

# 1<sup>st</sup> Quarter Results 2023/2024 Crop Year

AUGUST 15<sup>th</sup>, 2023

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

- 1** Operational Highlights
- 2** Financial Highlights
- 3** Cash Cost – S&E
- 4** Ethanol Market
- 5** Ethanol Competitiveness
- 6** Sugar Hedge
- 7** Corn Mill Operation



## Productivity Recovery:

- TCH 15,8% higher on 1T24;

## Sugar Cane Processed:

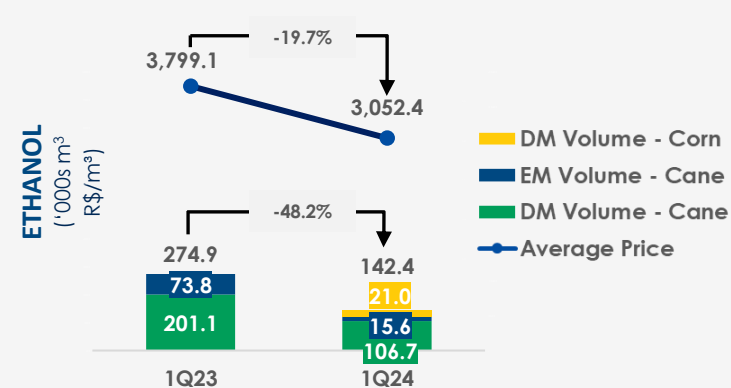
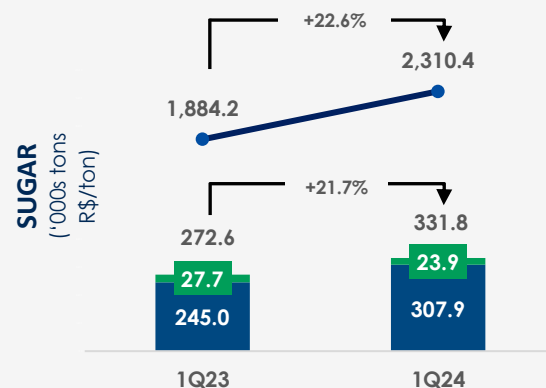
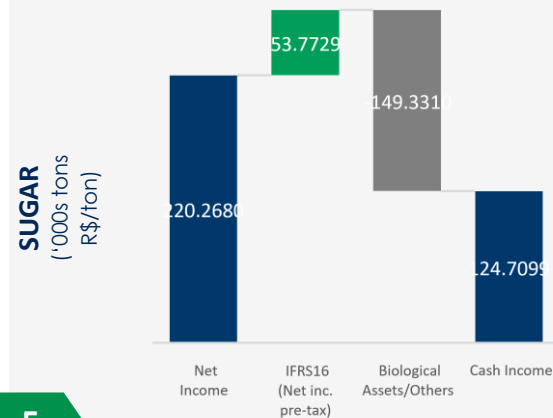
- Crushing (1T24) in line with *Guidance* (21,5 Mtc);

## Start-up of Corn Mill Operations

	3M24	3M23	Δ 3M24/3M23
<b>Operational Data</b>			
<b>Agricultural - Sugarcane</b>			
Crushed Sugarcane ('000 tons)	7,595.1	7,810.6	-2.8%
Own	5,009.1	5,210.0	-3.9%
Third Parties	2,586.0	2,600.6	-0.6%
Agricultural Yield (ton/ha)	82.3	71.1	15.8%
Average TRS (kg/ton)	125.4	126.9	-1.2%
<b>Corn Processing ('000 tons)</b>	<b>103.9</b>	<b>-</b>	<b>n.m.</b>
<b>Production Data</b>			
Sugar ('000 tons)	423.4	415.7	1.9%
Ethanol ('000 m³)	335.8	325.4	3.2%
Sugarcane	298.8	325.4	-8.2%
Corn	37.0	-	n.m.
Mix Sugar - Ethanol (Sugarcane)	46% - 54%	44% - 56%	
Mix Sugar - Ethanol (Consolidated)	44% - 56%		

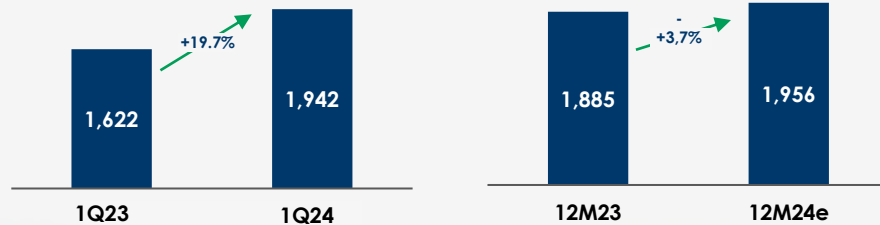
	1Q24	1Q23	Δ 1Q24/1Q23
Net Revenue <sup>1</sup>	1,353,309	1,707,416	-20.7%
<b>Adjusted EBITDA</b>	<b>557,261</b>	<b>875,694</b>	<b>-36.4%</b>
Adjusted EBITDA Margin	41.2%	51.3%	-10.1 p.p
<b>Adjusted EBIT</b>	<b>215,578</b>	<b>464,016</b>	<b>-53.5%</b>
Adjusted EBIT Margin	15.9%	27.2%	-11.2 p.p
Adjustments on EBIT	4,690	(242,437)	-101.9%
<b>Net Income</b>	<b>220,268</b>	<b>221,579</b>	<b>-0.6%</b>
Non-cash effect of IFRS 16 on Net Income	(95,558)	5,219	n.m
<b>Cash Income</b>	<b>124,710</b>	<b>226,798</b>	<b>-45.0%</b>
Net Debt / EBITDA	1.16 x	0.96 x	20.6%
TRS Sold ('000 tons)	591	758	-22.0%

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



## Cost Evolution

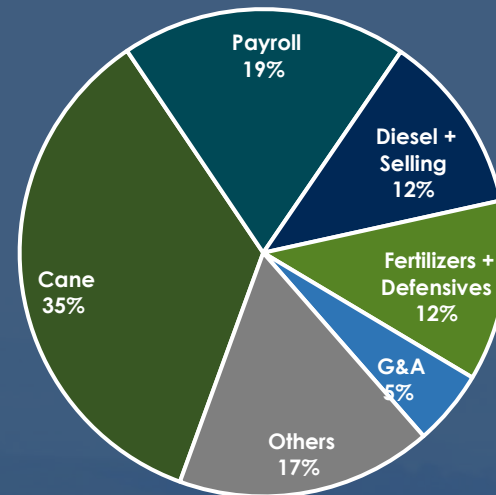
Sugar (R\$/ton)



Ethanol (R\$/m³)



## Cash Cost Composition¹



## Main Changes

- ✓ Fertilizers: -27%
- ✓ Industrial Inputs: -18%

(1) Crop 23/24



## HYDROUS ETHANOL PRICE– CEPEA/ESALQ SP (R\$/m³)

Obs: no selling expenses, ICMS or PIS/Cofins

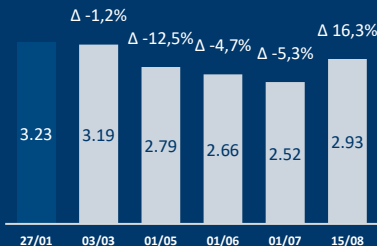
Δ -26.0%



## Gasoline A Prices

4 reductions since january/2023

Preice rise of R\$ 0,41 in august/15



Gasoline A at refinery

Δ% Total

**-9,2%**

## Aggregated Impact

Taxes & Prices | São Paulo

Gasoline A (input) - 73%

Anhydrous Ethanol - 27%

Distribution/Others

Federal Taxes

State Taxes

Gasoline C (E27) – at the pump

Parity at the the pump (ANP)

Hydrous Ethanol – at pump

Distribution/Others

Federal Taxes

State Taxes

Price for Producer - ESALQ

January  
2023

Tax  
Variations

July  
2023

August  
2023

Gasoline A (input) - 73%	2,36	2,36	(0,52)	1,84	+0,30	2,14
Anhydrous Ethanol - 27%	0,81	0,81	(0,10)	0,71	(0,01)	0,70
Distribution/Others	0,84	0,84	+0,08	0,92	(0,03)	0,89
Federal Taxes	0,00	+0,69	0,69	0,69		0,69
State Taxes	0,87	+0,35	1,22	1,22		1,22
Gasoline C (E27) – at the pump	4,88	5,92		5,37		5,63
Parity at the the pump (ANP)	76%	76%	(11 p.p.)	65%	(1 p.p.)	64%
Hydrous Ethanol – at pump	3,69	4,47		3,50		3,61
Distribution/Others	(0,64)	(0,64)	(0,08)	(0,72)	+0,09	(0,63)
Federal Taxes	0,00	(0,24)	(0,24)	(0,24)		(0,24)
State Taxes	(0,36)	(0,08)	(0,44)	(0,44)		(0,44)
Price for Producer - ESALQ	2,69	3,15		2,11		2,29

Taxes

0,46 | +17%

Price

(1,04) | -39%

Price

+0,18 | +9%

## Summary of the Impacts

Jan/23 to July/23



Aggregated Impact  
(R\$/L | Δ%)

Total

**(0,40) | -15%**



## SUGAR – 1T24 (ACTUAL - R\$/TON)

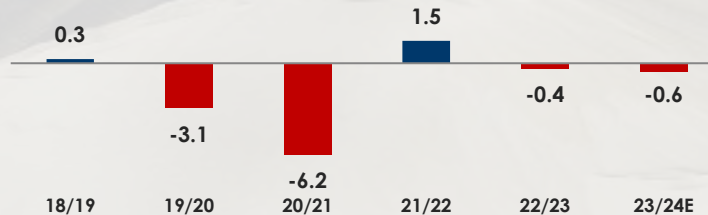
Price	2.310
Own Cane	2.292
Consecana	2.391

+ 9,1%

## SUGAR – Own Cane (HEDGE + MTM in R\$/TON)

Crop Year 23/24	2.500
Crop Year 24/25	2.600

## SUPPLY AND DEMAND (MM TON; DATAGRO 08/23)



## PRODUCTION ESTIMATES 23/24 (MM TON | YOY%)

BRAZIL	43.10   +16%
INDIA	31.00   -7%
TAILAND	10.02   -9%


## HEDGE POSITION (JUNE/23)

	Sugar hedged (tons)	Avg. Price (USD c/p)	Avg. Price (R\$/ton)
23/24 Harvest	630,052	21.11	
	316,809	21.11	2,643
	313,243	21.11	not hedged
24/25 Harvest	30,431	23.92	
	30,825	23.92	2,673
	(394)	23.92	not hedged

~68% of Sugar  
(own cane)

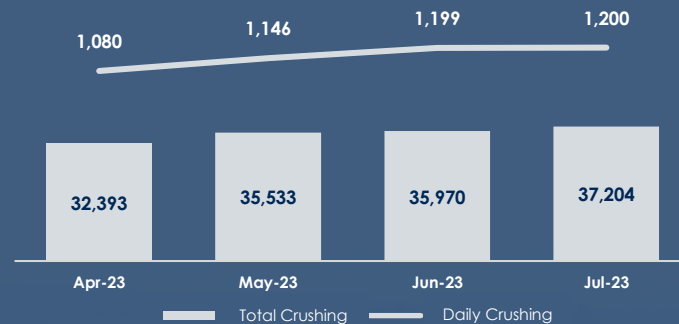
## Estimated Production

Corn		
420.000 tons	100% purchased	74.6 R\$/Sc

Ethanol	
	160,000 m³

DDGS	
	134,000 tons

## Operational Data



## Key Takeaways

- ✓ Operational performance in line with Guidance
- ✓ Industrial Ramp-up through 6M24:
  - ✓ Nominal Capacity: 1.500 ton/day
  - ✓ Including co-products specifications

Nota: (1) Considering 420,000 tons of processed corn (Guidance published in jun/23); (2) Assuming corn processing full capacity.

## INVESTOR RELATIONS

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