

Earnings Release 1st Quarter

2024/2025
CROP YEAR

AUGUST 12, 2024

Adjusted EBIT was **R\$307.7 million** in 1Q25

Adjusted EBITDA was **R\$672.3 million in 1Q25** (+20.7%), with Adjusted EBITDA margin of 40.6%. The performance in the quarter is due to higher sugar prices and higher sales volume (TRS sold), partially offset by lower ethanol prices.

Adjusted EBIT was **R\$307.7 million** (+42.7% vs. 1Q24), with a margin of 18.6%, in 1Q25.

Net Income of R\$106.3 million in 1Q25, a 51.7% decrease compared to 1Q24, mainly due to the impact of the mark-to-market adjustment of the swap of debts, and the variation in the fair value of biological assets, both with no cash effect.

Leverage ratio ended 1Q25 at **1.27x Net Debt/Adjusted EBITDA LTM**.

On June 30, 2024, **sugar prices hedged for the 2024/25 crop year** totaled **~729,000 tons** at **~R\$ 2,454/ton**. For **2025/26 crop year**, approximately **179,000 tons** are hedged at **~R\$ 2,436/ton**.

Executive Summary

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Net Revenue ¹	1,654,793	2,423,011	1,353,309	-31.7%	22.3%
Adjusted EBITDA	672,339	1,154,082	557,261	-41.7%	20.7%
Adjusted EBITDA Margin	40.6%	47.6%	41.2%	-7.0 p.p	-0.5 p.p
Adjusted EBIT	307,702	466,053	215,578	-34.0%	42.7%
Adjusted EBIT Margin	18.6%	19.2%	15.9%	-0.6 p.p	2.7 p.p
Net Income	106,320	627,282	220,268	-83.1%	-51.7%
Cash Income	46,580	504,747	124,710	-90.8%	-62.6%
Leverage (Net Debt / Adjusted EBITDA LTM)	1.27 x	1.08 x	1.16 x	17.3%	9.4%

1 - Excludes the Hedge Accounting effect of foreign-denominated debt and PPA USC and includes Financial Income from Real Estate Development. Data do not include the IFRS 16 impacts.

SMT03: R\$32.73 per share

Market Cap: R\$11.3 billion

*On June 28, 2024

Earnings Conference Call

August 13, 2020 (Tuesday)

03:00 p.m. (Brasília)

2:00 p.m. New York time

To access the webcast: [click here](#)

Operating Highlights

	1Q25	1Q24	Δ 1Q25/1Q24
Operational Data			
TRS Produced ('000 tons)	1,231.5	1,015.9	21.2%
Sugarcane	1,142.8	952.5	20.0%
Corn	88.7	63.4	39.8%
Agricultural - Sugarcane			
Crushed Sugarcane ('000 tons)	8,854.9	7,595.1	16.6%
Own	5,795.3	5,009.1	15.7%
Third Parties	3,059.6	2,586.0	18.3%
Agricultural Yield (ton/ha)	91.7	82.0	11.8%
Average TRS (kg/ton)	129.1	125.5	2.8%
Corn Processing ('000 tons)	124.1	103.9	19.5%
Production Data			
Sugar ('000 tons)	535.4	423.4	26.4%
Ethanol ('000 m³)	393.7	335.8	17.2%
Sugarcane	342.9	298.8	14.8%
Corn	50.8	37.0	37.2%
Cogeneration ('000 MWh)	272.0	203.0	34.0%
DDGS ('000 tons)	31.9	25.8	24.0%
Mix Sugar - Ethanol (Sugarcane)	49% - 51%	46% - 54%	
Mix Sugar - Ethanol (Consolidated)	45% - 55%	43% - 56%	

In the first quarter of the 2024/25 crop year, São Martinho had processed approximately 8.9 million tons of sugarcane, a 16.6% increase compared to the same period of the 2023/24 crop year, mainly due to better yields (+11.8% in tons of cane per hectare) and time gains. The operational improvement stems from the company's initiatives and investments over the past years, with a positive impact on improved production, and better weather conditions, favoring the crushing schedule during the period. The performance is in line with the guidance published in the material fact notice on June 17, 2024.

In the crop year, sugarcane operations produced approximately 535.4 thousand tons of sugar (+26.4% vs. 1Q24) and 342.9 thousand cubic meters of ethanol (+14.8%), reflecting the better yields and the higher share of sugar in the mix in the period. Corn processing added 50.8 thousand m³ of ethanol and 31.9 thousand tons of DDGS.

Considering both sugarcane operations and corn processing, Total Recoverable Sugar (TRS) produced was 1,231.5 thousand tons at the end of 1Q25 (+21.2% vs. 1Q24), of which 1,142.8 thousand tons (+20.0%) came from sugarcane crushing. Average TRS increased 2.8% due to drier weather during the period.

1Q25 EARNINGS RELEASE

CONSOLIDATED

NET REVENUE

SMTO
B3 LISTED NM

Net Revenue Breakdown

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Domestic Market	760,445	1,091,152	581,917	-30.3%	30.7%
Sugar	72,389	90,295	51,379	-19.8%	40.9%
Ethanol	513,753	900,234	382,101	-42.9%	34.5%
Sugarcane	412,510	730,282	313,438	-43.5%	31.6%
Corn	101,243	169,952	68,663	-40.4%	47.4%
Energy	73,470	6,630	58,664	n.m	25.2%
Yeast	20,085	4,159	15,344	n.m	30.9%
DDGS	31,238	18,221	26,083	71.4%	19.8%
CBIOs	13,932	40,291	3,939	-65.4%	n.m
Others	35,578	31,322	44,407	13.6%	-19.9%
Export Market	894,210	1,331,859	771,392	-32.9%	15.9%
Sugar	840,978	1,094,585	715,125	-23.2%	17.6%
Ethanol	52,282	235,711	52,494	-77.8%	-0.4%
Yeast	112	-	3,773	n.m.	-97.0%
Others	838	1,563	-	-46.4%	n.m.
Net Revenue¹	1,654,655	2,423,011	1,353,309	-31.7%	22.3%
Sugar	913,367	1,184,880	766,504	-22.9%	19.2%
Ethanol	566,035	1,135,945	434,595	-50.2%	30.2%
Sugarcane	464,792	965,993	365,932	-51.9%	27.0%
Corn	101,243	169,952	68,663	-40.4%	47.4%
Energy	73,470	6,630	58,664	n.m	25.2%
Yeast	20,197	4,159	19,117	n.m	5.6%
DDGS	31,238	18,221	26,083	71.4%	19.8%
CBIOs	13,932	40,291	3,939	-65.4%	n.m
Others	36,416	32,885	44,407	10.7%	-18.0%
Net Revenue - Sugarcane	1,517,659	2,229,325	1,284,646	-31.9%	18.1%
Net Revenue - Corn	136,996	193,686	68,663	-29.3%	99.5%

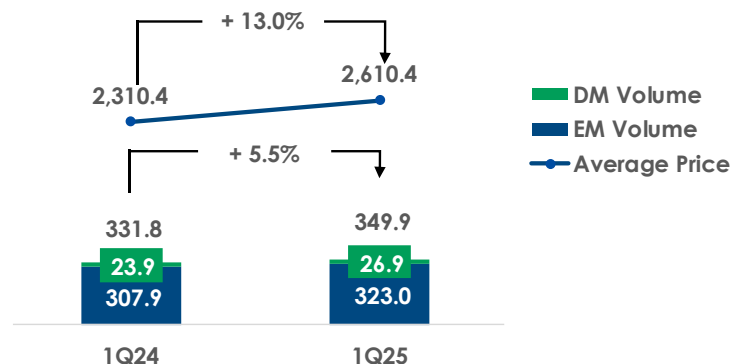
1- Excludes the Hedge Accounting effect of foreign-denominated debt and PPA USC and includes Financial Income from Real Estate Development.

Net revenue

São Martinho's net revenue totaled R\$1,655 million in 1Q25, an increase of 22.3% compared to 1Q24, due to the better performance of sugar, with higher prices (+13.0%) and volume (+5.5%), partially offset by a reduction in ethanol prices (-17.5%), despite the expansion in biofuel sales (+57.9%).

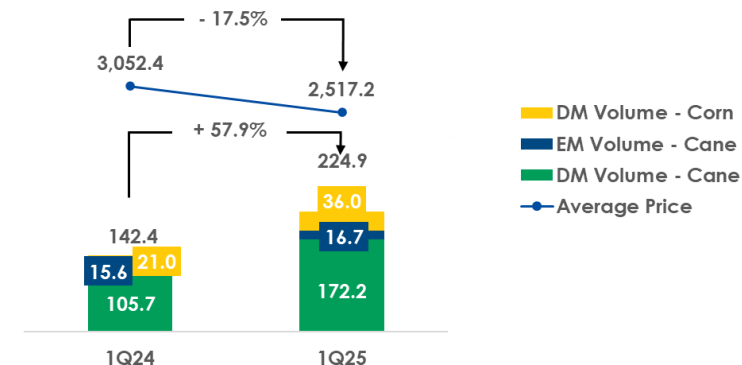
The following charts present a breakdown of net revenue by product in 1Q24 compared to the same periods in the 2023/24 crop year.

Sugar – Volume ('000 tons) and Average Price (R\$/ton)



Net revenue from sugar sales amounted to R\$913.4 million in 1Q25, increasing 19.2% compared to 1Q24, due to better prices (+13.0%) and higher sales volume (+5.5%) in the period.

Ethanol – Volume ('000 m³) and Average Price (R\$/m³)



Net revenue from ethanol sales increased 30.2% in 1Q25 compared to 1Q24, to R\$566.0 million, reflecting the higher sales volume (+57.9%), partially offset by lower prices (-17.5%) in the period.

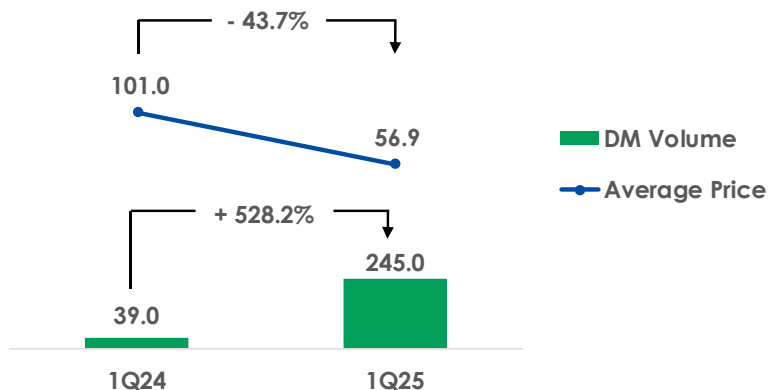
1Q25 EARNINGS RELEASE

CONSOLIDATED

NET REVENUE

SMTO
B3 LISTED NM

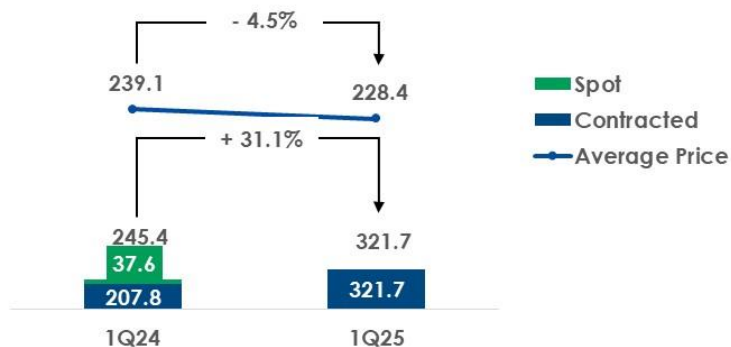
CBIOs - Volume ('000 CBIOs) and Average Price (R\$/CBIO)



In 1Q25, we sold around 245,0 thousand CBIOs (decarbonization credits) at an average net price of R\$56.9/CBIO (net of PIS/Cofins, INSS and income tax withheld at source of 15%).

Moreover, as described in the notes to the financial statements ("Inventories and Advances to Suppliers"), on June 30, 2024, São Martinho had approximately 38,000 CBIOs issued but not sold.

Cogeneration - Volume ('000 MWh) and Average Price (R\$/MWh)



Net revenue from cogeneration sales totaled R\$73.4 million in 1Q25, an increase of 25.2% from 1Q24, reflecting the combination of higher sales volume (+31.1%) and lower prices in the period (-4.5%).

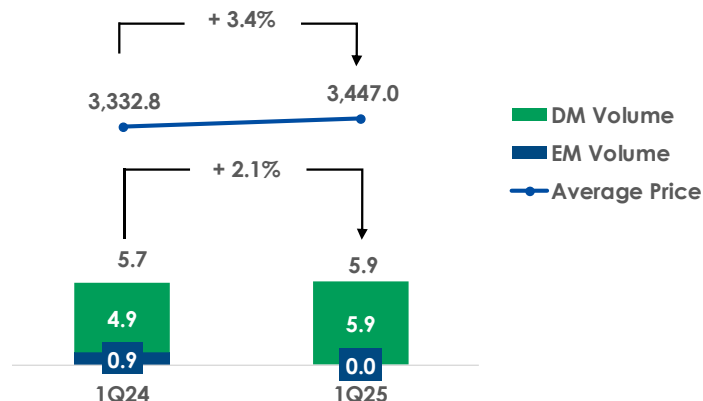
1Q25 EARNINGS RELEASE

CONSOLIDATED

NET REVENUE

SMTO
B3 LISTED NM

Yeast – Volume ('000 tons) and Average Price (R\$/ton)



Net revenue from yeast sales totaled R\$20.2 million in 1Q25, increasing 5.6% compared to 1Q24, due to the combination of higher sales volume (+2.1%) and prices (+3.4%) in the period.

DDGS - Volume ('000 tons) and Average Price (R\$/ton)



Net revenue from DDGS sales totaled R\$31.2 million in 1Q25, increasing 19.8% compared to 1Q24, reflecting a higher sales volume (+23.0% vs. 1Q24) partially offset by a lower average price (-2.6%) in the comparison period.

1Q25 EARNINGS RELEASE

CONSOLIDATED

COSTS

SMTO
B3 LISTED NM

Cash cost of goods sold (COGS)

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Operation - Sugarcane	668,209	1,059,339	536,228	-36.9%	24.6%
Agricultural Costs	571,244	905,731	474,102	-36.9%	20.5%
Suppliers	333,166	467,515	295,301	-28.7%	12.8%
Partnerships	129,908	249,156	116,552	-47.9%	11.5%
Own Sugarcane	108,169	189,060	62,249	-42.8%	73.8%
Industrial	96,965	153,608	62,126	-36.9%	56.1%
Corn Processing	129,899	218,768	98,825	-40.6%	31.4%
Corn Purchase	103,574	189,269	88,813	-45.3%	16.6%
Industrial	26,325	29,499	10,012	-10.8%	162.9%
Other Products	42,399	2,276	39,412	n.m.	7.6%
Reintegra	(923)	(1,043)	(761)	-11.5%	21.4%
Cash Cost	839,584	1,279,340	673,704	-34.4%	24.6%
(-) Ethanol Resale	-	-	(2,875)	n.m.	-100.0%
Cost of Goods Sold (COGS) ex- Resale	839,584	1,279,340	670,830	-34.4%	25.2%
Var. Fair Value of Biological Assets	(21,629)	104,681	(145,136)	-120.7%	-85.1%
(-) Depreciation and Amortization	360,455	684,031	335,415	-47.3%	7.5%
Cost of Goods Sold (COGS)	1,178,410	2,068,051	863,983	-43.0%	36.4%
Non-cash effect of IFRS 16	(46,871)	11,192	(32,385)	n.m.	44.7%
Cost of Goods Sold (COGS) after IFRS 16	1,131,539	2,079,243	831,598	-45.6%	36.1%
TRS Sold (thousand tons)	749	1,343	591	-44.2%	26.6%
TRS Sold (thousand tons) - Sugar Cane	686	1,217	555	-43.7%	23.7%

Cash COGS in 1Q25 amounted to R\$839.6 million, up 24.6% from 1Q24, explained by higher sales volume in the period (+26.6% in TRS sold). Considering only the sugarcane operation, cash COGS increased 24.6% from 1Q24, totaling R\$668.2 million, mainly reflecting the higher sales volume in the period (+23.7% in TRS sold).

1Q25 EARNINGS RELEASE

SUGARCANE

COSTS

SMTO
B3 LISTED NM

Cash Cost Breakdown

This section breaks down the **Cash Cost** for products resulting from the **sugarcane** operation, defined as follows:

Cash Cost = COGS – Depreciation/Amortization + Var. in Fair Value of Biological Assets + Selling Expenses + General and Administrative Expenses + Maintenance Capex

Cash Cost from the perspectives of product, sugar + ethanol and total from sugarcane operations is broken down below.

In R\$ '000

	1Q25							1Q24						
	Sugar	Ethanol	Sugar + Ethanol	Cogen.	Yeast	Others	Total	Sugar	Ethanol	Sugar + Ethanol	Cogen.	Yeast	Others	Total
Cost of Goods Sold (COGS)	556,113	422,938	979,051	20,536	8,335	30,656	1,038,578	522,591	199,350	721,941	15,205	5,785	20,042	762,974
(-) Depreciation and Amortization	(174,972)	(157,041)	(332,013)	(3,413)	(2,099)	(13,524)	(351,048)	(206,278)	(116,215)	(322,493)	(3,667)	(1,926)	(4,566)	(332,652)
Var. Fair Value of Biological Asset	(12,516)	33,692	21,176			453	21,629	36,598	102,297	138,895			6,241	145,136
Cash Cost	368,625	299,589	668,214	17,123	6,236	17,585	709,159	352,911	185,432	538,343	11,538	3,859	21,718	575,457
Selling Expenses	46,659	5,627	52,286	4,022	234		56,544	38,376	4,476	42,852	3,510		(35)	46,327
General and Administrative Expenses	42,433	37,181	79,613	10,552	1,360	1,684	93,210	46,062	27,357	73,418	9,216		1,508	84,143
(-) Depreciation and Amortization	(1,939)	(1,699)	(3,638)	(482)	(62)	-	(4,182)	(1,808)	(1,074)	(2,882)	(362)		-	(3,244)
Operational Cash COGS	455,778	340,697	796,475	31,215	7,536	19,503	854,730	435,540	216,190	651,731	23,902	3,859	23,191	702,683
(+) Maintenance Capex	199,402	153,240	352,641	-	-	-	352,641	191,414	143,149	334,563				334,563
Total Cash COGS	655,180	493,937	1,149,117	31,215	7,536	19,503	1,207,371	626,954	359,339	986,294	23,902	3,859	23,191	1,037,246
Sold Volume ¹	350	189	686	228	6			332	121	555	245	6		
Average Cash Cost (R\$/Unit ¹)	1,873	2,615	1,675	137	1,286			1,890	2,962	1,779	97	673		
Operational Margin (%)	28.3%	-3.9%		57.5%	62.7%			18.2%	1.8%		59.3%	79.8%		

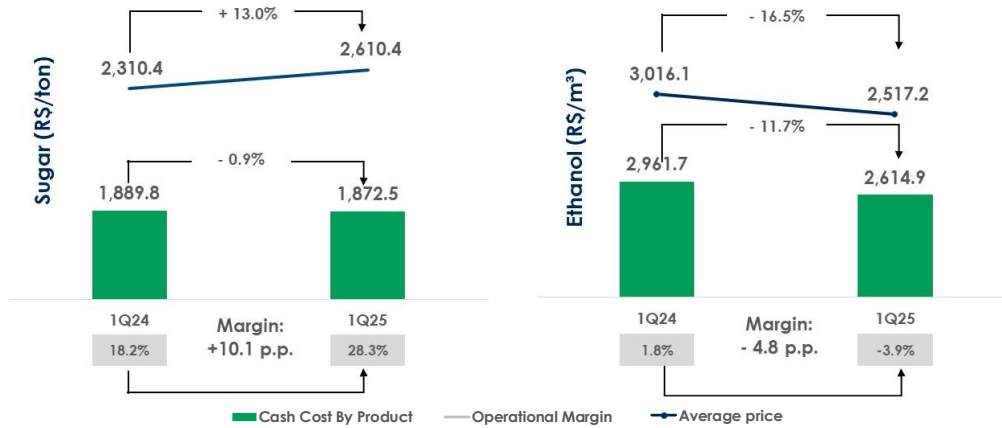
Data does not include the IFRS 16 impacts

1 - Sugar/Yeast in ton; Ethanol in m³; Cogen. in MWh; Sugar + Ethanol in TRS Sold

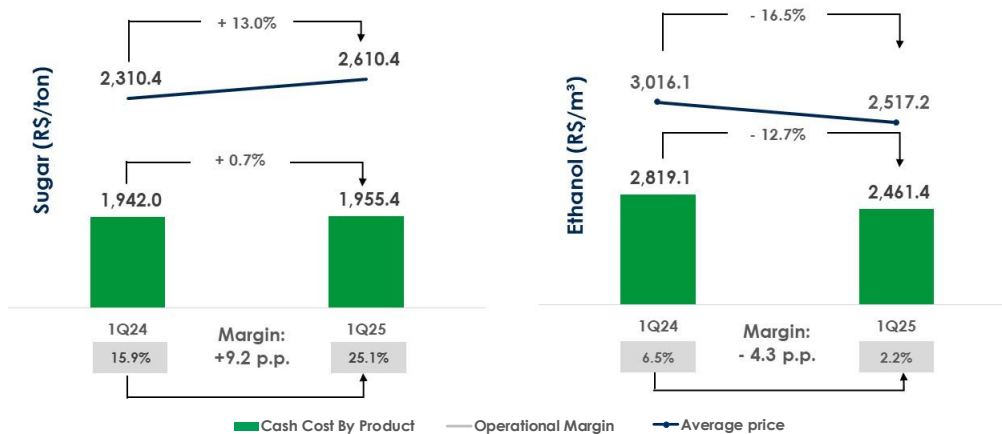
The table compiles the unit values of Cash Cost, obtained by dividing Total Cash Cost by Sales Volume, and the respective operating margin per product.

In the first quarter of 2024/25 crop year, Unit Cash Cost of sugar + ethanol (in Brazilian real per ton of TRS sold) decreased by 5.8% compared to the same period of 2023/24, totaling R\$1,675/ton. The increase is explained by the higher sales volume in the period (+23.7% in TRS sold).

Compiling the information detailed in the previous sections, the variation in **Operating Margin** from sugar and ethanol produced from **sugarcane** processing is shown below:



Below is the **Adjusted Operating Margin**, breaking down the impacts of price variation of each product of Consecana and considering them individually in the Company's sugar and ethanol costs.



1Q25 EARNINGS RELEASE

CORN OPERATION

RESULTS & CORN PURCHASES

SMTO
B3 LISTED NM

Corn Operation Results

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Net Revenue	136,996	193,686	97,364	-29.3%	40.7%
Ethanol	101,243	169,952	68,663	-40.4%	47.4%
DDGS	31,238	18,221	26,083	71.4%	19.8%
Corn Oil	4,515	5,513	2,618	-18.1%	72.5%
Cost of Goods Sold (COGS)	(130,938)	(219,892)	(103,508)	-40.5%	26.5%
Corn Purchases	(103,574)	(189,269)	(88,813)	-45.3%	16.6%
Industrial	(27,364)	(30,623)	(14,695)	-10.6%	86.2%
EBITDA	6,058	(26,206)	(6,144)	n.m.	-198.6%
EBITDA Margin (%)	4.4%	-13.5%	-6.3%	n.m.	10.7 p.p
(-) Depreciation/Amortization	(9,430)	(13,092)	(2,954)	n.m.	n.m
EBIT	(3,372)	(39,298)	(9,098)	n.m.	-62.9%
EBIT Margin (%)	-2.5%	-20.3%	-9.3%	n.m.	6.9 p.p

During 1Q25, the corn operation maintained crushing levels in line with the plant's full capacity, according to the Guidance published on June 17, 2024. The economic and financial performance of the operation in 1Q25 still reflects the higher cost of raw materials, originating from the 2023/24 crop year, and market conditions impacting ethanol and DDGS.

In the first quarter of the 2024/25 crop year, around 124.1 thousand tons of corn were processed, which produced 50.8 thousand m³ of ethanol and 31.9 thousand tons of DDGS. The corn operation added approximately 88.7 thousand tons of product (in TRS produced) and R\$6.1 million of EBITDA to the consolidated performance of São Martinho.

Corn Purchases

	Corn Purchases (Tons)	Gross Price (R\$/Sc)	Net Price (R\$/Sc)
24/25 Harvest	394,982	59.3	50.8
Physical Stocks	84,302	65.6	56.8
Forward Delivery	310,681	57.5	49.2

On June 30, 2024, the company had purchased approximately 395,000 tons of corn at a net price of around R\$50.8/sc, for the 2024/25 crop year.

1Q25 EARNINGS RELEASE

CONSOLIDATED

OPERATING EXPENSES & OTHER INCOME

SMTO
B3 LISTED NM

Selling, General and Administrative Expenses

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
General and Administrative Expenses - Cash	87,466	99,973	76,189	-12.5%	14.8%
Labor	56,181	43,041	43,293	30.5%	29.8%
General Expenses	31,285	56,932	32,896	-45.0%	-4.9%
Stock Options/Others	5,333	4,788	17,446	11.4%	-69.4%
Depreciation and Amortization	4,182	3,997	3,435	4.6%	21.7%
Non-cash adjustments from IFRS16	436	32	(1,543)	n.m	-128.2%
General and Administrative Expenses	97,417	108,790	95,527	-10.5%	2.0%
Port Costs / Freight	52,722	101,837	42,620	-48.2%	23.7%
Other	4,019	4,190	3,706	-4.1%	8.4%
Selling Expenses	56,741	106,027	46,327	-46.5%	22.5%
% of Net Revenue	3.4%	4.4%	3.4%	-0.9 p.p	0.0 p.p
Selling, General and Administrative Expenses	154,158	214,817	141,854	-28.2%	8.7%
Copersucar Rights	-	(741,409)	-	-100.0%	n.m.
Others Revenues (Expenses)	(3,739)	(188,217)	(9,566)	-98.0%	-60.9%
Equity Result	(1,868)	(2,167)	(1,789)	-13.8%	4.4%
Operating Income (expenses)	148,551	(716,976)	130,499	-120.7%	13.8%

General and Administrative Expenses totaled R\$97.4 million in 1Q25 (+2.0% vs. 1Q24). The variations mainly reflect the recognition of expenses related to labor, services, and fees in the period.

Selling expenses totaled R\$56.7 million in the period, an increase of 22.5% (vs. 1Q24), in line with the higher sales volume.

1Q25 EARNINGS RELEASE

CONSOLIDATED

FINANCIAL RESULT & DEBT

SMTO
B3 LISTED NM

Financial Result

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Financial Revenues	74,161	128,301	92,362	-42.2%	-19.7%
Financial Expenses	(172,770)	(200,600)	(201,699)	-13.9%	-14.3%
Financial Results (Cash)	(98,609)	(72,299)	(109,337)	36.4%	-9.8%
Exchange Variation/Derivative/Others	(145,987)	(84,357)	34,905	73.1%	n.m
IFRS16 Effects - APV	(84,578)	(6,539)	(87,701)	n.m	-3.6%
Real Estate Development	1,040	1,250	1,315	-16.8%	-20.9%
Financial Result	(328,134)	(161,945)	(160,818)	102.6%	104.0%

The Financial Result (Cash) was an expense of R\$98.6 million in 1Q25, a reduction of 9.8% compared to 1Q24, mainly reflecting the lower interest on debt incurred in the period.

Considering the items with no cash impact (and Results from Real Estate Development), the financial result was an expense of R\$328.1 million (+104.0% vs. 1Q24), mainly due to the mark-to-market of long-term debt derivative contracts (SWAP) due to fluctuations in CDI.

Debt

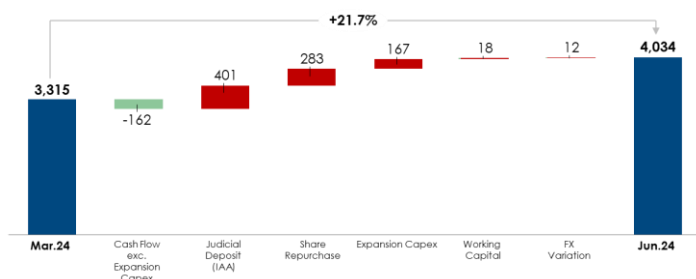
In R\$ '000

	Jun/24	Mar/24	Chg.%
Agribusiness Certificate of Receivables (CRA)	2,141,359	1,216,748	76.0%
BNDES / FINAME	1,783,648	1,721,113	3.6%
Working Capital/ NCE (Export Credit Note)	783,898	720,991	8.7%
Debentures	2,367,219	2,317,492	2.1%
PPE (Export prepayment)	56,151	102,700	-45.3%
International Finance Corporation (IFC)	404,544	457,774	-11.6%
Gross Debt	7,536,818	6,536,818	15.3%
Cash and Cash Equivalents	3,502,322	3,222,009	8.7%
Net Debt	4,034,496	3,314,809	21.7%
% Net Debt in USD	2.3%	10.3%	-8.0 p.p.
LTM Adjusted EBITDA	3,185,224	3,070,147	3.7%
Net Debt / LTM Adj. EBITDA - BRL	1.27 x	1.08 x	17.3%
Net Debt / LTM Adj. EBITDA - USD ¹	1.19 x	1.06 x	12.0%

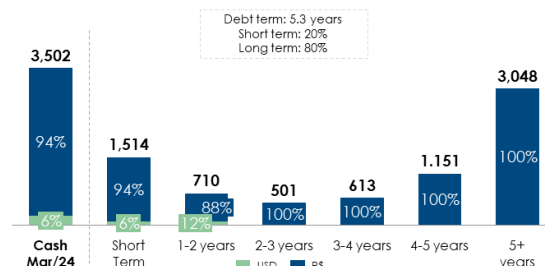
¹ - LTM average daily PTAX - Mar/24: R\$4.93 and Jun/24: R\$5.00

On June 30, 2024, the Company's Net Debt stood at R\$4.0 billion, increasing 21.7% from March 31, 2024. The higher net debt mainly reflects the capital allocation in the quarter, the Expansion Capex, and the judicial deposit of Copersucar's registered warrant (IAA) related to the installments received in 4Q24.

Changes in Net Debt R\$ million



Debt Repayment Schedule R\$ million



1Q25 EARNINGS RELEASE

CONSOLIDATED

EBITDA, EBIT & CASH NET INCOME

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EBITDA and EBIT Reconciliation

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Profit Before Income Tax	35,485	897,550	219,672	-96.0%	-83.8%
Depreciation and Amortization ¹	447,993	973,770	420,133	-54.0%	6.6%
Financial Revenue (Expense), net	328,134	161,945	160,818	102.6%	104.0%
Book EBITDA¹	811,612	2,033,265	800,623	-60.1%	1.4%
Margin (%)	49.4%	84.0%	59.6%	-34.6 p.p.	-10.3 p.p.
Copersucar Rights	-	(710,812)	-	-100.0%	n.m.
Non-cash effect of IFRS 16	(129,791)	(274,517)	(112,377)	-52.7%	15.5%
Real Estate Results	1,040	1,250	1,315	-16.8%	-20.9%
Equity Income	(1,868)	(2,167)	(1,789)	-13.8%	4.4%
Adjustment to Maturity of Hedge Accounting	10,045	-	6,573	n.m.	52.8%
Stock Option - Non-vested	2,930	2,382	8,053	23.0%	-63.6%
Biological Assets	(21,629)	104,681	(145,136)	-120.7%	-85.1%
Adjusted EBITDA	672,339	1,154,082	557,261	-41.7%	20.7%
Margin (%)	40.6%	47.6%	41.2%	-7.0 p.p.	-0.5 p.p.
(-) Depreciation and Amortization	(364,637)	(688,028)	(341,684)	-47.0%	6.7%
Adjusted EBIT	307,702	466,053	215,578	-34.0%	42.7%
Margin (%)	18.6%	19.2%	15.9%	-0.6 p.p.	2.7 p.p.
Adjusted EBITDA	672,339	1,154,082	557,261	18.3%	20.7%
(-) Maintenance Capex	(352,641)	(720,865)	(334,563)	-51.1%	5.4%
EBITDA - CAPEX	319,698	433,217	222,699	-26.2%	43.6%
Margin (%)	19.3%	10.9%	16.5%	8.4 p.p.	2.9 p.p.

¹ - Includes the IFRS 16 impacts

Adjusted EBITDA stood at R\$672.3 million in the period (+20.7% vs. 1Q24), with Adjusted EBITDA margin of 40.6% in the quarter. The performance was due to the higher sugar profitability, with higher prices and volume, and market conditions affecting the ethanol price.

Adjusted EBITDA excluding Maintenance Capex (EBITDA – Capex) in 1Q25 totaled R\$319.7 million (margin of 19.3%), increasing 43.6% from 1Q24.

Cash Net Income

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Net Income	106,320	627,282	220,268	-83.1%	-51.7%
Non-cash effect of IFRS 16 on Net Income before taxes	38,142	17,763	53,773	114.7%	-29.1%
Income Tax booked	(70,835)	270,268	(596)	-126.2%	n.m.
Income Tax paid	(5,418)	(3,642)	(3,599)	48.8%	50.5%
Judicial Deposit (Income Tax-Copersucar)	-	(511,605)	-	-100.0%	n.m.
Biological Asset/Others	(21,629)	104,681	(145,136)	-120.7%	-85.1%
Cash Income	46,580	504,747	124,710	-90.8%	-62.6%
Total Shares ex-treasury (in thousand)	336,524	345,831	346,375	-2.7%	-2.8%
Cash Income per share	0.14	1.46	0.36	-90.5%	-61.6%

By the end of 1Q25, Net Profit totaled R\$ 106.3 million in 1Q25 (- 51.7% vis-à-vis 1Q24) impacted by the mark-to-market of debt swap and the variation in value fair share of the biological asset.

Hedge Position

In R\$ '000

	Sugar hedged (tons)	Avg. Price (USD c/p)	Avg. Price (R\$/ton)
24/25 Harvest	729,832	21.59	
	665,971	21.59	2,454
	63,861	21.59	not hedged
25/26 Harvest	179,586	19.43	
	173,859	19.43	2,436
	5,727	19.43	not hedged

The above table details our sugar hedge position for the 2024/25 and 2025/26 crop years (baseline: June 30, 2024), considering the portion fixed in USD and open positions, which justify this status as they offset the exposure to purchases of inputs in USD and other obligations in foreign currency.

The Company has been using hedge structures (combinations of derivatives) to obtain higher market prices. In relation to the above details, the price conservatively considers the exercise of the structure at the lowest price.

At the end of 1Q25, sugar price fixtures for the 24/25 harvest totaled approximately 729 thousand tons (around 76% of the volume of sugar from own cane), at a price of ~R\$2,454/ton. For the 25/26 harvest, around 179 thousand tons (approximately 16% of sugar from own cane) are fixed at ~R\$ 2,436/ton.

1Q25 EARNINGS RELEASE

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CAPEX

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CAPEX Breakdown

In R\$ '000

	1Q25	4Q24	1Q24	Δ 1Q25/4Q24	Δ 1Q25/1Q24
Sugarcane Planting - Renovation	133.959	102.585	129.275	30,6%	3,6%
Off-Season Maintenance (Industrial/Agricultural)	22.073	408.080	25.656	-94,6%	-14,0%
Crop Treatment	196.609	210.200	179.632	-6,5%	9,5%
Maintenance	352.641	720.865	334.563	-51,1%	5,4%
Equipment/Replacements	5.690	67.871	23.736	-91,6%	-76,0%
Environmental/Legal	7.790	14.699	6.412	-47,0%	21,5%
Operational Improvements	13.480	82.570	30.148	-83,7%	-55,3%
Upgrading/Expansion	143.706	261.082	48.923	-45,0%	193,7%
TOTAL	509.827	1.064.516	413.634	-52,1%	23,3%

Maintenance Capex totaled R\$352.6 million in 1Q25, increasing 5.4% from 1Q24. This increase is mainly due to the progress of Sugarcane Planting and Crop Treatments activities in 1Q25, due to a shorter inter-crop period, according to the Capex Guidance released on June 17, 2024.

Capex for operational improvements totaled R\$13.5 million in 1Q25, decreasing 55.2% compared to 1Q24, reflecting the investment schedule for agricultural and industrial fleet replacements.

Expansion Capex totaled R\$143.7 million in 1Q25 mainly due to the investments planned for the crop year, including: i) the two-line Harvester project at São Martinho Unit; ii) the Biomethane project at Santa Cruz Unit; and iii) the expansion of crystallization capacity at São Paulo units. Disbursements related to such initiatives more than offset the reduction associated with the completion of investments in Corn Ethanol and UTE (A-6/2019).

1Q25 EARNINGS RELEASE

CONSOLIDATED ADJUSTMENTS

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The section on adjustments was incorporated into the Company's Earnings Release to facilitate the understating of results by detailing the impacts of managerial account movements in transforming the accounting data to an operating cash perspective and, also, adjustments in the equity accounts arising from the adoption of specific accounting standards.

Adjustments to 1Q25 Income Statement:

To help investors understand its recurring operating cash generation, the Company makes managerial adjustments to certain accounting data to define the adjusted EBITDA indicator, as shown in the following table:

In R\$ '000

	Accounting	1Q25	
		Impacts	Adjusted
Net Revenue	1,643,709	11,085	1,654,794
Hedge Accounting		10,045	
(+) PPA		-	
Real Estate Results		1,040	
Cost of Goods Sold (COGS)	(1,131,539)	(68,500)	(1,200,039)
Biological Assets		(21,629)	
(-) IFRS 16		(46,871)	
Gross Profit	512,170	(57,415)	454,755
Operating Income (expenses)	(148,551)	1,498	(147,053)
Stock Option - Non-vested		2,930	
Equity Income		(1,868)	
(-) PPA		-	
Copersucar Rights		-	
(-) IFRS 16		436	
EBIT	363,619	(55,917)	307,702
Depreciation and Amortization	447,993	(83,356)	364,637
EBITDA	811,612	(139,273)	672,339
Maintenance Capex	(352,641)	-	(352,641)
EBITDA - CAPEX	458,971	(139,273)	319,698

Financial expenses related to hedge accounting exchange variation.

Financial income from real estate development was included in net revenue.

Disconsiders Biological assets and IFRS 16 adjustments from cost as they are non-cash effects.

The effects of costs and revenues related to stock options and equity income were excluded.

The revenue related to the receipt of Coopersucar Rights was adjusted because it does not represent a recurring revenue from the company's operating activity.

Adjustments to Equity for 1Q24:

Since March 2010, inclusive, the Company has been adopting hedge accounting for derivatives designated as foreign currency debts.

The quarterly results are recorded in Equity ("Adjustments to Book Value"), net of deferred income tax and social contribution. In the period from April 2024 to June 2024, Equity decreased R\$70.3 million.

1Q25 EARNINGS RELEASE

CONSOLIDATED ADJUSTMENTS

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Effects of Adoption of IFRS 16/CPC 06

Starting from the fiscal year ended March 31, 2020, the Company has adopted the standard IFRS 16 – Leases, which introduced a single model for booking leases and agricultural partnerships in the Balance Sheet. The right to use such assets was recognized as an asset and the payment obligations as a liability.

The Company adopted the cumulative effect simplified approach and the following criteria:

1. **Liabilities:** outstanding balances of the agreements in force on the date of first-time adoption, net of advances and discounted by the average rate of future agreements of Interbank Deposits – DI (nominal coupon rate), with terms equivalent to those of partnership and lease agreements; and
2. **Assets:** amount equivalent to liabilities adjusted to present value.

There was no impact on the Company's Cash Flow or Adjusted EBITDA.

For more details, see the Financial Statements for the period.

Impacts from IFRS16 on 1Q24 Income Statement:

In R\$ '000

Results	Before IFRS 16	1Q25 Impacts	After IFRS 16	
Net Revenue¹	1,654,793	-	1,654,793	
COGS	(1,178,410)	46,871	(1,131,539)	
(-) Leasing Payment	-	129,361		→ We no longer account for cash cost of agrarian contracts
(+) Right-of-Use Amortization	-	(82,490)		→ We now account for contract amortization
Gross Income	476,383	46,871	523,254	
Selling/General/Adm. Expenses	(148,115)	(436)	(148,551)	
(-) Leasing Payment	-	430		
(+) Right-of-Use Amortization	-	(866)		
Op. Income Before Financial Result	328,268	46,435	374,703	
Financial Result/Debt Hedge	(254,641)	(84,578)	(339,219)	
Lease APV	-	(84,578)		→ Adjustment to Present Value (APV) of agrarian contracts is accounted for as net financial result
Income before Taxes	73,626	(38,142)	35,484	
Income tax	57,866	12,969	70,835	
Net Income	131,493	(25,174)	106,319	
Book EBITDA	681,820	129,791	811,611	
Leasing Payment	-	(129,791)	(129,791)	
Other adjustments	(9,482)	-	(9,482)	
Adjusted EBITDA	672,338	-	672,338	As we no longer account for cash cost of agrarian contracts, Book EBITDA increased, which effect has been adjusted for the Adjusted EBITDA

1 - Excludes the Hedge Accounting effect of foreign-denominated debt and PPA USC and includes Financial Income from Real Estate Development.

1Q25 EARNINGS RELEASE

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COPERSUCAR

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On June 30, 2024, São Martinho recognized R\$182.0 million in obligations payable to Copersucar under Liabilities on its Balance Sheet. In view of the terms negotiated in the process to terminate the membership at Copersucar, we will continue to book under "Obligations – Copersucar" all liabilities related to the contingencies currently being resolved judicially that were filed by the legal counsel of Copersucar. The total amount of these obligations is secured by bank sureties.

Rights

Copersucar is also a plaintiff in lawsuits claiming the refund/overpayment of various taxes or indemnities. The Company, as a former cooperative member, has a proportional right to these credits and will inform the market when its clear legal right to these amounts is secured.

In one of the lawsuits in which Copersucar is the plaintiff, the Federal Government was ordered to pay damages arising from the setting of lagged prices for sugar and ethanol for sales made in the 1980s.

In June 2017, the first registered warrant amounting to R\$5.6 billion was issued (R\$730.5 million proportional to the Company), followed by the second registered warrant issued in June 2018 in the amount of R\$10.6 billion (R\$1.4 billion proportional to the Company). In March 2024, the last installment of the second registered warrant was repaid, and the third registered warrant was issued and repaid in a single installment (R\$286.3 million proportional to the Company), related to the amount of R\$2.2 billion.

Copersucar transferred to the Company the amounts received from the Federal Government related to this process, as shown in the following table.

Copersucar Rights

In R\$ '000

	2019 March/2019	2020 December/2019	2021 September/2021	2022 October/2021	2023 October/2022	2024 July/2023	2024 March/2024
1st registered warrant	906,287	1,059,956	1,083,223	1,174,400	1,346,041	1,418,483	-
2nd registered warrant	-	1,724,797	1,974,578	2,138,858	2,450,167	2,595,166	2,750,313
3rd registered warrant	-	-	-	-	-	-	3,313,612
Registered Warrants - Copersucar	906,287	2,784,753	3,057,801	3,313,258	3,796,208	4,013,649	6,063,925
SMSA Portion	150,563	462,634	507,996	550,436	630,668	666,792	1,007,407
PIS/COFINS withheld by Copersucar	(13,927)	(42,794)	(46,990)	(50,915)	(58,337)	(61,678)	(93,185)
Retentions and Expenses	(30,137)	(70,784)	(77,966)	(84,045)	(96,715)	(102,280)	(172,813)
Other Net Revenues SMSA	106,499	349,056	383,040	415,476	475,616	502,834	741,409

While transferring the funds, Copersucar withheld a portion to cover legal costs and the PIS and COFINS taxes, while undertaking to transfer the corresponding amounts in the event of a favorable outcome. On June 30 and March 31, 2024, the balance receivable from Copersucar was R\$367,826, booked under "Other long-term assets." The Company, in coordination with Copersucar, also filed a lawsuit, supported by a judicial deposit, claiming the suspension of the enforceability of IRPJ/CSLL/PIS/COFINS tax payments. The judicial deposit was provisioned for under: "Taxes with suspended payment."

This document contains forward-looking statements related to the business outlook, operating and financial projections and growth prospects of São Martinho. These statements are merely projections and as such are based exclusively on Management's expectations for the future of the business. These forward-looking statements depend materially on changes in market conditions and the performance of the Brazilian economy, the industry and international markets, and therefore are subject to change without prior notice.

1Q25 EARNINGS RELEASE

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FINANCIAL STATEMENTS

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The figures in the following tables consider the impacts from the adoption of IFRS 16 as of the 2019/20 crop year, in accordance with the consolidated and audited Financial Statements, including the effects detailed in section "Adoption of IFRS 16/CPC 06 – Leases" on page 3 of this Earnings Release.

Income Statement

São Martinho - Consolidated In R\$ '000

	3M25	3M24	Δ 3M25/3M24
Gross Revenue	1,726,414	1,378,339	25.3%
Deductions from Gross Revenue	(82,705)	(35,752)	131.3%
Net Revenue	1,643,709	1,342,587	22.4%
Cost of Goods Sold (COGS)	(1,131,539)	(831,598)	36.1%
Gross Profit	512,170	510,989	0.2%
Gross Margin (%)	31.2%	38.1%	-6.9 p.p
Operating income (expenses)	(148,551)	(130,499)	13.8%
Selling Expenses	(56,741)	(46,327)	22.5%
General and Administrative Expenses	(97,417)	(95,527)	2.0%
Equity in the results of investees	1,868	1,789	4.4%
Other income (expenses), net	3,739	9,566	-60.9%
Operating profit	363,619	380,490	-4.4%
Finance income (costs)	(328,134)	(160,818)	104.0%
Finance income	75,200	93,677	-19.7%
Finance costs	(257,348)	(289,400)	-11.1%
Monetary and foreign exchange variations, net	(91,898)	(53,051)	73.2%
Derivatives	(54,088)	87,956	-161.5%
Profit before taxation	35,485	219,672	-83.8%
Income Tax and Social Contribution - Current	2,279	(6,761)	-133.7%
Income Tax and Social Contribution - Deferred	68,556	7,357	831.8%
Net Income	106,320	220,268	-51.7%
Net Margin (%)	6.5%	16.4%	-9.9 p.p

Balance Sheet (Assets)

São Martinho - Consolidated In R\$ '000

	jun/24	mar/24
CURRENT ASSETS		
Cash and Cash Equivalents	205,441	204,560
Financial investments	3,222,656	2,946,218
Trade Receivables	595,692	666,112
Derivative Financial Instruments	90,818	103,208
Inventories and advance to suppliers	1,136,959	609,479
Biological Assets	1,363,796	1,364,508
Taxes Recoverable	203,026	243,843
Income Tax and Social Contribution	98,764	73,355
Other assets	31,659	17,874
TOTAL CURRENT ASSETS	6,948,811	6,229,157
NON-CURRENT ASSETS		
Long-term Receivables		
Financial investments	74,225	71,231
Inventories and advance to suppliers	192,683	126,731
Derivative Financial Instruments	171,845	207,898
Trade Receivables	32,857	32,272
Taxes Recoverable	502,655	490,000
Income Tax and Social Contribution	8,983	8,983
Judicial Deposits	1,930,248	1,491,213
Other Assets	369,560	369,560
	3,283,056	2,797,888
Investments	56,598	54,692
Property, plant and equipment	8,026,807	8,045,148
Intangible assets	451,103	454,967
Right-of-use assets	2,879,086	2,789,597
TOTAL NON-CURRENT ASSETS	14,696,650	14,142,292
TOTAL ASSETS	21,645,461	20,371,449

Balance Sheet (Liabilities)

São Martinho - Consolidated In R\$ '000

	jun/24	mar/24
CURRENT LIABILITIES		
Borrowings	1,513,703	1,096,406
Leases payable	103,104	108,047
Agricultural partnership payable	525,967	554,864
Derivative Financial Instruments	323,951	158,129
Trade Payables	675,348	408,590
Payables to Copersucar	4,817	8,336
Salaries and Social Charges	298,091	240,837
Taxes recoverable	55,381	40,791
Income tax and social contribution payable	8,644	9,470
Dividends Payable	278,836	150,139
Advances from Customers	40,821	37,414
Other Liabilities	39,494	41,407
TOTAL CURRENT LIABILITIES	3,868,157	2,854,430
NON-CURRENT LIABILITIES		
Borrowings	6,023,115	5,440,412
Leases payable	547,794	528,856
Agricultural partnership payable	1,746,598	1,682,993
Derivative Financial Instruments	30,464	13,596
Payables to Copersucar	174,372	173,709
Deferred Income Tax and Social Contribution	716,554	821,353
Provision for Contingencies	121,953	124,166
Taxes with suspended payment	1,909,946	1,869,563
Other Liabilities	27,552	-
TOTAL NON-CURRENT LIABILITIES	11,298,348	10,654,648
EQUITY		
Share Capital	3,941,717	3,941,717
Treasury Shares	(285,744)	(16,325)
Carrying Value Adjustments	1,046,671	1,118,158
Revenue Reserves	1,818,821	1,818,821
Retained Earnings	(42,509)	-
TOTAL EQUITY	6,478,956	6,862,371
TOTAL LIABILITIES AND EQUITY	21,645,461	20,371,449

1Q25 EARNINGS RELEASE

CONSOLIDATED

FINANCIAL STATEMENTS

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Consolidated Cash Flow

São Martinho - Consolidated In R\$ '000

	1Q25	1Q24
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	106,320	220,268
Adjustments		
Depreciation and amortization	209,896	191,150
Biological assets harvested	238,097	226,149
Change in the fair value of biological assets and CBIOS	(21,629)	(145,136)
Amortization of intangible assets	2,000	-
Amortization of electricity contracts	-	2,834
Equity in the results of investees	(1,868)	(1,789)
Gains (losses) on investments and PP&E written off	(2,288)	(1,615)
Interest, monetary and exchange variations, net	125,879	127,954
Derivative financial instruments	85,533	(77,766)
Setup of provision for contingences, net	11,639	9,883
Income tax and social contribution	(70,835)	(596)
Taxes with suspended payment	40,383	31,185
Reversal of provisions for doubtful credit losses		
Adjustment to present value and other adjustments	91,719	88,987
	814,846	671,508
Changes in asset and liabilities		
Trade receivables	74,366	(58,009)
Inventories	(337,567)	(302,595)
Taxes recoverable	5,787	(11,855)
Derivative financial instruments	(7,073)	346
Other assets	(412,458)	(32,661)
Trade payables	327,345	303,007
Salaries and social charges	57,255	72,025
Taxes payable	142	4,555
Payables to Copersucar	(3,599)	(467)
Provision for contingencies - settlement	(12,202)	(13,276)
Other liabilities	29,047	49,645
Cash from operations	535,889	682,223
Payment of interest on borrowings	(165,136)	(208,379)
Income tax and social contribution paid	(5,418)	(3,599)
Net cash provided by operating activities	365,321	470,245
CASH FLOW FROM INVESTING ACTIVITIES		
Investment of funds	-	257
Purchases of property, plant and equipment and intangible assets	(246,515)	(141,372)
Additions to biological assets (planting and crop treatments)	(331,508)	(309,736)
Financial investments	(210,655)	594,571
Proceeds from sale of property, plant and equipment	4,079	3,004
Net cash provided by investing activities	(784,599)	146,724
CASH FLOW FROM FINANCING ACTIVITIES		
Amortization of lease and partnership agreements	(266,514)	(155,192)
Proceeds from borrowings – third parties	1,063,982	-
Repayment of borrowings - third parties	(112,848)	(636,019)
Acquisition of treasury shares	(283,130)	-
Others Receipts	2,130	-
Net cash provided by financing activities	403,620	(791,211)
Increase (decrease) in cash and cash equivalents	(15,659)	(174,243)
Cash and cash equivalents at the beginning of the period	204,560	273,408
Effect of exchange rate variation on cash and cash equivalents	16,539	(13,151)
Cash and cash equivalents at the end of the period	205,440	86,014
Additional information		
Balance of financial investments (current assets)	3,222,656	2,284,255
Total available funds	3,428,097	2,370,270

INVESTOR RELATIONS

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