

Earnings Release

2nd Quarter
2020/2021 Crop Year



Cash Income of R\$313 million in 2Q21 – 169.4% increase

2Q21 and 6M21 Highlights (excluding the effects of IFRS 16)

- ✓ Adjusted EBITDA was **R\$476 million** in 2Q21 (+22.8%), with **Adjusted EBITDA margin of 52%**. The improvement reflects primarily the better average sales prices for sugar (+9%) and ethanol (6%¹), and the higher sugar sales volume in the period (+74%);
- ✓ Adjusted EBIT was **R\$215 million** in 2Q21 (+29.1%), with **Adjusted EBIT margin of 23%**;
- ✓ Net Income came to **R\$332 million** in 2Q21, while Cash Income was **R\$313 million** in 2Q21;
- ✓ IAA Credits (Copersucar Rights): credit of **R\$253 million** received in 2Q21, net of taxes, related to the 3rd installment of the 1st court-ordered payment and the 2nd installment of the 2nd court-ordered payment;
- ✓ Operating Cash Flow¹ came to **R\$545 million** in 6M21, increasing 56% compared to 6M20;
- ✓ On September 30, 2020, our sugar prices for the coming quarters of the 20/21 crop year were hedged for **~588 thousand tons** of sugar, which represents **~95% of own cane**, at a price of **~R\$1,432/ton**. For the 21/22 crop year, ~652 thousand tons of sugar were hedged, which corresponds to **~44% of own cane**, at a price of **~R\$1,540/ton**.

1 – Price net of commercial expenses; 2 – Operating Cash Flow = Adjusted EBITDA – Maintenance Capex

Executive Summary	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
Net Revenue ¹	925,504	770,096	20.2%	1,951,658	1,525,030	28.0%
Adjusted EBITDA	476,248	387,858	22.8%	967,691	736,240	31.4%
Adjusted EBITDA Margin	51.5%	50.4%	1.1 p.p.	49.6%	48.3%	1.3 p.p.
Adjusted EBIT	214,742	166,341	29.1%	398,939	284,666	40.1%
Adjusted EBIT Margin	23.2%	21.6%	1.6 p.p.	20.4%	18.7%	1.8 p.p.
Net Income before taxes	473,345	61,250	n.m.	622,047	130,135	n.m.
Net Income without IFRS 16 effects	343,668	92,847	n.m.	466,835	189,207	146.7%
Non-cash effect of IFRS 16 on Net Income	(11,774)	(30,865)	-61.9%	(19,235)	(35,762)	-46.2%
Net Income	331,894	61,982	n.m.	447,600	153,445	191.7%
Cash Income	313,312	116,285	169.4%	461,311	182,814	152.3%
Net Debt / EBITDA	1.38 x	1.88 x	-26.5%	1.38 x	1.88 x	-26.5%

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

Data do not include the IFRS 16 impacts, except net income.

SMT03
R\$21.78 per share

Market Capitalization:
R\$7,710 million

*At September 30, 2020

Earnings Conference Call

November 10, 2020 (Tuesday)

3 p.m. Brasília time + 55 11 4210-1803
1 p.m. New York time +1 412 717-9627
Access code: São Martinho

To access the webcast, [click here](#)
To access via HD Web Phone, [click here](#)

SMT0
B3 LISTED NM

INDXB3
IGCT B3

IGCB3
IGC-NMB3

IBRAB3
ICONB3

ITAGB3
SMLLB3

Adoption of IFRS 16/CPC 06 – Leases

As mentioned in prior quarters, from the year ended March 31, 2020, the Company adopted the IFRS 16 – 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 liabilities, in liabilities.

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

The Company adopted the simplified approach with recognition of cumulative effect, 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.

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

There have been no changes and/or revaluations in the lease agreements as a consequence of the COVID-19 pandemic.

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

Impacts from IFRS 16 on the Income Statements for 2Q21 and 6M21:

Results	2Q21			6M21			
	Before IFRS 16	Impacts	After IFRS 16	Before IFRS 16	Impacts	After IFRS 16	
Net Revenue¹	925,504		925,504	1,951,658		1,951,658	
COGS	(610,085)	21,454	(588,631)	(1,343,262)	53,402	(1,289,860)	
(-) Leasing Payment		67,933			157,626		→ We no longer account for cash cost of agrarian contracts
(+) Right-of-Use Amortization		(46,479)			(104,224)		→ We now account for contract amortization
Gross Income	315,419	21,454	336,873	608,396	53,402	661,798	
Selling/General/Adm. Expenses	289,425	2	289,427	187,989	(33)	187,955	
(-) Leasing Payment		297			627		
(+) Right-of-Use Amortization		(295)			(661)		
Op. Income Before Financial Result	604,844	21,456	626,300	796,385	53,368	849,753	
Financial Result/Debt Hedge	(113,662)	(39,293)	(152,955)	(145,197)	(82,510)	(227,706)	
Lease APV		(39,293)			(82,510)		→ Adjustment to Present Value (APV) of agrarian contracts is accounted for as net financial result
Income before Taxes	491,182	(17,837)	473,345	651,188	(29,141)	622,047	
Income tax	(147,514)	6,063	(141,451)	(184,354)	9,907	(174,447)	
Net Income	343,668	(11,774)	331,894	466,835	(19,235)	447,600	
Book EBITDA	863,840	68,230	932,070	1,360,729	158,253	1,518,982	
Leasing Payment		(68,230)	(68,230)		(158,253)	(158,253)	→ As we no longer account for cash cost of agrarian contracts, Book EBITDA increased, which effect has been adjusted for the Adjusted EBITDA
Other adjustments	(387,592)		(387,592)	(393,038)		(393,038)	
Adjusted EBITDA	476,248		476,248	967,691		967,691	

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

To improve analysis and comparisons between periods, the data presented in this release exclude impacts from the adoption of IFRS 16.

COMPANY OVERVIEW

Operating Highlights

OPERATIONAL DATA	6M21	6M20	Chg.(%)
Crushed Sugarcane ('000 tons)	20,117	18,924	6.3%
Own	13,697	12,551	9.1%
Third Parties	6,420	6,373	0.7%
Agricultural Yield (ton/ha)	84.6	85.4	-0.9%
Average TRS (kg/ton)	143.7	136.7	5.1%
Production			
Sugar ('000 tons)	1,337	959	39.4%
Ethanol ('000 m ³)	878	928	-5.5%
Cogeneration ('000 MWh)	675	629	7.2%
TRS Produced	2,891	2,587	11.7%
<i>Mix Sugar - Ethanol</i>	<i>48% - 52%</i>	<i>39% - 61%</i>	

The Company processed 20.1 million tons of sugarcane in the first half of the 20/21 crop year, which represents an increase of 6.3% compared to 6M20, mainly due to the higher use of harvest time, as a result of the drier weather observed throughout the period. The higher crushing volume, combined with the 5.1% increase in average TRS, supported growth of 11.7% in total TRS produced in 6M21.

Therefore, with the increase in average TRS, despite the decrease in tons per hectare (TCH), we reaffirm our official guidance for production in terms of total TRS produced for the 20/21 crop year, with crushing at the four units expected to end in November 2020.

Financial Indicators

The following table presents São Martinho's financial highlights in the second quarter and first six months of the crop year, which will be discussed in more detail throughout this earnings release.

	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Net Revenue ¹	925,504	770,096	20.2%	1,951,658	1,525,030	28.0%
Adjusted EBITDA	476,248	387,858	22.8%	967,691	736,240	31.4%
Adjusted EBITDA Margin	51.5%	50.4%	1.1 p.p.	49.6%	48.3%	1.3 p.p.
Adjusted EBIT	214,742	166,341	29.1%	398,939	284,666	40.1%
Adjusted EBIT Margin	23.2%	21.6%	1.6 p.p.	20.4%	18.7%	1.8 p.p.
Consolidated Balance Sheet Indicators						
Total Assets	10,923,980	9,951,058	9.8%	10,923,980	9,951,058	9.8%
Shareholders' Equity	3,698,089	3,462,528	6.8%	3,698,089	3,462,528	6.8%
EBITDA (LTM)	2,088,642	1,663,146	25.6%	2,088,642	1,663,146	25.6%
Net Debt	2,880,017	3,119,488	-7.7%	2,880,017	3,119,488	-7.7%
Net Debt / EBITDA (LTM)	1.38 x	1.88 x	-26.5%	1.38 x	1.88 x	-26.5%
Net Debt / Shareholders' Equity	78%	90%		78%	90%	

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

Data do not include the IFRS 16 impacts.

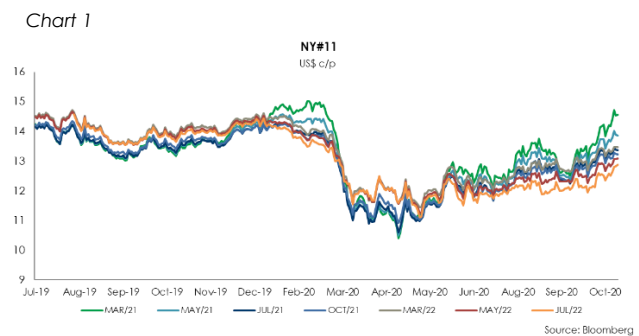
INDUSTRY OVERVIEW

According to the report issued by the Brazilian Sugarcane Industry Association (UNICA), since the start of crop year until October 16, 2020, the Center-South region processed 538.1 million tons of sugarcane, representing an increase of 5.1% on the same period of previous crop year, mainly due to the drier weather observed, with 46.8% of this production allocated to sugar production and 53.2% to ethanol production.

Sugar

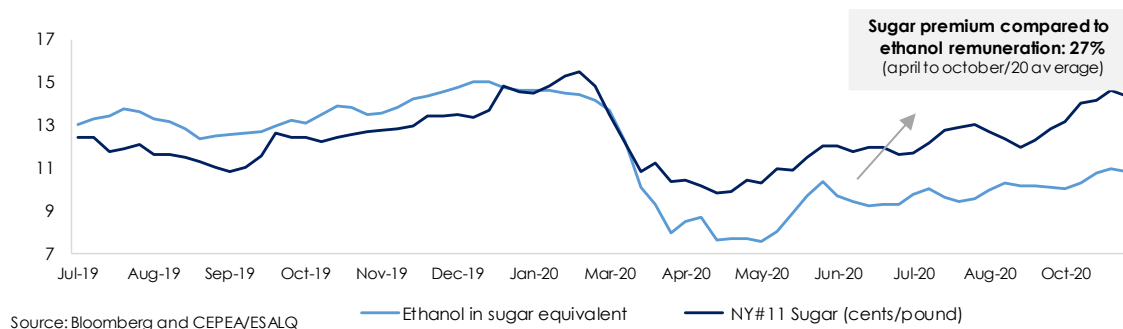
Brazil's Center-South region produced 34.7 million tons of sugar since the start of the 20/21 crop year, which is around 46% higher than in the same period of prior crop year, reflecting the prioritization of sugar in the production mix, given the product's higher profitability relative to ethanol in the period.

The international price of sugar (NY11) in USD has been recovering during 20/21 crop year (as shown in chart 1 to the right), supported by expectations of lower production in Thailand and possibly in Brazil, as well as by the uncertainty to date with regard to the Indian government's export subsidies for its producers. Combined with this trend, the depreciation in the BRL against the USD in the period drove sugar prices in BRL to all-time highs, with the product presenting a consistent premium over the remuneration of ethanol (see Chart 2 below).



with the product presenting a consistent premium over the remuneration of ethanol (see Chart 2 below).

Chart 2



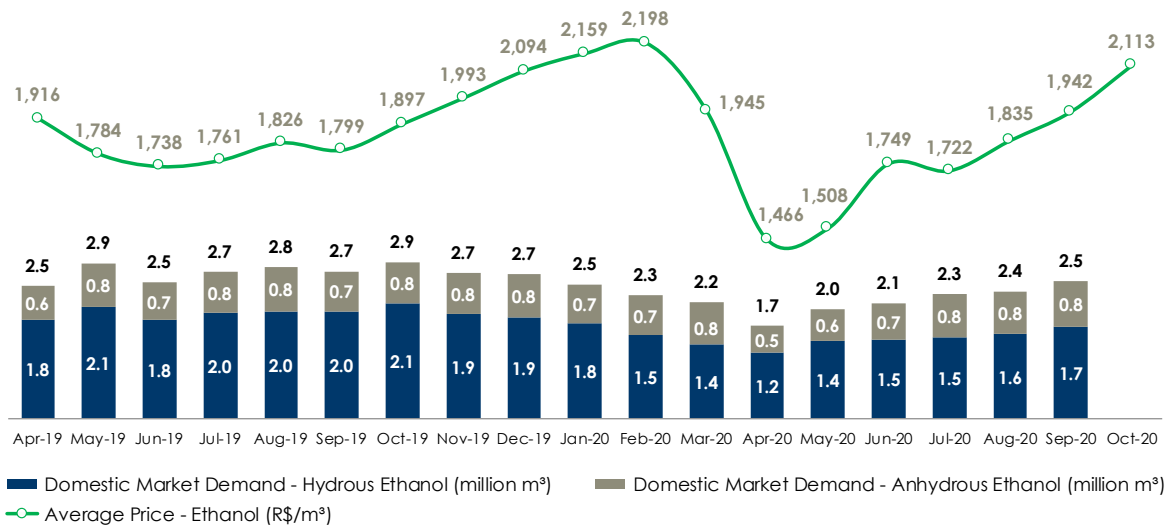
Given this scenario, we accelerated our hedging of sugar for both the 20/21 and 21/22 crop years. On September 30, 2020, we had **~588 thousand tons** of sugar hedged for the coming quarters of the 20/21 crop year, which represents **~95% of own cane**, at an average price of **~R\$1,432/ton**. For the 21/22 crop year, **~652 thousand tons** of sugar were hedged at a price of **~R\$1,540/ton**, which represents **~44% of own cane** (for more details see the Hedge section).

Ethanol

According to data from UNICA, since the start of crop year until October 16, 2020, Brazil's Center-South region has produced 25.6 billion liters of ethanol, 7.5% less than in the same period last crop year, with the production mix prioritizing sugar.

Following the sharp decline early in the 20/21 crop year, ethanol prices staged an important recovering, including when compared to the same period of the prior crop year, mainly due to the gradual recovery of demand combined with the favorable parity of hydrous ethanol price in relation to the gasoline price.

The following chart shows monthly hydrous and anhydrous ethanol consumption and the average prices practiced over the months, based on data from ESALQ.



Source: UNICA and CEPEA/ESALQ

FINANCIAL PERFORMANCE

NET REVENUE BREAKDOWN	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Domestic Market	411,457	407,733	0.9%	827,739	884,452	-6.4%
Sugar	30,223	30,102	0.4%	68,156	62,248	9.5%
Ethanol	275,068	262,947	4.6%	563,369	615,753	-8.5%
Energy	71,009	77,101	-7.9%	135,497	144,662	-6.3%
Yeast	19,301	10,309	87.2%	29,822	16,710	78.5%
Real Estate Development	6,894	16,796	-59.0%	9,032	17,271	-47.7%
Others	8,962	10,478	-14.5%	21,863	27,808	-21.4%
Export Market	514,047	362,363	41.9%	1,123,919	640,578	75.5%
Sugar	381,555	187,004	104.0%	920,930	411,575	123.8%
Ethanol	132,492	175,359	-24.4%	202,989	229,003	-11.4%
Net Revenue¹	925,504	770,096	20.2%	1,951,658	1,525,030	28.0%
Sugar	411,778	217,106	89.7%	989,086	473,823	108.7%
Ethanol	407,560	438,306	-7.0%	766,358	844,756	-9.3%
Energy	71,009	77,101	-7.9%	135,497	144,662	-6.3%
Yeast	19,301	10,309	87.2%	29,822	16,710	78.5%
Real Estate Development	6,894	16,796	-59.0%	9,032	17,271	-47.7%
Others	8,962	10,478	-14.5%	21,863	27,808	-21.4%

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

Net Revenue

In the second quarter of the 20/21 crop year, the Company's net revenue amounted to R\$925.5 million, increasing 20.2% on the same period last crop year, driven primarily by the higher average sales prices for sugar (+9%) and ethanol (+6%¹), as well as higher sales volume of sugar in the period (+74%). In the crop year to date, net revenue grew 28.0%, amounting to R\$1,951.7 million, mainly due to the higher sales volume of sugar (+84%) at higher prices (+14%) compared to 6M20.

1 – Price net of commercial expenses.

Main Adjustments in Net Revenue for 2Q21 and 6M21

1) Debt maturity (Hedge Accounting)

Expense related to the effect from exchange variation on debt settled in 2Q21 that was previously designated as Hedge Accounting at a BRL/USD exchange rate of R\$3.3. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.2/USD, we adjusted the amount of R\$0.5 million in net revenue and EBITDA to provide a better understanding of the Company's cash generation in the period. In 6M21, we adjusted the amount of R\$1.1 million.

2) Purchase Price Allocation (PPA)

In 2Q21, there was a noncash expense of R\$3.3 million, reflecting the amortization of goodwill paid for the future profitability of the cogeneration volume of the Santa Cruz Mill. In 6M21, we adjusted net revenue by R\$6.5 million.

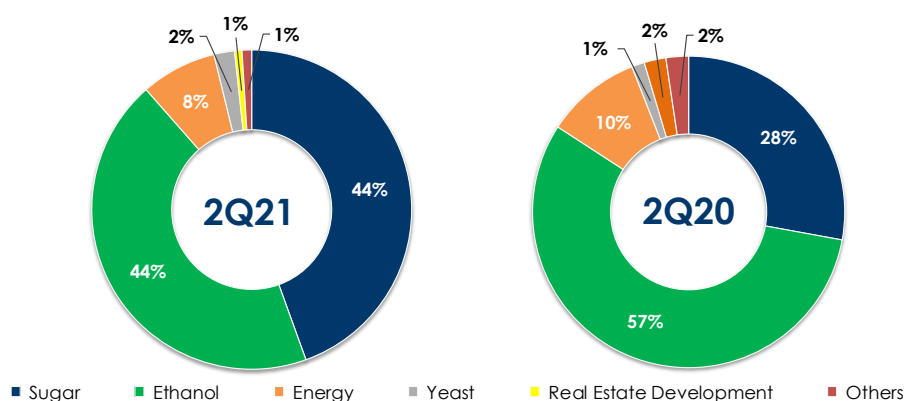
3) Financial Revenue of Real Estate Development

The Company began to adjust its operating revenue from real estate development with the adjustment to present value (APV) of trade accounts receivable to better represent the performance of the business. This adjustment was already being made by the Company in the financial result.

Accordingly, we made adjustments to net revenue of R\$2.0 million in 2Q21 and of R\$3.3 million in 6M21.

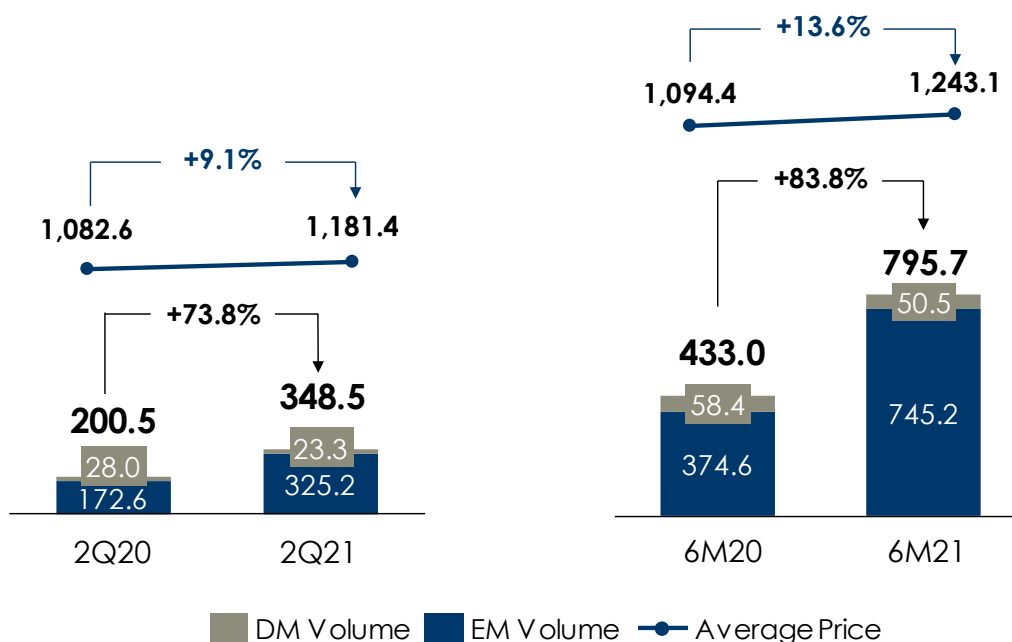
The following charts present a breakdown of the Company's net revenue by product:

Net Revenue Breakdown



Sugar

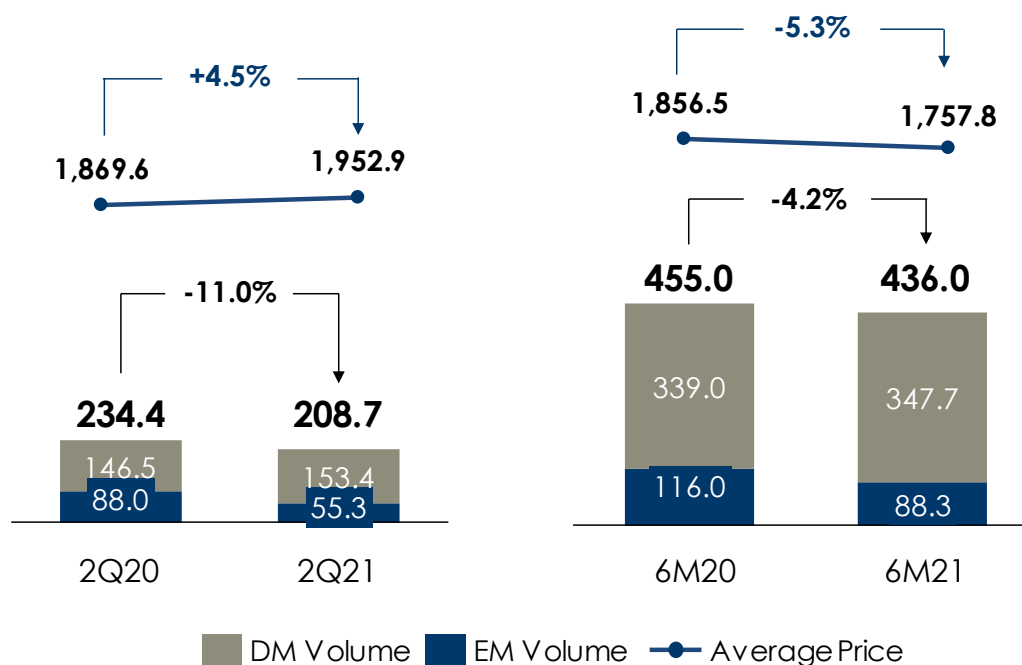
Volume ('000 tons) and Average Price (R\$/ton)



Net revenue from sugar sales amounted to R\$411.8 million in 2Q21, increasing 89.7% on the same period of the previous crop year. In 6M21, net revenue from sugar sales amounted to R\$989.1 million, up 108.7% compared to 6M20. The better performance in the periods was driven by the higher sales volume, in line with the strategy to direct a higher share of the production mix to sugar in this crop year, with higher average prices.

Ethanol

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

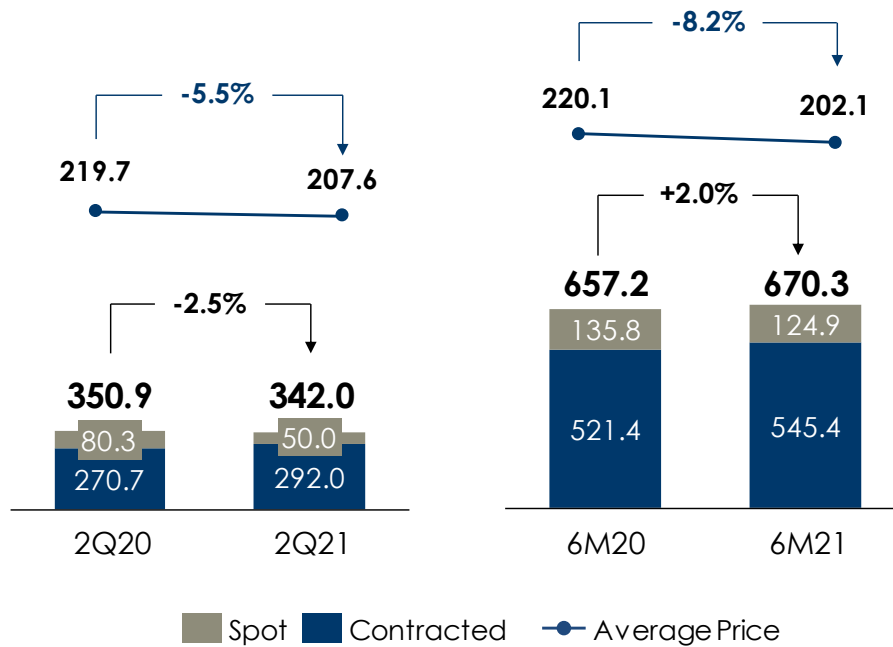


Net revenue from ethanol sales amounted to R\$407.6 million in 2Q21, decreasing 7.0% from 2Q20, mainly due to the 11.0% decline in sales volume, despite the 4.5% increase in the average sales price.

In the crop year to date, net revenue from ethanol sales was 9.3% lower than in the same period last crop year, amounting to R\$766.4 million, mainly due to the lower sales volume (-4.2%) combined with the 5.3% lower price compared to 6M20.

Cogeneration

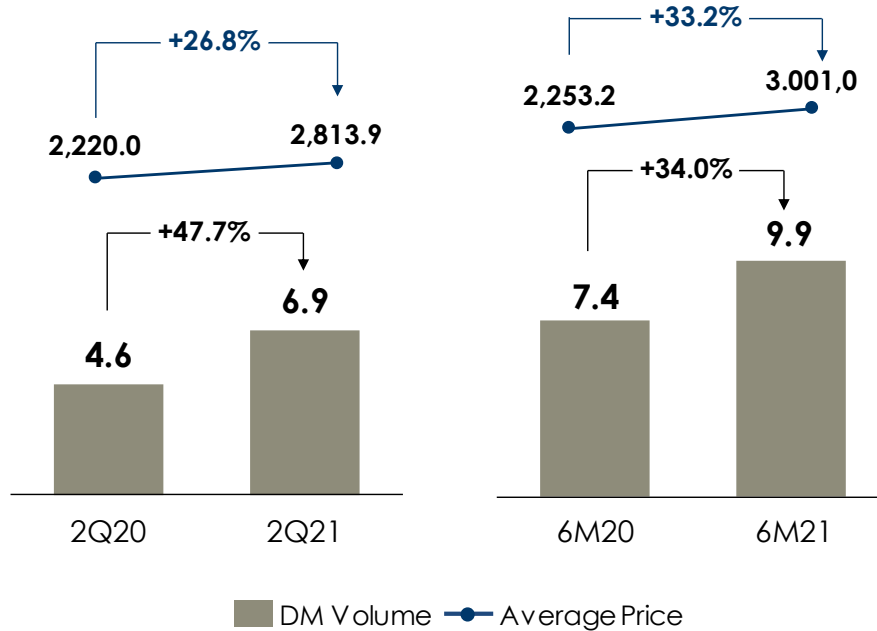
Volume ('000 MWh) and Average Price (R\$/MWh)



Net revenue from cogeneration sales amounted to R\$71.0 million in 2Q21, down 7.9% from 2Q20, mainly due to the lower spot price in the period. In the first six months of the crop year, net revenue from cogeneration sales decreased 6.3%, to R\$135.5 million, mainly explained by the same factors that influenced performance in the quarter.

Yeast

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



Net revenue from yeast sales amounted to R\$19.3 million in 2Q21, increasing 87.2% from the same quarter last crop year. In 6M21, net revenue from yeast sales grew 78.5% from 6M20, to R\$29.8 million. The better performance in both the quarter and first six months of the crop year mainly reflects the higher sales volume combined with the higher average sale price, which was influenced by the BRL depreciation against the USD in the periods.

Real Estate Development

The following table presents an overview of the projects, their percentage of completion (POC) and sales since their launch through September 2020.

Real Estate Development	Type	City	Area (m ²)	Launched date	Total lots sold	POC Position
Recanto das Paineiras	Residence	Iracemápolis	376,567	June-14	99.8%	100.0%
Park Empresarial - I	Industrial	Iracemápolis	182,684	September-14	76.1%	100.0%
Park Empresarial - II	Industrial	Iracemápolis	133,794	October-17	33.6%	100.0%
Nova Pradópolis - Phase I	Residence	Pradópolis	246,937	December-15	92.7%	100.0%
Nova Pradópolis - Phase II	Residence	Pradópolis	255,750	July-17	68.0%	100.0%
Nova Iracemápolis	Residence	Iracemápolis	315,027	August-20	85.9%	0.0%

In 6M21, the Company recognized net revenue of R\$9.0 million and cash generation of R\$9.4 million.

Real Estate Development	6M21 Net Revenue	6M21 Cash Generation	Portfolio September/20
R\$ '000			
Current Projects ¹	5,409	6,310	28,042
Land Monetization	3,623	3,042	18,621
Total	9,032	9,351	46,663

1- Includes Financial Income from Real Estate Development.

As mentioned before, the Company began to adjust its operating revenue from real estate development with the adjustment present value (APV) of trade accounts receivable to better represent the performance of this business. This adjustment was already being made by the Company in the financial result.

Accordingly, we made adjustments to net revenue of R\$2.0 million in 2Q21 and of R\$3.3 million in 6M21.

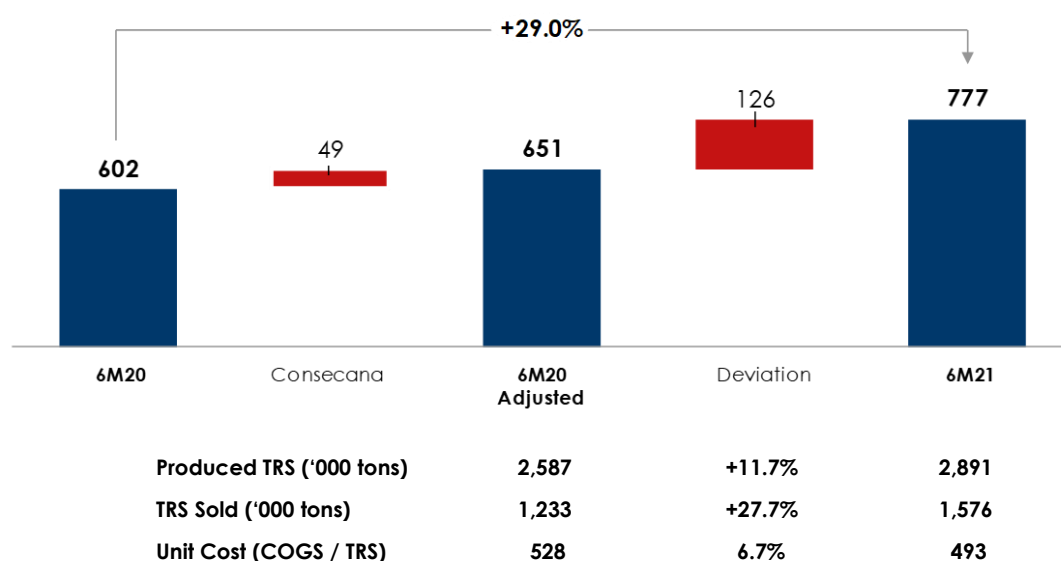
CASH COGS

CASH COGS	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Agricultural Costs	306,530	248,477	23.4%	683,565	527,097	29.7%
Suppliers	183,470	150,973	21.5%	394,661	296,763	33.0%
Partnerships	63,171	48,999	28.9%	151,411	115,220	31.4%
Own Sugarcane	59,890	48,505	23.5%	137,492	115,114	19.4%
Industrial	39,365	33,352	18.0%	94,312	75,768	24.5%
Other Products	16,675	20,557	-18.9%	29,002	43,309	-33.0%
Total COGS	362,570	302,386	19.9%	806,878	646,174	24.9%
TRS Sold ('000 Tons)	721	613	17.7%	1,576	1,233	27.7%
Unit Cost (Sugar and Ethanol Cash COGS / TRS)	479	459	4.2%	493	488	0.9%

Data do not include the IFRS 16 impacts

Cash COGS amounted to R\$362.6 million in 2Q21, up 19.9% from 2Q20, and came to R\$806.9 million in 6M21, up 24.9% from 6M20. Performance in the periods mainly reflects the effect from the higher sales in terms of TRS as well as the variation in the Consecana price in the period.

Considering the volume of TRS produced in 6M21, which increased 11.7% compared to 6M20, and excluding the effect from the variation in the Consecana price in the period (+12%), unit cash COGS considering both sugar and ethanol declined by 6.7% in relation to 6M20, reflecting the reduction in fixed costs due to economies of scale.



The following table presents details on the variation in average unit cash COGS for both sugar and ethanol compared to the same period last crop year.

Cash COGS per Product	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
COGS (Cash)	345,286	281,461	22.7%	776,561	602,221	28.9%
Sugar	179,511	102,001	76.0%	431,099	233,421	84.7%
Ethanol	165,775	179,459	-7.6%	345,461	368,799	-6.3%
Average Cash Cost Per Unit¹						
Sugar Cash Cost	515.0	508.6	1.3%	541.8	539.1	0.5%
Ethanol Cash Cost	794.3	765.5	3.8%	792.4	810.5	-2.2%

Data do not include the IFRS 16 impacts.

1 - Sugar in R\$/ton

Ethanol in R\$/m³

CASH COST BY PRODUCT

To provide a better understanding of the impacts of cash cost, the following table presents a breakdown of costs in the comparison period, 6M21 vs. 6M20.

	6M21							6M20						
	Sugar	Ethanol	Energy	Yeast	Real Estate Development	Others	Total	Sugar	Ethanol	Energy	Yeast	Real Estate Development	Others	Total
R\$ '000,000														
Net Revenue ¹	989	766	135	30	9	22	1,952	474	845	145	17	17	28	1,525
(-) Costs/Expenses	-545	-402	-35	-5	-2	6	-984	-299	-439	-39	-4	-3	-6	-789
(=) Adjusted EBITDA	444	364	100	25	7	28	968	175	406	106	13	14	22	736
Adjusted EBITDA Margin	45%	47%	74%	84%	75%	128%	50%	37%	48%	73%	79%	82%	80%	48%
Average EBITDA Cost (R\$/unit²)	685	923	53	486				690	964	59	480			
(+) Depreciation/Amortization	-274	-265	-18	-4	0	-7	-569	-152	-272	-17	-3	0	-8	-452
(=) Adjusted EBIT	170	99	82	21	7	21	399	23	134	89	11	14	14	285
(-) Depreciation/Amortization	274	265	18	4	0	7	569	152	272	17	3	0	8	452
(-) Maintenance Capex	-208	-215	0	0	0	0	-423	-145	-243	0	0	0	0	-388
(=) Cash Generation	236	149	100	25	7	28	545	30	163	106	13	14	22	348
Volume sold (unit ³)	796	436	670	10			1,576	433	455	657	7			1,233
Average Price (R\$/unit³)	1,243	1,758	202	3,001				1,094	1,857	220	2,253			
Average Total Cash Cost (R\$/unit³)	947	1,415	53	486				1,024	1,499	59	480			

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

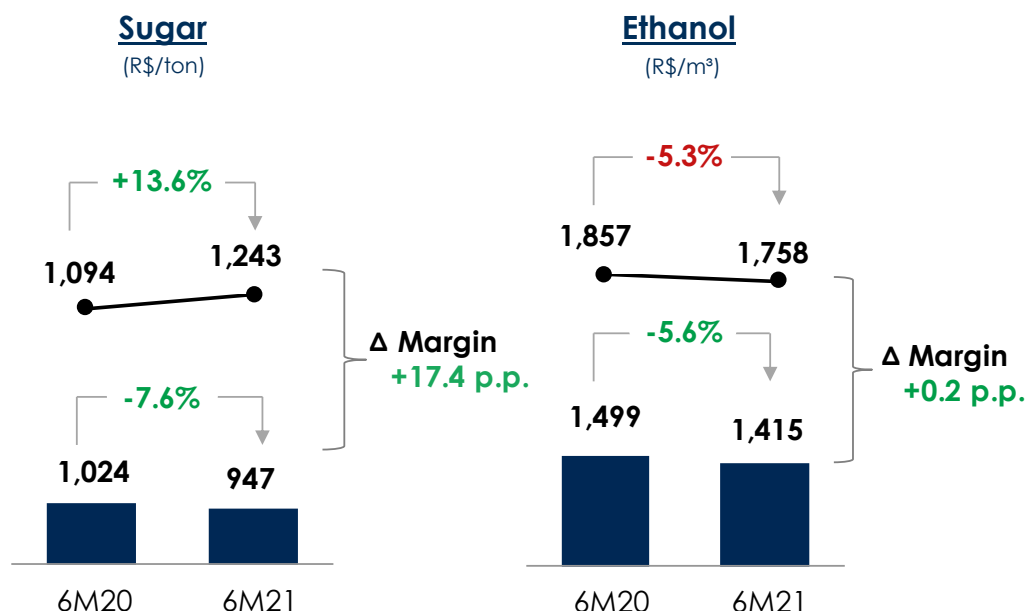
² Units: Sugar: ton, Ethanol: m³, Energy: MWh, Yeast: ton, Total: Kgs of sugar and ethanol TRS/ton

³ Sugar: '000 tons, Ethanol: '000 m³, Energy: '000 MWh, Yeast: ton, Total: '000 tons of TRS

Data do not include the IFRS 16 impacts

The average sugar cash cost in 6M21 was R\$947/ton, down 7.6% from 6M20. Given that in the same period the average sugar sales price increased 13.6%, the product's margin increased by 17.4 p.p. in the period.

For ethanol, the total average cash cost in 6M21 was R\$1,415/m³, down 5.6% from 6M20, while the average sales price decreased 5.3%, leading to the ethanol margin remaining practically stable in relation to 6M20.



SELLING EXPENSES

	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Port Costs / Freight	35,625	29,100	22.4%	75,631	49,143	53.9%
Other - non-recurring	6,394	8,134	-21.4%	11,681	13,563	-13.9%
Selling Expenses	42,019	37,234	12.9%	87,312	62,706	39.2%
TRS Sold ('000 tons)	721	613	17.7%	1,576	1,233	27.7%
% of Net Revenue	4.5%	4.8%	-0.3 p.p.	4.5%	4.1%	0.4 p.p.

In 2Q21, selling expenses came to R\$42.0 million, increasing 12.9% in relation to 2Q20. In 6M21, selling expenses increased 39.2% compared to 6M20, to R\$87.3 million. The higher expenses in both periods was mainly due to the higher exports of sugar compared to the same periods of the previous crop year, as presented in the section "Net Revenue – Sugar."

CASH GENERAL & ADMINISTRATIVE EXPENSES

	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Personnel and Management Fee	30,875	30,045	2.8%	61,182	59,736	2.4%
Taxes, Fees, Contributions and Contingencies	8,821	3,764	134.4%	13,327	9,604	38.8%
General Expenses and Third-Party Services	14,807	11,548	28.2%	26,060	20,067	29.9%
Stock Option - Vested	216	(2,295)	-109.4%	1,705	1,647	3.5%
Total recurring General and Administrative Expenses	54,719	43,062	27.1%	102,273	91,054	12.3%
Non-recurring items	1,574	3,994	-60.6%	6,210	3,994	55.5%
Total General and Administrative Expenses	56,293	47,056	19.6%	108,484	95,048	14.1%

In 2Q21, general and administrative expenses, excluding non-recurring items, came to R\$54.7 million, increasing 27.1% from 2Q20. In 6M21, recurring expenses were R\$102.3 million, increasing 12.3% compared to 6M20. The higher expenses in both periods reflect mainly the reversal of the provision for contingencies that affected the comparison period (2Q20), as well as the expenses related to preventive actions of COVID-19, as previously disclosed to the market.

EBITDA

EBITDA RECONCILIATION	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Adjusted EBITDA	476,248	387,858	22.8%	967,691	736,240	31.4%
Adjusted EBITDA Margin	51.5%	50.4%	1.1 p.p.	49.6%	48.3%	1.3 p.p.
Copersucar Rights	383,040	-	n.m.	383,040	-	n.m.
Non-cash effect of IFRS 16	68,230	33,162	105.7%	158,253	89,357	77.1%
Biological Assets	6,661	(9,696)	n.m.	17,700	(422)	n.m.
Equity Income	1,975	800	146.9%	2,916	1,208	141.4%
Adjustment to Maturity of Hedge Accounting	(541)	(184)	194.0%	(1,143)	(626)	82.6%
Non Recurring Revenues (Expenses)	-	(3,994)	n.m.	-	(3,994)	n.m.
Stock Option - Non-vested	(1,574)	-	n.m.	(6,210)	-	n.m.
Real Estate Results	(1,969)	-	n.m.	(3,265)	-	n.m.
Book EBITDA¹	932,070	407,946	128.5%	1,518,982	821,763	84.8%
EBITDA Margin	101.3%	53.2%	48.1 p.p.	78.3%	54.1%	24.1 p.p.
(-) Depreciation and Amortization	(308,280)	(266,546)	15.7%	(673,637)	(547,962)	22.9%
(-) Financial Revenue (Expense), net	(150,445)	(80,150)	87.7%	(223,298)	(143,666)	55.4%
(=) Operating Income	473,345	61,250	n.m.	622,047	130,135	n.m.

¹ - Book EBITDA includes the IFRS 16 impacts.

Adjusted EBITDA

Adjusted EBITDA was R\$476.2 million in 2Q21 (Adjusted EBITDA margin of 51.5%), increasing 22.8% from 2Q20. The main factors in the better performance of EBITDA in the quarter were the higher average sales prices for sugar (+9%) and ethanol (+6%¹), as well as the growth in sugar sales volume (+74%) in the period. In the crop year to date, Adjusted EBITDA advanced 31.4%, to R\$967.7 million, with Adjusted EBITDA margin of 49.6%, with this performance reflecting the higher sales volume of sugar (+84%) at higher prices (+14%) compared to 6M20.

1 - Price net of commercial expenses.

Main Adjustments to EBITDA in 2Q21 and 6M21

1) IFRS 16 - Leases

Reduction in Adjusted EBITDA compared to the accounting EBITDA of R\$68.2 million in 2Q21 related to lease payments that no longer are recognized as cash cost (COGS), but rather as amortization of right-of-use. In the crop year to date, the reduction in Adjusted EBITDA was R\$158.3 million.

2) Biological assets

Positive non-cash effect of R\$6.7 million on accounting costs (COGS) in 2Q21 from the mark-to-market adjustment of biological assets, reflecting primarily the recovery in the ethanol price compared to March 2020 (as detailed before). In 6M21, this effect was positive in R\$17.7 million.

3) Debt maturity (Hedge Accounting)

Expense related to the effect from exchange variation on liabilities settled in 2Q21 that were designated as Hedge Accounting at a BRL/USD exchange rate of R\$3.3. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.2/USD, we adjusted the amount of R\$0.5 million in net revenue and EBITDA to provide a better understanding of the Company's cash generation in the period. In 6M21, we adjusted the amount of R\$1.1 million.

Operating Cash Generation (Adjusted Cash EBIT)

	2Q21	2Q20	Chg.%	LTM 2Q21	LTM 2Q20	Chg.%
R\$ '000						
Adjusted Cash EBIT	245,747	181,149	35.7%	917,569	609,941	50.4%
Adjusted EBIT Margin	26.6%	23.5%	3.0 p.p.	22.2%	17.5%	4.8 p.p.
(-) Maintenance Capex	(230,501)	(206,709)	11.5%	(1,171,073)	(1,053,205)	11.2%
Adjusted EBITDA	476,248	387,858	22.8%	2,088,642	1,663,146	25.6%
Adjusted EBITDA Margin	51.5%	50.4%	1.1 p.p.	50.6%	47.6%	3.0 p.p.
Copersucar Rights	383,040	-	n.m.	732,096	106,499	n.m.
Non Recurring Operating Income (Expenses)	-	(3,994)	n.m.	(3,994)	(3,994)	n.m.
Non-cash effect of IFRS 16	68,230	33,162	105.7%	343,800	89,357	n.m.
Biological Assets	6,661	(9,696)	n.m.	(12,480)	5,141	n.m.
Equity Income	1,975	800	146.9%	2,333	1,223	90.8%
Adjustment to Maturity of Hedge	(541)	(184)	194.0%	(1,630)	(2,419)	-32.6%
Stock Option - Non-vested	(1,574)	-	n.m.	(5,958)	-	n.m.
Real Estate Results	(1,969)	-	n.m.	(3,265)	-	n.m.
Book EBITDA	932,070	407,946	128.5%	3,139,543	1,858,953	68.9%
EBITDA Margin	101.3%	53.2%	48.1 p.p.	76.3%	53.4%	22.9 p.p.

Adjusted Cash EBIT in 2Q21 was R\$245.7 million (Adjusted EBIT margin of 26.6%), increasing 35.7% from 2Q20. In the last 12 months, Adjusted Cash EBITDA amounted to R\$917.6 million (Adjusted EBITDA margin of 22.2%), increasing 50.4% on the prior-year period. The improvement in the comparison periods reflects primarily the same factors that benefited EBITDA.

HEDGE

The following table summarizes our sugar and U.S. dollar hedge positions:

Sugar

	Volume Hedged (tons)	Avg. Price (US\$ c/p)	Avg. Price ¹ (R\$/ton)
Sugar			
2020/2021 crop year	587,734	13.68	1,432
2021/2022 crop year	652,152	12.69	1,540

On September 30, 2020, sugar price to be invoiced in the 20/21 crop year were hedged for ~587.7 thousand tons at the average price of US\$13.68 cents/pound, or approximately R\$1,432/ton¹, which represents **~95% of own cane** (based on the maximum sugar production mix). For the 21/22 crop year, sugar price hedges amounted to ~652.2 thousand tons at an average price of US\$12.69 cents/pound, or R\$1,540/ton¹, which represents **~44% of own cane** (considering the same production and mix of the 20/21 crop year).

U.S. Dollar

On September 30, 2020, the Company held open positions through Non-Deliverable Forwards (NDFs) and derivative instruments, which are used to hedge its exports, for the 2020/2021 and 2021/2022 crop years, as follows:

USD	TOTAL		SUGAR		ETHANOL	
	US\$ '000	Average Price (R\$/US\$)	US\$ '000	Average Price (R\$/US\$)	US\$ '000	Average Price (R\$/US\$)
2020/2021 crop year	181,330	4.70	136,837	4.50	44,493	5.33
2021/2022 crop year	112,199	5.44	112,199	5.44	-	-

On September 30, 2020, the volume of NDFs in U.S. dollar represented approximately **90% of own cane hedged** for the 20/21 crop year (based on the maximum share of sugar in the production mix). For the 21/22 crop year, the volume of NDFs in U.S. dollar represented **~35% of own cane hedged** (considering the same production and mix of the 20/21 crop year).

¹ For the amount of sugar hedged for prices, but not for currency variation, the spot exchange rate of R\$5.60/USD was adopted.

Hedge Accounting

Effect on Shareholders' Equity

In March 2010, inclusive, the Company began to adopt hedge accounting for derivatives classified as hedge instruments, as well as debt denominated in foreign currency.

The quarterly results are recorded in shareholders' equity ("Adjustments to Book Value"), net of deferred income and social contribution taxes. In the period from April to September 2020, we recorded a reduction in shareholders' equity of R\$117.6 million.

Effect on Income Statement

As previously mentioned, certain foreign-denominated liabilities have been designated to Hedge Accounting, which will impact our net revenue.

In 2Q21, a total of US\$0.3 million in debt was recognized, with the exchange rate of R\$3.3/US\$ adopted for the translation of net revenue. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.2/US\$, we made an adjustment of R\$0.5 million in net revenue and EBITDA to provide a better understanding of the Company's operating cash generation.

In 6M21, a total of US\$0.6 million in debt was recognized at the exchange rate of R\$3.3/US\$ used for the translation of net revenue. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.3/US\$, we made an adjustment of R\$1.1 million in net revenue and EBITDA to provide a better understanding of the Company's operating cash generation.

NET FINANCIAL RESULT

FINANCIAL RESULTS	2Q21	2Q20	Chg.%	6M21	6M20	Chg.%
R\$ '000						
Financial Revenues	11,778	29,230	-59.7%	30,578	75,401	-59.4%
Financial Expenses	(116,110)	(74,359)	56.1%	(171,423)	(156,872)	9.3%
Exchange Variation/Derivative/Others	(8,789)	(369)	n.m.	(3,208)	(16,544)	-80.6%
Financial Revenues/Expenses	(113,121)	(45,498)	148.6%	(144,053)	(98,015)	47.0%
IFRS16 Effects - APV	(39,293)	(34,963)	12.4%	(82,510)	(47,154)	75.0%
Real Estate Results	1,969	311	n.m.	3,265	1,503	117.2%
Net Financial Result	(150,445)	(80,150)	87.7%	(223,298)	(143,666)	55.4%
Debt Hedge	(541)	(184)	194.0%	(1,143)	(626)	82.6%
Financial Result	(150,986)	(80,334)	87.9%	(224,441)	(144,292)	55.5%

The Company registered a net financial expense of R\$150.4 million in 2Q21, which represents an increase of 87.7% from 2Q20. In the crop year to date, the net financial result increased by 55.4%, to R\$223.3 million. The higher financial expense in the periods occurred mainly as a result of the early settlement of the swap operation (Libor Fixed) that would mature in 2026.

COPERSUCAR

Obligations

On September 30, 2020, São Martinho recognized the amount of R\$185.9 million in obligations payable to Copersucar under Liabilities on its balance sheet. In accordance with the terms negotiated for the withdrawal from Copersucar, we will continue to recognize under “Obligations - Copersucar” all liabilities related to the contingencies currently in litigation conducted by the attorneys at Copersucar. The total amount of these obligations is secured by bank sureties.

Rights

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

Among these cases is a claim by Copersucar against the Federal Government for financial damages arising from the price controls imposed over sugar and ethanol sales in the 1980s.

In June 2017, the first court-ordered debt security of R\$5.6 billion (of which the Company is entitled to R\$730.5 million) was issued, and in June 2018, the supplementary court-ordered debt security amounting to R\$10.6 billion (of which the Company is entitled to R\$1.4 billion) was issued.

The balance of R\$2.2 billion contested by the Federal Government (of which the Company is entitled to R\$286.3 million) is still under dispute.

In March 2019, Copersucar received and transferred to the Cooperative members the first installment of the first court-ordered debt security (R\$906 million). Additionally, in December 2019, the second installment of the first court-ordered debt security (R\$1.06 billion) and the first installment of the supplementary court-ordered debt security (R\$1.725 billion) were collected. Additionally, in September 30, 2020, the second installment of the first-court ordered debt security (R\$1.08 billion) and the second installment of the supplementary court-ordered debt security (R\$1.975 billion) were collected.

Upon transferring the funds, Copersucar withheld a portion to finance litigation seeking damages and the levy of PIS and COFINS taxes, while undertaking to transfer the corresponding amounts in the event of a favorable outcome.

The Company, in coordination with the measures taken by Copersucar, has also filed a lawsuit, supported by a judicial deposit, claiming the suspension of the payment of IRPJ/CSLL/PIS/COFINS. The judicial deposit was provided for within the line item: “Taxes with suspended payment” As provided for in the Agreement for Purchase and Sale of Shares of Santa Cruz S.A. Açúcar e Álcool (“USC”), the Company transferred R\$54,132 thousand to Luiz Ometto Participações S.A.

After the transfer and withholding of the amounts related to court expenses and taxes under litigation, the balance of R\$383,040 thousand was recorded in the interim accounting information within “Other income, net”. As management classifies the receipt of the remainder credit as probable, but not practically certain, the related amount has not been recorded.

DEBT

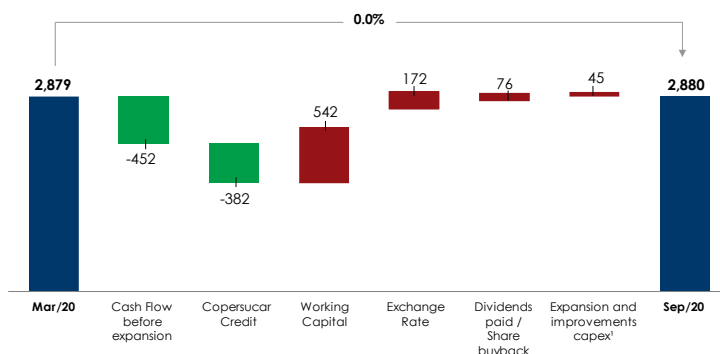
INDEBTEDNESS	Sep/20	Mar/20	Chg.%
R\$ '000			
Agribusiness Certificate of Receivables (CRA)	1,890,193	1,922,913	-1.7%
BNDES / FINAME	385,566	423,457	-8.9%
Rural Credit	-	278,536	n.m
Working Capital	315,845	131,780	139.7%
PESA	-	8,349	n.m
PPE (Export prepayment)	1,620,338	1,445,015	12.1%
International Finance Corporation (IFC)	512,287	474,334	8.0%
NCE (Export Credit Note)	-	130,058	n.m
Obligations from Acquisitions - LOP	26,912	26,934	-0.1%
Gross Debt	4,751,141	4,841,376	-1.9%
Cash and Cash Equivalents	1,871,124	1,962,066	-4.6%
Net Debt	2,880,017	2,879,311	0.0%
Net Debt / LTM EBITDA - R\$	1.38 x	1.55 x	-11.1%
Net Debt / LTM EBITDA - USD ¹	1.18 x	1.23 x	-3.7%
LTM Adjusted EBITDA			
	2,088,642	1,857,191	12.5%

¹ - LTM EBITDA average daily PTAX: Mar/20: R\$ 4.11 and Sep/20: R\$ 4.83

In September 2020, the Company's net debt stood at R\$2.9 billion, stable in comparison with March 2020. The following charts show the details of the debt position:

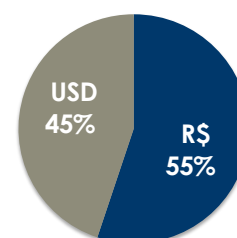
Changes in Net Debt

R\$ - Million



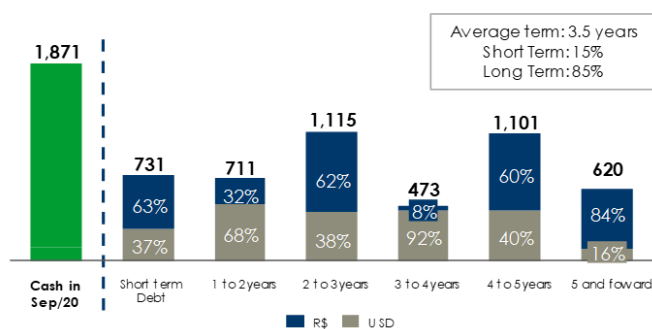
¹Includes sale of fixed assets/Others

Currency – Gross Debt



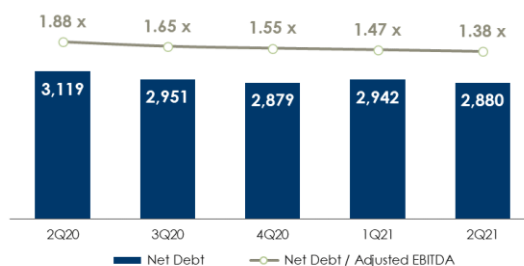
Debt Amortization Schedule

R\$ - Million



Net Debt/LTM EBITDA Evolution

R\$ - Million



CAPEX

(Maintenance)	2Q21	2Q20	Chg.%	6M21	6M20	Chg.%
R\$ '000						
Sugarcane Planting - Renovation	90,499	81,893	10.5%	156,956	139,716	12.3%
Off-Season Maintenance (Industrial/Agricultural)	-	-	n.m.	-	6,302	n.m.
Crop Treatment	140,003	124,816	12.2%	265,896	241,872	9.9%
Total	230,501	206,709	11.5%	422,852	387,890	9.0%
(Operational Improvements)						
Equipment/Replacements	11,063	19,781	-44.1%	19,157	37,428	-48.8%
Environmental/Legal	5,014	10,397	-51.8%	14,682	17,260	-14.9%
Total	16,077	30,177	-46.7%	33,839	54,688	-38.1%
(Upgrading/Expansion)						
Sugarcane Planting - Expansion / Biological Assets	-	4,859	n.m.	-	10,670	n.m.
Projects (Industrial/Agricultural)	3,358	29,603	-88.7%	16,538	51,282	-67.8%
Total	3,358	34,462	-90.3%	16,538	61,952	-73.3%
GRAND TOTAL	249,937	271,349	-7.9%	473,229	504,530	-6.2%

Maintenance capex came to R\$230.5 million in 2Q21, 11.5% higher than in 2Q20, mainly reflecting the seasonal effect from the earlier harvest given the drier weather, an effect that should be normalized by the end of the crop year (Mar/21), combined with the effect from exchange variation on the price of the imported inputs used in crop treatments. In 6M21, maintenance capex increased by 9.0%, reflecting primarily the same factors that affected the quarter.

Capex related to operational improvements comprise investments in (i) agricultural and industrial equipment to capture productivity gains and (ii) environmental/legal investments primarily in adapting to regulatory requirements and in fire prevention and suppression systems. Such investments amounted to R\$16.1 million in 2Q21, down 46.7% compared to 2Q20, while in 6M21 total investments came to R\$33.8 million, 38.1% lower than in 6M20.

Expansion capex came to R\$3.4 million in 2Q21, down 90.3% from 2Q20. In 6M21, expansion capex decreased 73.3% compared to 6M20, to R\$16.5 million.

In June/2020, we estimated maintenance capex of approximately R\$1,170 million for the 20/21 harvest and an around additional R\$100 million related to investments in operational improvement and projects. Considering that, over the last few months, we had an improvement in market conditions, we approved the resumption of additional projects for the 20/21 harvest. We started the disbursement related to the cogeneration project (A-6 auction), which is expected to total ~R\$35 million until the end of the 20/21 crop year and, in addition, we approved projects, totaling approximately R\$200 million, whose respective disbursements will be made partially until the end of the 20/21 harvest, and at the beginning of the 21/22 crop year.

The projects have an average IRR between 20-25%, and are mainly related to:

- an increase of ~50 thousand tons in sugar production at the mills located in São Paulo;
- optimization in the extraction and generation of energy at the Boa Vista mill;
- production of industrial ethanol for export purposes at Santa Cruz mill; and
- optimization of agricultural processes related to harvesting and crop treatments.

CASH INCOME

Cash net income amounted to R\$313.3 million in 2Q21, representing an increase of 169.4% compared to 2Q20. This improvement in the quarter reflects mainly the higher adjusted EBITDA in the period, as well as the receipt of credits from the Copersucar legal proceeding.

In 6M21, cash net income came to R\$461.3 million, increasing 152.3% from the same quarter of the previous crop year, mainly due to the same factors that affected performance in the quarter.

Cash Income	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Net Income	331,894	61,982	n.m.	447,600	153,445	191.7%
Non-cash effect of IFRS 16 on Net Income before taxes	17,837	46,830	-61.9%	29,141	54,185	-46.2%
Income Tax booked	141,451	(732)	n.m.	174,447	(23,310)	n.m.
Income Tax paid	(16,303)	(1,675)	n.m.	(17,272)	(2,554)	n.m.
Judicial Deposit (Income Tax/Social Contribution-Copersucar)	(154,905)	-	n.m.	(154,905)	-	n.m.
Biological Asset/Others	(6,661)	9,880	n.m.	(17,700)	1,048	n.m.
Cash Income	313,312	116,285	169.4%	461,311	182,814	152.3%
Total Shares ex-treasury (in thousand)	346,375	348,865	-0.7%	346,375	348,865	-0.7%
Cash Income per share	0.90	0.33	171.4%	1.33	0.52	154.2%

INTEREST ON EQUITY

The Board of Directors, in a meeting held on November 9, 2020, approved the payment of interest on equity (IOE) in the gross amount of R\$120.0 million, equivalent to R\$0.34644526 per share, subject to Income Tax Withheld at Source according to applicable law, to be paid on December 10, 2020.

6th SHARE BUYBACK PROGRAM

As previously announced, the Company's Board of Directors approved, on June 24, 2019, the 6th share buyback program for up to 10 million shares, valid through December 2020, with the goal of efficiently investing cash funds to maximize capital allocation and value creation for shareholders. As of September 2020, the Company acquired 4,427,600 shares at the average price of R\$18.78/share, for total investment of R\$83.1 million.

RENOVABIO – CBIOS

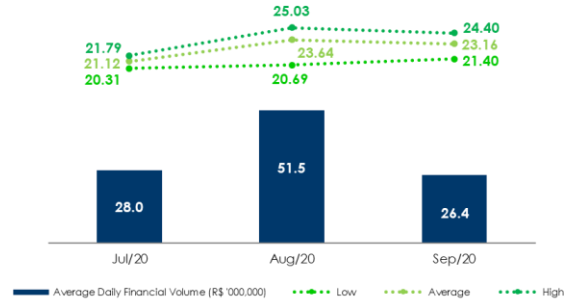
As described in the notes to the financial statements as of September 30, 2020, the Company had 631 thousand CBIOS (decarbonization credits) issued. Once issued and registered, these decarbonization credits may be traded, usually with fuel distributors with acquisition targets set by RenovaBio programs. At September 30, 2020, the fair value of the Company's CBIOS was not significant.

CAPITAL MARKETS

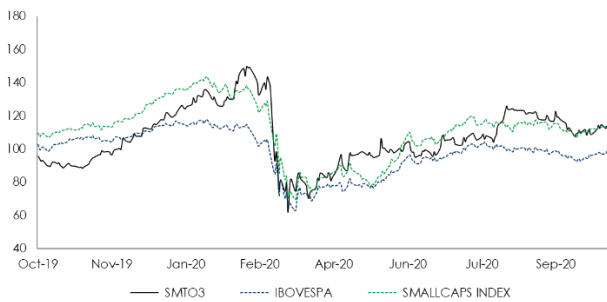
SMT03 Performance - 12 months In R\$



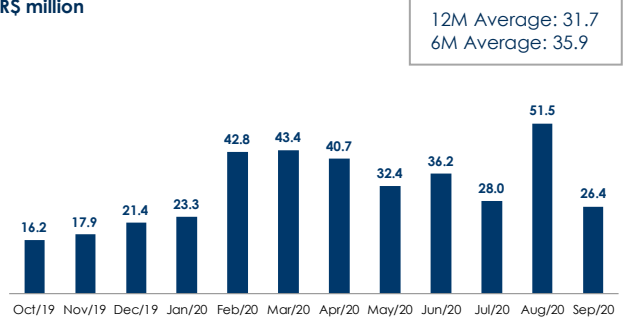
Price and Volume In R\$



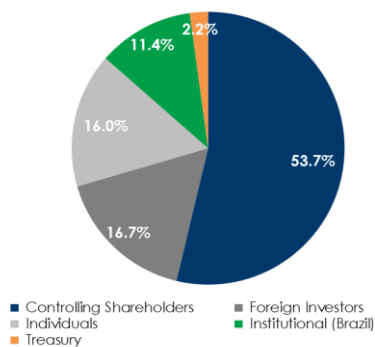
SMT03 Performance vs. Stock Indexes Base 100



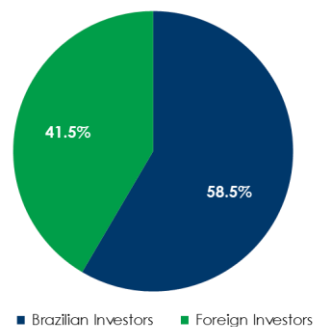
Average Daily Trading Volume R\$ million



Ownership Structure Base: September 30, 2020



Free-Float Composition



INVESTOR RELATIONS TEAM

Felipe Vicchiato – CFO and IRO

Aline Reigada – IR Manager

Luiza Chaves – IR Consultant

Loretta Pincette – IR Analyst

Telephone: +55 11 2105-4100

E-mail: ri@saomartinho.com.br

Website: www.saomartinho.com.br/ir

DISCLAIMER

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

FINANCIAL STATEMENTS

The figures in the following tables consider the impacts from the adoption of IFRS 16 as of the 19/20 crop year, in accordance with the consolidated and audited Financial Statements, including the effects detailed in section 'Adoption of IFRS 16/CPC 06 – Leases' on page 3 of this earnings release.

INCOME STATEMENT

SÃO MARTINHO S.A. - CONSOLIDATED	2Q21	2Q20	Chg. (%)	6M21	6M20	Chg. (%)
R\$ '000						
Gross Revenue	979,568	827,424	18.4%	2,062,967	1,653,411	24.8%
Deductions from Gross Revenue	(59,840)	(60,759)	-1.5%	(122,219)	(135,017)	-9.5%
Net Revenue	919,728	766,665	20.0%	1,940,748	1,518,394	27.8%
Cost of Goods Sold (COGS)	(588,631)	(538,010)	9.4%	(1,289,860)	(1,091,041)	18.2%
Gross Profit	331,097	228,655	44.8%	650,888	427,353	52.3%
Gross Margin (%)	36.0%	29.8%	6.2 p.p	33.5%	28.1%	5.4 p.p
Operating income (expenses)	292,693	(87,255)	n.m	194,457	(153,552)	n.m.
Selling Expenses	(42,019)	(37,234)	12.9%	(87,312)	(62,706)	39.2%
General and Administrative Expenses	(60,352)	(51,265)	17.7%	(116,681)	(103,196)	13.1%
Equity in the results of investees	1,975	800	146.9%	2,916	1,208	141.4%
Other income (expenses), net	393,089	444	n.m	395,534	11,142	n.m.
Operating profit	623,790	141,400	n.m	845,345	273,801	n.m.
Finance income (costs)	(150,445)	(80,150)	87.7%	(223,298)	(143,666)	55.4%
Finance income	13,747	29,542	-53.5%	33,843	76,905	-56.0%
Finance costs	(155,403)	(109,322)	42.2%	(253,934)	(204,026)	24.5%
Monetary and foreign exchange variations, net	(6,904)	10,820	n.m.	(8,237)	(5,197)	58.5%
Derivatives	(1,885)	(11,190)	-83.2%	5,030	(11,348)	n.m
Profit before taxation	473,345	61,250	n.m.	622,047	130,135	n.m.
Income Tax and Social Contribution - Current	(161,421)	(3,117)	n.m.	(176,982)	22,096	n.m.
Income Tax and Social Contribution - Deferred	19,970	3,849	n.m.	2,535	1,214	108.8%
Net Income	331,894	61,982	n.m	447,600	153,445	191.7%
Net Margin (%)	36.1%	8.1%	28.0 p.p	23.1%	10.1%	13.0 p.p

BALANCE SHEET (ASSETS)

SÃO MARTINHO S.A. CONSOLIDATED - ASSETS			
R\$ '000			
ASSETS		Sep/20	Mar/20
CURRENT ASSETS			
Cash and Cash Equivalents		121,326	92,066
Financial investments		1,716,713	1,831,504
Trade Receivables		306,388	165,829
Derivative Financial Instruments		79,631	224,635
Inventories and advance to suppliers		1,331,741	366,177
Biological Assets		606,500	713,547
Taxes Recoverable		25,447	12,303
Income Tax and Social Contribution		39,321	71,257
Dividends Receivable		249	-
Other assets		15,669	8,832
TOTAL CURRENT ASSETS		4,242,985	3,486,150
NON-CURRENT ASSETS			
Long-term Receivables			
Financial investments		33,085	38,494
Inventories and advance to suppliers		84,229	49,916
Derivative Financial Instruments		49,560	28,977
Trade Receivables		24,045	27,192
Receivables from Copersucar		10,017	10,017
Taxes Recoverable		64,949	81,046
Judicial Deposits		269,820	271,060
Other Assets		104,149	57,159
		639,854	563,861
Investments		36,535	33,868
Property, plant and equipment		5,443,845	5,844,505
Intangible assets		453,242	465,689
Right-of-use assets		1,540,869	1,719,453
TOTAL NON-CURRENT ASSETS		8,114,345	8,627,376
TOTAL ASSETS		12,357,330	12,113,526

BALANCE SHEET (LIABILITIES)

SÃO MARTINHO S.A. CONSOLIDATED - LIABILITIES			
R\$ '000			
LIABILITIES AND EQUITY		Sep/20	Mar/20
CURRENT LIABILITIES			
Borrowings		719,692	591,024
Leases payable		50,002	40,168
Agricultural partnership payable		236,621	203,835
Derivative Financial Instruments		298,593	406,473
Trade Payables		321,616	174,524
Payables to Copersucar		10,892	10,892
Salaries and Social Charges		172,629	150,249
Taxes recoverable		32,025	34,730
Income tax and social contribution payable		8,909	4,985
Dividends Payable		8	54,694
Advances from Customers		14,103	34,710
Acquisition of Ownership interests		11,642	11,664
Other Liabilities		11,926	18,527
TOTAL CURRENT LIABILITIES		1,888,658	1,736,475
NON-CURRENT LIABILITIES			
Borrowings		4,004,537	4,223,418
Leases payable		351,099	377,954
Agricultural partnership payable		950,215	1,053,956
Derivative Financial Instruments		88,307	79,022
Payables to Copersucar		174,992	179,189
Taxes recoverable		1,341	7,283
Deferred Income Tax and Social Contribution		679,720	746,226
Provision for Contingencies		99,509	100,283
Acquisition of Ownership interests		15,270	15,270
Taxes with suspended payment		444,083	242,188
Other Liabilities		4,489	5,586
TOTAL NON-CURRENT LIABILITIES		6,813,562	7,030,375
EQUITY			
Share Capital		2,071,819	1,696,652
Capital Reserve		-	9,418
Treasury Shares		(139,997)	(131,361)
Carrying Value Adjustments		480,748	607,022
Revenue Reserves		814,343	1,164,945
Retained Earnings		428,197	-
TOTAL EQUITY		3,655,110	3,346,676
TOTAL LIABILITIES AND EQUITY		12,357,330	12,113,526

CONSOLIDATED CASH FLOW

SÃO MARTINHO S.A.	6M21	6M20
R\$ '000		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	447,600	153,445
Adjustments		
Depreciation and amortization	328,973	291,350
Biological assets harvested	338,161	250,602
Change in the fair value of biological assets	(17,700)	422
Amortization of electricity contracts	6,503	6,010
Equity in the results of investees	(2,916)	(1,208)
Gains (losses) on investments and PP&E written off	6,871	(14,770)
Interest, monetary and exchange variations, net	91,144	90,457
Derivative financial instruments	166,972	15,358
Setup of provision for contingences, net	6,733	4,921
Income tax and social contribution	174,447	(23,310)
Taxes with suspended payment	201,895	-
Adjustment to present value and other adjustments	81,105	36,916
	1,829,788	810,193
Changes in asset and liabilities		
Trade receivables	(141,884)	(71,914)
Inventories	(432,218)	(523,197)
Taxes recoverable	37,073	(17,928)
Derivative financial instruments	(165,029)	13,027
Other assets	(51,892)	(69,237)
Trade payables	152,499	140,889
Salaries and social charges	22,380	29,243
Taxes payable	(165,016)	7,166
Payables to Copersucar	(5,042)	(7,381)
Provision for contingencies - settlement	(7,084)	(10,128)
Other liabilities	(28,385)	(4,610)
	1,045,190	296,123
Cash from operations	1,045,190	296,123
Payment of interest on borrowings	(163,777)	(97,447)
Income tax and social contribution paid	(17,272)	(2,554)
Net cash provided by (used in) operating activities	864,141	196,122
CASH FLOW FROM INVESTING ACTIVITIES		
Investment of funds	(358)	(1,193)
Purchases of property, plant and equipment and intangible assets	(54,131)	(105,348)
Additions to biological assets (planting and crop treatments)	(422,365)	(391,489)
Financial investments	137,344	582,303
Proceeds from sale of property, plant and equipment	8,403	4,337
Dividends received	-	294
Net cash provided by (used in) investing activities	(331,107)	88,904
CASH FLOW FROM FINANCING ACTIVITIES		
Amortization of lease and partnership agreements	(238,791)	(191,015)
Proceeds from borrowings – third parties	212,479	416,431
Repayment of borrowings - third parties	(401,204)	(514,966)
Payment of dividends	(67,622)	(109,999)
Acquisition of treasury shares	(8,636)	(34,466)
Net cash provided by (used in) financing activities	(503,774)	(434,015)
Increase (decrease) in cash and cash equivalents	29,260	(148,989)
Cash and cash equivalents at the beginning of the period	92,066	197,607
Cash and cash equivalents at the end of the period	121,326	48,618