

Individual and consolidated interim financial information

at June 30, 2025

and report on review of quarterly
information

(A free translation of the original report in Portuguese containing financial
information)





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Independent auditor's review report on quarterly information

To the Shareholders, Board of Directors and Management of
São Martinho S.A.
Pradópolis – São Paulo

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of São Martinho S.A. (the "Company"), for the quarter ended June 30, 2025, comprising the statement of financial position as of June 30, 2025 and the related individual and consolidated statements of profit or loss, of comprehensive income (loss), of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with the Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

**Other matters - Statements of value added**

The abovementioned quarterly information include the individual and consolidated statement of value added (SVA) for the three-month period ended June 30, 2025, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Ribeirão Preto, August 11, 2025

KPMG Auditores Independentes Ltda.
CRC 2SP-027666/O-5 F SP

(Original report in Portuguese signed by)

Giovani Ricardo Pigatto
Accountant CRC 1SP263189/O-7

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Balance sheet

At June 30 and March 31, 2025

All amounts in thousands of reais

(A free translation of the original in Portuguese)

ASSETS	Note	Parent		Consolidated	
		June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
CURRENT ASSETS					
Cash and cash equivalents	4	190,308	898,517	190,344	898,588
Financial investments	4	2,383,305	2,004,012	2,599,868	2,184,443
Trade receivables	5	511,594	457,645	543,837	477,210
Derivative financial instruments	22	185,966	81,482	185,966	81,482
Inventories	6	875,801	590,958	871,984	597,081
Advances to suppliers	6	261,092	145,980	261,092	145,980
Biological assets	7	1,364,209	1,405,729	1,364,209	1,405,729
Taxes recoverable	8	456,272	423,472	456,695	423,822
Income tax and social contribution	19	99,275	75,301	100,117	75,900
Dividends receivable	9	13,592	13,592	-	-
Other assets		19,397	12,732	22,448	15,006
TOTAL CURRENT ASSETS		6,360,811	6,109,420	6,596,560	6,305,241
NON-CURRENT ASSETS					
Long-term receivables					
Financial investments	4	82,741	80,196	82,741	80,196
Trade receivables	5	-	-	37,095	37,544
Advances to suppliers	6	97,846	56,005	97,846	56,005
Derivative financial instruments	22	261,223	177,367	261,223	177,367
Taxes recoverable	8	705,160	704,558	712,553	710,071
Income tax and social contribution	19 (i)	8,983	8,983	8,983	8,983
Judicial deposits	21	2,115,639	2,049,008	2,115,703	2,049,045
Receivables from Copersucar	15(b)	369,560	369,560	369,560	369,560
Total long-term receivables		3,641,152	3,445,677	3,685,704	3,488,771
Investments					
Investments	10	1,905,821	1,845,827	62,902	62,573
Property, plant and equipment	11	6,551,502	6,743,683	8,532,381	8,708,049
Intangible assets	12	435,391	440,451	447,053	452,114
Right-of-use assets	13	2,587,596	2,752,635	2,587,596	2,752,635
TOTAL NON-CURRENT ASSETS		15,121,462	15,228,273	15,315,636	15,464,142
TOTAL ASSETS		21,482,273	21,337,693	21,912,196	21,769,383

LIABILITIES AND EQUITY	Note	Parent		Consolidated	
		June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
CURRENT LIABILITIES					
Trade payables	14	688,041	405,130	684,348	404,994
Lease payable	13	119,617	113,485	119,617	113,485
Agricultural partnership payable	13	429,142	577,005	429,142	577,005
Borrowings	16	715,527	903,719	718,549	906,297
Deriv ative financial instruments	22	234,390	207,006	234,390	207,006
Salaries and social charges		324,931	262,955	326,763	264,498
Taxes payable		39,114	36,699	42,027	38,408
Income tax and social contribution payable	19	-	-	6,882	5,834
Dividends payable	17	20	20	20	20
Advances from customers		24,293	47,418	24,607	47,732
Other liabilities		37,415	9,432	50,671	24,344
TOTAL CURRENT LIABILITIES		2,612,490	2,562,869	2,637,016	2,589,623
NON-CURRENT LIABILITIES					
Lease payable	13	513,895	532,830	513,895	532,830
Agricultural partnership payable	13	1,532,933	1,607,133	1,532,933	1,607,133
Payables to Copersucar	15(a)	140,812	139,276	140,812	139,276
Borrowings	16	6,965,894	7,139,873	7,009,966	7,183,164
Deriv ative financial instruments	22	46,895	51,999	46,895	51,999
Deferred income tax and social contribution	19	518,125	433,701	876,994	792,961
Provision for contingencies	21	123,490	118,648	125,946	121,033
Taxes with suspended collection	15(b)	2,093,424	2,025,634	2,093,424	2,025,634
Other liabilities		-	26,368	-	26,368
TOTAL NON-CURRENT LIABILITIES		11,935,468	12,075,462	12,340,865	12,480,398
TOTAL LIABILITIES		14,547,958	14,638,331	14,977,881	15,070,021
EQUITY					
Share capital	17	4,445,192	4,445,192	4,445,192	4,445,192
Treasury shares		(90,323)	(90,323)	(90,323)	(90,323)
Carrying v alue adjustments		1,350,411	1,180,341	1,350,411	1,180,341
Revenue reserves		1,164,152	1,164,152	1,164,152	1,164,152
Retained earnings		64,883	-	64,883	-
TOTAL EQUITY		6,934,315	6,699,362	6,934,315	6,699,362
TOTAL LIABILITIES AND EQUITY		21,482,273	21,337,693	21,912,196	21,769,383

The accompanying notes are an integral part of this interim financial information



Statement of profit or loss

Three-Month periods ended June 30, 2025 and 2024

All amounts in thousands of reais unless otherwise stated

(A free translation of the original in Portuguese)

	Note	Parent		Consolidated	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Revenue	25	1,796,356	1,591,453	1,857,161	1,643,709
Cost of goods sold	26	(1,435,302)	(1,145,303)	(1,424,609)	(1,131,539)
Gross profit		361,054	446,150	432,552	512,170
Operating income (expenses)					
Selling expenses	26	(66,887)	(53,453)	(71,374)	(56,741)
General and administrative expenses	26	(90,807)	(94,517)	(93,106)	(97,417)
Other income, net	27	33,766	1,640	33,789	3,739
		(123,928)	(146,330)	(130,691)	(150,419)
Operating profit		237,126	299,820	301,861	361,751
Share of profit (loss) of equity-accounted investees	10	59,917	65,551	1,587	1,868
Profit before finance result and taxes		297,043	365,371	303,448	363,619
Finance income (costs)	28				
Finance income		70,848	66,604	77,854	75,200
Finance costs		(274,135)	(256,343)	(275,606)	(257,348)
Monetary and foreign exchange variations, net		37,609	(91,898)	37,609	(91,898)
Derivatives		(77,835)	(54,089)	(77,835)	(54,088)
		(243,513)	(335,726)	(237,978)	(328,134)
Profit before income tax and social contribution		53,530	29,645	65,470	35,485
Income tax and social contribution	19(c)				
Current		5,093	8,558	(7,223)	2,279
Deferred		4,206	68,117	4,582	68,556
Profit for the period		62,829	106,320	62,829	106,320
Basic and diluted earnings per share - R\$	29			0.1890	0.3137

The accompanying notes are an integral part of this interim financial information



Statement of comprehensive income

Three-Month periods ended June 30, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Parent and Consolidated	June 30, 2025	June 30, 2024
Profit for the period	62,829	106,320
Items that will be subsequently reclassified to profit or loss		
Changes in the period:		
Changes in fair value		
Commodity derivatives - Futures, options and forward contracts	96,625	34,726
Foreign exchange derivatives - Options / NDF	134,235	(218,469)
Foreign exchange differences on borrowings (Trade Finance)	87,893	46,109
	318,753	(137,634)
Recognition in operating income		
Commodity derivatives - Futures, options and forward contracts	(40,001)	(19,513)
Foreign exchange derivatives - Options / NDF	(16,932)	40,538
Foreign exchange differences on borrowings (Trade Finance)	(50)	10,045
	(56,983)	31,070
Write-off due to ineffectiveness		
Foreign exchange derivatives - Options / NDF	(1,093)	-
	(1,093)	-
Total changes in the period		
Commodity derivatives - Futures, options and forward contracts	56,624	15,213
Foreign exchange derivatives - Options / NDF	116,210	(177,931)
Foreign exchange differences on borrowings (Trade Finance)	87,843	56,154
Deferred taxes on the items above	(88,630)	36,227
	172,047	(70,337)
Total comprehensive income for the period	234,876	35,983

The accompanying notes are an integral part of this interim financial information



Statements of changes in equity

Three-Month periods ended June 30, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

				Carrying value adjustments								
				Deemed cost		Hedge accounting	Others				Retained earnings	Total
	Note	Share capital	Treasury shares	Parent	Investees			Legal	Capital budget	Tax incentive reserve		
At March 31, 2024		3,941,717	(16,325)	89,374	1,183,933	(156,282)	1,133	387,377	927,969	503,475	-	6,862,371
Share buyback	17 (b)	-	(277,288)	-	-	-	-	-	-	-	-	(277,288)
Payment of bonus with treasury shares		-	7,869	-	-	-	-	-	-	-	-	7,869
Realization of surplus on revaluation of deemed cost	17 (c. i)	-	-	(1,142)	(29)	-	-	-	-	-	1,171	-
Gain (loss) on derivate transactions - hedge accounting	17 (c. ii)	-	-	-	-	(70,337)	-	-	-	-	-	(70,337)
Payment of interest on capital	17(e)	-	-	-	-	-	-	-	-	-	(150,000)	(150,000)
Carrying value adjustments of investees	10	-	-	-	-	-	21	-	-	-	-	21
Profit for the period		-	-	-	-	-	-	-	-	-	106,320	106,320
At June 30, 2024		3,941,717	(285,744)	88,232	1,183,904	(226,619)	1,154	387,377	927,969	503,475	(42,509)	6,478,956
At March 31, 2025		4,445,192	(90,323)	83,773	1,183,038	(87,965)	1,495	415,214	748,938	-	-	6,699,362
Realization of surplus on revaluation of deemed cost	17 (c. i)	-	-	(2,005)	(49)	-	-	-	-	-	2,054	-
Gain (loss) on derivate transactions - hedge accounting	17 (c. ii)	-	-	-	-	172,047	-	-	-	-	-	172,047
Carrying value adjustments of investees	10	-	-	-	-	-	77	-	-	-	-	77
Profit for the period		-	-	-	-	-	-	-	-	-	62,829	62,829
At June 30, 2025		4,445,192	(90,323)	81,768	1,182,989	84,082	1,572	415,214	748,938	-	64,883	6,934,315

The accompanying notes are an integral part of this interim financial information

Statement of cash flows (indirect method)

Three-Month periods ended June 30, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Note	Parent		Consolidated	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Cash flows from operating activities					
Profit for the period		62,829	106,320	62,829	106,320
Adjustments					
Depreciation and amortization	26	257,734	207,825	259,846	209,896
Biological assets harvested	26	314,330	238,097	314,330	238,097
Changes in the fair value of biological assets, agricultural products, and CBIOS	26	65,225	(21,629)	65,225	(21,629)
Provision for losses on realization of inventories	26	-	2,000	-	2,000
Share of profit (loss) of equity-accounted investees	10	(59,917)	(65,551)	(1,587)	(1,868)
Gains (losses) on disposal of investments and PP&E	11	(63)	(2,288)	255	(2,288)
Interest, inflation adjustments, and foreign exchange gains (losses), net		105,508	132,841	100,049	125,879
Derivative financial instruments	25 and 28	(67,043)	85,534	(67,043)	85,534
Setup of provision for contingencies, net	21.1	17,562	11,639	17,563	11,639
Income tax and social contribution	19 (c)	(9,299)	(76,675)	2,641	(70,835)
Taxes with suspended collection		67,790	40,383	67,790	40,383
Reversal (recognition) of provision for impairment of trade receivables		-	-	17	(15)
Adjustment to present value and other adjustments		73,325	92,447	72,480	91,719
		827,981	750,943	894,395	814,832
Changes in assets and liabilities					
Trade receivables		(59,965)	96,159	(71,684)	74,366
Inventories		(323,198)	(349,726)	(313,258)	(337,567)
Taxes recoverable		(52,855)	6,499	(54,950)	5,787
Derivative financial instruments		73,768	(7,073)	73,768	(7,073)
Other assets (mainly judicial deposits)		(5,126)	(412,419)	(5,169)	(412,458)
Trade payables		281,638	316,409	278,079	327,345
Salaries and social charges		61,976	56,794	62,265	57,255
Taxes payable		7,509	(164)	7,424	142
Payables to Copersucar		724	(3,599)	724	(3,599)
Provision for contingencies(settlement)	21.1	(14,124)	(12,202)	(14,125)	(12,202)
Other liabilities		(21,511)	21,201	(23,163)	29,047
Cash from operations		776,817	462,822	834,306	535,875
Payment of interest on borrowings	16	(239,628)	(165,136)	(239,628)	(165,136)
Income tax and social contribution paid		-	-	(9,953)	(5,418)
Net cash provided by operating activities		537,189	297,686	584,725	365,321
Cash flows from investing activities					
Additions to PP&E and intangible assets	11 and 12	(88,794)	(220,726)	(107,710)	(246,515)
Additions to biological assets (planting and crop treatments)		(335,643)	(331,508)	(335,643)	(331,508)
Financial investments		(320,446)	(168,800)	(349,660)	(210,655)
Proceeds from sale of property, plant and equipment	11	1,054	4,079	1,054	4,079
Other amounts received from investees		-	-	559	-
Net cash used in investing activities		(743,829)	(716,955)	(791,400)	(784,599)
Cash flows from financing activities					
Payment of leases and agricultural partnerships	13	(242,587)	(266,514)	(242,587)	(266,514)
Proceeds from borrowings – third parties	16	250,121	1,063,982	250,121	1,063,982
Repayment of borrowings - third parties	16	(503,214)	(112,848)	(503,214)	(112,848)
Acquisition of treasury shares		-	(283,130)	-	(283,130)
Other receipts		-	2,130	-	2,130
Net cash (used in) provided by financing activities		(495,680)	403,620	(495,680)	403,620
Net decrease in cash and cash equivalents		(702,320)	(15,649)	(702,355)	(15,658)
Cash and cash equivalents at the beginning of the period	4	898,517	204,467	898,588	204,560
Effect of exchange rate changes on cash and cash equivalents		(5,889)	16,539	(5,889)	16,539
Cash and cash equivalents at the end of the period	4	190,308	205,357	190,344	205,441
Additional information					
Balance of financial investments (current assets)	4	2,383,305	2,899,708	2,599,868	3,222,656
Total funds available	4	2,573,613	3,105,065	2,790,212	3,428,097

The accompanying notes are an integral part of this interim financial information

Statement of value added

Three-Month periods ended June 30, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Revenue				
Revenue from contracts with customers	1,919,094	1,708,177	1,983,459	1,763,993
Revenue from construction of own assets	328,619	356,262	328,663	356,302
Reversal of provision for impairment of trade receivables	-	-	(9)	(15)
Other income	(97,312)	4,471	(97,312)	4,471
	<u>2,150,401</u>	<u>2,068,910</u>	<u>2,214,801</u>	<u>2,124,751</u>
Inputs acquired from third parties				
Cost of products and goods sold	(480,878)	(520,341)	(454,439)	(491,389)
Materials, electric power, third-party services, and other operating expenses	(512,353)	(415,243)	(531,618)	(434,182)
Impairment of assets	-	(2,000)	-	(2,000)
	<u>(993,231)</u>	<u>(937,584)</u>	<u>(986,057)</u>	<u>(927,571)</u>
Gross value added	<u>1,157,170</u>	<u>1,131,326</u>	<u>1,228,744</u>	<u>1,197,180</u>
Depreciation and amortization	(572,064)	(445,922)	(574,176)	(447,993)
Net value added generated by the entity	<u>585,106</u>	<u>685,404</u>	<u>654,568</u>	<u>749,187</u>
Value added received in transfer				
Share of profit (loss) of equity-accounted investees	59,917	65,551	1,587	1,868
Finance income	139,601	22,677	146,702	31,359
Others	40,035	874	40,068	2,986
Total value added to be distributed	<u>824,659</u>	<u>774,506</u>	<u>842,925</u>	<u>785,400</u>
Distribution of value added				
Personnel and payroll charges				
Direct compensation	215,560	178,986	216,508	179,513
Benefits	79,643	72,992	79,888	73,392
Government Severance Indemnity Fund for Employees (FGTS)	17,497	15,874	17,568	15,914
Management compensation	5,200	21,307	5,245	21,679
Taxes, charges and contributions				
Federal	44,399	15,878	59,522	24,269
State	15,103	3,144	15,232	3,243
Municipal	865	592	1,034	609
Remuneration of third-party capital				
Interest	270,596	254,561	271,823	255,601
Rentals	2,452	2,405	2,463	2,412
Foreign exchange variations	107,900	123,424	107,900	123,424
Others	2,615	(20,977)	2,913	(20,976)
Retained earnings in the period	<u>62,829</u>	<u>106,320</u>	<u>62,829</u>	<u>106,320</u>
Value added distributed	<u>824,659</u>	<u>774,506</u>	<u>842,925</u>	<u>785,400</u>

The accompanying notes are an integral part of this interim financial information

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

1. Operations

São Martinho S.A. ("Company" or "Parent") is a listed corporation headquartered in Pradópolis, State of São Paulo. The Company and its subsidiaries (together referred to as "São Martinho") are primarily engaged in the cultivation of sugarcane, production and sale of sugar, ethanol, and other sugarcane byproducts; production of corm ethanol and other by-products, co-generation of electric power; development of real estate ventures; agricultural production; import and export of goods, products, and raw materials, and investment in other companies.

Approximately 70% of the sugarcane used in the manufacture of products comes from plantations on land owned by either the Company, its stockholders, related companies, or agricultural partnerships. The remaining 30% is supplied by third parties. The sugar-ethanol sector is subject to seasonal trends based on the sugarcane growth cycle in the Center-South region of Brazil, which typically begins in April and ends in December, resulting in fluctuations in the Company's inventories. Additionally, raw material supplies may also be affected by adverse climate conditions. Sugarcane crop takes up to 18 months to mature, and harvest runs from April to December, which is also the period when sugar and ethanol are produced, and electric power is co-generated.

São Martinho is a subsidiary of the holding company LJM Participações S.A. ("LJM"), which owns 57.9% interest in the Company's voting capital.

The issue of this interim financial information was authorized by the Board of Directors on August 11, 2025.

Geopolitical conflicts

Geopolitical conflicts pose a risk to São Martinho, as their escalation in key oil-producing regions can cause significant fluctuations in product prices, tariffs, exchange rates, input costs, and logistics, which may increase the Company's operating costs and affect its revenue.

Climate changes

Climate-related risks, particularly frosts, along with water shortages caused by prolonged droughts and fires, have the potential of adversely impact sugarcane plantation productivity. As a result, the production of sugar, ethanol, and other by-products, as well as the related revenue and costs, and the value of biological assets, may also be affected.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Fire outbreaks

In accordance with the announcement released August 26, 2024, the Company informed its stockholders and the market in general that, between August 22 and August 25, approximately 20,000 hectares of sugarcane were hit by widespread fires that affected the sector.

Thanks to the prompt action of the Company's fire brigades in containing the fires, no casualties or damage to other assets were reported. The sugarcane affected was processed without any significant impact on Total Recoverable Sugar (TRS) in relation to the Production Guidance for the 2024/2025 crop season. Additional R\$86 million will be invested in crop treatments with a view to preserving productivity in future seasons.

Fire outbreak at Iracema Unit

On March 26, 2025, the Company announced to its stockholders and the market that on March 23, 2025, a fire broke out in a boiler inside the industrial park of Iracema Unit. Due to the swift response by the Company's fire brigades and the support of local teams, the outbreak was contained quickly, and no injuries or material damages were reported. The Company has already filed a claim under its insurance policy which covers property damage and business interruption.

The impact of the fire, which was limited to Iracema Unit, shut down a boiler for the 2025/26 crop season, and may reduce by up to 30% the Unit's daily production capacity, with an estimated grinding volume of 2.4 million metric tons in the season.

Tax Reform

On January 16, 2025, Complementary Law 214/2025, the first regulatory bill of the new consumption taxes, was enacted.

The Reform is based on a dual VAT model: one at the Federal level, the Contribution on Goods and Services (CBS) to replace the PIS and COFINS, and the other at the level of the States, Federal District and Municipalities, the Tax on Goods and Services (IBS), to replace the State Value Added Tax (ICMS) and the Tax on Services (ISS). A Selective (excise) Tax ("IS") was also created, under federal jurisdiction, which will apply to the production, extraction, trading or import of goods and services harmful to health and the environment, under the terms of a Complementary Law ("LC").

During the transition period scheduled to run from 2026 to 2032, both tax systems - the old and the new - will coexist. The impacts of the Reform on the calculation of the above-mentioned taxes, from the start of the transition period, will only be fully known once the pending issues are regulated through a Complementary Law. Consequently, there is no effect of the Reform on this interim financial information.

2. Summary of material accounting policies

2.1 Statement of compliance and basis of preparation

The individual and consolidated interim financial information were prepared in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting issued by the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

This interim financial information does not include all the information that would be required in a complete set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") and accounting practices adopted in Brazil ("BR GAAP"). However, this individual and consolidated interim financial information contains explanatory notes detailing significant events and transactions, which enable an understanding of the changes that have occurred in the financial position and performance of São Martinho since its last annual financial statements.

This interim financial information has been prepared under the historical cost convention, and the measurement at fair value of certain derivative financial instruments and biological assets. All relevant information pertaining to the financial statements, and only such, which is consistent with that used by management in its decision-making is being disclosed.

The Company recognizes the dividends received from its subsidiaries as cash flows from investing activities, since these dividends are considered returns on the investments made.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies of the Company and its subsidiaries. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the interim financial information, are disclosed in Note 3.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

2.2 Basis of consolidation and investments in subsidiaries

Subsidiaries are all entities over which the Company has control. They are fully consolidated from the date on which control is transferred to the Company, and are deconsolidated from the date that control ceases.

The consolidated balances in this interim financial information represent 100% of the equity interest held in the following companies:

Company	Core activity
São Martinho Terras Agrícolas S.A. ("SM Terras Agrícolas")	Exploitation of land through agricultural lease and partnership, rental and sale of real estate.
São Martinho Terras Imobiliárias S.A. ("SM Terras Imobiliárias") (i)	Sale and purchase of real estate, development and exploitation of real estate and mining enterprises.
Bioenergética São Martinho S.A. ("Bio SM")	Co-generation of electric power
Bioenergética Santa Cruz S.A. ("Bio SC")	Co-generation of electric power
Bioenergética Boa Vista S.A. ("Bio BV")	Co-generation of electric power
Bioenergia São Martinho Ltda. ("Bioenergia SM")	Co-generation of electric power
São Martinho Logística e Participações S.A. ("SM Logística")	General product storage
São Martinho Inova S.A. ("SM Inova")	Investment in other companies
Biometano Santa Cruz Ltda. ("Biometano SC") (ii)	Gas production and processing
Bioenergia Iracema Ltda. ("Bioenergia Iracema") (ii)	Co-generation of electric power
Bioenergia São Martinho II Ltda. ("Bioenergia SM II") (ii)	Co-generation of electric power

- (i) SM Terras Imobiliárias and its subsidiaries, established as Special-Purpose Entities (SPEs), and engaged in real estate development activities.
- (ii) Companies in the pre-operating phase.

2.3 Functional and presentation currency

This interim financial information is presented in Reais (R\$), which is the currency of the primary economic environment in which the Company operates ("the functional currency"). All financial information presented in Reais has been rounded off to the nearest thousand, unless otherwise stated.

2.4 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognized in the statement of profit or loss, except when deferred in equity as qualifying cash flow hedges.

2.5 Financial instruments

The Company adopts IFRS 9 (CPC 48) Financial Instruments (except for items related to hedge accounting), and classifies its financial assets as: measured at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

The impairment of financial instruments is determined using the hybrid concept of "expected and incurred credit losses". The corresponding provisions are determined for: (i) 12-month expected credit losses, (ii) lifetime expected credit losses, i.e. credit losses that result from all possible default events over the expected life of a financial instrument and (iii) credit losses incurred due to failure to fulfill the contractual obligations.

As permitted by IFRS 9, the Company applies IAS 39/CPC 38 for hedge accounting.

a) Financial assets

Financial assets are classified as: (i) measured at amortized cost; (ii) measured at fair value through other comprehensive income, and (iii) measured at fair value through profit or loss. The measurement of financial assets depends on their classification.

b) Financial liabilities

The Company's financial liabilities include trade payables, borrowings, leases, agricultural partnerships, payables to related parties and other payables, which are measured at amortized cost. After initial recognition, borrowings are measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized, and also through the amortization process, using the effective interest rate method.

c) Derivative financial instruments

Derivatives are measured at fair value, with gains and losses recognized in the statement of profit or loss, unless the derivative has been designated as a hedging instrument and qualifies for hedge accounting.

At the inception of the transaction, the Company documents the relationship between the hedging instruments and hedged items, for the purpose of managing the risk and the strategy for undertaking hedging transactions.

The effective portion of changes in the fair value of derivatives designated as cash flow hedges is classified as "Carrying value adjustment" in equity. The ineffective portion is recorded as "Finance income (costs)" in the statement of profit or loss. The amounts accumulated in equity are reclassified to the statement of profit or loss when the hedged item affects the result, and the related effects are recognized as "Net sales" to minimize changes in the hedged item.

2.6 Business combinations and goodwill

Business combinations are accounted for under the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is based on the acquisition-date fair value.

Goodwill is initially measured at cost for the amount that exceeds: (a) the consideration transferred in exchange for the acquiree's control; (b) the amount of any non-controlling interest in the acquiree; and (c) the fair value of the interest previously held by the acquirer in the acquiree (if any) that exceeds the net amount of identifiable assets acquired and liabilities assumed, measured at fair value on the acquisition date. If after remeasurement, the Company's interest in the fair value of net identifiable assets acquired exceeds (a), (b) and (c) above, the excess amount is immediately recognized in the statement of profit or loss as gain arising from a bargain purchase.

Goodwill corresponding to consolidated entities is recorded within "Intangible assets" in the parent and consolidated balance sheet.

For business combinations, any non-controlling interest in the acquired entity is measured at the fair value of this ownership, or proportionally to the fair value of the identifiable net assets acquired.

When acquiring a business, the Company assesses the financial assets acquired and liabilities assumed so as to correctly classify and designate them in accordance with the contractual terms, economic circumstances, and relevant conditions on the acquisition date. This procedure includes the segregation, by the acquiree, of embedded derivatives existing in host contracts.

For business combinations carried out in steps, the acquisition-date carrying amount of the ownership interest previously held by the acquirer in the acquiree is remeasured at fair value through profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For purposes of impairment testing, goodwill acquired in a business combination is allocated, as from the acquisition date, to each of the Company's cash generating units (CGUs) that are expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquiree are attributed to these units.

3. Use of estimates and judgments

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

a) Impairment losses

Goodwill is tested for impairment annually. The recoverable amounts of cash-generating units (CGUs) determined based on value-in-use calculations, which require the use of estimates and budget projections approved by management (Note 12). The assumptions used in the calculation are disclosed in the annual financial statements at March 31, 2025.

b) Fair value of biological assets

Os ativos biológicos são mensurados pelo valor justo, deduzidos dos custos de venda, sendo que quaisquer alterações são reconhecidas no resultado (Nota 7).

c) Income tax, social contribution and other taxes

The Company recognizes provisions when it is probable that additional taxes will be due. When the outcome of these matters differs from the amounts initially estimated and recorded, such differences will affect current and deferred tax assets and liabilities in the year in which the ultimate amount is determined.

d) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined through the use of valuation techniques, including the discounted cash flow model. The assumptions underlying these valuation techniques are based primarily on the market conditions existing at the reporting date, if available. Where this is not feasible, a certain level of judgment is required to determine fair value with respect to data such as liquidity, credit risk, and volatility.

e) Provision for contingencies

São Martinho is a party to labor, civil and tax proceedings at different court levels. Provisions for contingencies to cover probable risks of losses arising from unfavorable outcome of ongoing lawsuits are determined and adjusted based on management's assessment, under the advice of legal consultants, and require a high degree of judgment.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

f) Incremental borrowing rate on leases and agricultural partnerships

Right-of-use assets, lease liabilities, and agricultural partnerships are measured at present value based on discounted cash flows using the incremental borrowing rate. This weighted average borrowing rate involves estimation, since it is the rate that the lessee would have to pay on a borrowing to raise the funds required to obtain an asset of similar value in a similar economic environment, under equivalent terms and conditions, and considering the lessee's credit risk, the term of the agreement, and the collateral offered.

4. Cash and cash equivalents and financial investments

Cash and cash equivalents comprise cash on hand, bank deposits, and highly liquid short-term investments with original maturities of three months or less, which are readily convertible into known amounts of cash, and are subject to immaterial risk of change in value.

	Parent			Consolidated		
	Annual yield	June 30, 2025	March 31, 2025	Annual yield	June 30, 2025	March 31, 2025
Cash and banks in Brazil		5,199	854		5,235	925
Cash and banks abroad (US Dollar)		185,109	316,500		185,109	316,500
Financial investments						
· Investments in foreign currency	-	-	581,163	-	-	581,163
Total cash and cash equivalents		190,308	898,517		190,344	898,588
Financial investments						
· Investment fund	100.79%	2,173,082	1,994,866	100.76%	2,389,068	2,174,697
· Bank Deposit Certificate (CDB)	101.86%	210,223	9,146	101.85%	210,800	9,746
· Other (i)	95.49%	82,741	80,196	95.49%	82,741	80,196
Total financial investments		2,466,046	2,084,208		2,682,609	2,264,639
Total cash and cash equivalents and financial investments		2,656,354	2,982,725		2,872,953	3,163,227
In non-current assets		82,741	80,196		82,741	80,196
Total available funds		2,573,613	2,902,529		2,790,212	3,083,031

(i) Resources pledged as collateral for borrowings obtained with BNDES and brokers, with redemption restriction until the maturity of the contracts.

5. Trade receivables

Trade receivables are initially stated at present value, less provision for impairment, where applicable.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Balance of trade receivables:

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Domestic market customers	286,609	248,163	356,846	306,162
Foreign market customers	224,985	209,482	224,985	209,481
(-) Expected credit losses	-	-	(899)	(889)
	511,594	457,645	580,932	514,754
Current assets	(511,594)	(457,645)	(543,837)	(477,210)
Non-current assets	-	-	37,095	37,544

Trade receivables by maturity date:

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Falling due:				
In up to 30 days	268,167	331,839	268,846	341,395
From 31 to 60 days	155,413	11,318	182,578	12,138
From 61 to 90 days	6,425	2,978	7,234	3,931
From 91 to 120 days	14,835	27,332	15,293	28,227
From 121 to 180 days	2,068	1,499	2,932	4,883
Over 180 days	62,855	76,278	102,324	117,705
	509,763	451,244	579,207	508,279
Amounts overdue and not provided for				
In up to 30 days	177	2,920	208	2,274
From 31 to 60 days	4	38	25	47
From 61 to 90 days	6	5	16	18
From 91 to 120 days	4	3	4	11
From 121 to 180 days	12	89	39	99
Over 180 days	1,628	3,346	1,433	4,026
	1,831	6,401	1,725	6,475
	511,594	457,645	580,932	514,754

Of the balance receivable, R\$ 7,284 in the Parent, and R\$ 2,533 in the Consolidated (R\$ 2,961 and R\$ 216 in the Parent and Consolidated, respectively, at March 31, 2025) refer to related parties (Note 9).

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

6. Inventories and advances to suppliers

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Current				
Finished products and work-in-progress	589,729	234,780	579,504	234,780
Raw material – Corn	21,178	113,919	21,178	113,919
Advances - purchases of sugarcane	76,795	23,704	76,795	23,704
Advances - purchases of inputs and finished products	184,297	122,276	184,297	122,276
RenovaBio - CBIOs (i)	6,786	567	6,786	567
Inputs, maintenance materials and other	258,108	241,692	258,108	241,692
Land subdivisions	-	-	6,408	6,123
	1,136,893	736,938	1,133,076	743,061
Non-current				
Advances - purchases of sugarcane	97,846	56,005	97,846	56,005
	97,846	56,005	97,846	56,005
	1,234,739	792,943	1,230,922	799,066

- (i) At June 30, 2025, the Company had 157,000 registered decarbonization credits (Cbios) carried at fair value (11,000 Cbios at March 31, 2025).

Inventories are carried at average acquisition or production cost, and are adjusted by a provision for impairment, where necessary. Inventories of land (land subdivisions) related to real estate developments are measured at historical cost.

Of the balance of advances recorded at June 30, 2025 under inventories, R\$ 202 in the Parent and Consolidated accounts refers to related parties (R\$ 625 in the Parent and Consolidated at March 31, 2025) (Note 9).

7. Biological assets

Biological assets are agricultural products under cultivation (standing sugarcane) from bearer plants, which will be used as raw material in the manufacture of sugar and ethanol at harvest. After each harvest, crop treatments are carried out to improve growth and development of the sugarcane plantation (fixed asset), ensuring production gains and extending its useful life. Expenditures incurred for crop treatments are therefore classified under investing activities in the statement of cash flows.

Biological assets are carried at fair value less costs to sell. The measurement at fair value of biological assets is classified as Level 3 - Assets and liabilities for which there is little, if any, market activity, or whose prices or valuation techniques are supported by inputs from a thin, nonexistent, or illiquid market (non-observable inputs).

The fair value of biological assets was determined based on the discounted cash flow method, considering basically:

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All amounts in thousands of reais unless otherwise stated

- a) Cash inflows obtained by multiplying the: i) estimated production measured in kilograms of Total Recoverable Sugar (TRS) by (ii) the sugarcane futures market price, which is projected based on publicly-available data and price estimates of sugar and ethanol; and
- b) Cash outflows represented by the estimated (i) costs necessary for the biological transformation of sugarcane (crop treatments) up to the harvest; (ii) harvesting/cutting, loading, and transportation costs; (iii) cost of capital (land and machinery and equipment); (iv) costs of leases and agricultural partnerships; and (v) taxes levied on positive cash flows.

The following key assumptions were used in determining the fair value:

Parent and Consolidated	June 30, 2025	March 31, 2025
Estimated total harvested area (ha)	254,384	254,689
Amount of TRS per hectare	12.11	11.96
Projected average price of TRS (in R\$)	1.20	1.20

In this quarterly information, the discount rate used to calculate the fair value of biological assets was 9.8% p.a. (10.0% p.a. at March 31, 2025).

Based on estimates of revenue and costs, the Company determines the discounted cash flows to be generated, adjusting them to present value through a discount rate compatible with the return on investment. Changes in the fair value are recorded within "Biological assets", with a corresponding entry to "Changes in the fair value of biological assets" under "Cost of goods sold" in the statement of profit or loss.

Changes in the fair value of biological assets in the period were as follows:

Parent and Consolidated	June 30, 2025	June 30, 2024
Historical cost	1,665,746	1,563,058
Fair value	(260,017)	(198,550)
Biological assets - opening balance:	1,405,729	1,364,508
Increases arising from crop treatments	215,800	198,643
Transfer from property, plant and equipment	185,214	145,418
Changes in fair value	(27,697)	43,760
Decreases resulting from harvest	(414,837)	(388,533)
Biological assets - closing balance:	1,364,209	1,363,796
Comprised of:		
Historical cost	1,651,923	1,518,586
Fair value	(287,714)	(154,790)
Biological assets - closing balance:	1,364,209	1,363,796

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Sugarcane cultivation is exposed to the risk of damage caused by climate changes, pests and diseases, forest fires, and other forces of nature, which may impact, either by increasing or reducing, future harvest results.

Fair value sensitivity analysis

For purposes of the sensitivity analysis, the Company assessed the impact on the fair value of its biological assets at June 30, 2025, considering an increase/decrease in the following variables: (i) price of the sugarcane metric ton; and (ii) sugarcane production volume. The other variables were held constant. Accordingly, a 5% increase or decrease in the price of sugarcane metric ton would result in an increase or decrease of R\$ 120,745. Regarding the production volume, the same 5% variation (up or down) would result in an increase or decrease of R\$ 110.660.

8. Taxes recoverable

Balances of taxes recoverable:

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Current				
PIS/COFINS	255,777	241,122	255,915	241,259
ICMS	193,498	179,194	193,783	179,407
Tax Refund Program for Exporters (Reintegra)	4,748	528	4,748	528
Others	2,249	2,628	2,249	2,628
	456,272	423,472	456,695	423,822
Non-current				
PIS/COFINS	319,286	311,112	319,286	311,112
ICMS	374,464	382,206	381,857	387,719
Tax on Financial Transactions (IOF) on derivatives	10,987	10,822	10,987	10,822
INSS	423	418	423	418
	705,160	704,558	712,553	710,071
	1,161,432	1,128,030	1,169,248	1,133,893

The balances of taxes recoverable arise from commercial transactions and tax prepayments.

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9. Related parties

a) Parent and Consolidated balances:

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Current assets				
Trade receivables (i)				
Bio BV	2,004	483	-	-
Bio SM	694	1,006	-	-
Bio SC	103	19	-	-
Bioenergia SM	1,762	303	-	-
SM Terras Imobiliárias	69	871	-	-
SM Terras Agrícolas	8	9	-	-
CTC - Centro de Tecnologia Canavieira S.A.	19	19	19	19
Others	2,625	251	2,514	197
	7,284	2,961	2,533	216
Inventories and advances to suppliers				
CTC - Centro de Tecnologia Canavieira S.A.	202	167	202	167
Others	-	458	-	458
	202	625	202	625
Dividends receivable				
SM Terras Imobiliárias	11,329	11,329	-	-
SM Inova	2,256	2,256	-	-
SM Logística	7	7	-	-
	13,592	13,592	-	-
Current liabilities				
Trade payables				
SM Terras Agrícolas	8,478	6,990	-	-
Bio SC	220	374	-	-
CTC - Centro de Tecnologia Canavieira S.A.	146	47	146	47
Others	15	140	15	138
	8,859	7,551	161	185
Current and non-current liabilities				
Leases and agricultural partnerships payable from stockholders and related parties	475,643	492,056	475,643	492,056

- (i) These relate mainly to the apportionment of expenses with administrative services and sale of steam.

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b) Parent and Consolidated transactions in the period:

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Sales revenue				
Bio BV	5,215	2,569	-	-
Bio SM	1,797	4,797	-	-
Bio SC	953	1,435	-	-
Bioenergia SM	4,653	3,952	-	-
	12,618	12,753	-	-
Lease revenue (purchase of products and services) / reimbursed expenses				
SM Terras Agrícolas	(19,639)	(19,326)	-	-
CTC - Centro de Tecnologia Canavieira S.A.	127	(241)	1,600	819
SM Terras Imobiliárias	(9,131)	(8,763)	-	-
Bio SC	(186)	(236)	-	-
Bio BV	117	214	-	-
Bioenergia SM	40	-	-	-
Bio SM	34	77	-	-
	(28,638)	(28,275)	1,600	819
Stockholders and related parties				
Sugarcane purchases / land leases / reimbursed expenses/ provision of services				
Agro Pecuária Boa Vista S/A	(15,856)	(14,687)	(15,856)	(14,687)
Others	(2,115)	(4,962)	(1,847)	(5,231)
	(17,971)	(19,649)	(17,703)	(19,918)
Finance income (costs)				
Finance income (costs)				
Others (i)	(10,911)	(14,822)	(10,911)	(14,822)
	(10,911)	(14,822)	(10,911)	(14,822)

(i) Adjustment of partnership and lease agreements to present value, net of taxes.

Sales revenues refer to the sale of steam, while purchases of goods and services include the acquisition of sugarcane, electric power, steam processing services, and royalties. Expenses reimbursed by subsidiaries or related parties correspond to the apportionment of administrative service costs. Contracts with related parties follow the Related Party Transaction Policy, with a revision approved by the Board of Directors on June 17, 2024. The transactions are formalized through contracts that include clauses and conditions aligned with market pricing and practices, which must be mutually beneficial, generating value for both parties involved.

The contracts with related parties mostly refer to partnership and lease agreements, sale and acquisition of equity interests, cost-sharing agreements, and, occasionally, contracts for rent, purchase and sale of seedlings, and purchase and sale of energy. The Company's Reference Form, item 11.2, provides details of the contracts, such as: object, guarantees, nature, transaction date, amount involved, balance, duration, and interest rate.

Sugarcane partnership and lease agreements are entered into based on the prevailing market conditions and average prices of the respective region. These

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contracts typically have a term of five years, allow for up to two optional harvests, and include a 20% penalty for breach of contract, with no interest charges.

Cost-sharing agreements follow the determinations of the Federal Revenue Service as per SC-COSIT 23/2013 and SC-COSIT 149/2021 and are entered into for an indefinite term. Costs and expenses are formalized and mutually validated by the parties, with monthly apportionment and reimbursement. They are allocated based on the proportional relationship between quantity and time spent on the respective activities.

Regarding other contracts: a) rent: the amounts are in line with the average price per square meter for rental of commercial properties in the region; b) energy: these contracts comply with the regulations of the Electric Energy Trading Chamber (CCEE) and are based on the average market price in the spot trading modality; c) purchase and sale of seedlings and licensing: the amounts paid follow market conditions, ensured by the Cultivar Protection Law (Law 9.456/1997), Decree 2.366/1997, the Industrial Property Law (Law 279/1996), Decree 1.355/1994, and the Seeds and Seedlings Law (Law 10.711/2003).

c) Management compensation:

The compensation paid or payable for management's services is shown below:

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Fixed compensation	7,123	6,662	7,168	7,034
Bonuses, benefits, and other variable compensation	3,718	14,047	3,718	14,286
Social security contributions	2,037	4,100	2,046	4,208
Total compensation and charges	12,878	24,809	12,932	25,528

d) Long-term incentive plans:

São Martinho offers its executive officers a virtual stock option plan, which provides for cash settlement of the positive difference between the market value on the day before the exercise and the price set in each program.

On December 16, 2024, the Board of Directors approved the granting of 1,821,251 new options, through the 16th Stock Option Plan, and on March 31, 2025, a new Long-Term Virtual Stock Option Incentive Plan was approved, under which 400,000 shares were granted on April 1, 2025. The Plans' regulations are filed at the Company's head office.

The carrying amount of the liability relating to the new fair value calculation of the Virtual Stock Option Plan is R\$ 4,007 (R\$ 4,645 at March 31, 2025). The fair value for the Virtual Stock Options plan refers to the difference between the exercise price

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and the market value of the Company's shares (SMT03) on the balance sheet date. The fair value of the Virtual Shares program is calculated based on the quotation of the Company's shares (SMT03) and the total number of virtual shares granted.

The balances of virtual stock options issued and their changes at the reporting date are shown below:

Plan	10th Plan	11th Plan	12th Plan	13th Plan	14th Plan	15th Plan	16th Plan	Total
Plan issue date	12/10/2018	12/09/2019	12/14/2020	12/13/2021	12/12/2022	12/11/2023	12/16/2024	
Deadline for exercise	2025	2026	2027	2028	2029	2030	2031	
Number of virtual options granted	1,133,513	1,072,712	754,980	563,175	1,463,211	1,393,489	1,821,251	8,202,331
Number of virtual options exercised/cancelled	(828,137)	(448,830)	(82,211)	(24,896)	(56,325)	-	-	(1,440,399)
Number of virtual options to be exercised	305,376	623,882	672,769	538,279	1,406,886	1,393,489	1,821,251	6,761,932
Exercise price (R\$)	19.07	19.38	24.22	37.17	27.44	33.70	25.38	

The plans' virtual options may be exercised after their respective grace periods, as follows: 1/3 after the second year of the grant, 1/3 after the third year of the grant, and 1/3 after the fourth year of the grant, always in compliance with each plan's deadline. The limit approved at the Annual General Meeting relates to the virtual options to be granted in that year.

10. Investments

The parent and consolidated balance of investments in other companies is as follows:

				Parent			
Company	Ownership interest %	Equity		Book value of investment		Share of profit (loss) of equity-accounted investees	
		June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025	June 30, 2025	June 30, 2024
Classified as Investments							
SM Terras Agrícolas	100.00%	822,402	808,017	816,072	808,017	8,055	12,246
SM Terras Imobiliárias	100.00%	673,956	666,366	670,376	666,366	4,009	6,143
Bio SC	100.00%	70,229	55,911	72,328	58,040	14,288	24,625
SM Inova	100.00%	57,639	55,110	57,639	55,110	2,453	1,869
Bio SM	100.00%	43,488	36,141	43,488	36,141	7,347	4,675
Bio BV	100.00%	45,035	31,369	45,035	31,369	13,666	17,046
Bioenergia SM	100.00%	30,557	21,043	30,557	21,043	9,514	(2,214)
SM Logística	100.00%	10	10	10	10	-	21
Biometano SC	100.00%	170,314	169,728	170,314	169,729	585	1,140
Bioenergia Iracema	100.00%	1	1	1	1	-	-
Bioenergia SM II	100.00%	1	1	1	1	-	-
Total classified as Investments		1,913,632	1,843,697	1,905,821	1,845,827	59,917	65,551

				Consolidated			
Company	Ownership interest %	Equity		Book value of investment		Share of profit (loss) of equity-accounted investees	
		June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025	June 30, 2025	June 30, 2024
Classified as Investments							
CTC - Centro de Tecnologia Canavieira S.A. (i)	5.41%	1,158,496	1,125,891	62,726	60,960	2,450	1,868
Others		-	-	176	1,613	(863)	-
Total classified as Investments		1,158,496	1,125,891	62,902	62,573	1,587	1,868

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- (i) Pursuant to item 16 of CPC 18 (R2), the interest held by the Company in CTC is accounted for under the equity method, since the Company, through its subsidiary SM Inova, has significant influence as it holds stake in the investee's Board of Directors.

There are no cross-holdings between the parent and the investees.

Changes in investments during the period were as follows:

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Balance at the beginning of the period	1,845,827	1,738,747	62,573	54,692
Share of profit (loss) of equity-accounted investees	59,917	65,551	1,587	1,868
Dividends distributed	-	-	(1,335)	16
Other effects of investments	77	21	77	22
Balance at the end of the period	1,905,821	1,804,319	62,902	56,598

Summarized information on investments

		Assets		Liabilities			
		June 30, 2025		June 30, 2025			June 30, 2025
Company	Ownership interest %	Current	Non-current	Current	Non-current	Equity	Profit (loss) for the period
SM Terras Agrícolas	100.00%	44,779	1,130,741	3,975	349,142	822,402	14,385
SM Terras Imobiliárias	100.00%	28,037	663,301	14,925	2,456	673,956	7,590
Bio SC	100.00%	50,035	24,111	1,025	2,892	70,229	14,318
SM Inova	100.00%	2,931	62,726	2,258	5,760	57,639	2,453
Bio SM	100.00%	29,269	16,430	2,211	-	43,488	7,347
Bio BV	100.00%	41,968	11,339	7,968	304	45,035	13,666
Bioenergia SM	100.00%	31,779	55,693	12,843	44,072	30,557	9,514
SM Logística	100.00%	16	-	6	-	10	-
Bioenergia Itacema	100.00%	1	-	-	-	1	-
Bioenergia SM II	100.00%	1	-	-	-	1	-
Biometano SC	100.00%	19,960	153,703	3,345	4	170,314	585
Total		248,776	2,118,044	48,556	404,630	1,913,632	69,858

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		Assets		Liabilities			
		March 31, 2025		March 31, 2025			June 30, 2024
Company	Ownership interest %	Current	Non-current	Current	Non-current	Equity	Profit (loss) for the period
SM Terras Agrícolas	100.00%	41,737	1,130,741	15,319	349,142	808,017	20,081
SM Terras Imobiliárias	100.00%	21,221	663,383	15,853	2,385	666,366	10,064
Bio SC	100.00%	35,104	24,662	907	2,948	55,911	24,659
SM Inova	100.00%	2,167	60,960	2,257	5,760	55,110	1,869
Bio SM	100.00%	21,626	16,703	2,188	-	36,141	4,675
Bio BV	100.00%	27,273	11,549	7,144	309	31,369	17,046
Bioenergia SM	100.00%	17,698	56,719	10,083	43,291	21,043	(2,214)
SM Logística	100.00%	16	-	6	-	10	22
Bioenergia Iracema	100.00%	1	-	-	-	1	-
Bioenergia SM II	100.00%	1	-	-	-	1	-
Biometano SC	100.00%	42,949	132,885	6,102	4	169,728	1,140
Total		209,793	2,097,602	59,859	403,839	1,843,697	77,342

11. Property, plant and equipment

The assets' net book values and useful lives, as well as the depreciation methods, are reviewed at each year-end, and adjusted prospectively, where applicable. For the year ending March 31, 2025, there were no changes in the useful life of the assets. Depreciation is calculated using the straight-line method; for production equipment, the accelerated depreciation method is applied, taking into consideration the crushing season.

Maintenance costs that extend the useful lives of property, plant and equipment items are capitalized and items that replace others that suffer wear and tear during the crop period are recorded as assets, and depreciated during the subsequent crop season. Maintenance costs that do not affect the useful lives of the assets are recognized as expenses when incurred. Replaced items are written off.

Sugarcane plantations correspond to the bearer plants for growing sugarcane. Sugarcane is classified as a permanent crop and its economically productive cycle lasts, on average, eight years after the first harvest. The costs of charges on borrowings taken to finance the construction of property, plant and equipment are capitalized during the period required to construct and prepare the asset for its intended use.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Parent	Land	Buildings and facilities	Manufacturing equipment and facilities	Vehicles	Agricultural machinery and implements	Sugarcane plantations	Construction in progress	Other PP&E	Total
At March 31, 2024	96,046	576,914	2,162,157	360,862	518,459	1,947,584	489,474	30,248	6,181,744
Acquisitions	-	1,703	832	1,160	61,617	133,959	88,922	809	289,002
Expenditures with intercrop maintenance (i)	-	-	5,988	1,756	2,384	-	-	-	10,128
Transfer of PP&E/biological assets	-	-	-	-	-	(145,418)	-	-	(145,418)
Cost of sale	-	-	(380)	(844)	(567)	-	-	-	(1,791)
Transfer between groups	-	10,509	72,966	(8,216)	(9,291)	9,481	(76,960)	1,511	-
Depreciation	-	(4,548)	(114,936)	(33,169)	(39,383)	-	-	(1,963)	(193,999)
At June 30, 2024	96,046	584,578	2,126,627	321,549	533,219	1,945,606	501,436	30,605	6,139,666
Total cost	96,046	748,118	3,285,154	608,957	1,016,341	1,945,606	501,436	200,052	8,401,710
Accumulated depreciation	-	(163,540)	(1,158,527)	(287,408)	(483,122)	-	-	(169,447)	(2,262,044)
Net book value	96,046	584,578	2,126,627	321,549	533,219	1,945,606	501,436	30,605	6,139,666
At March 31, 2025	96,046	636,155	2,276,966	414,466	715,127	2,170,085	397,763	37,075	6,743,683
Acquisitions	-	39	3,183	825	3,216	122,427	65,259	1,636	196,585
Transfer of PP&E/biological assets	-	-	-	-	-	(185,214)	-	-	(185,214)
Cost of sale	-	-	(125)	(238)	(404)	-	-	(136)	(903)
Transfer between groups	-	-	1,470	409	(9,858)	10,214	(3,843)	1,608	-
Depreciation	-	(5,297)	(30,938)	(72,084)	(92,347)	-	-	(1,983)	(202,649)
At June 30, 2025	96,046	630,897	2,250,556	343,378	615,734	2,117,512	459,179	38,200	6,551,502
Total cost	96,046	814,093	3,378,742	581,833	1,049,236	2,117,512	459,179	215,039	8,711,680
Accumulated depreciation	-	(183,196)	(1,128,186)	(238,455)	(433,502)	-	-	(176,839)	(2,160,178)
Net book value	96,046	630,897	2,250,556	343,378	615,734	2,117,512	459,179	38,200	6,551,502
Residual value:									
Historical cost	24,759	579,657	2,119,988	331,854	609,440	2,117,512	459,179	38,200	6,280,589
Surplus on revaluation	71,287	51,240	130,568	11,524	6,294	-	-	-	270,913
Annual average depreciation rates/ Transfer of biological assets	-	2%	4%	7%	9%	14%	-	14%	

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Consolidated	Land	Buildings and facilities	Manufacturing equipment and facilities	Vehicles	Agricultural machinery and implements	Sugarcane plantations	Construction in progress	Improvements and other PPE	Total
At March 31, 2024	1,820,793	578,918	2,273,946	360,861	518,459	1,947,583	514,338	30,250	8,045,148
Acquisitions	-	1,703	842	1,160	61,617	133,959	114,736	809	314,826
Expenditures with intercrop maintenance (i)	-	-	5,988	1,756	2,384	-	-	-	10,128
Transfer of biological assets	-	-	-	-	-	(145,418)	-	-	(145,418)
Cost of sale	-	-	(378)	(845)	(568)	-	-	-	(1,791)
Transfer between groups	-	17,775	64,723	(8,216)	(9,291)	9,481	(76,377)	1,905	-
Depreciation	-	(4,650)	(116,910)	(33,170)	(39,384)	-	-	(1,972)	(196,086)
At June 30, 2024	1,820,793	593,746	2,228,211	321,546	533,217	1,945,605	552,697	30,992	8,026,807
Total cost	1,820,793	759,563	3,431,746	608,956	1,016,340	1,945,605	552,697	200,459	10,336,159
Accumulated depreciation	-	(165,817)	(1,203,535)	(287,410)	(483,123)	-	-	(169,467)	(2,309,352)
Net book value	1,820,793	593,746	2,228,211	321,546	533,217	1,945,605	552,697	30,992	8,026,807
At March 31, 2025	1,820,095	645,791	2,379,621	414,465	715,127	2,170,085	525,451	37,414	8,708,049
Acquisitions	-	39	3,183	825	3,216	122,427	84,218	1,636	215,544
Transfer of biological assets	-	-	-	-	-	(185,214)	-	-	(185,214)
Cost of sale	(318)	-	(125)	(238)	(404)	-	-	(136)	(1,221)
Transfer between groups	-	-	1,470	409	(9,858)	10,214	(3,843)	1,608	-
Depreciation	-	(5,375)	(32,954)	(72,083)	(92,349)	-	-	(2,016)	(204,777)
At June 30, 2025	1,819,777	640,455	2,351,195	343,378	615,732	2,117,512	605,826	38,506	8,532,381
Total cost	1,819,777	826,109	3,529,595	581,833	1,049,236	2,117,512	605,826	215,446	10,745,334
Accumulated depreciation	-	(185,654)	(1,178,400)	(238,455)	(433,504)	-	-	(176,940)	(2,212,953)
Net book value	1,819,777	640,455	2,351,195	343,378	615,732	2,117,512	605,826	38,506	8,532,381
Residual value:									
Historical cost	171,576	588,465	2,208,796	331,854	609,438	2,117,512	605,826	38,506	6,671,973
Surplus on revaluation	1,648,201	51,990	142,399	11,524	6,294	-	-	-	1,860,408
Annual average depreciation rates/ Transfer of biological assets	-	2%	4%	8%	9%	14%	-	12%	

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The amount allocated to "Construction in progress" refers partly to the construction of the biogas plant, which currently amounts to R\$ 133,144 and is expected to be completed by August 2025. Additionally, this group includes projects related to the irrigation plan, the increase in sugar production, and the flexibility in anhydrous production, with completion estimated by March 2026.

Some property, plant and equipment items were pledged as collateral for certain borrowings taken by São Martinho. The carrying amount of these assets pledged as collateral in the consolidated totals R\$ 733,929, of which R\$ 39,144 corresponds to rural properties that cover an area of 1,505 hectares of land.

Financial charges capitalized by the Company during the period amounted to R\$ 1.290, at an average rate of 8.5% p.a. (R\$ 1,541, at an average rate of 7.5% p.a. at June 30, 2024).

12. Intangible assets

Goodwill is carried at cost less accumulated impairment losses, and is tested annually for impairment.

Parent	Goodwill based on future profitability (i)	Rights on sugarcane contracts (ii)	Software	Forest easement right	Other intangible assets	Intangible assets under construction	Total
At March 31, 2024	374,632	16,769	50,379	29	1,291	204	443,304
Acquisitions	-	-	515	(3)	-	-	512
Amortization	-	(1,572)	(2,804)	-	-	-	(4,376)
At June 30, 2024	374,632	15,197	48,090	26	1,291	204	439,440
Total cost	374,632	42,443	93,810	26	1,291	204	512,406
Accumulated amortization	-	(27,246)	(45,720)	-	-	-	(72,966)
Net book value	374,632	15,197	48,090	26	1,291	204	439,440
At March 31, 2025	374,632	12,576	51,929	23	1,291	-	440,451
Acquisitions	-	-	33	-	-	-	33
Amortization	-	(1,571)	(3,522)	-	-	-	(5,093)
At June 30, 2025	374,632	11,005	48,440	23	1,291	-	435,391
Total cost	374,632	42,443	108,053	23	1,291	-	526,442
Accumulated amortization	-	(31,438)	(59,613)	-	-	-	(91,051)
Net book value	374,632	11,005	48,440	23	1,291	-	435,391
Annual average amortization rates	-	10%	20%	-	-	-	-

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Consolidated	Goodwill based on future profitability (i)	Rights on sugarcane contracts (ii)	Rights on electric power supply contracts	Software	Forest easement right	Other intangible assets	Intangible assets under construction	Total
At March 31, 2024	374,632	16,768	-	50,380	11,636	1,291	260	454,967
Acquisitions	-	-	-	515	(3)	-	-	512
Amortization	-	(1,572)	-	(2,804)	-	-	-	(4,376)
At June 30, 2024	374,632	15,196	-	48,091	11,633	1,291	260	451,103
Total cost	374,632	42,443	103,401	93,810	11,633	1,291	260	627,470
Accumulated amortization	-	(27,246)	(103,401)	(45,720)	-	-	-	(176,367)
Net book value	374,632	15,197	-	48,090	11,633	1,291	260	451,103
At March 31, 2025	374,632	12,576	-	51,929	11,630	1,291	56	452,114
Acquisitions	-	-	-	33	-	-	-	33
Amortization	-	(1,571)	-	(3,523)	-	-	-	(5,094)
At June 30, 2025	374,632	11,005	-	48,439	11,630	1,291	56	447,053
Total cost	374,632	42,443	103,401	108,054	11,630	1,291	56	641,507
Accumulated amortization	-	(31,438)	(103,401)	(59,615)	-	-	-	(194,454)
Net book value	374,632	11,005	-	48,439	11,630	1,291	56	447,053
Annual average amortization rates	-	10%	10%	20%	-	-	-	-

- (i) Goodwill related to prior years' business combination of companies merged into the Company;
- (ii) Relates to the acquisition of rights to agricultural partnership and sugarcane supply contracts, which have a useful life defined pursuant to their contractual relationship, with amortization calculated on the basis of the quantity of sugarcane harvested during the term of the contract with the partner or supplier.

Impairment of non-financial assets

In accordance with the provisions of CPC 01 (IAS 36) - Impairment of assets, goodwill, property, plant and equipment, and intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least once a year, or more frequently, if evidence of impairment is identified. Annual impairment tests are performed at the end of March. In order to determine impairment loss, assets are grouped into Cash-Generating Units (CGU), which correspond to the smallest group of cash flow generating assets that are clearly independent from cash flows generated by another CGU.

On March 31, 2025, the Company tested its non-current assets for impairment. The assessment was based on calculations of the value in use of each CGU, using pre-tax cash flow projections supported by financial budgets approved by management. The growth rate does not exceed the long-term average growth rate of the sector in which the CGU operates.

The key assumptions and estimates involved include the estimated selling prices of sugar and ethanol, agricultural and industrial productivity, production costs, and other macroeconomic data. The cash flows were projected for a five-year period.

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Main assumptions used by the Company (data from March 31, 2025):

Cash-generating Unit	Nominal perpetuity growth rate	Nominal discount rate
São Martinho	5.00%	10.28%

The annual test did not identify any losses for the year ended March 31, 2025. At June 30, 2025, management did not perform a new assessment since no significant changes were identified in relation to the annual tests.

13. Right-of-use assets, and lease and agricultural partnerships payable

São Martinho adopts IFRS 16 (CPC 06 (R2)) - Leases, which introduces a single accounting model for leases and agricultural partnerships in the balance sheet. Right-of-use assets were recognized in assets and lease payment obligations in liabilities.

Definitions used:

Lease

The Company and its subsidiaries consider as a lease any contract that conveys the right to control the use of an asset for a period, in exchange for consideration. Accordingly, agricultural partnership agreements, although having a different legal form, were accounted for as leases.

The Company as the Lessee

The Company adopted the simplified cumulative effect approach and the following criteria: : (i) liabilities: comprised of remaining balances of the agreements in force on the date of initial adoption, net of advance payments, and discounted at the average rate of DI futures contracts (nominal interest coupon), with terms equivalent to those of partnership and lease agreements; and (ii) assets: comprised of the amount equivalent to the liabilities adjusted to present value. The right-of-use assets and balance payable are remeasured at each reporting date, based on the index disclosed by the Council of Sugarcane, Sugar and Alcohol Producers of the State of São Paulo (CONSECANA).

No assets or liabilities were recognized for low value (computers, telephones and IT equipment in general) and/or short-term lease agreements (up to 12 months). Payments associated with these agreements were recorded as expenses on a straight-line basis.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Changes relating to Right-of-use assets, Lease liabilities, and Agricultural partnerships are shown below:

a) Right-of-use assets

	Parent and Consolidated			
	Vehicles	Agricultural partnership	Agricultural lease	Total
At March 31, 2024	8,689	2,187,893	593,015	2,789,597
Additions	251	194,361	30,725	225,337
Depreciation	(5,762)	(106,088)	(23,998)	(135,848)
At June 30, 2024	3,178	2,276,166	599,742	2,879,086
At March 31, 2025	53,369	2,167,708	531,558	2,752,635
Additions	8,125	-	7,149	15,274
Reductions	814	(51,712)	(1,446)	(52,344)
Depreciation	(6,085)	(97,135)	(24,749)	(127,969)
At June 30, 2025	56,223	2,018,861	512,512	2,587,596
Useful lives (years)	1 to 2	2 to 29	2 to 20	

b) Leases and agricultural partnerships payable

	Parent and Consolidated			
	Vehicles	Agricultural partnership	Leases payable	Total
At March 31, 2024	7,685	2,237,857	629,218	2,874,760
Offset of advances	-	2,770	-	2,770
Additions	251	194,361	30,725	225,337
Payments made	(3,946)	(230,777)	(31,791)	(266,514)
Financial charges	194	68,354	18,562	87,110
At June 30, 2024	4,184	2,272,565	646,714	2,923,463
At March 31, 2025	45,852	2,184,138	600,463	2,830,453
Offset of advances	-	(26,405)	-	(26,405)
Additions	8,125	-	7,149	15,274
Reductions	(266)	(61,079)	141	(61,204)
Payments made	(8,857)	(198,061)	(35,669)	(242,587)
Financial charges	1,894	63,482	14,680	80,056
At June 30, 2025	46,748	1,962,075	586,764	2,595,587
Total in current liabilities	21,623	429,142	97,994	548,759
Total in non-current liabilities	25,125	1,532,933	488,770	2,046,828
At June 30, 2025	46,748	1,962,075	586,764	2,595,587

The estimated balances of long-term lease agreements and agricultural partnerships payable mature as follows:

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All amounts in thousands of reais unless otherwise stated

Maturity	Parent and Consolidated
From 7/1/2026 to 6/30/2027	650,188
From 7/1/2027 to 6/30/2028	493,263
From 7/1/2028 to 6/30/2029	399,495
From 7/1/2029 to 6/30/2030	332,159
From 7/1/2030 to 6/30/2031	285,149
From 7/1/2031 to 6/30/2032	234,363
From 7/1/2032 to 6/30/2033	197,463
From 7/1/2033 onwards	634,243
(-) Adjustment to present value	(1,179,495)
	2,046,828

The table below shows the potential rights to PIS/COFINS built-in in lease payments:

Parent and Consolidated	Agricultural lease	Adjustment to present value
Lease payment	855,998	272,580
Potentially recoverable PIS/COFINS (9.25%)	(59,029)	(17,967)
	796,969	254,613

São Martinho's nominal incremental borrowing rates were based on the interest rates observed in the market for the terms of its contracts, according to its economic circumstances:

Parent and Consolidated	
Contract terms	Incremental rate
2 years	9.28%
3 years	8.93%
4 years	9.94%
5 years	10.79%
6 years	10.71%
7 years	10.81%
8 years	11.57%
9 years	9.32%
10 years	10.68%
11 years	11.14%
From 12 to 30 years	10.61%

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

14. Trade payables

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Sugarcane (i)	459,144	137,663	450,666	130,675
Corn	18,419	3	18,419	3
Suppliers - finance arrangements	30,467	-	30,467	-
Materials, services, and other	180,011	267,464	184,796	274,316
	688,041	405,130	684,348	404,994

(i) Trade payables relate to the supply of sugarcane, as well as to any price adjustment calculated using the TRS (Total Recoverable Sugar) index disclosed by CONSECANA.

Of the total amount of trade payables, R\$ 8,859 in the Parent, and R\$ 161 in the Consolidated (R\$ 7,551 and R\$ 185 in the Parent and Consolidated, respectively, at March 31, 2025) refer to related parties (Note 9).

Suppliers - Financing Agreements (Factoring Risk)

In the period ended June 30, 2025, the Company offered its suppliers a bank financing option for invoice advance ("financing agreements – factoring risk"). The related balances remain recorded as "Suppliers," since there was no legal release or substantial change to the original liabilities.

In this structure, the bank advances the amounts to the suppliers and is reimbursed by the Company on the original invoice due date. The operation does not alter payment terms nor generate additional interest for the Company.

The amounts remain under the "Suppliers" account, with no accounting impact, and are classified as current liabilities. Payments to the bank are included in the operating cash flow, as they are part of the normal cycle of purchasing goods and services. Transactions with suppliers who opted for the advance are considered non-cash, totaling R\$ 101.

Additional information on supplier finance arrangements is presented below:

Parent and Consolidated	June 30, 2025
Invoices available for early payment from suppliers who have joined the program	30,467
- which were advanced by the suppliers in the program	101
Average payment term (in days)	
Invoices available for early payment from suppliers who have joined the program	87
Comparable trade payables	39

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

15. Obligations and rights with Copersucar

As part of the withdrawal process from Copersucar, the Company entered into an agreement for obligations and rights that are still in force. The main obligations and rights are detailed below:

a) Obligations:

Copersucar provided funds, through bills of exchange, to its members, including the Company during the period of its association, for the purpose of financing their operations. These funds were obtained by the Cooperative from temporary cash surpluses arising from preliminary injunctions in lawsuits claiming the suspension of tax collections. These cash surpluses relate to provisions for contingencies recorded by the Cooperative as non-current liabilities. However, in the event of unfavorable outcomes in the lawsuits, the Company may be required to reimburse the amount within 120 days.

Liabilities include Excise Taxes (IPI), the constitutionality of which is being challenged in court by the Cooperative, as shown below.

Parent and Consolidated	June 30, 2025	March 31, 2025
Exchange Bill (LC) - Restated by reference to SELIC rate	83,029	82,218
Exchange Bill (LC) - Transfer of funds without imposition of charges	52,356	52,356
Expenses with tax proceedings	3,127	2,402
Others	2,300	2,300
	140,812	139,276

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

All the Company's liabilities to Copersucar are backed by bank sureties. Additionally, in accordance with the terms negotiated upon the withdrawal from Copersucar, the Company remains liable for any obligations in proportion to its interest in Copersucar from previous harvests, resulting from tax assessments that may arise for periods when the Company was a cooperative member.

b) Rights:

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

The lawsuits in which Copersucar is the plaintiff include a claim against the Federal Government seeking compensation for damages arising from a mandatory freeze of sugar and ethanol prices in the 1980s.

Copersucar transferred to the Company the amounts received from the Federal Government in connection with this lawsuit, as shown below.

Upon transferring the funds, Copersucar withheld a portion to cover legal costs related to the dispute about the levy of PIS and COFINS on the compensation received, while undertaking to transfer the corresponding amounts in the event of a favorable outcome. At 30 June, and March 31, 2025, the balance receivable from Copersucar, of R\$ 367,826, was recognized under "Rights with Copersucar". The Company, in line with the measures taken by Copersucar, also filed a lawsuit, claiming the suspension of the levy of IRPJ/CSLL/PIS/COFINS, supported by a judicial deposit provided for under "Taxes with suspended collection".

Of the balance of R\$ 2,093,424 (R\$ 2,025,634 on March 31, 2025) recorded under Taxes with suspended collection, R\$ 2,079,051 (R\$ 2,011,688 on March 31, 2025) refers to the impact of judicial deposits related to the Sugar and Alcohol Institute (IAA) (Note 21.2). The remaining balance refers to other taxes.

Of the amount of R\$ 369,560 recorded under Rights with Copersucar, R\$ 367,826 refers to PIS and COFINS withheld on transfers from the IAA as mentioned above, and R\$ 1,734, to other amounts receivable.

16. Borrowings

Borrowings are initially recognized at fair value, net of the transaction costs incurred, and are subsequently carried at amortized cost on the respective maturity dates.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Type	Annual charges		Parent		Consolidated	
	Rate	Index	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
In local currency						
BNDES credit facility	2.1%	+TJLP	73,361	76,937	73,361	76,937
BNDES II credit facilities	4.2%	+IPCA	1,371,357	1,347,807	1,418,451	1,393,676
BNDES III credit facilities(ii)	5.6%	Fixed rate	136,641	134,816	136,641	134,816
BNDES IV credit facilities	2.7%	+ Referential Rate (TR)	254,151	253,012	254,151	253,012
FINEP	2.7%	+ TR	140,952	140,975	140,952	140,975
Agro Export	101.0%	CDI	95,053	97,954	95,053	97,954
ABC (Inovacred)	5.6%	+ TR	28,638	28,636	28,638	28,636
Rural credit	8.5%	Fixed rate	4,805	9,503	4,805	9,503
Rural credit II	100.0%	CDI	2,746	5,377	2,746	5,377
Agribusiness Receivable Certificate (CRA)	98.9%	CDI	1,682,654	1,953,079	1,682,654	1,953,079
Debentures (iii)	6.0%	+IPCA	2,496,900	2,447,440	2,496,900	2,447,440
International Finance Corporation (IFC)	1.4%	+CDI	254,282	277,816	254,282	277,816
Total in local currency			6,541,540	6,773,352	6,588,634	6,819,221
In foreign currency						
Export prepayment (PPE)	-	-	-	58,755	-	58,755
International Finance Corporation (IFC) (v)	1.3%	6M Sofr	1,139,881	1,211,485	1,139,881	1,211,485
Total in foreign currency			1,139,881	1,270,240	1,139,881	1,270,240
TOTAL (i)			7,681,421	8,043,592	7,728,515	8,089,461
Total in current liabilities			715,527	903,719	718,549	906,297
Total in non-current liabilities			6,965,894	7,139,873	7,009,966	7,183,164
			7,681,421	8,043,592	7,728,515	8,089,461

- (i) In this interim financial information, total costs of liabilities in local and foreign currency were calculated based on the terms of the portfolios, and on Interbank Deposit (DI) and Secured Overnight Financing Rate (SOFR) yield curves.
- (ii) 79.6% of the BNDES credit facilities at fixed rate is linked to 53.5% of the DI rate, through a swap contract.
- (iii) 25.0% debentures are linked to the DI rate +1.1% p.a., 23.1% to the DI rate + 1.4% p.a., and the remaining 51.9%, to 108.2% of the DI rate, through a swap contract.
- (iv) 21.5% of the borrowing with the International Finance Corporation (IFC) is linked to the DI rate +1.15% p.a. through a swap contract, and 78.5%, corresponding only to the principal, is linked to 52.6% of the DI rate.

Long-term swaps are highly susceptible to fluctuations in future inflation curves, notably the Extended Consumer Price Index (IPCA), which can significantly affect their fair value over time. Nevertheless, it is essential to note that, at the end of the contracts, the effective cost will be firmly tied to the CDI rate plus a fixed percentage, which provides a clear and stable financial outlook.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

The table below shows the changes in borrowings during the period:

Changes in debt	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Balance at the beginning of the period	8,043,592	6,495,230	8,089,461	6,536,818
Proceeds from borrowings (i)	250,121	1,063,982	250,121	1,063,982
Repayment of principal	(503,214)	(112,848)	(503,214)	(112,848)
Payment of interest	(239,628)	(165,136)	(239,628)	(165,136)
Provision for interest/inflation adjustment	190,983	144,561	192,208	145,432
Foreign exchange effects	(60,433)	68,570	(60,433)	68,570
Balance at the end of the period	7,681,421	7,494,359	7,728,515	7,536,818

- (i) As a relevant fact disclosed on May 19, 2025, the Company issued debentures backed for the issuance of CRA to the market in the amount of R\$ 1,250,000, with a minimum amount of R\$ 1,000,000. During the period ending June 30, 2025, R\$ 250,121 was raised.

Maturity of long-term borrowings:

	Parent	Consolidated
From 7/1/2026 to 6/30/2027	491,457	493,643
From 7/1/2027 to 6/30/2028	857,623	859,878
From 7/1/2028 to 6/30/2029	1,312,182	1,314,509
From 7/1/2029 to 6/30/2030	630,265	632,666
From 7/1/2030 to 6/30/2031	619,510	621,988
From 7/1/2031 to 6/30/2032	1,259,380	1,261,938
From 7/1/2032 to 6/30/2033	305,662	308,302
From 7/1/2033 to 6/30/2034	258,447	261,172
From 7/1/2034 to 6/30/2035	376,771	379,584
From 7/1/2035 onwards	854,597	876,286
	6,965,894	7,009,966

In this interim financial information, R\$ 733,929 of São Martinho's debt is backed by assets, being approximately 95% by equipment, vehicles, buildings and facilities, and approximately 5% by land. In addition, the Company has a contract secured by receivables from the sale of electric power.

At the reporting date, the carrying amounts of borrowings approximate their fair value. The fair values are based on discounted cash flows using a borrowing rate of 13.3% p.a. (12.5% p.a. at March 31, 2025) and are classified within Level 2 of the fair value hierarchy.

Covenants

The Company has contracts amounting to R\$ 6,682,631 that contain restrictive financial covenants, such as cross-default and negative pledge clauses, and are tied to the compliance with certain financial ratios, such as the ratio of Net Debt (total cash, cash equivalents, and financial investments less borrowings) to Adjusted EBITDA (starting from accounting EBITDA and adjusted upward or downward, with the primary adjustment relating to the depreciation of agricultural contracts as defined by IFRS 16). These covenants are required and assessed annually.

17. Equity

a) Share capital

Share capital at the reporting date and at March 31, 2025 totaled R\$ 4,445,192, represented by 332,435,391 registered common shares with no par value.

The Company is authorized to increase its capital up to the limit of 372,000,000 common shares without the need for a prior amendment to its bylaws, upon a resolution of the Board of Directors determining the terms of the share issuance, including price and payment conditions.

At an Extraordinary General Meeting held on July 25, 2025, the shareholders approved a capital increase of R\$ 373,917, without the issuance of new shares, through the capitalization of part of the capital budget reserve.

b) Treasury shares

As repurchased equity instruments, treasury shares are recognized at acquisition cost, reducing Equity. No gain or loss is recognized in the statement of profit or loss on purchase, sale, issue, or cancellation of the Company's equity instruments.

On June 30 and March 31, 2025, the Company holds R\$ 90,323 in treasury shares, equivalent to 3,857,600 shares.

c) Carrying value adjustments

Deemed cost

These adjustments arose from the surplus on revaluation of the deemed cost of land, buildings and industrial facilities, vehicles and machinery, and agricultural implements. The amounts are recorded net of tax effects and their realization is made through depreciation, write-off, or sale of the related assets. The realized amounts are transferred to "Retained earnings"

Hedge accounting fair value

This relates to the results of unrealized/settled transactions with derivative financial instruments, classified as hedge accounting. This balance is reversed from equity over time, as the related transactions mature, or the shipments take place.

d) Revenue reserves

Legal reserve

The legal reserve is credited annually with 5% of the profit for the year and cannot exceed 20% of the capital. The purpose of the legal reserve is to preserve capital, and it can only be used to offset losses and increase capital.

Capital budget reserve

This reserve is for future funding of investments aimed at increasing the production capacity and other improvement processes, and for working capital purposes.

e) Dividends and interest on capital

In accordance with the Compensation Policy (Dividends), the stockholders are entitled to a dividend and/or interest on capital of at least 40% of the annual cash profit, as shown in the table below and in the financial letter released by the Company, or 25% of the profit for the year, after deduction of accumulated deficit and transfer to the Legal reserve, whichever is greater.

The Board of Directors' meeting held on June 17, 2024, approved the prepayment of stockholders' compensation, in the gross amount of R\$ 150,000, paid as interest on capital. The interest on capital paid was deducted from the dividends computed for the year ended March 31, 2025.

On July 25, 2025, the Board of Directors approved the payment of interest on capital to stockholders in the gross amount of R\$ 150,000, which will be paid on August 8, 2025, with no inflation adjustment, and will be offset against the dividends for the current fiscal year.

18. Profit sharing

As part of its policy, the Company manages a profit-sharing program for its employees, linked to a pre-agreed plan of operating and financial targets. In the reporting period, the amount of profit-sharing totaled R\$ 19,243 in the Parent company and R\$ 19,340 in the Consolidated (R\$ 16,354 and R\$ 16,428 in the Parent company and Consolidated, respectively, at June 30, 2024).

19. Income tax and social contribution

Deferred taxes (income tax and social contribution) are calculated on tax loss carryforwards and corresponding temporary differences between the tax bases of assets and liabilities and their carrying amounts in this interim financial information.

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All amounts in thousands of reais unless otherwise stated

Deferred tax assets are recognized to the extent it is probable that future taxable profit will be available to offset temporary differences and/or tax losses, considering projections of future profitability based on internal assumptions and future economic scenarios, which may, therefore, suffer changes.

The Company has adopted IFRIC 23/ICPC 22 - Uncertainty over Income Tax Treatments, which addresses the accounting for income taxes in cases where the tax treatments involve uncertainty that affects the application of IAS 12 (CPC 32). The entity must determine whether to consider each uncertain tax treatment separately or in combination with one or more uncertain tax treatments. The approach that best predicts the resolution of uncertainties should be followed. The Company did not identify any effects from the adoption of this interpretation.

a) Balances

	Parent		Consolidated	
	June 30, 2025	March 31, 2025	June 30, 2025	March 31, 2025
Current assets				
. Income tax and social contribution recoverable	99,275	75,301	100,117	75,900
Debts in current liabilities				
. Income tax and social contribution payable	-	-	6,882	5,834

b) Changes in deferred income tax and social contribution

Parent	March 31, 2025	Recognized in the statement of profit or loss	Recognized in other comprehensive income	June 30, 2025
Income tax and social contribution losses	29,876	(27,481)	-	2,395
Exclusion of IRPJ/CSLL on tax overpayments (i)	6,937	-	-	6,937
Derivative financial instruments	11,488	(11,454)	(88,630)	(88,596)
Provision for contingencies and other liabilities	164,733	1,641	-	166,374
Foreign exchange gains	22,840	(37,127)	-	(14,287)
Biological assets and agricultural product	93,855	22,672	-	116,527
Leases	164,560	4,064	-	168,624
Other assets	19,767	(9,529)	-	10,238
Total deferred income tax and social contribution - assets	514,056	(57,214)	(88,630)	368,212
Surplus on revaluation of PP&E (deemed cost)	(94,026)	1,722	-	(92,304)
Accelerated depreciation incentive	(550,628)	30,502	-	(520,126)
Tax benefit on merged goodwill	(197,959)	-	-	(197,959)
Foreign exchange losses	(36,587)	29,693	-	(6,894)
Other liabilities	(68,557)	(497)	-	(69,054)
liabilities	(947,757)	61,420	-	(886,337)
Deferred income tax and social contribution	(433,701)	4,206	(88,630)	(518,125)

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Consolidated	March 31, 2025	Recognized in the statement of profit or loss	Recognized in other comprehensive income	Consolidation adjustment - Rights on electric power supply contracts	June 30, 2025
Income tax and social contribution losses	29,876	(27,481)	-	-	2,395
Exclusion of IRPJ/CSLL on tax overpayments (i)	6,937	-	-	-	6,937
Derivative financial instruments	11,488	(11,454)	(88,630)	-	(88,596)
Provision for contingencies and other liabilities	164,733	1,641	-	-	166,374
Foreign exchange gains	22,840	(37,127)	-	-	(14,287)
Biological assets and agricultural product	93,855	22,672	-	-	116,527
Leases	164,560	4,064	-	-	168,624
Other assets	19,865	(9,529)	-	-	10,336
Total deferred income tax and social contribution - assets	514,154	(57,214)	(88,630)	-	368,310
Surplus on revaluation of PP&E (deemed cost)	(446,521)	1,782	-	-	(444,739)
Accelerated depreciation incentive	(550,628)	30,502	-	-	(520,126)
Tax benefit on merged goodwill	(197,959)	-	-	-	(197,959)
Intangible assets	(1,095)	-	-	15	(1,080)
Gain from change in interest held in CTC	(5,068)	-	-	-	(5,068)
Foreign exchange losses	(36,587)	29,693	-	-	(6,894)
Other liabilities	(69,257)	(181)	-	-	(69,438)
liabilities	(1,307,115)	61,796	-	15	(1,245,304)
Deferred income tax and social contribution	(792,961)	4,582	(88,630)	15	(876,994)

Parent	March 31, 2024	Recognized in the statement of profit or loss	Recognized in other comprehensive income	June 30, 2024
Income tax and social contribution losses	3,446	251	-	3,697
Exclusion of IRPJ/CSLL on tax overpayments (i)	6,937	-	-	6,937
Derivative financial instruments	(43,826)	15,187	36,227	7,588
Provision for contingencies and other liabilities	166,313	(761)	-	165,552
Foreign exchange gains	27,617	10,855	-	38,472
Biological assets and agricultural product	71,665	(7,200)	-	64,465
Leases	89,823	5,012	-	94,835
Other assets	31,569	1,216	-	32,785
Total deferred income and social contribution tax assets	353,544	24,560	36,227	414,331
Surplus on revaluation of PP&E (deemed cost)	(100,417)	(325)	-	(100,742)
Accelerated depreciation incentive	(464,238)	20,053	-	(444,185)
Tax benefit on merged goodwill	(197,959)	-	-	(197,959)
Foreign exchange losses	(48,114)	22,800	-	(25,314)
Other liabilities	(4,551)	1,029	-	(3,522)
Total deferred income and social contribution tax liabilities	(815,279)	43,557	-	(771,722)
Deferred income tax and social contribution	(461,735)	68,117	36,227	(357,391)

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Consolidated	March 31, 2024	Recognized in the statement of profit or loss	Recognized in other comprehensive income	Consolidation adjustment - Rights on electric power supply contracts	June 30, 2024
Income tax and social contribution losses	3,446	251	-	-	3,697
Exclusion of IRPJ/CSLL on tax overpayments (i)	6,937	-	-	-	6,937
Derivative financial instruments	(43,826)	15,187	36,227	-	7,588
Provision for contingencies and other liabilities	166,313	(761)	-	-	165,552
Foreign exchange gains	27,617	10,855	-	-	38,472
Biological assets and agricultural product	71,665	(7,200)	-	-	64,465
Leases	89,823	5,012	-	-	94,835
Other assets	31,569	1,216	-	-	32,785
Total deferred income tax and social contribution - assets	353,544	24,560	36,227	-	414,331
Surplus on revaluation of PP&E (deemed cost)	(453,118)	(260)	-	-	(453,378)
Accelerated depreciation incentive	(464,238)	20,053	-	-	(444,185)
Tax benefit on merged goodwill	(197,959)	-	-	-	(197,959)
Intangible assets	(1,151)	-	-	16	(1,135)
Gain from change in interest held in CTC	(5,068)	-	-	-	(5,068)
Foreign exchange losses	(48,114)	22,800	-	-	(25,314)
Other liabilities	(5,249)	1,403	-	-	(3,846)
liabilities	(1,174,897)	43,996	-	16	(1,130,885)
Deferred income tax and social contribution	(821,353)	68,556	36,227	16	(716,554)

Deferred tax assets and liabilities are presented net in the balance sheet, by legal entity, when there is a legally enforceable right and the intention to offset them at the computation of current taxes, and when they relate to the same tax authority.

The Company recognizes deferred tax assets based on projections of taxable profit, which do not exceed a period of ten years, and are reviewed annually.

Deferred income tax and social contribution liabilities are realized mainly through the depreciation and disposal of the underlying property, plant and equipment items. The realization of this liability is estimated at the average rate of 15% per year, consistent with the depreciation rates of the respective property, plant and equipment items, except for the deferred tax liabilities on the surplus value of land, which will be realized if sold.

(i) Income tax/social contribution (IRPJ/CSLL) levied on refunds of tax overpayments adjusted by the Selic rate declared to be unconstitutional

On September 24, 2021, the Supreme Court ("STF") judgment on RE No. 1.063.187, with general repercussion (Topic 962), unanimously ruled as unconstitutional the levy of income taxes on indexation/interest accruals (Selic rate) received by taxpayers as refunds for tax overpayments.

Based on this decision, and in accordance with ICPC 22 / IFRIC 23 - Uncertainty over Tax Treatments, the Company recognized R\$ 15,920 as current and deferred income tax assets for the year, as follows: R\$ 8,983 as income tax (IRPJ) and social contribution (CSLL) recoverable for the periods when the Company recorded actual profit, presented in non-current assets; The remaining R\$ 6,937 relates to the recomposition of tax losses for the periods in which the Company recorded tax loss carryforwards and to the use of excess tax losses resulting from the taxation at the

Notes to the interim financial information at June 30, 2025

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Selic rate, offset against non-current liabilities under Deferred income tax and social contribution.

c) Reconciliation of the income tax and social contribution expense

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Profit before taxes	53,530	29,645	65,470	35,485
Income tax and social contribution at nominal rates (34%)	(18,200)	(10,079)	(22,260)	(12,065)
Adjustments for calculation of the effective tax rate:				
. Share of profit (loss) of equity-accounted investees	20,372	22,287	540	635
. Permanent (additions) exclusions, net	(720)	(614)	(721)	(614)
. Cbios	2,754	5,523	2,754	5,523
. Interest on capital	-	51,000	-	51,000
. Tax credit arising from subsidy (Law 14.789/2023)	5,093	8,558	5,093	8,558
. Tax incentives	-	-	131	-
. Adjustment to the calculation relating to subsidiary taxed based on deemed profit	-	-	11,808	17,792
. Others	-	-	14	6
Income tax and social contribution expenses	9,299	76,675	(2,641)	70,835
Income tax and social contribution at the effective rate	-17.4%	-258.6%	4.0%	-199.6%
Current income tax and social contribution	5,093	8,558	(7,223)	2,279
Deferred income tax and social contribution	4,206	68,117	4,582	68,556

20. Commitments

The Company assumes various commitments in the ordinary course of its business, among which:

Riparian forests and Legal Reserve areas

São Martinho has uncultivated areas, covered by preserved native vegetation, which are in the process of regeneration or enrichment, intended for the protection of the biodiversity and the sustainability of agricultural activities.

São Martinho's commitment to adopt the best environmental practices and sustainable actions is confirmed through full compliance with the Forest Code and other environmental legislation regarding Permanent Preservation (PPA) and Legal Reserve (LR) Areas. The Company has registered all its properties with the Rural Environmental Register (CAR) and adhered to the Environmental Regularization Program (PRA), which awaits legal regulation to be implemented

Investments in Permanent Preservation Areas, Legal Reserve, and other activities in connection with environmental regularization are duly recorded within property, plant and equipment.

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Sales commitments

The Company's commitments for future sales of ethanol, sugar, electric power, and biomethane at the reporting date are shown below:

	Up to 1 year	From 2 to 3 years	More than 3 years
Ethanol (m³)	514,114	96,000	468,000
Sugar (metric tons)	1,347,173	1,571,000	1,900,000
Electric power (MWh)	447,300	488,121	3,760,930
Biomethane (m³)	9,207,698	30,692,722	94,382,023

These commitments reflect the Company's strategy of ensuring the sale of its future production and the stability of its revenue.

Purchases of inputs and corn

The Company regularly enters into purchase agreements for the acquisition of inputs intended for crop maintenance throughout the crop season, and also to purchase, at fixed prices, corn to be used in its ethanol production. These transactions are usually carried out on an annual basis.

These contracts are a common practice for the Company to ensure the proper supply of agricultural inputs and essential raw materials for its operations, thereby contributing to the efficient management of its production over time.

21. Provision for contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are set up, reviewed, and adjusted to reflect management's best estimate at the reporting date.

21.1 Probable losses

Supported by its legal counsel's assessment, São Martinho management recorded the following provisions for contingencies classified as involving probable risk of losses (include interest/inflation adjustment):

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	Parent			
	Tax claims	Civil and environmental claims	Labor claims	Total
At March 31, 2024	21,830	6,536	94,885	123,251
Additions	3,392	499	14,525	18,416
Reversals	(2,332)	(59)	(4,386)	(6,777)
Utilization	-	(751)	(11,451)	(12,202)
Inflation adjustments	(5,701)	434	3,595	(1,672)
At June 30, 2024	17,189	6,659	97,168	121,016
At March 31, 2025	11,572	8,133	98,943	118,648
Additions	64	127	23,010	23,201
Reversals	(3)	(525)	(5,111)	(5,639)
Utilization	(4)	(9)	(14,111)	(14,124)
Inflation adjustments	301	(313)	1,416	1,404
At June 30, 2025	11,930	7,413	104,147	123,490

	Consolidated			
	Tax claims	Civil and environmental claims	Labor claims	Total
At March 31, 2024	21,829	7,452	94,885	124,166
Additions	3,392	499	14,525	18,416
Reversals	(2,332)	(59)	(4,386)	(6,777)
Utilization	-	(751)	(11,451)	(12,202)
Inflation adjustments	(5,700)	457	3,593	(1,650)
At June 30, 2024	17,189	7,598	97,166	121,953
At March 31, 2025	12,946	9,144	98,943	121,033
Additions	64	128	23,010	23,202
Reversals	(3)	(525)	(5,111)	(5,639)
Utilization	(4)	(10)	(14,111)	(14,125)
Inflation adjustments	345	(286)	1,416	1,475
At June 30, 2025	13,348	8,451	104,147	125,946

The nature of the main lawsuits was as follows (Parent company and Consolidated):

Tax lawsuits:

Relate to success fees payable to lawyers defending the Company's interests in the related lawsuits.

Civil and environmental lawsuits:

Relate to: i) indemnities in general; (ii) environmental administrative penalties for environmental damages caused by the burning of sugarcane fields, which is being challenged by the Company; and (iii) success fees payable to the legal counsel for defending the respective lawsuits.

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Labor lawsuits:

Relate to: (i) overtime payment; (ii) indemnity for elimination of breaks between shifts; (iii) hazardous duty and health hazard premiums; (iv) sundry indemnities; and (v) other labor charges.

21.2 Judicial deposits

	Parent			Consolidated		
	IAA (i)	Others	Total	IAA (i)	Others	Total
At March 31, 2024	1,455,585	35,611	1,491,196	1,455,585	35,628	1,491,213
Additions	401,013	772	401,785	401,013	772	401,785
Utilization	-	(3,126)	(3,126)	-	(3,126)	(3,126)
Inflation adjustments	40,131	246	40,377	40,131	245	40,376
At June 30, 2024	1,896,729	33,503	1,930,232	1,896,729	33,519	1,930,248
At March 31, 2025	2,011,688	37,320	2,049,008	2,011,688	37,357	2,049,045
Additions	-	584	584	-	610	610
Utilization	-	(2,125)	(2,125)	-	(2,124)	(2,124)
Inflation adjustments	67,363	809	68,172	67,363	809	68,172
At June 30, 2025	2,079,051	36,588	2,115,639	2,079,051	36,652	2,115,703

(i) Note 15 (b).

Judicial deposits relate to contingent assets and liabilities, accrue interest, and are recorded as non-current assets.

21.3 Possible losses

São Martinho is a party to a number of litigation proceedings of a tax, environmental, civil and labor nature, for which the risk of loss is classified as possible. The nature and estimated amounts are as follows:

Nature		Parent				Consolidated			
		June 30, 2025		March 31, 2025		June 30, 2025		March 31, 2025	
		Number of proceedings	Amount	Number of proceedings	Amount	Number of proceedings	Amount	Number of proceedings	Amount
Environmental claims		88	8,612	88	9,694	88	8,612	88	9,694
Civil claims		67	24,022	47	26,231	142	35,971	119	37,539
Labor claims		63	25,063	61	24,402	63	25,063	61	24,402
Tax claims									
Social security contribution	(i)	5	66,291	5	64,239	6	66,291	7	64,367
Computation of IRPJ/CSLL	(ii)	3	104,665	3	101,426	3	104,665	4	101,591
Offset of federal taxes	(iii)	61	201,789	60	198,851	67	207,506	66	204,442
ICMS	(iv)	17	115,673	17	112,233	17	115,673	17	112,233
Federal taxes	(v)	1	2,079,051	1	2,011,688	1	2,079,051	1	2,011,688
Other lawsuits	(vi)	4	18,155	4	17,604	8	18,728	6	17,872
Total		309	2,643,321	286	2,566,368	395	2,661,560	369	2,583,828

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Tax lawsuits:

- (i) These relate to the levy of the Social Security Contribution (INSS) on export revenue, under the allegation that the exports carried out through the intermediation of a cooperative are not eligible for the exemptions set out in Article 149, paragraph 2, of the Brazilian Federal Constitution.
- (ii) Relate to the exclusion of expenses related to incentivized accelerated depreciation from the income tax and social contribution tax base, as provided for in Article 325 of the Income Tax Regulations (RIR)/2018).
- (iii) Relate to requests to offset and refund IRPJ, CSLL, PIS, COFINS and other federal taxes for overpayments and/or tax losses, and tax credits proportional to the export revenue, which have been rejected by the Brazilian Federal Revenue Service (RFB).
- (iv) ICMS: a) challenge of credits based on the Control of ICMS Credit on Permanent Assets (CIAP); b.) allegedly undue ICMS credits granted under the "PRODUZIR" Program; c) ICMS-ST levied on interstate sales of ethanol; d) ICMS improperly levied on sales of yeast intended for animal feed, which are exempt from this tax.
- (v) The lawsuit relates to the levy of IRPJ/CSLL/PIS/COFINS on court-ordered debt payment received pursuant to the Sugar Pricing Lawsuit filed against the Sugar and Alcohol Institute (IAA) (Note 15).
- (vi) Other tax disputes: a) fee payable to the National Department of Mineral Research (DNPM); b.) levy of Property Transfer Tax (ITBI) on a merger transaction; c) Municipal Real Estate Tax (IPTU) collection claims; d.) Supplementary collection of Rural Property Tax (ITR); f) improper deduction of goodwill (joint and several liability).

Other proceedings:

Civil proceedings comprise lawsuits for damage, in general arising from (i) traffic accidents; (ii) review of contracts; and (iii) damage to third parties resulting from fires in sugarcane plantation areas.

Environmental proceedings relate to assessment notices issued by the Environmental Company of São Paulo State (CETESB) and/or environmental authorities for fires caused when clearing sugarcane fields, as well as annulment actions to cancel the fines imposed by the aforementioned entities.

Labor claims are mainly related to notices of infraction served up by the Ministry of Labor, public civil actions and/or annulment actions to cancel these notices.

22 Risk management and derivative financial instruments

The Company is exposed to market risks, including foreign exchange risk, commodity price volatility risk, interest rate risk, credit risk and liquidity risk. Management believes that risk management is fundamental to: (i) monitor, on a continuous basis, the exposure levels relating to the sales volumes contracted; (ii)

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estimate the value of each risk, based on established limits of foreign exchange exposure and sugar sales prices; and (iii) prepare future cash flow forecasts and define the approval authority levels for taking out financial instruments designed to protect product prices and hedge sales performance against foreign exchange fluctuation, price volatility and interest rate.

Derivative financial instruments are contracted exclusively for the purpose of pricing and hedging the Company's exports of sugar, ethanol and other products against foreign exchange risk, price fluctuation, and interest rate variations.

22.1 Market risks

a) Foreign exchange risk

Management's policy requires the Company to manage its foreign exchange risk to reduce the adverse effects of a possible currency mismatch.

The Company manages its foreign exchange risk through currency non-deliverable forward contracts ("NDFs"), options strategies, swaps, and natural hedges (such as debt or purchases in foreign currency). The Company's financial risk management policy defines guidelines that establish the adequate level of protection for expected cash flows, mainly those related to export sales.

Assets and liabilities exposed to exchange variation

The table below summarizes the assets and liabilities denominated in foreign currency (U.S. dollars), recorded in the statement of profit or loss:

Consolidated	June 30, 2025	Equivalent to thousands of US\$
Current and non-current assets		
Cash and cash equivalents (banks - demand deposits)	185,109	33,924
Trade receivables	224,985	41,232
Derivative financial instruments	447,189	81,955
(+) Total assets	857,283	157,111
Current and non-current liabilities:		
Borrowings	1,139,881	208,880
Derivative financial instruments	281,285	51,545
(-) Total liabilities	1,421,166	260,425
Subtotal assets (liabilities)	(563,883)	(103,314)
Borrowings in foreign currency	1,139,881	208,880
Net asset exposure	575,998	105,566

Borrowings in foreign currency are not included in the calculation of net exposure, since these will be settled with resources from future export revenue and are, therefore, covered by the Company's hedging policy.

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These assets and liabilities were adjusted and recorded at the exchange rate in effect on the reporting date: R\$ 5.4565 per US\$ 1.00 for assets, and R\$ 5.4571 per US\$ 1.00 for liabilities.

b) Commodity price volatility risk

São Martinho is exposed to the risk of fluctuations in commodity prices in its sugar and ethanol production processes, and in acquisition of corn.

c) Cash flow and fair value interest rate risk

The Company's borrowings are contracted at floating rates. For borrowings in local currency, the risk of fluctuation in interest rates is naturally mitigated since all financial investments are linked to floating rates. For borrowings in foreign currency, the risk of interest rate and currency fluctuation is mitigated through offshore financial investments, exports, and derivative instruments such as swaps.

d) Market risk sensitivity analysis

The following table provides a sensitivity analysis of the effects of changes in the significant risk factors to which the Company is exposed. The analysis considers only instruments that have not been designated for hedge accounting.

Consolidated	Risk factor	Impacts on P/L	
		Notional (US\$ thousand)	Probable scenarios 5%
Cash and cash equivalents	Decrease in exchange rate - R\$/US\$	31,671	(8,642)
Trade receivables	Decrease in exchange rate - R\$/US\$	785	(214)
Borrowings	Increase in exchange rate - R\$/US\$	1,149	(314)
Derivative financial instruments			
Currency forward contracts	Increase in exchange rate - R\$/US\$	2,180	(109)
Futures price (sugar and ethanol)	Increase in commodity futures prices	84	(4)
Swap contracts	Decrease in exchange rate (R\$:US\$_ and increase in the yield curve	552,000	(6,782)
Net exposure		587,869	(16,065)

The sensitivity analysis of changes in interest rates, provided by Brasil, Bolsa, Balcão (B3) and the New York Stock Exchange - Intercontinental Exchange (ICE Futures US), considers the effects of an increase or decrease of 50bps (basis points) in the pricing curve of the derivative instrument. The exposure to rates refers exclusively to changes in the Interbank Deposit (DI) yield curve. The impact on the result for other risk factors corresponds to a 5% change in the respective market curve of the associated risk, described above (foreign exchange and commodities prices).

e) Financial instruments

São Martinho elected to use hedge accounting to record the following derivative financial instruments: a) derivatives of sugar, ethanol and foreign currency - US dollar; and b) foreign currency debts - US dollar - that cover sales of the 2025/26 crop seasons and were classified as cash flow hedges of highly probable expected transactions (future sales).

Prospective and retrospective tests carried out to verify the hedge accounting effectiveness showed that the hedge-designated instruments qualify as highly effective hedges against the effects of price fluctuations on the value of future sales.

Derivatives designated as cash flow hedges mitigate the effects of changes in future sales of sugar. These transactions are carried out on the New York - Intercontinental Exchange (ICE Futures US), with top-tier financial institutions through OTC contracts, or directly with the Company's customers.

For foreign exchange hedges, derivative and non-derivative financial instruments were designated as cash flow hedges in respect of future sales in foreign currency. These hedges are contracted through Non-Deliverable Forwards (NDFs), option strategies, swaps, and foreign currency borrowings from top-tier financial institutions, following the Risk Management criteria (Note 23.2).

The balances of assets and liabilities related to transactions involving derivative financial instruments and their respective maturities are presented below, considering the measurement methods described in Note 23.2:

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Parent and Consolidated	June 30, 2025			
	Contracted amount/volume	Average price/rate	Notional value R\$	Fair value - R\$
<u>In current assets - Gain</u>				
Margin deposit				2,084
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Sale commitment	72,901	18.34 U\$/lb	169,256	18,041
. Purchase commitment	4,471	16.89 U\$/lb	9,560	28
Commodity futures contracts - Corn				
. Purchase commitment	52,200	62.7 BRL/sc	3,273	39
Commodity futures contracts - Urea				
. Purchase commitment	6,750	67 USD/metric tons	2,475	600
Commodity forward contracts - Sugar #11				
. Sale commitment	7,773	18.30 U\$/lb	18,007	1,947
Currency forward contracts (NDF) - US\$ - OTC				
. Sale commitment	326,563	5.96 US\$/R\$	1,947,752	116,475
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Bidding position in call options	4,979	19.75 U\$/lb	12,449	234
. Bidding position in put options	131,477	18.82 U\$/lb	313,243	40,180
Flex option contracts - US dollar - OTC				
. Bidding position in put options	28,290	5.80 U\$/lb	164,082	6,338
Total derivative financial instruments in current assets				185,966
<u>In non-current assets - Gain</u>				
Interest rate swap contracts - OTC				261,223
Total derivative financial instruments in non-current assets				261,223

Parent and Consolidated	June 30, 2025			
	Contracted amount/volume	Average price/rate	Notional value R\$	Fair value - R\$
<u>In current liabilities - Loss</u>				
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Purchase commitment	47,449	17.23 U\$/lb	103,496	4,917
Commodity futures contracts - Corn				
. Purchase commitment	222,750	67.70 BRL/sc	15,080	949
Currency forward contracts (NDF) - US\$ - OTC				
. Sale commitment	4,022	5.48 US\$/R\$	22,058	96
. Purchase commitment	7,992	5.86 US\$/R\$	46,812	2,270
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Short position in call options	136,455	20.22 U\$/lb	349,287	3,661
Flex option contracts - US dollar - OTC				
. Short position in call options	28,290	6.06 US\$/R\$	171,437	3,627
Interest rate swap contracts - OTC				218,870
Total derivative financial instruments in current liabilities				234,390
<u>In non-current liabilities - Loss</u>				
Interest rate swap contracts - OTC				46,895
Total derivative financial instruments in non-current liabilities				46,895

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Parent and Consolidated	March 31, 2025			
	Contracted amount/volume	Average price/rate	Notional value - R\$	Fair value - R\$
<u>In current assets - Gain</u>				
Margin deposit				22,511
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Sale commitment	82,198	19.41 U\$/lb	201,976	6,195
. Purchase commitment	35,155	17.62 U\$/lb	78,416	5,360
Commodity futures contracts - Soybean				
. Sale commitment	9,000	09 USD/metric tons	9,604	301
Commodity forward contracts - Sugar #11				
. Sale commitment	2,591	18.72 U\$/lb	6,140	23
Currency forward contracts (NDF) - US\$ - OTC				
. Sale commitment	192,612	6.03 US\$/R\$	1,161,816	17,995
. Purchase commitment	1,632	5.55 US\$/R\$	9,050	653
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Bidding position in call options	144,787	20.75 U\$/lb	380,329	1,761
. Bidding position in put options	193,659	18.83 U\$/lb	461,636	26,683
Total derivative financial instruments in current assets				81,482
<u>In non-current assets - Gain</u>				
Interest rate swap contracts - OTC				177,367
Total derivative financial instruments in non-current assets				177,367

Parent and Consolidated	March 31, 2025			
	Contracted amount/volume	Average price/rate	Notional value - R\$	Fair value - R\$
<u>In current liabilities - Loss</u>				
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Sale commitment	135,338	18.24 U\$/lb	312,505	9,875
. Purchase commitment	5,791	19.19 U\$/lb	14,068	254
Commodity futures contracts - Urea				
. Purchase commitment	2,250	00 USD/metric tons	844	14
Commodity forward contracts - Sugar #11				
. Sale commitment	12,955	18.37 U\$/lb	30,127	686
Currency forward contracts (NDF) - US\$ - OTC				
. Sale commitment	124,614	5.74 US\$/R\$	714,848	23,219
. Purchase commitment	3,730	5.99 US\$/R\$	22,339	386
Commodity futures contracts - Sugar #11 - Commodities Exchange				
. Short position in call options	338,446	21.32 U\$/lb	913,458	18,205
Interest rate swap contracts - OTC				154,367
Total derivative financial instruments in current liabilities				207,006
<u>In non-current liabilities - Loss</u>				
Interest rate swap contracts - OTC				51,999
Total derivative financial instruments in non-current liabilities				51,999

Margin deposit balances relate to funds maintained in current accounts with brokers to cover the initial and variation margins established by the Commodities Exchange on which the contracts are signed, and to secure outstanding contracts and net remittances related to daily adjustments resulting from fluctuations in contract prices in the futures and options market.

The potential results of futures, options and forward contracts relate to the cumulative positive (negative) effect of the fair value of derivative financial instruments, on the corresponding categories.

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Financial instruments designated for hedge accounting at September 30, 2024:

Parent and Consolidated	Assets	Liabilities	Total in other comprehensive income
Financial instruments:			
Commodity derivatives - Futures, options and forward contracts	70,799	4,688	66,111
Foreign exchange derivatives - Options / NDF	109,639	158	109,481
Foreign exchange differences on borrowings (Trade Finance)	276	48,471	(48,195)
	180,714	53,317	127,397
Deferred taxes on the items above	(61,443)	(18,128)	(43,315)
	119,271	35,189	84,082

f) Estimated realization

The effects on the Company's equity at the reporting date, and the estimated realization in profit or loss are shown below:

Parent and Consolidated	25/26 crop season	26/27 crop season	Total
Derivative financial instruments:			
Commodity derivatives - Futures, options and forward contracts	66,136	(25)	66,111
Foreign exchange derivatives - Options / NDF	108,211	1,270	109,481
Foreign exchange differences on borrowings (Trade Finance)	(48,195)	-	(48,195)
	126,152	1,245	127,397
Deferred taxes on the items above	(42,892)	(423)	(43,315)
	83,260	822	84,082

22.2 Credit risk

Credit risk is managed by contracting operations only with top-tier financial institutions, which meet the Company's risk assessment criteria. São Martinho controls, on a monthly basis, its exposure in derivatives and financial investments, using maximum concentration criteria, based on the financial institution's rating and equity.

With respect to customer credit risk, São Martinho annually assesses the credit risk associated with each customer, taking into consideration their payment behavior, size, industry, and financial analysis. Additionally, whenever a new customer is added, an individual credit limit is assigned based on the identified risk.

22.3 Liquidity risk

The Finance Department monitors rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operating needs and short-term debt.

Cash surplus in local currency is invested in repurchase agreements backed by corporate bonds, Bank Deposit Certificates (CDBs) and investment funds pegged to the CDI interest rate, with high liquidity and actively traded in the market.

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Cash surplus in foreign currency is invested with daily liquidity at fixed rates previously established.

The table below presents the financial liabilities by maturity groupings, which correspond to the remaining period from the reporting date to the contractual maturity date, based on undiscounted future cash flows:

Parent	Up to 1 year	From 2 to 3 years	More than 3 years	Total
At June 30, 2025				
Borrowings	475,229	2,406,097	7,788,511	10,669,837
Leases payable	168,210	225,470	519,690	913,370
Agricultural partnership payable	702,782	917,981	1,563,181	3,183,944
Derivative financial instruments	234,390	46,895	-	281,285
Trade payables	688,041	-	-	688,041
Other liabilities	37,415	-	-	37,415
	2,306,067	3,596,443	9,871,382	15,773,892
At March 31, 2025				
Borrowings	1,238,232	2,429,396	7,631,666	11,299,294
Leases payable	161,019	240,394	536,971	938,384
Agricultural partnership payable	846,978	951,793	1,701,277	3,500,048
Derivative financial instruments	207,006	51,999	-	259,005
Trade payables	405,130	-	-	405,130
Other liabilities	9,432	26,368	-	35,800
	2,867,797	3,699,950	9,869,914	16,437,661
Consolidated	Up to 1 year	From 2 to 3 years	More than 3 years	Total
At June 30, 2025				
Borrowings	479,107	2,413,806	7,837,760	10,730,673
Leases payable	168,210	225,470	519,690	913,370
Agricultural partnership payable	702,782	917,981	1,563,181	3,183,944
Derivative financial instruments	234,390	46,895	-	281,285
Trade payables	684,348	-	-	684,348
Other liabilities	50,671	-	-	50,671
	2,319,508	3,604,152	9,920,631	15,844,291
At March 31, 2025				
Borrowings	1,242,040	2,436,968	7,680,045	11,359,053
Leases payable	161,019	240,394	536,971	938,384
Agricultural partnership payable	846,978	951,793	1,701,277	3,500,048
Derivative financial instruments	207,006	51,999	-	259,005
Trade payables	404,994	-	-	404,994
Other liabilities	24,344	26,368	-	50,712
	2,886,381	3,707,522	9,918,293	16,512,196

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22.4 Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to provide returns for stockholders and benefits for other stakeholders, and to maintain an optimal debt-equity structure to reduce the cost of capital.

In order to maintain or adjust its capital structure, the Company may take actions to ensure the achievement of the above-mentioned objectives, as permitted by the Brazilian Corporate Law.

23 Classification and fair value of financial instruments

23.1 Classification

Financial assets and liabilities are classified as follows:

		Parent	
	Classification	June 30, 2025	March 31, 2025
Financial assets			
Cash and cash equivalents	Amortized cost	190,308	898,517
Financial investments	Fair value through profit or loss	2,466,046	2,084,208
Trade receivables	Amortized cost	511,594	457,645
	Fair value through other		
Derivative financial instruments	comprehensive income	185,966	81,482
Derivative financial instruments	Fair value through profit or loss	261,223	177,367
Judicial deposits	Amortized cost	2,115,639	2,049,008
Other assets, except prepayments	Amortized cost	372,677	373,701
		6,103,453	6,121,928
Financial liabilities			
Borrowings	Amortized cost	7,681,421	8,043,592
	Fair value through other		
Derivative financial instruments	comprehensive income	15,520	52,639
Derivative financial instruments	Fair value through profit or loss	265,765	206,366
Leases and agricultural partnerships payable	Amortized cost	2,595,587	2,830,453
Trade payables	Amortized cost	688,041	405,130
Other liabilities	Amortized cost	37,415	35,800
		11,283,749	11,573,980

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		Consolidated	
	Classification	June 30,	March 31,
Financial assets			
Cash and cash equivalents	Amortized cost	190,344	898,588
Financial investments	Fair value through profit or loss	2,682,609	2,264,639
Trade receivables	Amortized cost	580,932	514,754
	Fair value through other		
Derivative financial instruments	comprehensive income	185,966	81,482
Derivative financial instruments	Fair value through profit or loss	261,223	177,367
Judicial deposits	Amortized cost	2,115,703	2,049,045
Other assets, except prepayments	Amortized cost	375,521	375,766
		6,392,298	6,361,641
Financial liabilities			
Borrowings	Amortized cost	7,728,515	8,089,461
	Fair value through other		
Derivative financial instruments	comprehensive income	15,520	52,639
Derivative financial instruments	Fair value through profit or loss	265,765	206,366
Trade payables	Amortized cost	684,348	404,994
Leases and agricultural partnerships payable	Amortized cost	2,595,587	2,830,453
Other liabilities	Amortized cost	50,671	50,712
		11,340,406	11,634,625

The credit quality of financial assets that are neither past due nor impaired is assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. There is no history of significant default in the Company.

23.2 Fair value

The Company measures and determines fair value through the use of various methods, including market approaches of income or cost, in order to estimate the value that market participants would use to price the asset or liability. Financial assets and liabilities carried at fair value are classified and disclosed within the following fair value hierarchy levels:

Level 1 - Quoted prices (unadjusted) in active, liquid and visible markets, for identical assets and liabilities that are readily available at the measurement date;

Level 2 - Quoted prices (which may be adjusted or not) for similar assets or liabilities in active markets; and

Level 3 - Assets and liabilities for which there is little, if any, market activity, or whose prices or valuation techniques are supported by inputs from a thin, nonexistent, or illiquid market (non-observable inputs).

During the reporting period, there was no reclassification of assets and liabilities at fair value to or from levels 1, 2 or 3.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Parent	June 30, 2025			March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial investments	-	2,466,046	-	-	2,084,208	-
Derivative financial instruments	61,206	385,983	-	62,510	196,339	-
Biological assets (i)	-	-	1,364,209	-	-	1,405,729
	61,206	2,852,029	1,364,209	62,510	2,280,547	1,405,729
Liabilities						
Derivative financial instruments	9,526	271,759	-	28,349	230,656	-
	9,526	271,759	-	28,349	230,656	-

Consolidated	June 30, 2025			March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial investments	-	2,682,609	-	-	2,264,639	-
Derivative financial instruments	61,206	385,983	-	62,510	196,339	-
Biological assets (i)	-	-	1,364,209	-	-	1,405,729
	61,206	3,068,592	1,364,209	62,510	2,460,978	1,405,729
Liabilities						
Derivative financial instruments	9,526	271,759	-	28,349	230,656	-
	9,526	271,759	-	28,349	230,656	-

(i) The reconciliation of fair value at level 3 is found in Note 7.

Futures and Options - ICE

The fair value of futures traded on the New York - Intercontinental Exchange (ICE Futures US) and B3 - Brazil, Stock Exchange, OTC is calculated as the difference between the price of the derivative in the contract and the market closing price on the base date, which is obtained from quotations in an active market, and reconciled with creditor or debtor balances with the brokers. The fair value of options traded on the ICE platform is obtained from market quotations.

Currency options

The fair value of currency options is obtained through the use of the Garman & Kohlhagen model, which is based on public market data and characteristics thereof, specifically the underlying asset price, strike of options, volatility, yield curve, and the time remaining to the maturity of the contracts.

Forward contracts

The fair values of forward contracts, both for foreign exchange and sugar, contracted in the OTC market with leading banks, are calculated using discounted future cash flow methods, which are based on observable market data, specifically the DI, SOFR, exchange coupon interest curves published by B3, PTAX 800 published by the Brazilian Central Bank, and sugar futures prices disclosed by ICE Exchange.

Other financial assets and liabilities

The carrying amounts of trade receivables, notes receivable, trade payables and notes payable less impairment provision, or adjustment to present value, where applicable, are assumed to approximate their fair values.

Notes to the interim financial information at June 30, 2025

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24 Segment information (Consolidated)

Management has determined the Company's operating segments based on the reports used for strategic decisions and reviewed by the chief decision-makers, namely: the Executive Board, the CEO, and the Board of Directors.

The analyses are made by business segment, as described below, based on the products sold by the Company:

- (i) Sugar;
- (ii) Ethanol;
- (iii) Corn ethanol;
- (iv) Electric power;
- (v) Real estate businesses;
- (vi) Yeast; and
- (vii) Other products and by-products.

The analyses of operating segment performance are based on each product's operating results, focusing on profitability. The operating assets related to these segments are all located in Brazil.

Consolidated result by segment

June 30, 2025								
Consolidated	Sugar	Ethanol	Corn ethanol	Electric power	Real estate businesses	Yeast	Other products	Not by segment
Gross revenue								Total
Domestic market	80,640	753,542	201,974	88,774	2,771	21,715	90,751	- 1,240,167
Foreign market	672,309	13,388	-	-	-	-	1,676	- 687,373
Gain/loss on derivatives	55,912	1,071	-	-	-	-	-	- 56,983
(-) Taxes, contributions, and deductions on sales	(4,879)	(114,589)	8,049	(4,511)	(1,238)	(1,135)	(9,059)	- (127,362)
Net revenue	803,982	653,412	210,023	84,263	1,533	20,580	83,368	- 1,857,161
Cost of goods sold	(540,700)	(600,822)	(132,028)	(29,195)	(55)	(7,444)	(49,140)	- (1,359,384)
Change in the market value of biological assets, agricultural produce, and CBOs	(16,667)	(47,296)	-	-	-	-	(1,262)	- (65,225)
Gross profit	246,615	5,294	77,995	55,068	1,478	13,136	32,966	- 432,552
Gross margin	30.7%	0.8%	37.1%	65.4%	96.4%	63.8%	39.5%	- 23.3%
Selling expenses	(42,804)	(11,675)	(4,906)	(5,068)	-	-	(6,921)	- (71,374)
Other operating expenses, net	-	-	-	-	-	-	-	(57,730) (57,730)
Operating profit	203,811	(6,381)	73,089	50,000	1,478	13,136	26,045	- (57,730) 303,448
Operating margin	25.4%	-1.0%	34.8%	59.3%	96.4%	63.8%	31.2%	- 16.3%
Other income and expenses not by segment	-	-	-	-	-	-	-	(240,619) (240,619)
Profit for the period	-	-	-	-	-	-	-	- 62,829
Depreciation and amortization - intangible assets and right-of-use assets	(281,832)	(263,871)	(6,043)	(4,370)	-	(1,944)	(11,060)	(5,056) (574,176)

June 30, 2024								
Consolidated	Sugar	Ethanol	Corn ethanol	Electric power	Real estate businesses	Yeast	Other products	Not by segment
Gross revenue								Total
Domestic market	68,566	492,587	96,214	77,251	1,791	21,314	75,385	- 833,108
Foreign market	869,262	54,135	-	-	-	-	979	- 924,376
Gain/loss on derivatives	(29,463)	(1,719)	-	-	-	112	-	- (31,070)
(-) Taxes, contributions, and deductions on sales	(5,043)	(66,280)	5,029	(3,781)	(715)	(1,229)	(10,686)	- (82,705)
Net revenue	903,322	478,723	101,243	73,470	1,076	20,197	65,678	- 1,643,709
Cost of goods sold	(597,972)	(355,431)	(93,966)	(20,536)	(29)	(8,338)	(76,896)	- (1,153,168)
Changes in the market value of biological assets, and agricultural produce	21,312	317	-	-	-	-	-	- 21,629
Gross profit	326,662	123,609	7,277	52,934	1,047	11,859	(11,218)	- 512,170
Gross margin	36.2%	25.8%	7.2%	72.0%	97.3%	58.7%	-17.1%	- 31.2%
Selling expenses	(46,659)	(5,546)	(81)	(4,022)	-	(2)	(431)	- (56,741)
Other operating expenses, net	-	-	-	-	-	-	-	(91,810) (91,810)
Operating profit	280,003	118,063	7,196	48,912	1,047	11,857	(11,649)	- (91,810) 363,619
Operating margin	31.0%	24.7%	7.1%	66.6%	97.3%	58.7%	-17.7%	- 22.1%
Other income and expenses not by segment	-	-	-	-	-	-	-	(257,299) (257,299)
Profit for the period	-	-	-	-	-	-	-	- 106,320
Depreciation and amortization - intangible assets and right-of-use assets	(242,431)	(172,071)	(3,842)	(3,413)	-	(2,099)	(19,089)	(5,048) (447,993)



Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

On June 30, 2025, net revenue from Cbios (decarbonization credits), amounting to R\$ 6,921, (R\$ 13,932 at June 30, 2024).is recorded under "Ethanol".

Consolidated net operating revenues are geographically distributed as follows:

Consolidated	June 30, 2025	June 30, 2024
Domestic market	1,115,389	759,406
Foreign market		
Middle East and Asia	389,989	454,765
Europe	294,096	411,153
North America	42,029	15,933
South America	13,981	-
Specifically intended for export	1,677	2,452
Net revenue	1,857,161	1,643,709

At the reporting date, four customers of the Company (three customers at June 30, 2024) represented more than 10% of net revenue, and 57% of revenue (58% as of June 30, 2024).

Consolidated operating assets by segment

The main operating assets of São Martinho were segregated by segment based on the cost centers into which they are allocated and/or the apportionment criterion that takes into consideration the share of each product in relation to total production. Therefore, this allocation may vary from one period to another.

	June 30, 2025							
	Sugar	Ethanol	Corn ethanol	Electric power	Real estate businesses	Yeast	Not by segment	Total
Trade receivables	246,505	89,687	52,082	32,959	49,330	10,746	99,623	580,932
Inventories and advances to suppliers	688,122	487,757	31,792	-	6,408	2,611	14,232	1,230,922
Biological assets	887,996	476,213	-	-	-	-	-	1,364,209
Property, plant and equipment	5,321,768	2,323,226	513,968	181,134	-	34,508	157,777	8,532,381
Intangible assets	276,861	169,252	940	-	-	-	-	447,053
Right-of-use assets	1,375,809	1,211,787	-	-	-	-	-	2,587,596
Total assets allocated	8,797,061	4,757,922	598,782	214,093	55,738	47,865	271,632	14,743,093
Other unallocated assets	-	-	-	-	-	-	7,169,103	7,169,103
Total	8,797,061	4,757,922	598,782	214,093	55,738	47,865	7,440,735	21,912,196

	March 31, 2025							
	Sugar	Ethanol	Corn ethanol	Electric power	Real estate businesses	Yeast	Not by segment	Total
Trade receivables	181,419	103,630	50,364	9,243	51,719	3	118,376	514,754
Inventories and advances to suppliers	257,112	387,643	128,443	-	6,123	799	18,946	799,066
Biological assets	850,643	555,086	-	-	-	-	-	1,405,729
Property, plant and equipment	3,536,662	3,717,955	515,930	167,495	597,469	33,644	138,894	8,708,049
Intangible assets	277,717	173,378	1,019	-	-	-	-	452,114
Right-of-use assets	1,373,777	1,378,858	-	-	-	-	-	2,752,635
Total assets allocated	6,477,330	6,316,550	695,756	176,738	655,311	34,446	276,216	14,632,347
Other unallocated assets	-	-	-	-	-	-	7,137,036	7,137,036
Total	6,477,330	6,316,550	695,756	176,738	655,311	34,446	7,413,252	21,769,383

(i) Mainly represented by the balances of financial investments and judicial deposits.

According to the approach of the main decision-makers, liabilities are not being disclosed by segment, but are analyzed on a consolidated basis.

25 Revenue

The Company recognizes its revenues based on the consideration expected to be received in exchange for the control of goods and services.

No losses are expected in connection with sales in the sugar and ethanol market and other by-products, since all the performance obligations are met upon delivery of the final product, when revenue is recognized.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities.

a) Sale of goods and rendering of services

São Martinho sells sugar, ethanol, electric power, and yeast, among other products. Sales are recognized when the products are delivered to the customer. In order for revenue to be recognized, the Company follows the conceptual framework of the standard, which comprises the following steps: identification of contracts with customers, identification of performance obligations under the contracts, determination of the transaction price, and allocation of the transaction price.

b) Sale of plots of land and land subdivisions (Real Estate Developments)

Sales revenue and cost of land inherent in real estate developments are recognized in profit or loss to the extent that the infrastructure work progresses, as directed by the CVM and detailed above.

For sales in installments of land with completed infrastructure projects, revenue is recognized when the sale is made, regardless of the term to receive the contractual amount, and is measured at the fair value of the consideration received and receivable. The amounts receivable are adjusted to present value.

Notes to the interim financial information at June 30, 2025

All amounts in thousands of reais unless otherwise stated

Balances:

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Gross sales revenue				
Domestic market	1,174,637	776,841	1,240,167	833,108
Foreign market	687,373	924,376	687,373	924,376
Gain/loss on derivatives	56,983	(31,070)	56,983	(31,070)
	<u>1,918,993</u>	<u>1,670,147</u>	<u>1,984,523</u>	<u>1,726,414</u>
Taxes, contributions, and deductions on sales	(122,637)	(78,694)	(127,362)	(82,705)
	<u>1,796,356</u>	<u>1,591,453</u>	<u>1,857,161</u>	<u>1,643,709</u>

26 Costs and expenses by nature

Reconciliation of expenses by nature:

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Depreciation and amortization (including biological assets harvested)	(572,064)	(445,922)	(574,176)	(447,993)
Raw materials and consumables	(508,668)	(454,519)	(490,065)	(438,512)
Personnel expenses	(181,495)	(158,898)	(183,101)	(160,797)
Material for resale	(13,699)	(10,751)	(18,661)	(11,824)
Maintenance parts and services	(56,500)	(75,669)	(56,603)	(75,741)
Changes in the fair value of biological assets, agricultural produce, and CBOs	(65,225)	21,629	(65,225)	21,629
Provision for losses on realization of inventories	-	(2,000)	-	(2,000)
Freight on sales	(64,009)	(49,931)	(64,009)	(49,931)
Third-party services	(34,014)	(22,314)	(34,570)	(23,085)
Litigation	(16,278)	(10,417)	(16,279)	(10,417)
Cost of land sales	-	-	(55)	(29)
Inputs	(45,342)	(41,714)	(44,936)	(40,064)
Other expenses	(35,702)	(42,767)	(41,409)	(46,933)
	<u>(1,592,996)</u>	<u>(1,293,273)</u>	<u>(1,589,089)</u>	<u>(1,285,697)</u>
Classified as:				
Cost of goods sold	(1,435,302)	(1,145,303)	(1,424,609)	(1,131,539)
Selling expenses	(66,887)	(53,453)	(71,374)	(56,741)
General and administrative expenses	(90,807)	(94,517)	(93,106)	(97,417)
	<u>(1,592,996)</u>	<u>(1,293,273)</u>	<u>(1,589,089)</u>	<u>(1,285,697)</u>

27 Other income, net

The composition of other income, net is as follows:

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Gain (loss) on disposal of property, plant and equipment, net	151	2,285	151	2,285
Revenue from the sale of waste and scrap	2,332	2,188	2,332	2,188
Recognition of tax credits, net (i)	43,226	769	43,226	769
PIS/COFINS on other finance income (expenses)	(8,959)	(3,687)	(8,959)	(3,687)
Insurance claim indemnities	1,357	-	1,357	-
Other operating income (expenses), net	(4,341)	85	(4,318)	2,184
	<u>33,766</u>	<u>1,640</u>	<u>33,789</u>	<u>3,739</u>

- (i) With respect to tax credits recognized at June 30, 2025, R\$32,762 related to credits arising from the exclusion of ICMS from the tax base of PIS/COFINS on ethanol.

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All amounts in thousands of reais unless otherwise stated

28 Finance income (costs)

	Parent		Consolidated	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Finance income				
Interest received and earned	68,618	67,425	76,036	75,769
Other income	5,680	1,953	5,353	2,302
PIS/COFINS on finance income	(3,450)	(2,774)	(3,535)	(2,871)
	70,848	66,604	77,854	75,200
Finance costs				
Interest on borrowings	(188,774)	(161,298)	(189,997)	(162,170)
Adjustment to present value (i)	(73,325)	(84,579)	(73,325)	(84,579)
Interest paid	(7,728)	(7,335)	(7,690)	(7,375)
Bank guarantee commission	(2,761)	(2,075)	(2,766)	(2,077)
Payables to Copersucar	(1,363)	(2,632)	(1,363)	(2,632)
Other expenses	(184)	1,576	(465)	1,485
	(274,135)	(256,343)	(275,606)	(257,348)
Exchange and monetary variation, net				
Trade receivables and payables	(8,167)	8,838	(8,167)	8,838
Available funds	(14,657)	13,944	(14,657)	13,944
Borrowings	60,433	(114,680)	60,433	(114,680)
	37,609	(91,898)	37,609	(91,898)
Derivatives - not designated for hedge accounting				
Gain (loss) on swap transactions	(3,631)	(64,657)	(3,631)	(64,657)
Gain (loss) on ethanol transactions	-	696	-	696
Foreign exchange gain (loss), net	(823)	4,358	(823)	4,358
Gain (loss) on sugar transactions	(1,263)	23,757	(1,263)	23,757
Gain (loss) on foreign exchange transactions	(72,070)	(18,618)	(72,070)	(18,618)
Gain (loss) on soybean transactions	86	-	86	-
Cost of stock exchange transactions	(134)	375	(134)	376
	(77,835)	(54,089)	(77,835)	(54,088)
	(243,513)	(335,726)	(237,978)	(328,134)

(i) Mainly leases and agricultural partnerships payable

29 Earnings per share

Parent and Consolidated	June 30, 2025	June 30, 2024
Profit for the period attributable to owners of the Parent	62,829	106,320
Common shares at the beginning of the period - in thousands	332,435	346,375
Weighted average number of treasury shares - in thousands	-	(7,416)
Weighted average number of common shares outstanding - in thousands	332,435	338,959
Basic and diluted earnings per share - R\$	0.1890	0.3137

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All amounts in thousands of reais unless otherwise stated

30 Insurance coverage

São Martinho maintains a standard safety, training and quality program for all units, which aims at reducing the risks of accidents, among other purposes. Insurance policies are taken out at amounts considered sufficient (unaudited information) to cover potential losses, if any, on its assets and liabilities. The amounts covered by the insurance policies in effect at the reporting date are as follows:

Parent and Consolidated Item	Insured risks	Maximum coverage (i)
Loss of Income and Operational Risks (ii)	Loss of income due to interruption of activities, provided that the cause thereof relates to coverage included in the policy. Any material damage to buildings, facilities, inventories, agricultural and industrial machinery and equipment.	2,568,126
Civil Liability	Damages caused to third parties as a result of professional errors or omissions (E&O insurance).	2,158,850
Environmental Responsibility	Environmental accidents that may lead to breaches of environmental laws.	30,000

- (i) Corresponds to the maximum coverage amount for the various assets and locations insured.
- (ii) Insurance coverage against material damages (operating risks) to vehicles are excluded, as the reference used is 100% of the Economic Research Institute (FIPE) table.

31 Events after the reporting period

Partial acquisition of biological assets from Usina Santa Elisa

As disclosed in the material fact released on July 15, 2025, the Company informed its stockholders and the market in general about the acquisition of part of the biological assets and rights of Raízen Energia S.A. ("Raízen"), related to Usina Santa Elisa ("Transaction"). São Martinho will assume approximately 10,600 hectares of sugarcane from contracts held by Usina Santa Elisa, which will be contributed by Raízen to a new entity ("Newco") for the purposes of the Transaction.

The areas are located within an average radius of 25 kilometers from São Martinho Unit (Pradópolis-SP), consisting of approximately 80% own sugarcane and 20% sugarcane from suppliers. Given the environmental potential (predominantly A and B soil conditions and favorable climate), total sugarcane volume is estimated at 600 thousand metric tons for the 2026/27 crop season and 800 thousand metric tons from the 2028/29 crop season onward.

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The Unit has a crushing capacity of 50 thousand metric tons of sugarcane per day and will process the sugarcane related to the Transaction.

The Transaction reaches up to R\$ 242 million, subject to adjustments through closing, and will be paid without the need for additional industrial or agricultural investments (only standard variable costs to manage the new areas).

The Transaction is subject to approval by the Administrative Council for Economic Defense (CADE) and to the fulfillment of certain conditions set forth in the contracts.

* * *