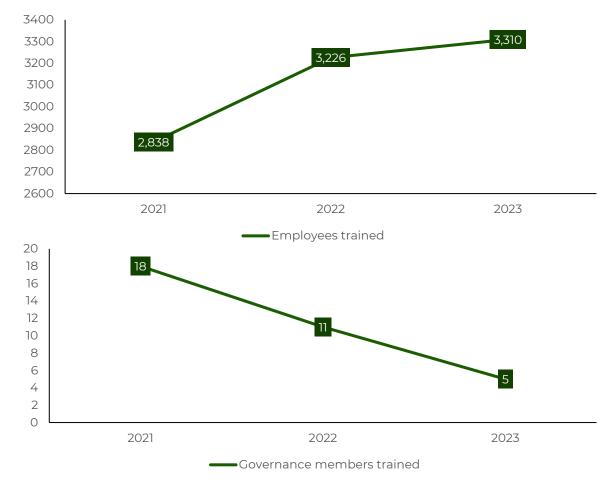
Vibra updated its executive pay structure... Vibra C-level compensation





From 2019 to 2023, executive compensation shifted from being focused on fixed salaries to being heavily based on stock and variable performance targets.





Source: Vibra IR

With issues related to Lava Jato, Vibra was restructured after its privatization



How did the irregularities occur at the former BR Distribuidora? Illegal scheme investigated by Operation Lava Jato

≡ O GLOBO POLÍTICA

Lava-Jato: Bribes at BR Distribuidora ranged between 5% and 10%.

Investigations indicate that the company was targeted by the same corruption scheme that plagued Petrobras

June, 6th, 2015



Politician nominates a board member



The appointee signs contracts and takes bribes from business partners

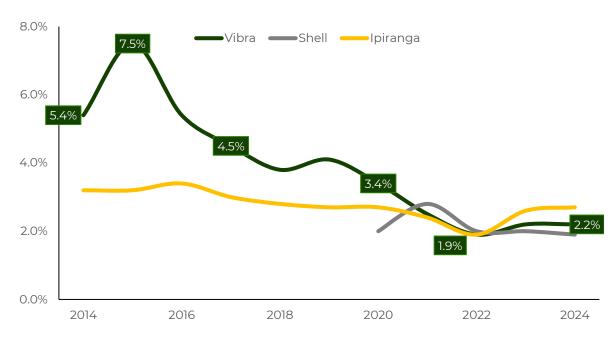




The appointee passes part of the bribe to the politician



Post-IPO, Vibra drastically reduced SG&A and its workforce SG&A margins



Workforce reduction program post-IPO



5000



දුපු

3500

Sources: O Globo, Vibra IR

The governance of Vibra is aligned with ESG metrics



To enhance results, Vibra revamped its governance structure in 2023 New Vibra ESG structure

ESG Governance structure



Executive board defines ESG priorities based on business strategy



Integrity agents & ESG focal points track action plans





24 **ESG ambassadors** promote ESG internally and externally.



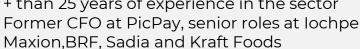
Who is behind Vibra?

CEO - Ernesto Pousada

10+ years of relevant experience Former CEO at VLI Logistics; roles at Dow Chemical, COO Suzano and Ingredion



Finance, Strategy, and IR - Augusto Ribeiro Júnior + than 25 years of experience in the sector





Business and Marketing – Vanessa Gordilho

20+ years of relevant experience Former CEO of healthtech Qsaúde; senior roles in Mastercard, Thales and GetNet



Legal and Institutional Relations - Henry Hadid

23+ years of relevant experience joined BR in 2001 with progressive roles in legal and institutional relations



Sources: Vibra IR, Team 11

Management members

Vibra's executive board



Vibra's board combines executives with a career within the company and others with significant market experience Overview of Vibra's Executive Board

Name	Position	Field of expertise	Years of industry experience	Background
Ernesto Pousada	CEO	Mechanical Engineering, Business Management	5+	Mechanical Engineer from Escola de Engenharia Mauá; specialization in Business Administration (FIA); former CEO at VLI Logística; roles at Dow Chemical, Suzano, Ingredion; awarded Executive of Value in 202 by Valor Econômico.
Augusto Ribeiro Júnior	Corporate Finance, Strategy, and IR	Finance, Strategic Management	25+	Bachelor's and Master's in Mechanical Engineering (UFSC); Corporate Finance (FGV-RJ); EMBA from University of Pittsburgh; advanced training at Wharton and LBS; former CFO at PicPay, senior roles at lochpe Maxion, BRF, Sadia, Kraft Foods.
Marcelo Fernandes Bragança	Operations and Supply	Logistics, Operations Management	25+	Mechanical Engineer (UFES); postgraduate in Maintenance Engineering; MBA in Business Logistics; long-term executive at BR since 1998, including leadership in various operational departments.
Flavio Coelho Dantas	Retail Commercial	Retail Management, Strategic Planning	26+	Economist (PUC-RJ); specialization in Administration; extensive experience at Ipiranga as commercial director; roles at Accenture Brazil and FIRJAN.
Juliano Junqueira de Andrade Prado	B2B commercial and Aviation	Industrial Engineering, Digital Transformation	20+	Industrial Engineering (UFRJ); executive MBA (Coppead); additional training from LBS, Wharton, Harvard, IMD; global VP at Gerdau; senic roles in Shell, Raízen, and Cosan.
Clarissa Sadock	Renewable Energy	Finance, Renewable Energy Management	15+	Economist (Cândido Mendes); MBA in Finance (COPPEAD/UFRJ); extension in Finance (Darden School, UVA); CEO at AES Brasil; extensive background in financial planning and treasury.
Henry Daniel Hadid	Legal and Institutional Relations	Corporate Law, Institutional Relations	23+	Law degree (Estácio de Sá); postgraduate in Oil Law (Candido Mendes); MBA in Business Law (FGV); joined BR in 2001 with progressive roles in legal and institutional relations.
Aspen Ricardo Andersen da Silva	People, Technology, and ESG	Business Development, Technology Management	20+	Mechanical Engineer (UFRJ); MBA from Ibmec; executive training in Digital Business (FGV), innovation (MIT), leadership (Singularity University); extensive experience in managerial roles at BR and Petrobras.
Vanessa Gordilho	Business and Marketing	Digital Transformation, Marketing Strategy	20+	Communication graduate; MBA from UCSD; former CEO of healthtech Qsaúde; senior roles in Mastercard, Thales, GetNet, with focus on digital business transformation.



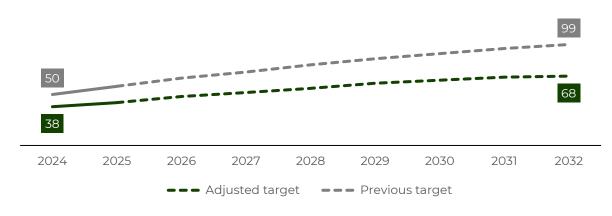


CBIOs incentivize local biofuel producers are regulated by the ANP Cbio's overview

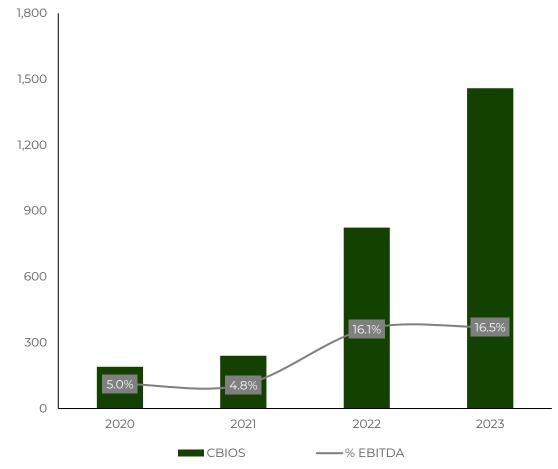


- I. Purpose: Part of RenovaBio, Brazil's National Biofuels Policy (law 13,576, December 2017)
- II. Objective: Supports the Paris Agreement goals and expands biofuels in Brazil's energy matrix
- **III. Operation:** CBIOs are issued by biofuel producers and purchased by the fuel distributors on the B3
- **IV. Regulation**: Fuel distributors must meet decarbonization ANP targets by purchasing CBIOs.

Reduction of the target by ANP is expected to lower CBIO costs ANP's annual CBios target (in mn of CBios)



In recent years, Vibra has paid a significant amount for CBIOs CBIO spending by Vibra (in BRL mm)



Sources: Team 11, ANP

Vibra positions itself in the sector through an extensive portfolio of brands





Central Brand ® (BR Petrobras)

The BR brand is the cornerstone of Vibra, operating 8,198 fuel stations across Brazil and accounting for 62.47% of the company's total sales volume. The network offers complementary services such as convenience stores and lubricant sales, catering to a variety of customer needs.



Premmia ® (Loyalty Program)

The Premmia loyalty program was created to strengthen customer relationships and enhance brand loyalty. By December 2023, it had reached 20 million registered members.



BR Mania ® (Convenience Stores)

The BR Mania convenience store network consists of 1,323 locations across Brazil, offering non-fuel products such as food and beverages. In 2023, the brand achieved an average revenue of R\$115.7 thousand per store, contributing to Vibra's diversified revenue streams.



Lubrax ® (Automotive Care)

Lubrax, a brand specializing in automotive and lubricant services, plays a crucial role in Vibra's portfolio. With a network of 1,724 franchises, the brand focuses on increasing customer satisfaction by providing high-quality automotive services and strengthening consumer engagement.



BR Aviation ®

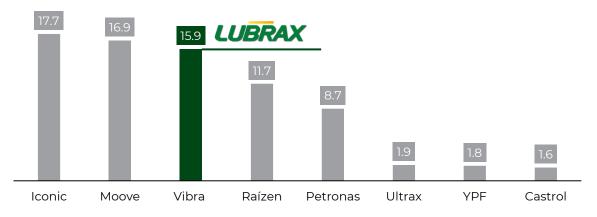
In the aviation segment, BR Aviation is one of Vibra's key differentiators, maintaining market leadership in Brazil. The brand excels in supplying aviation fuel at scale, solidifying its importance in the sector.

Sources: Vibra IR, Euromonitor



Recent developments in the lubricants segment might boost Vibra's performance

Vibra is an incumbent in the market through its Lubrax brand Brazilian lubricants market share (in % of total volume sold)



+R\$ 463 mn in EBITDA

One of the market leaders, Vibra sells lubricants for various businesses through distribution channels and direct sales

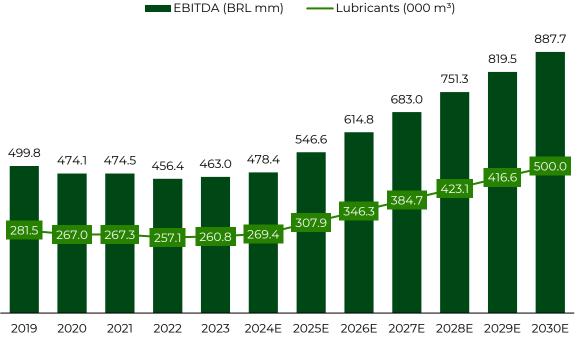


+50% capacity increase

With its own manufacturing facility located in Macaé (RJ), the company recently invested over 100 million BRL to double its production capacity, with plans to increase market share and expand in Latin America

Increased lubricant volume could boost Vibra's EBITDA

Vibra's expected lubricant sales growth (In BRL mn and 000′ m³)





Factory expansion could drive sales growth with a CAGR of 11% by 2030

Sources: ANP, Vibra IR

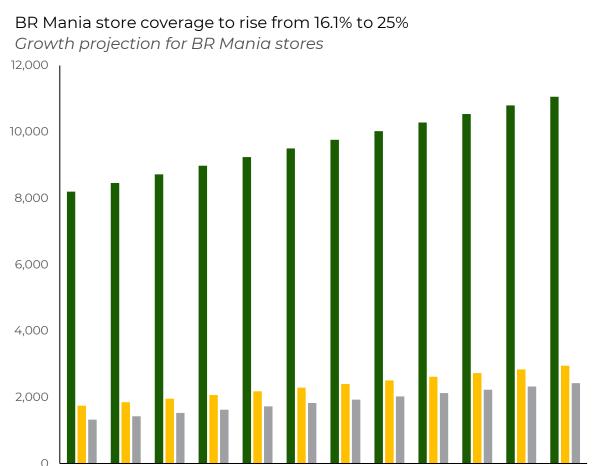


Through franchises at BR stations, Vibra can enhance its profitability

2031

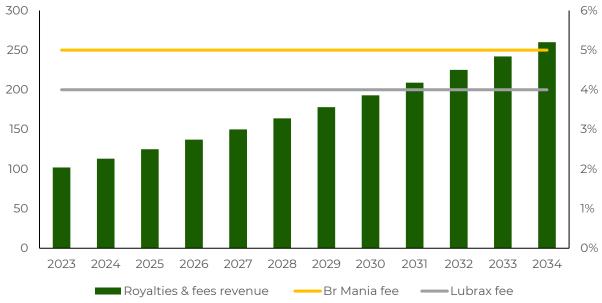
2032

2033



Franchise revenues can still grow significantly

Revenue from franchises and fee rate (in BRL mn and %)



+8.7% 10y R&F revenue CAGR

Vibra earns a fixed fee from franchisee revenues. Unlike the U.S., these stores generate relatively low income, making them a smaller contributor to the company's overall results.

Sources: Vibra IR, Team 11

2024

2025

■ Fuel Stations

2026

2027

2028

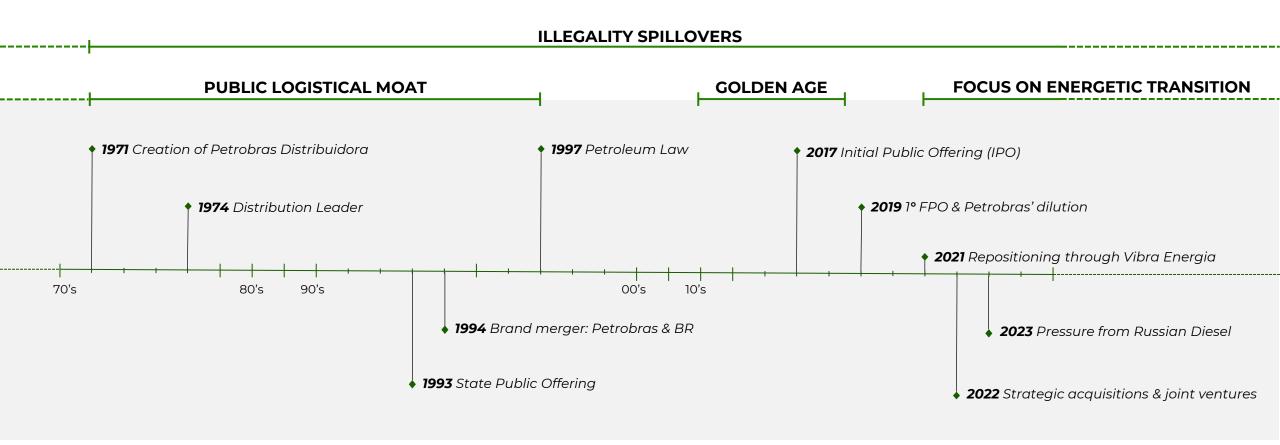
2029

■ Lubrax+ stores ■ BR Mania Stores

2030

Four catalysts intrinsically aligned with Vibra's past, present and future



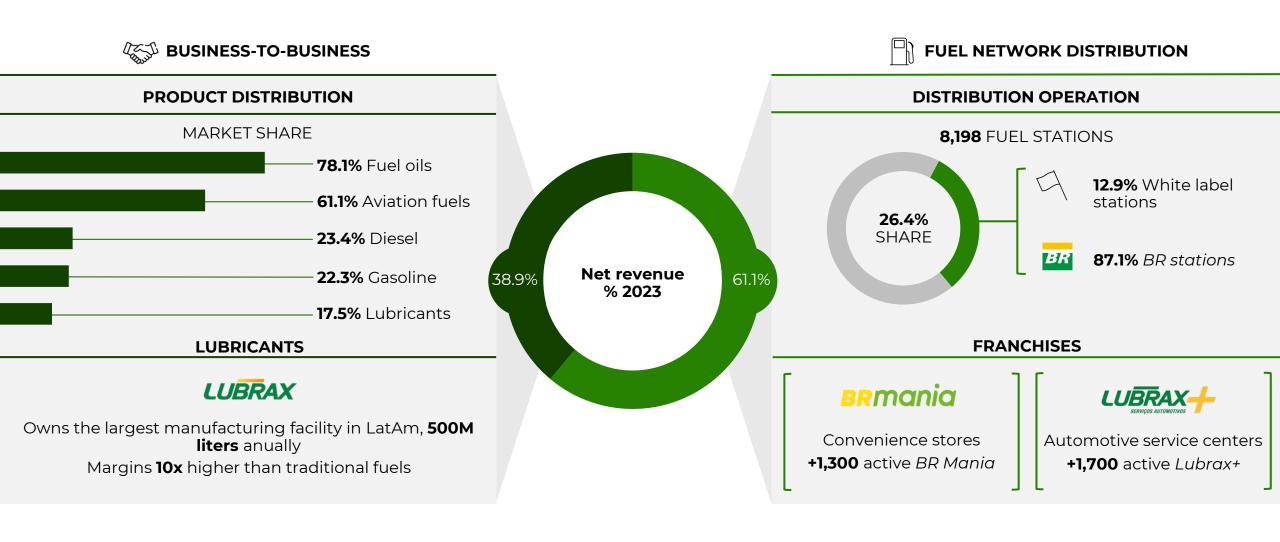


Sources: Company, Team 11

Company Overview

Leader in the fuel distribution sector through B2B and Retail





Sources: Company, Team 11

Possible M&A activity in the gas sector



Vibra has a guidance to increase its market share in the gas sector Structure of the free gas market in Brazil

The Brazilian natural gas free market



Producers: extract and produce natural gas, including domestic producers and gas importers in Brazil





Transporters: ensure safe and efficient gas transport via pipelines from production areas to consumption points





Distributors: deliver gas to end-users through distribution networks connected to pipelines





Marketers: act as intermediaries, negotiating between producers and consumers

For producers, the free gas market **reduces entry barriers** and encourages new opportunities.

Vibra is entering the gas market as a producer and distributor Vibra's acquisition of ZEG

≡(eixos)

Q

Vibra Energia completes acquisition of 50% of ZEG Biogás

The distributor secured two more future purchase options, allowing for the acquisition of up to 100% of the biogas company

September, 19th, 2022

Zeg produces **Biomethane from sugarcane**, a renewable gas used as a cleaner alternative to natural gas

Potential to reach a production of **2 million m³/day** within five years

Natural gas expected demand forecast (in thousand m³/day)



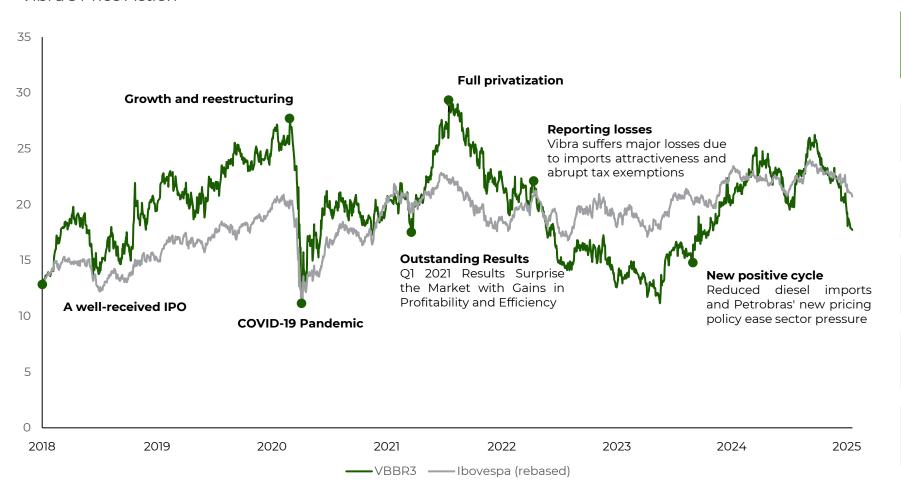
Sources: Vibra IR, Eixos

Catalysts

Different factors can lead to an increase in the stock price



Looking at the historical movement of the Vibra stock, it becomes clear which issues are capable of influencing its price Vibra's Price Action



Key Catalysts

- **1.** Increase in Petrobras' price gap in relation to the IPP
 - **2.** New efficient measures to combat illegality
- **3.** Strong results, with gains in market share and margin expansion
 - **4.** Improved economic growth prospects for Brazil
- **5.** Significant reduction in interest rates

Source: Team 11, Company

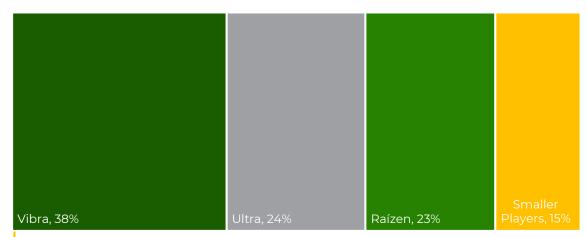
The three main distributors have an impressive advantage over the others



196

The biggest competitive advantages held by incumbents are linked to their huge market shares

Estimated Distributor Quotas



Incumbents own **85% of the quotas**, a crucial aspect for the distribution business

This is a consequence of their **higher volumes and greater logistical capacities**, provided by their larger sizes

For smaller companies to threaten the incumbents, they would need to gain a significant amount of share

	Current Share	5Y Share ∆	MOAT Size
Vibra	26.2%	0.8%	28.1 years
Shell	20.3%	0.8%	21.8 years
Ipiranga	16.7%	1.2%	17.9 years

It would take at least 17.9 years for a company to threaten the big three

Source: ANP, Team 11

Although limited, brand power plays a relevant role in the business



In the fuel distribution sector, what is the role of branding? *Vibra's brand portfolio*



Our perspective on Vibra's brand power

A commoditized sector

As in any highly commoditized sector, companies' pricing power is diminished. With low product differentiation and high competitiveness, distributors face squeezed margins.

2 High illegality in Brazil

However, due to the high prevalence of fuel adulteration in Brazil, established brands manage to gain greater credibility with consumers, as adulterated gasoline can damage vehicles.

The BR identity

Among the country's major players, Vibra stands out for owning more traditional brands that are highly associated with Brazil. Additionally, there is strong synergy between the franchises and the fuel stations.

Source:company

