

# Results

2<sup>nd</sup> Quarter  
2021/2022 Harvest



# Disclaimer

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- This presentation contains forward-looking statements relating to the business outlook, operating and financial projections, and the growth prospects of São Martinho S.A. These statements merely represent projections and as such are based exclusively on management's expectations about the future of the business.
- Forward-looking statements are no guarantee of performance. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future.
- Investors should understand that general economic conditions, industry conditions, climate and other operating factors could also affect the future results and could cause results to differ materially from those expressed in such forward-looking statements.



# Agenda

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1. Conclusion crop year 21/22

4. Indebtedness

2. Financial Highlights

5. Sugar and Ethanol Market

3. Cash Cost

6. Capex

# Conclusion crop year 21/22

OPERATING DATA	Conclusion crop year 12M22	12M21	Var. (%)
<b>Sugarcane crushed ('000 tons)</b>	<b>19,876</b>	<b>22,522</b>	<b>-11.7%</b>
Agricultural Yield (ton/ha)	72	81	-11.2%
Average TRS (kg/ton)	146.7	145.7	0.7%
<b>Production</b>			
Sugar ('000 tons)	1,303	1,483	-12.1%
Anhydrous Ethanol ('000 m <sup>3</sup> )	389	343	13.5%
Hydrous Ethanol ('000 m <sup>3</sup> )	521	676	-22.8%
Cogeneration ('000 MWh) <sup>1</sup>	750	880	-14.7%
<b>TRS Produced ('000 tons)</b>	<b>2,916</b>	<b>3,282</b>	<b>-11.1%</b>
<i>Mix Sugar - Ethanol</i>	47% - 53%	47% - 53%	-

- ✓ The reduction in crushing reflects the effects of the prolonged drought, frost (which occurred in July/21) and the lower number of harvest days in the comparative period.

## Volumes available for sales over the next quarters



**Ethanol**

**590 thousand m<sup>3</sup>**



**Sugar**

**643 thousand ton**

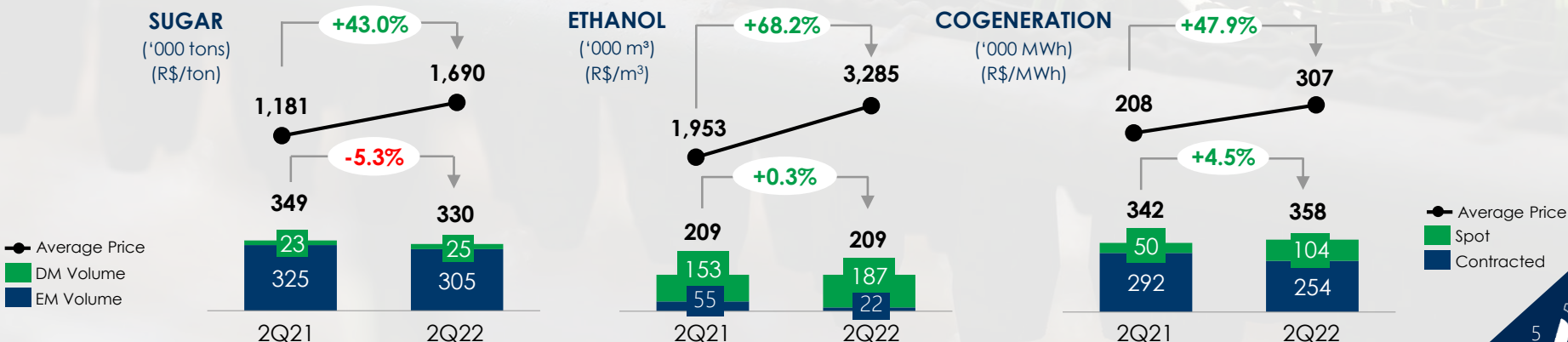
# Financial Highlights

R\$ '000

Executive Summary	2Q22	2Q21	Chg. (%)
Net Revenue <sup>1</sup>	1,425,702	925,504	54.0%
Adjusted EBITDA	790,094	476,248	65.9%
Adjusted EBITDA Margin	55.4%	51.5%	4.0 p.p.
Adjusted EBIT	467,250	214,742	117.6%
Adjusted EBIT Margin	32.8%	23.2%	9.6 p.p.
Copersucar Rights	-	383,040	n.m.
Net Income	368,412	331,894	11.0%
Cash Income	431,890	313,312	37.8%
Net Debt / EBITDA	1.21 x	1.38 x	-12.5%
TRS Sold ('000 Tons)	703	721	-2.6%

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

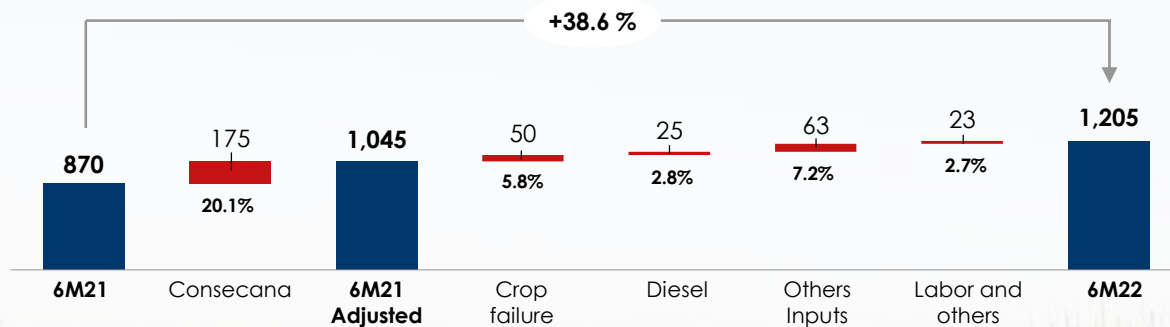
Data do not include the IFRS 16 impacts, except net income before taxes and net income



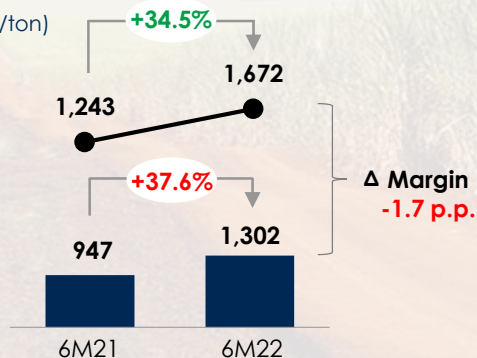


# Cash Cost 6M22

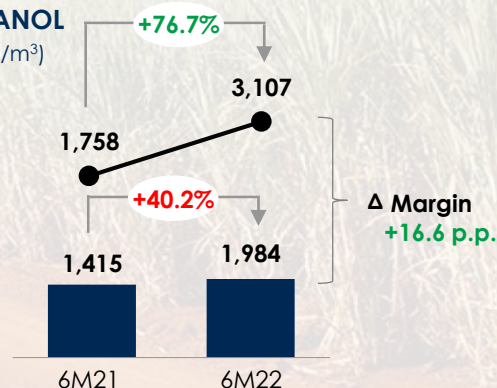
## SUGAR AND ETHANOL EQUIVALENT IN R\$/TRS



### SUGAR (R\$/ton)



### ETHANOL (R\$/m³)



● Price  
■ Total Cash Cost<sup>1</sup>

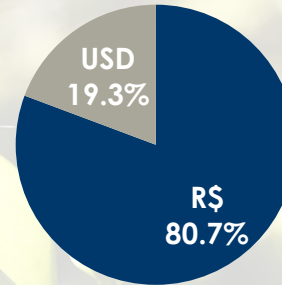
1 - The total cash cost of the products considers: Cash COGS + selling expenses + general and administrative expenses - depreciation / amortization + maintenance capex

# Indebtedness

	Mar/21	Sep/21	Chg.%
R\$ '000			
<b>Gross Debt</b>	<b>4,066,251</b>	<b>4,618,102</b>	<b>13.6%</b>
Cash and Cash Equivalents	1,364,148	1,362,795	-0.1%
<b>Net Debt</b>	<b>2,702,103</b>	<b>3,255,307</b>	<b>20.5%</b>
Net Debt / LTM EBITDA - R\$	1.24 x	1.21 x	-2.3%
Net Debt / LTM EBITDA - USD <sup>1</sup>	1.05 x	1.07 x	2.3%
<b>LTM Adjusted EBITDA</b>	<b>2,187,515</b>	<b>2,698,224</b>	<b>23.3%</b>

<sup>1</sup> - LTM EBITDA average daily PTAX: mar/21: R\$ 5.41 and sep/21: R\$ 5.35

Currency – Net debt\*



\*includes swap contracts

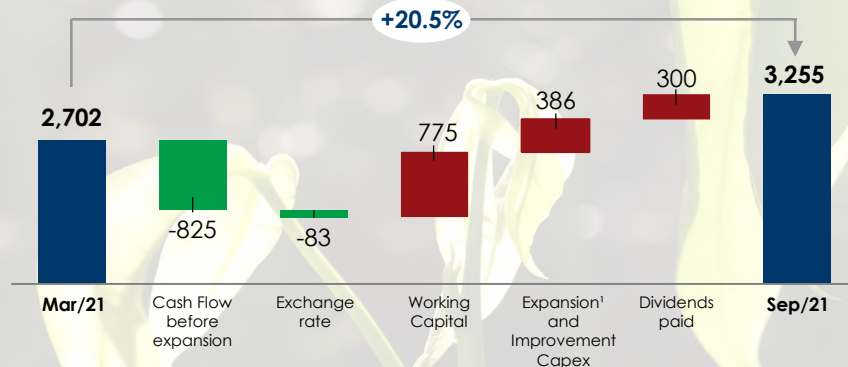
**S&P Global**

**BBB-**  
**Investment Grade**  
Global Scale

**BrAAA**  
National Scale

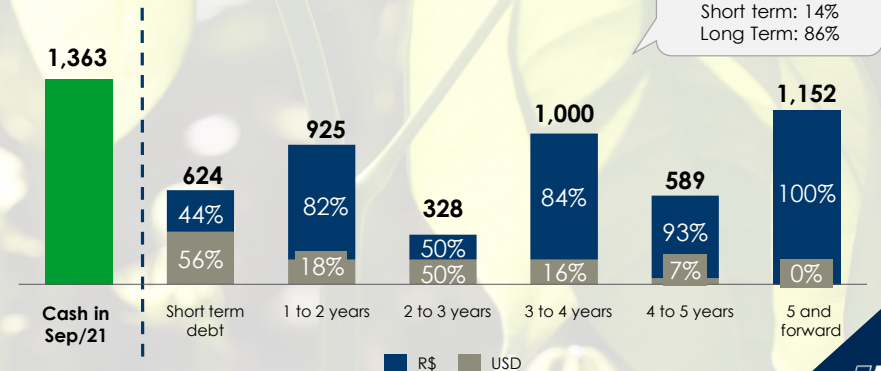
**Debt Evolution**

R\$ - Million



**Debt Schedule**

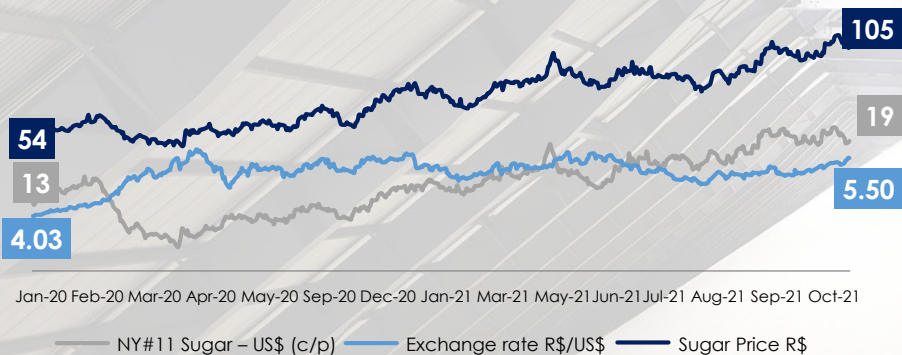
R\$ - Million



<sup>1</sup> - Includes sale of fixed assets / Others

# Sugar and Ethanol Market

## Sugar Price in BRL

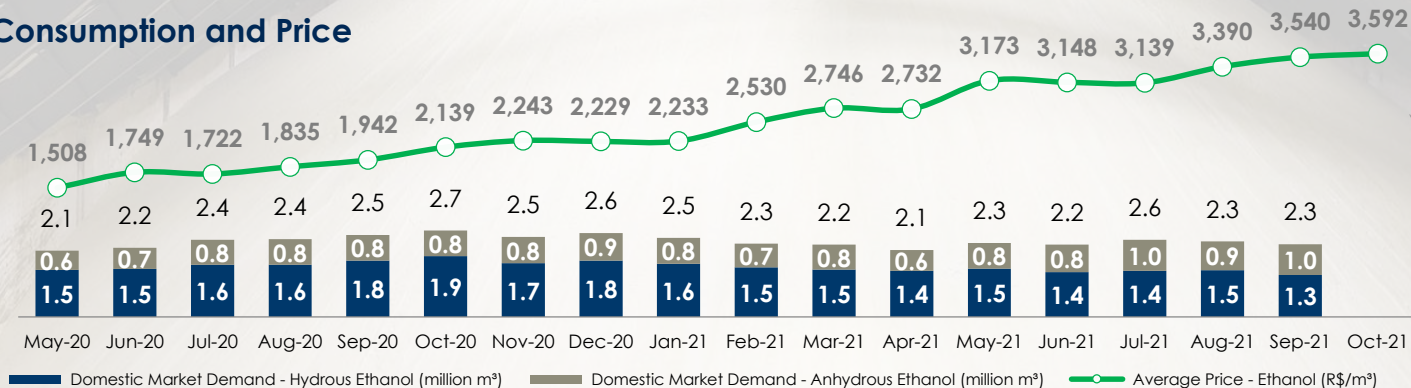


Source: Bloomberg and CEPEA/Esalq

## Hedge Position

	Sugar hedged (tons)	Avg. Price (USD c/p)	Avg. Price (R\$/ton)
<b>21/22 Harvest</b>	<b>526,516</b>	<b>15.26</b>	
	302,037	15.26	1,864
	224,480	15.26	not hedged
<b>22/23 Harvest</b>	<b>419,984</b>	<b>15.16</b>	
	405,453	15.16	1,932
	14,531	15.16	not hedged

## Ethanol Consumption and Price



Important recovery, given the favorable parity in relation to gasoline.



# 21/22 Capex

## 21/22 harvest

(ESTIMATED)

- ✓ Maintenance Capex: R\$ 1.3 BI
- ✓ Operational Improvements + Projects: ~R\$ 750 MM
  - ✓ Corn Ethanol Project (GO): ~R\$ 450 MM
  - ✓ UTE (USM): ~R\$ 200 MM
  - ✓ Other projects

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**Estimated Capex: ~R\$ 2.1 BI**



## 21/22 harvest

(UPDATED)

- ✓ Maintenance Capex: + R\$ 220 MM
- ✓ Operational Improvements + Projects: ~R\$ 180 MM
  - ✓ Corn Ethanol Project (GO): + R\$ 50 MM
  - ✓ Agro-industrial efficiency projects: R\$ 130 MM

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**Total Capex: ~R\$ 2.5 BI**

- ✓ Inputs price increase;
- ✓ Intensification of sugarcane nutrition;
- ✓ Anticipation of the off-season;
- ✓ Anticipation of the investment schedule;
- ✓ Approval of agro-industrial efficiency improvement projects

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