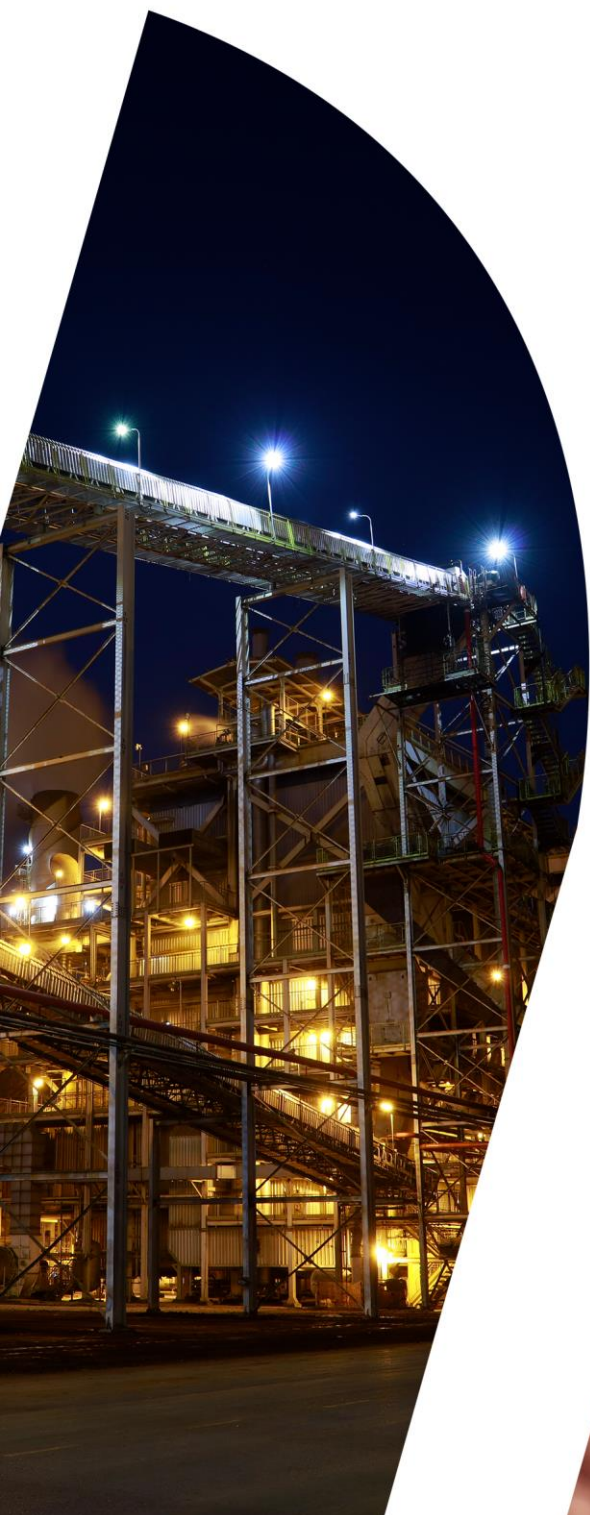


Earnings Release

3rd Quarter 2021/22



Net Income reaches R\$ 696.9 million in 3Q22, advancing 156.1%

- ✓ **Adjusted EBITDA was R\$ 892.8 million in 3Q22 (+37.0%), with Adjusted EBITDA margin of 58.3%,** with the improvement explained mainly by the better average sales prices for ethanol (+76.9%)¹ and sugar (+30.9%);
- ✓ **Adjusted EBIT was R\$ 556.2 million in 3Q22 (+59.3%), with Adjusted EBIT margin of 36.3%;**
- ✓ **Net Income was R\$ 696.9 million (+156.1%) in 3Q22; Cash net income was R\$ 639.2 million (+108.5%);**
- ✓ **Operating Cash Flow² was R\$1,346 million in 9M22, advancing 63.3% on 9M21;**
- ✓ The **leverage ratio** stood at **1.15x Net Debt/Adjusted EBITDA** on December 31 (-9.4% vs. Dec. 31, 2020);
- ✓ On December 31, 2021, our sugar prices for the 2021/22 crop year were hedged for **~293,000 tons of sugar** (~80.5% of own cane), at an average price of **~R\$ 1,958/ton. For the 2022/23 crop year, ~570,000 tons of sugar** were hedged at a price of **~R\$ 2,118/ton;**
- ✓ Recognition of IAA credit (Copersucar Rights): credit of R\$274.1 million, net of taxes, in 3Q22, related to the fourth installment of the first court-ordered debt security and the third installment of the second court-ordered debt security;

1-Price net of taxes; 2 – Operating Cash Flow = Adjusted EBITDA – Maintenance Capex

Executive Summary	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Var (%)
Net Revenue ¹	1,531,126	1,425,702	1,213,471	7.4%	26.2%	4,278,383	3,165,129	35.2%
Adjusted EBITDA	892,796	790,094	651,597	13.0%	37.0%	2,371,196	1,619,288	46.4%
Adjusted EBITDA Margin	58.3%	55.4%	53.7%	2.9 p.p.	4.6 p.p.	55.4%	51.2%	4.3 p.p.
Adjusted EBIT	556,210	467,250	349,087	19.0%	59.3%	1,390,817	748,026	85.9%
Adjusted EBIT Margin	36.3%	32.8%	28.8%	3.6 p.p.	7.6 p.p.	32.5%	23.6%	8.9 p.p.
Copersucar Rights	415,476	-	-	n.m.	n.m.	415,476	383,040	8.5%
Net Income before taxes	903,869	495,841	309,269	82.3%	192.3%	1,642,441	931,316	76.4%
Net Income without IFRS 16 effects	662,594	353,338	278,645	87.5%	137.8%	1,205,641	745,480	61.7%
Non-cash effect of IFRS 16 on Net Income	34,344	15,074	(6,481)	127.8%	-629.9%	49,800	(25,716)	-293.7%
Net Income	696,938	368,412	272,164	89.2%	156.1%	1,255,441	719,764	74.4%
Cash Income	639,232	431,890	306,515	48.0%	108.5%	1,309,528	767,826	70.6%
Net Debt / EBITDA	1.15 x	1.21 x	1.27 x	-4.9%	-9.4%	1.15 x	1.27 x	-10.0%

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, except net income before taxes and net income

SMT03
R\$34.44 per share

Market Capitalization:
R\$12.2 billion

*On December 30, 2021

Earnings Conference Call

February 15, 2022 (Tuesday)

3 pm Brasília time + 55 11 4210-1803
1 pm New York time +1 412 717-9627
Code: São Martinho

Webcast access: [click here](#)
HD Web Phone access: [click here](#)

SMT0

B3 LISTED NM

INDXB3

IGCB3

IBRAB3

ITAGB3

IGCTB3

IGC-NMB3

ICONB3

SMLLB3

Effects of adoption of IFRS 16/CPC 06

As mentioned in prior quarters, starting from the fiscal year ended March 31, 2020, the Company adopted the standard IFRS 16 – Leases, which introduced a single model for the balance-sheet recognition of leases and agricultural partnerships. The right to use such assets was recognized as an asset and the payment obligations as a liability.

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

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

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

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

Impacts from IFRS16 on Income Statements for 3Q22 and 9M22:

Results	3Q22			9M22		
	Before IFRS 16	Impacts	After IFRS 16	Before IFRS 16	Impacts	After IFRS 16
Net Revenue¹	1,531,126		1,531,126	4,278,383		4,278,383
COGS	(895,932)	67,256	(828,676)	(2,597,710)	183,356	(2,414,354)
(-) Leasing Payment		138,901			337,280	
(+) Right-of-Use Amortization		(71,646)			(153,924)	
Gross Income	635,194	67,256	702,450	1,680,673	183,356	1,864,029
Selling/General/Adm. Expenses	332,811	(37)	332,774	124,683	(60)	124,623
(-) Leasing Payment		322			925	
(+) Right-of-Use Amortization		(359)			(985)	
Op. Income Before Financial Result	968,005	67,219	1,035,224	1,805,356	183,296	1,988,652
Financial Result/Debt Hedge	(116,172)	(15,183)	(131,355)	(238,370)	(107,841)	(346,211)
Lease APV		(15,183)			(107,841)	
Income before Taxes	851,832	52,037	903,869	1,566,986	75,455	1,642,441
Income tax	(189,238)	(17,693)	(206,931)	(361,345)	(25,655)	(387,000)
Net Income	662,594	34,344	696,938	1,205,641	49,800	1,255,441
Book EBITDA	1,306,072	139,224	1,445,296	2,750,724	338,205	3,088,929
Leasing Payment	-	(139,224)	(139,224)	-	(338,205)	(338,205)
Other adjustments	(413,276)	-	(413,276)	(379,528)	-	(379,528)
Adjusted EBITDA	892,796	-	892,796	2,371,196	-	2,371,196

We no longer account for cash cost of agrarian contracts

We now account for contract amortization

Adjustment to Present Value (APV) of agrarian contracts is accounted for as net financial result

As we no longer account for cash cost of agrarian contracts, Book EBITDA increased, which effect has been adjusted for the Adjusted EBITDA

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

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	9M22	9M21	Chg.(%)
Crushed Sugarcane ('000 tons)	19,899	22,522	-11.6%
Own	13,911	15,811	-12.0%
Third Parties	5,988	6,711	-10.8%
Agricultural Yield (ton/ha)	71.8	80.7	-11.1%
Average TRS (kg/ton)	146.7	145.7	0.7%
Production			
Sugar ('000 tons)	1,303	1,483	-12.1%
Ethanol ('000 m ³)	913	1,018	-10.4%
Cogeneration ('000 MWh)	760	834	-8.9%
TRS Produced	2,920	3,282	-11.0%
Mix Sugar - Ethanol	47% - 53%	47% - 53%	

In the first nine months of the 2021/22 crop year, the Company processed 19.9 million tons of sugarcane, 11.6% less than in the same period last crop year. As already mentioned by the Company in prior quarters, the reduction is mainly explained by the prolonged drought in the period and by the fewer harvest days in relation to 9M21. Given the 0.7% increase in average Total Recoverable Sugar (TRS) in 9M22 to 146.7 kg/ton, total TRS produced decreased 11.0%.

Financial Indicators

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

	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
Net Revenue ¹	1,531,126	1,425,702	1,213,471	7.4%	26.2%	4,278,383	3,165,129	35.2%
Adjusted EBITDA	892,796	790,094	651,597	13.0%	37.0%	2,371,196	1,619,288	46.4%
Adjusted EBITDA Margin	58.3%	55.4%	53.7%	2.9 p.p.	4.6 p.p.	55.4%	51.2%	4.3 p.p.
Adjusted EBIT	556,210	467,250	349,087	19.0%	59.3%	1,390,817	748,026	85.9%
Adjusted EBIT Margin	36.3%	32.8%	28.8%	3.6 p.p.	7.6 p.p.	32.5%	23.6%	8.9 p.p.
Consolidated Balance Sheet Indicators								
Total Assets	12,813,450	12,238,391	10,824,072	4.7%	18.4%	12,813,450	10,824,072	18.4%
Shareholders' Equity	4,841,265	4,519,193	4,086,725	7.1%	18.5%	4,841,265	4,086,725	18.5%
EBITDA (LTM)	2,939,423	2,698,224	2,198,799	8.9%	33.7%	2,939,423	2,198,799	33.7%
Net Debt	3,372,842	3,255,307	2,803,062	3.6%	20.3%	3,372,842	2,803,062	20.3%
Net Debt / EBITDA (LTM)	1.15 x	1.21 x	1.27 x	-4.9%	-10.0%	1.15 x	1.27 x	-10.0%
Net Debt / Shareholders' Equity	70%	72%	69%			70%	69%	

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

INDUSTRY OVERVIEW

Since the start of the crop year to the first half of January 2022, Brazil's Center-South region processed around 521.7 million tons of sugarcane, approximately 12.7% less than in the previous crop year. In São Paulo state, the volume of cane processed declined even more in the period, by around 16.1%. Of the cane processed, 45.1% was allocated to sugar production, of 32.0 million tons, while 54.9% was allocated to ethanol production, of around 26.7 billion liters.

As mentioned last quarter, the lower volume of cane processed in the 2021/22 crop year was mainly due to: (i) the effects of the prolonged drought that affected most of the country, (ii) the frosts that affected part of the Center-South region, which also impacted the expected harvest schedule for the crop year, and (iii) the occurrence of wildfires in various regions, given the extremely dry weather.

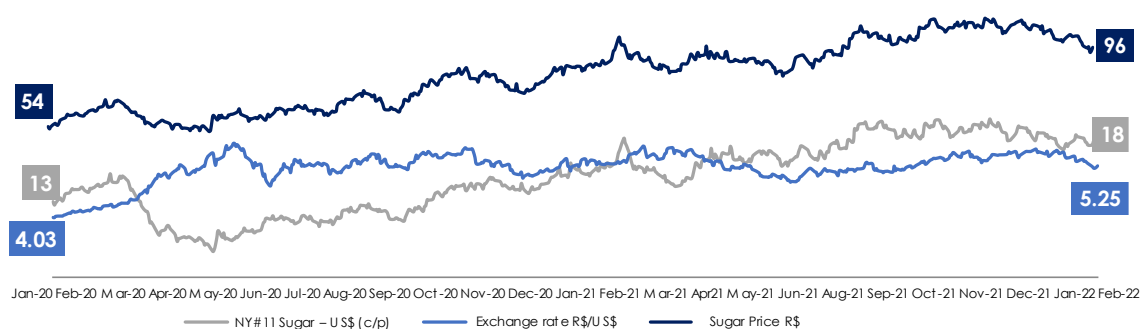
Given the higher precipitation registered to date in the intercrop period compared to the same period of the previous crop year, market expectations are calling for a possible recovery in cane yields. However, the aforementioned weather effects observed throughout 2021 point to the possibility of a delay in the start of the 2022/23 harvest, reinforcing the potential scenario of limited product supply in terms of TRS over the next crop year. In the next section, we comment briefly on the sugar and ethanol markets.

Sugar

According to market data, since the start of the crop year, Brazil's Center-South produced around 32.0 million tons of sugar, 16.1% less than in the prior-year period. As already mentioned in previous quarters, the reduction reflects not only the crop shortfall, but also the prioritization of anhydrous ethanol production, given the product's higher profitability.

The combination of lower sugar production in Brazil and deficits in the global sugar supply-demand balance supported higher prices in the international market in USD cents/pound. For Brazilian producers, this scenario combined with the weaker Brazilian real led to even higher prices in R\$/ton, as shown in the following chart.

Chart 1



On December 31, we had around 293,000 tons of sugar hedged for the 2021/22 crop year, which represents ~81% of own cane, at an average price of ~R\$1,958/ton¹. For the 2022/23 crop year, on the same date, we had 570,000 tons hedged at R\$2,118/ton. For more details, see the 'Hedge' section in this earnings release.

1. Considering open position of USD5.50.

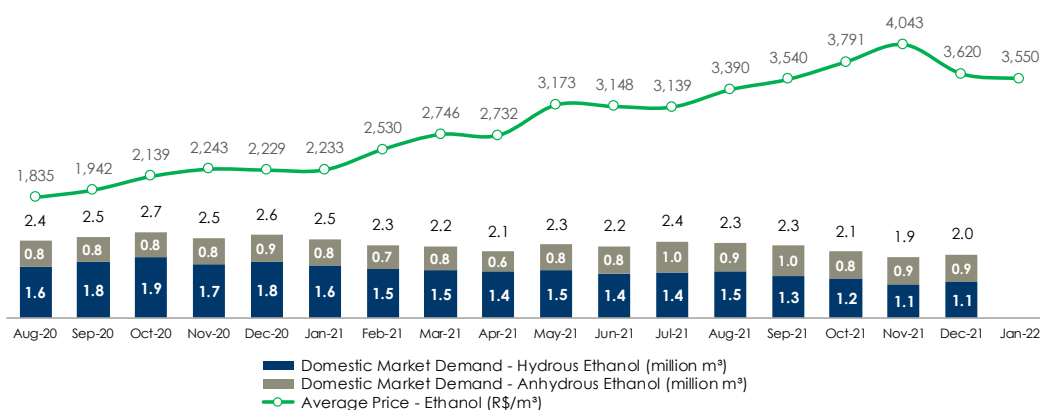
Ethanol

Since the start of the crop year, Brazil's Center-South region produced 26.7 billion liters of ethanol, 9.2% less than in the same period last crop year, mainly reflecting the prolonged drought in the Center-South, as mentioned above. In the period, priority was given to the production of anhydrous ethanol (+12.7%) over hydrous ethanol (-19.9%), given the product's higher profitability.

Despite the growth in otto cycle fuel consumption of 3% to 4% over 2021, more recently ethanol demand has softened, which we believe basically reflects: (i) a temporary loss in consumer purchasing power; and (ii) the reduction in hydrous ethanol's price parity in relation to gasoline.

However, based on market estimates, we believe that crude oil prices in 2022 could remain at higher average levels in comparison with 2021, reflecting a favorable scenario for ethanol prices throughout the harvest.

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



Source: UNICA and CEPEA/ESALQ

FINANCIAL PERFORMANCE

NET REVENUE BREAKDOWN	3Q22	1Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
Domestic Market	964,182	837,600	709,958	15.1%	35.8%	2,465,677	1,537,697	60.3%
Sugar	37,928	40,519	39,384	-6.4%	-3.7%	134,370	107,540	24.9%
Ethanol	827,966	619,073	562,220	33.7%	47.3%	1,934,162	1,125,589	71.8%
Energy	42,912	109,769	53,460	-60.9%	-19.7%	228,939	188,957	21.2%
Yeast	6,489	19,651	10,317	-67.0%	-37.1%	41,070	40,139	2.3%
Real Estate Development	16,006	22,010	6,933	-27.3%	130.9%	48,506	15,965	203.8%
CBI Os	12,883	6,503	27,047	98.1%	-52.4%	29,759	27,179	9.5%
Others	19,998	20,075	10,597	-0.4%	88.7%	48,871	32,328	51.2%
Export Market	566,944	588,102	503,513	-3.6%	12.6%	1,812,706	1,627,432	11.4%
Sugar	442,155	516,936	367,600	-14.5%	20.3%	1,534,445	1,288,530	19.1%
Ethanol	122,793	68,607	135,913	79.0%	-9.7%	273,706	338,902	-19.2%
Yeast	1,996	2,559	-	-22.0%	n.m.	4,555	0	n.m.
Net Revenue¹	1,531,126	1,425,702	1,213,471	7.4%	26.2%	4,278,383	3,165,129	35.2%
Sugar	480,083	557,455	406,984	-13.9%	18.0%	1,668,815	1,396,070	19.5%
Ethanol	950,759	687,680	698,133	38.3%	36.2%	2,207,868	1,464,491	50.8%
Energy	42,912	109,769	53,460	-60.9%	-19.7%	228,939	188,957	21.2%
Yeast	8,485	22,210	10,317	-61.8%	-17.8%	45,625	40,139	13.7%
Real Estate Development	16,006	22,010	6,933	-27.3%	130.9%	48,506	15,965	203.8%
CBI Os	12,883	6,503	27,047	98.1%	-52.4%	29,759	27,179	9.5%
Others	19,998	20,075	10,597	-0.4%	88.7%	48,871	32,328	51.2%

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 third quarter of the 2021/22 crop year, the Company's net revenue was R\$1,531.1 million, advancing 26.2% on the prior crop year, mainly due to the higher average sales price for ethanol (+76.9%) and sugar (+30.9%). In the crop year to date, net revenue rose 35.2% to R\$4,278.4 million, due to the same reasons that affected the quarterly result.

Main adjustments to Net Revenue for 3Q22 and 9M22

1) Debt maturity (Hedge Accounting)

Expenses with the effects of exchange variation on liabilities that were settled in 3Q22 and 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 BRL/USD 5.6, we adjusted net revenue and EBITDA by the amount of R\$0.6 million to provide a better understanding of the Company's cash generation in the period.

In 9M22, US\$15.8 million in debt was recognized, with the exchange rate of R\$3.6/USD used for the translation of amounts recognized under net revenue. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.4/USD, we adjusted net revenue and EBITDA by the amount of R\$29.2 million to provide a better understanding of the Company's cash generation in the period.

Purchase Price Allocation (PPA)

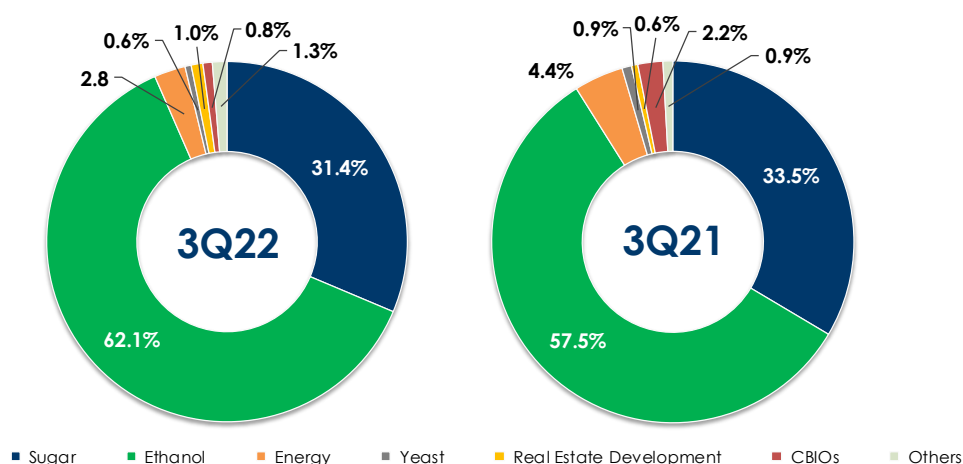
In 3Q22, there was a non-cash expense of R\$0.9 million reflecting the amortization of goodwill paid for the future profitability of cogeneration volume at the Santa Cruz Mill. In the crop year to date, we adjusted net revenue by R\$6.1 million.

2) Financial Income from Real Estate Development

Adjustment of operating revenue from real estate development related to the present value adjustment (AVP) of trade accounts receivable to better represent the performance of the business. This adjustment already was being made by the Company in the financial result. Accordingly, we adjusted net revenue downward by R\$2.1 million in 3Q22 and upward by R\$5.8 million in 9M22.

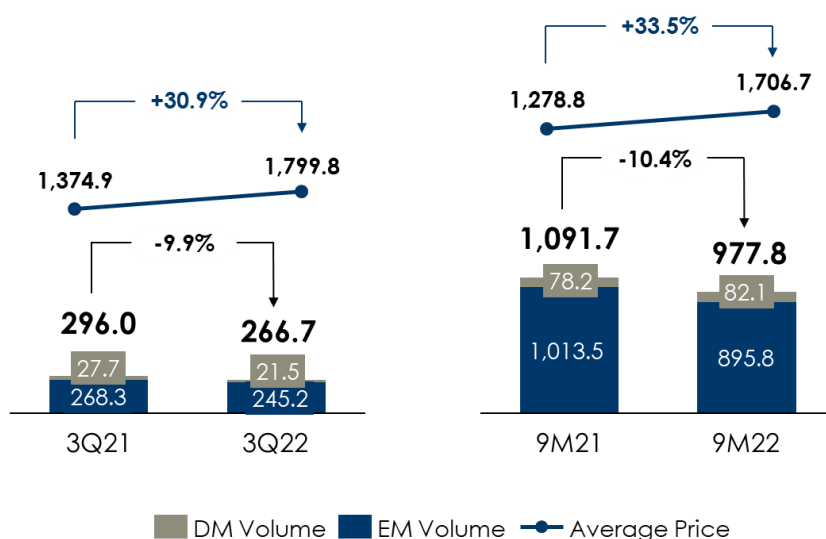
The following charts present a breakdown of the Company's net revenue by product in 3Q22 compared with the same period of the prior crop year.

Breakdown – Net Revenue



Sugar

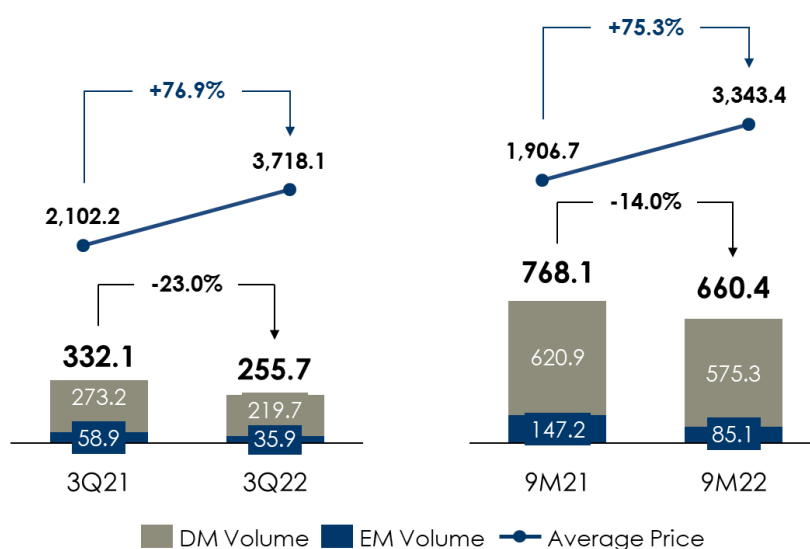
Volume ('000 tons) and Average Price (R\$/ton)



Net revenue from sugar sales amounted to R\$480.1 million in 3Q22, increasing 18.0% on the same period of the previous crop year. In 9M22, net revenue from sugar sales came to R\$1,668.8 million, up 19.5% compared to 9M21. The better performance in the periods reflects the product's higher average sales prices, as mentioned in the section 'Industry Overview – Sugar.'

Ethanol

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

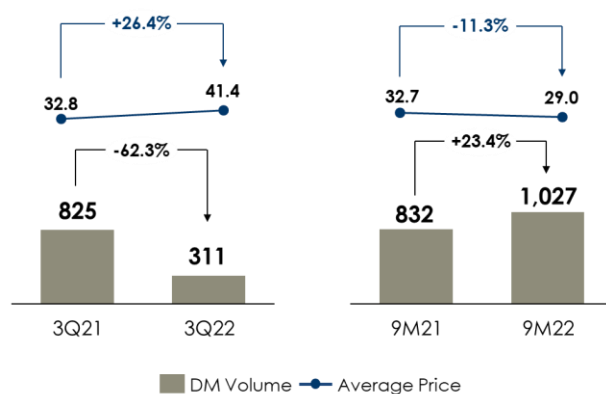
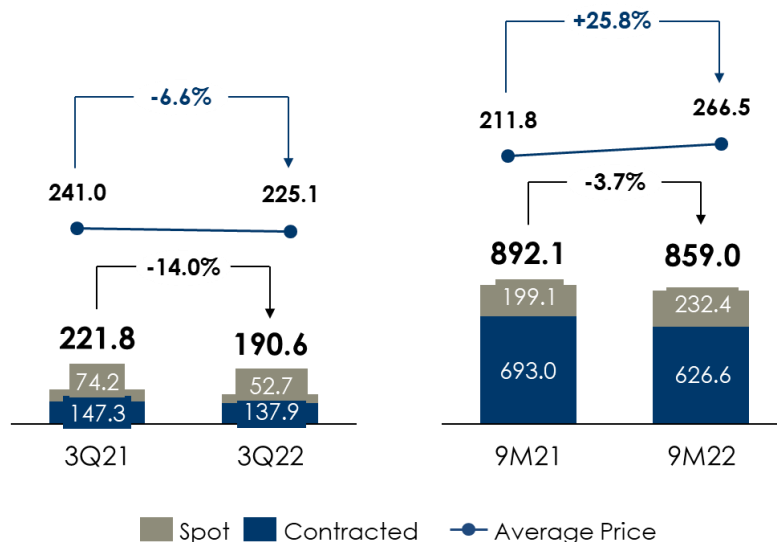


Net revenue from ethanol sales in 3Q22 was R\$950.8 million, up 36.2% in relation to 3Q21. In 9M22, net revenue from ethanol sales increased 50.8% from the previous crop year, to R\$2,207.9 million. The improvement in both comparisons reflects average sales price increases of 76.9% (3Q22 vs. 3Q21) and 75.3% (9M22 vs. 9M21), mainly due to the recovery in crude oil prices in the period.

CBIOs

In 3Q22, we sold around 311,000 CBIO decarbonization credits at an average net price of R\$41.4/CBIO (net of PIS/Cofins and income tax of 15% withheld at source). In 9M22, we sold 1,027,000 CBIOs at an average price of R\$29/CBIO.

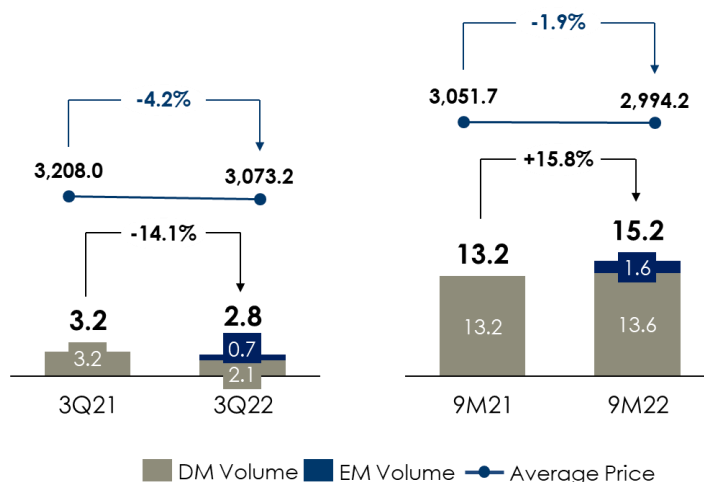
As described in the notes to the financial statements, on December 31, 2021, we had 58,900 CBIOs issued but not sold.

Volume ('000 CBIOs) and Average Price (R\$/CBI0)CogenerationVolume ('000 MWh) and Average Price (R\$/MWh)

Net revenue from cogeneration sales was R\$42.9 million in 3Q22, 19.7% lower than in 3Q21, mainly due to the lower spot price and sales volume in the period, reflecting the lower supply of bagasse in 2021/22 compared to 2020/21. In 9M22, cogeneration net revenue grew by 21.2% to R\$228.9 million, supported by the 25.8% increase in average sales price, reflecting the higher spot prices in the period, as observed over recent quarters.

Yeast

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



Net revenue from yeast sales came to R\$8.5 million in 3Q22, decreasing 17.8% from the same quarter last crop year, reflecting the lower sales volume and lower sales price. In 9M22, net revenue from yeast sales grew 13.7%, to R\$45.6 million. The better performance in the year to date reflects mainly the higher sales volume, in line with the production increase at the Boa Vista Mill (UBV), as mentioned in previous quarters.

Real Estate Development

The following table presents an overview of the projects and their sales and percentage of completion (POC) since their launch until December 2021.

Real Estate Development	Type	City	Area (m ²)	Launched date	Total lots sold	POC Position
Recanto das Paineiras	Residence	Iracemápolis	376,567	June-14	99.9%	100.0%
Park Empresarial - I	Industrial	Iracemápolis	182,684	September-14	81.4%	100.0%
Park Empresarial - II	Industrial	Iracemápolis	133,794	October-17	35.7%	100.0%
Nova Pradópolis - Phase I	Residence	Pradópolis	246,937	December-15	92.2%	100.0%
Nova Pradópolis - Phase II	Residence	Pradópolis	255,750	July-17	82.7%	100.0%
Nova Iracemápolis	Residence	Iracemápolis	315,027	August-20	98.5%	97.5%
Jardim Irajá	Residence	Américo Brasiliense	161,214	October-20	94.4%	94.5%

In 9M22, the Company recognized net revenue of R\$48.5 million and cash generation of R\$27.2 million.

Real Estate Development	9M22 Net Revenue	9M22 Cash Generation	Portfolio December/21
R\$ '000			
Current Projects	30,978	9,076	91,664
Land Monetization	17,527	18,105	16,546
Total	48,505	27,181	108,210

1- Includes Financial Income from Real Estate Development

As mentioned earlier, the Company began to adjust its operating revenue from real estate development for the present value adjustment (AVP) 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 adjusted net revenue by R\$2.1 million in 3Q22 and R\$5.8 million in 9M22.

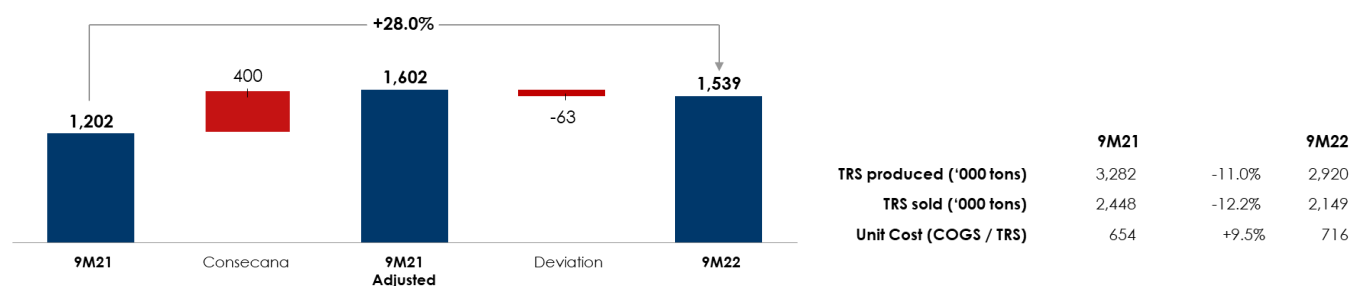
CASH COGS

CASH COGS	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
Agricultural Costs	478,577	453,513	374,727	5.5%	27.7%	1,380,619	1,058,291	30.5%
Suppliers	254,829	278,484	195,615	-8.5%	30.3%	789,419	590,276	33.7%
Partnerships	141,051	101,735	95,952	38.6%	47.0%	357,803	247,363	44.6%
Own Sugarcane	82,697	73,295	83,160	12.8%	-0.6%	233,397	220,652	5.8%
Industrial	55,003	49,043	51,215	12.2%	7.4%	159,733	145,527	9.8%
Other Products	25,668	50,829	38,857	-49.5%	-33.9%	103,222	67,859	52.1%
Total COGS	559,247	553,385	464,799	1.1%	20.3%	1,643,574	1,271,677	29.2%
TRS Sold ('000 Tons)	714	703	872	1.6%	-18.1%	2,149	2,448	-12.2%
Unit Cost (Sugar and Ethanol Cash COGS / TRS)	747	714	488	4.5%	53.1%	716	491	45.8%

Data do not include the IFRS 16 impacts

Cash COGS in 3Q22 came to R\$559.2 million, up 20.3% from the same period last crop year, mainly due to the higher Consecana price (+62.5%), which resulted in a 53.1% increase in unit COGS compared to 3Q21. In 9M22, cash COGS was R\$1,643.6 million, up 29.2% in relation to the prior-year period, while unit COGS increased 45.8%, explained by the same factor affecting the quarter.

Excluding the effect from the Consecana price variation in the period (as mentioned above) and considering that the volume of TRS produced in the period (9M22) was around 11% lower than in 9M21, unit cash COGS considering both sugar and ethanol increased by 9.5% in the period.



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	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
COGS (Cash)	533,074	501,942	425,413	6.2%	25.3%	1,538,570	1,201,974	28.0%
Sugar	225,844	260,594	158,547	-13.3%	42.4%	774,128	589,647	31.3%
Ethanol	307,230	241,348	266,866	27.3%	15.1%	764,442	612,327	24.8%
Average Cash Cost Per Unit¹								
Sugar Cash Cost	846.7	789.9	535.6	7.2%	58.1%	791.7	540.1	46.6%
Ethanol Cash Cost	1,201.5	1,152.7	803.6	4.2%	49.5%	1,157.6	797.2	45.2%

Data do not include the IFRS 16 impacts

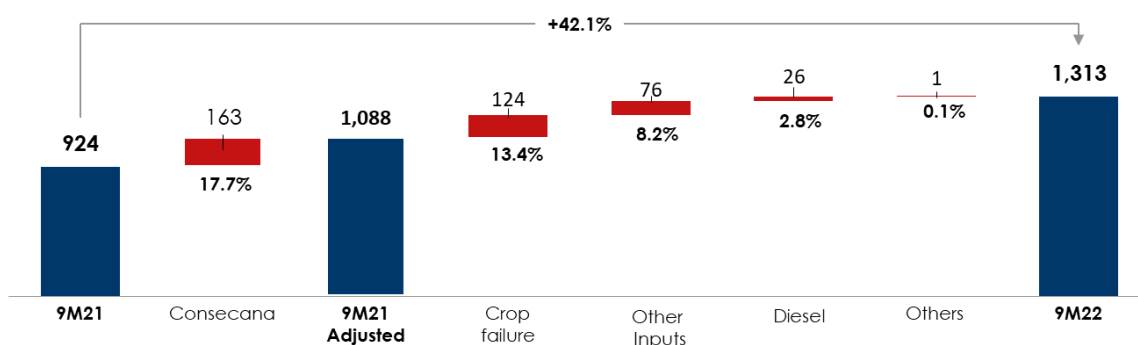
¹ - Sugar in R\$/ton

Ethanol in R\$/m³

CASH COST BY PRODUCT (OPEX + CAPEX)

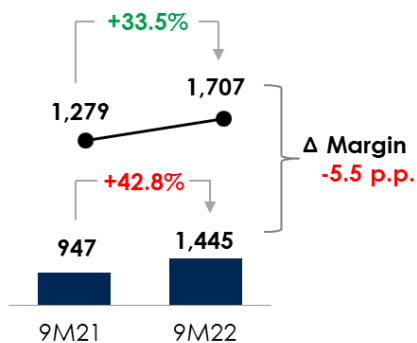
As mentioned above, in the comparison of 9M22 with 9M21, the Consecana price increased 62.5%, which contributed to increasing the cash cost of sugar and ethanol in the period while reducing the dilution of unit fixed costs, reflecting the crop shortfall, as we already mentioned last quarter. Another factor was the price increases for diesel and other inputs, especially fertilizers (NPK), which, as shown in the chart below, accounted for the highest cost increases in 9M22 compared to 9M21. However, note that, as mentioned last quarter, costs linked to the variations in the Consecana and diesel prices have a positive impact on the Company's net revenue.

To better illustrate the above comments, the following chart details the impacts on the cash cost of sugar and ethanol equivalent, in R\$/TRS:

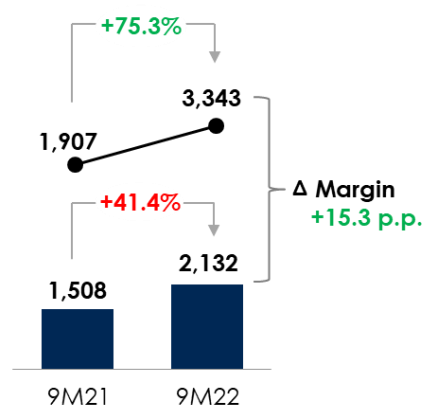


CASH COST BY PRODUCT

Sugar
(R\$/ton)



Ethanol
(R\$/m³)



SELLING EXPENSES

	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
Port Costs / Freight	29,818	31,910	40,492	-6.6%	-26.4%	101,254	121,619	-16.7%
Other	3,040	3,391	3,108	-10.4%	-2.2%	10,356	9,293	11.4%
Selling Expenses	32,858	35,302	43,600	-6.9%	-24.6%	111,610	130,912	-14.7%
TRS Sold ('000 tons)	714	703	872	1.6%	-18.1%	2,149	2,448	-12.2%
% of Net Revenue	2.1%	2.5%	3.6%	-0.3 p.p.	-1.4 p.p.	2.6%	4.1%	-1.5 p.p.

In 3Q22, selling expenses amounted to R\$32.9 million, down 24.6% from the same period last crop year. In 9M22, selling expenses decreased 14.7% compared to 9M21. The reduction in both comparisons mainly reflects the lower volume of sugar and ethanol exports.

CASH GENERAL & ADMINISTRATIVE EXPENSES

	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
Labor/ General Expenses ¹	51,266	57,752	44,816	-11.2%	14.4%	155,458	139,078	11.8%
Stock Option - Vested	436	2,767	12,120	-84.2%	-96.4%	12,748	13,825	-7.8%
Subtotal	51,703	60,519	56,936	-14.6%	-9.2%	168,206	152,903	10.0%
Litigation	(2,807)	5,727	1,222	-149.0%	-329.7%	7,958	7,529	5.7%
Stock Option - Non-vested	1,557	141	5,028	1002.6%	-69.0%	16,713	11,238	48.7%
Total General and Administrative Expenses	50,453	66,387	63,186	-24.0%	-20.2%	192,876	171,670	12.4%

¹- General expenses includes initiatives with COVID-19

In 3Q22, general and administrative expenses amounted to R\$50.4 million, decreasing 20.2% from the same period last crop year, basically reflecting (i) the noncash accounting effect of the mark-to-market adjustment of the Company's share price under the virtual stock options program and (ii) the reversal of provision related to the Company's litigation expense.

EBITDA

EBITDA RECONCILIATION	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg. (%)
R\$ '000								
Adjusted EBITDA	892,796	790,094	651,597	13.0%	37.0%	2,371,196	1,619,288	46.4%
Adjusted EBITDA Margin	58.3%	55.4%	53.7%	2.9 p.p.	4.6 p.p.	55.4%	51.2%	4.3 p.p.
Copersucar Rights	415,476	-	-	n.m.	n.m.	415,476	383,040	8.5%
Non-cash effect of IFRS 16	139,224	103,697	77,615	34.3%	79.4%	338,205	235,868	43.4%
Real Estate Results	2,124	(4,611)	(1,778)	-146.1%	-219.5%	(5,805)	(5,043)	15.1%
Equity Income	1,979	1,627	1,877	21.6%	5.4%	5,281	4,793	10.2%
Adjustment to Maturity of Hedge Accounting	(642)	(500)	(638)	28.4%	0.6%	(29,206)	(1,781)	1539.8%
Stock Option - Non-vested	(1,557)	(141)	(5,028)	1002.6%	-69.0%	(16,713)	(11,238)	48.7%
Biological Assets	(4,104)	12,920	2,038	-131.8%	-301.4%	10,495	19,738	-46.8%
Non Recurring Revenues (Expenses)	-	-	17,083	n.m.	-100.0%	-	17,083	-100.0%
Book EBITDA¹	1,445,296	903,086	742,767	60.0%	94.6%	3,088,929	2,261,749	36.6%
EBITDA Margin	94.4%	63.7%	61.3%	30.7 p.p.	33.0 p.p.	72.9%	71.8%	1.1 p.p.
(-) Depreciation and Amortization	(408,590)	(358,319)	(367,278)	14.0%	11.2%	(1,135,288)	(1,040,915)	9.1%
(-) Financial Revenue (Expense), net	(132,837)	(48,926)	(66,220)	171.5%	100.6%	(311,200)	(289,518)	7.5%
(=) Operating Income	903,869	495,841	309,269	82.3%	192.3%	1,642,441	931,316	76.4%

¹ - Book EBITDA includes the IFRS 16 impacts

Adjusted EBITDA

Adjusted EBITDA in 3Q22 amounted to R\$892.8 million (adjusted EBITDA margin of 58.3%), advancing 37.0% from 3Q21, mainly due to the higher average sales prices for ethanol (+76.9%) and sugar (+30.9%). In 9M22, Adjusted EBITDA grew 46.4% to R\$2,371.2 million (Adjusted EBITDA margin of 55.4%), reflecting the same factors that affected the quarterly result.

Main Adjustments to EBITDA in 3Q22 and 9M22

1) IFRS 16 - Leases

Reduction in Adjusted EBITDA compared to accounting EBITDA of R\$139.2 million in 3Q22 related to the payment of leases that ceased to be recognized under cash cost (COGS) to instead be recognized under amortization of right of use. In 9M22, this amount was R\$338.2 million.

2) Biological assets

Noncash reduction to adjusted EBITDA of R\$4,1 million in accounting costs (COGS) in 3Q22 related to the mark-to-market adjustment of biological assets, reflecting primarily the variation in the Consecana price. In 9M22, this adjustment amounted to R\$10.5 million.

3) Debt maturity (Hedge Accounting)

Expenses with the effects of exchange variation on liabilities that were settled in 3Q22 and 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 BRL/USD 5.6, we adjusted net revenue and EBITDA by R\$0.6 million to provide a better understanding of the Company's cash generation in the period.

In 9M22, US\$15.8 million in liabilities was recognized, with the exchange rate of R\$3.6/USD used for the translation of net revenue. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.4/USD, we adjusted net revenue and EBITDA by the amount of R\$29.2 million to provide a better understanding of the Company's cash generation in the period.

Operating Cash Generation (Adjusted Cash EBIT)

	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	3Q22 LTM	3Q21 LTM	Chg.%
R\$ '000								
Adjusted Cash EBIT	408,623	489,904	279,109	-16.6%	46.4%	746,256	970,410	-23.1%
Adjusted EBIT Margin	26.7%	34.4%	23.0%	-7.7 p.p.	3.7 p.p.	13.7%	22.5%	-8.8 p.p.
(-) Maintenance Capex	(484,173)	(300,190)	(372,488)	61.3%	30.0%	(1,490,638)	(1,228,389)	21.3%
Adjusted EBITDA	892,796	790,094	651,597	13.0%	37.0%	2,236,894	2,198,799	1.7%
Adjusted EBITDA Margin	58.3%	55.4%	53.7%	2.9 p.p.	4.6 p.p.	41.2%	51.0%	-9.8 p.p.
Copersucar Rights	415,476	-	-	n.m.	n.m.	415,476	383,040	8.5%
Non-cash effect of IFRS 16	139,224	103,697	77,615	34.3%	79.4%	415,167	350,652	18.4%
Real Estate Results	2,124	(4,611)	(1,778)	-146.1%	-219.5%	(8,899)	(5,043)	76.5%
Equity Income	1,979	1,627	1,877	21.6%	5.4%	6,264	3,874	61.7%
Adjustment to Maturity of Hedge	(642)	(500)	(638)	28.4%	0.6%	(29,801)	(2,048)	1355.1%
Stock Option - Non-vested	(1,557)	(141)	(5,028)	1002.6%	-69.0%	(22,403)	(4,738)	372.8%
Biological Assets	(4,104)	12,920	2,038	-131.8%	-301.4%	55,736	(9,320)	-698.0%
Non Recurring Operating Income (Expenses)	-	-	17,083	n.m.	-1.0 p.p.	-	17,083	-100.0%
Book EBITDA	1,445,296	903,086	742,767	60.0%	94.6%	3,068,434	2,932,299	4.6%
EBITDA Margin	94.4%	63.7%	61.3%	30.7 p.p.	33.0 p.p.	56.9%	68.2%	-11.3 p.p.

Adjusted Cash Earnings Before Taxes (EBIT) in 3Q22 came to R\$408.6 million (Adjusted EBIT margin of 26.7%), increasing 46.4% from 3Q21. The increase in the quarterly comparison is basically explained by the same factors that benefitted EBITDA. In the last 12 months, Adjusted Cash EBIT amounted to R\$746.3 million (Adjusted EBITDA margin of 13.7%), decreasing 23.1% on the prior-year period. The decline in the last 12 months is explained by the lower sales volume in 4Q21 compared to 4Q20.

HEDGE

The following table details our sugar hedge position on December 31, 2021, considering the portion fixed in USD and open positions.

	Sugar hedged (tons)	Avg. Price (USD c/p)	Avg. Price (R\$/ton)
21/22 Harvest	292,977	16.00	
	228,194	16.00	1,964
	64,783	16.00	not hedged
22/23 Harvest	569,749	16.25	
	555,601	16.25	2,122
	14,148	16.25	not hedged

The open positions in USD on said date are mainly related to the exposure on the purchase of dollarized inputs for the crop year, as well as other obligations in foreign currency.

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 December 2021, we recorded an increase in shareholders' equity of R\$147.4 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 3Q22, a total of US\$0.3 million in debt was recognized, with the exchange rate of R\$3.3/USD adopted for the translation of net revenue. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.6/USD, we adjusted net revenue and EBITDA by the amount of R\$0.6 million to provide a better understanding of the Company's cash generation in the period.

In 9M22, US\$15.8 million in liabilities was recognized, with the exchange rate of R\$3.6/USD used for the translation of net revenue. Considering that the exchange rate used for the purposes of cash flow in the period was R\$5.4/USD, we adjusted net revenue and EBITDA by the amount of R\$29.2 million to provide a better understanding of the Company's cash generation in the period.

NET FINANCIAL RESULT

FINANCIAL RESULTS	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg.%
R\$ '000								
Financial Revenues	38,431	26,037	13,724	47.6%	180.0%	75,899	44,302	71.3%
Financial Expenses	(103,158)	(51,210)	(58,383)	101.4%	76.7%	(241,181)	(152,274)	58.4%
Financial Revenues/Expenses	(64,727)	(25,173)	(44,659)	157.1%	44.9%	(165,282)	(107,972)	53.1%
Exchange Variation/Derivative/Others	(50,803)	(12,477)	(672)	307.2%	75	(73,378)	(81,412)	-9.9%
IFRS16 Effects - APV	(15,183)	(45,383)	(22,667)	-66.5%	-33.0%	(107,841)	(105,177)	2.5%
Real Estate Results	(2,124)	4,611	1,778	-146.1%	-219.5%	5,805	5,043	15.1%
ICMS on PIS/Cofins base	-	29,496	-	n.m.	n.m.	29,496	-	n.m.
Net Financial Result	(132,837)	(48,926)	(66,220)	171.5%	100.6%	(311,200)	(289,518)	7.5%

The net financial result in 3Q22 was an expense of R\$132.8 million, representing an increase of 100.6% compared to 3Q21. In 9M22, the net financial expense increased by 7.5% to R\$311.2 million. The variation in the result is mainly explained by higher market interest rates, the effects from exchange variation and the growth in net debt due to higher capital expenditures.

COPERSUCAR

Obligations

On December 31, 2021, São Martinho recognized the amount of R\$169.7 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 also is a plaintiff in lawsuits claiming the refund/overpayment of various taxes or indemnities. The Company, as a former cooperative member, has a proportional right to these credits and will inform the market when its clear legal right to these amounts is secured.

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

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

The excess of R\$2.2 billion claimed by the Federal Government (R\$286.3 million proportional to the Company) is still in litigation.

In March 2019, Copersucar received and transferred to cooperative members the first installment of the court-ordered debt security (R\$906 million). In addition, 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. Later, in September 2020, the third 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 the transfer of funds, Copersucar withheld a portion for 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. On March 31, 2021, the balance receivable from Copersucar is R\$103,710 thousand, registered under Other long-term assets.

The Company, in coordination with Copersucar, also filed a lawsuit, supported by a judicial deposit, claiming the suspension of the enforceability of IRPJ/CSLL/PIS/COFINS tax payments. The judicial deposit was provisioned for under: "Taxes with suspended payment." As established in the Agreement for Purchase and Sale of Shares in Santa Cruz S.A. Açúcar e Álcool ("USC"), the Company transferred R\$54,132 thousand to Luiz Ometto Participações S.A.

In the period ended December 31, 2021, after the transfer and withholding of the amounts related to court expenses and the taxes under litigation, the balance of R\$415,476 thousand was recorded under "Other expenses (income), net." Management classifies receipt of the remaining balance as probable, but not practically certain, therefore, the amount was not recorded.

DEBT

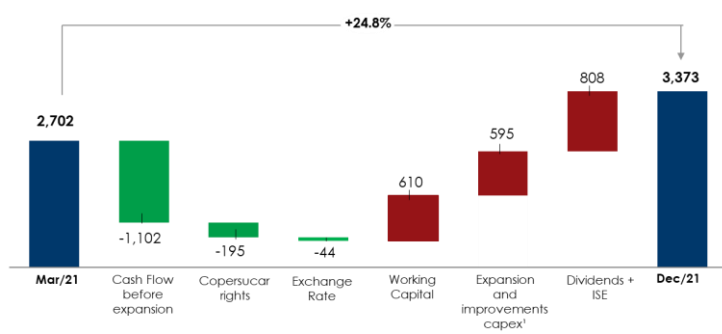
INDEBTEDNESS	Dec/21	Mar/21	Chg.%
R\$ '000			
Agribusiness Certificate of Receivables (CRA)	1,662,837	1,917,343	-13.3%
BNDES / FINAME	454,032	339,321	33.8%
Working Capital/ NCE (Export Credit Note)	1,392,929	286,649	385.9%
Debentures	522,717	-	n.m
PPE (Export prepayment)	223,537	1,163,182	-80.8%
International Finance Corporation (IFC)	627,180	344,468	82.1%
Obligations from Acquisitions - LOP	3,677	15,288	-75.9%
Gross Debt	4,886,909	4,066,251	20.2%
Cash and Cash Equivalents	1,514,067	1,364,148	11.0%
Net Debt	3,372,842	2,702,103	24.8%
Net Debt / LTM EBITDA - R\$	1.15 x	1.24 x	-7.1%
Net Debt / LTM EBITDA - USD ¹	0.99 x	1.05 x	-5.2%
LTM Adjusted EBITDA	2,939,423	2,187,515	34.4%

¹ - LTM EBITDA average daily PTAX: Mar/21: R\$ 5.41 and Dec/21: R\$ 5.40

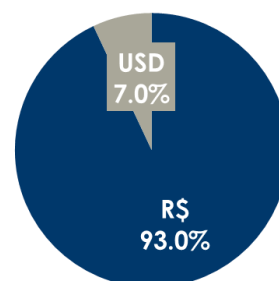
In December 2021, the Company's net debt stood at R\$3.4 billion, increasing 24.8% from March 2021, basically due to the higher allocation to working capital, notably inventories, which should be converted into cash over the coming quarters.

The following charts show details of the debt position:

Changes in Net Debt
R\$ - Million

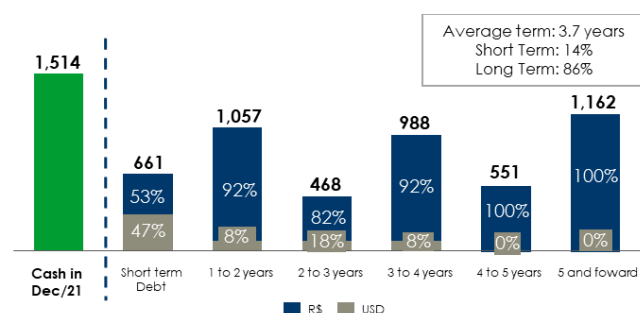


Currency – Net Debt*

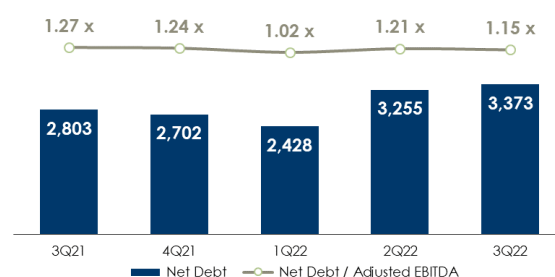


*Includes SWAP contracts

Debt Amortization Schedule
R\$ - Million



Net Debt/LTM EBITDA Evolution
R\$ - Million



CAPEX

(Maintenance)	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg.%
R\$ '000								
Sugarcane Planting - Renovation	113,516	98,102	82,867	15.7%	37.0%	292,309	239,824	21.9%
Off-Season Maintenance (Industrial/Agricultural)	160,937	-	133,995	n.m.	20.1%	161,347	133,995	20.4%
Crop Treatment	209,720	202,088	155,625	3.8%	34.8%	571,316	421,521	35.5%
Total	484,173	300,190	372,488	61.3%	30.0%	1,024,972	795,340	28.9%
(Operational Improvements)								
Equipment/Replacements	43,005	31,616	29,865	36.0%	44.0%	95,970	49,022	95.8%
Environmental/Legal	8,439	9,335	3,172	-9.6%	166.1%	26,691	17,854	49.5%
Total	51,444	40,952	33,037	25.6%	55.7%	122,661	66,875	83.4%
(Upgrading/Expansion)								
R\$ '000								
Corn Ethanol Project	66,294	64,621	75	2.6%	88292.0%	232,927	5,009	4550.2%
UTE Phase II	32,678	37,176	725	-12.1%	4407.3%	75,556	1,274	5830.6%
Other Projects	25,967	27,862	28,182	-6.8%	-7.9%	107,748	39,236	174.6%
Total	124,939	129,659	28,981	-3.6%	331.1%	416,230	45,519	814.4%
GRAND TOTAL	660,554	470,800	434,506	40.3%	52.0%	1,563,863	907,735	72.3%

The Company's maintenance capex amounted to R\$484.2 million in 3Q22, increasing 30.0% from 3Q21. As mentioned last quarter, the main factors contributing to this increase were: (i) the effects from accelerating the maintenance calendar and the planting and treatment areas in relation to 3Q21 due to the shorter crop season; and (ii) the higher prices for inputs, especially fertilizers, which affected the line Crop treatments, as mentioned above in the 'Cash Cost by Product' section of this earnings release. In 9M22, maintenance capex increased by 28.9%, influenced mainly by the same factors affecting the quarter.

Capex related to operational improvements involved investments in: (i) agricultural and industrial equipment and replacements, and (ii) environmental/legal investments, which amounted to R\$51.4 million in 3Q22, up 55.7% from 3Q21, due to the calendar effect of disbursements scheduled over the crop year related to replacing the Company's fleet. In 9M22, operational improvements capex increased by 83.4%, to R\$122.7 million.

Expansion capex, which amounted to R\$124.9 million in 3Q22, was related to investments mainly in: (i) the Corn Ethanol Project, which came to R\$66.3 million in the quarter; (ii) Thermal Power Plant Phase II, which accounted for R\$32.7 million; and (iii) other projects, which amounted to R\$26.0 million in the period.

In a Material Fact disclosed today, February 14, we announced additional investment in the corn ethanol project of approximately R\$100 million. The additional expenditures for the project are mainly explained by: (i) adjustments to the scope and additional customizations to the distillery to increase energy efficiency (reducing steam and electricity consumption) and facilitate any future expansions of the plant; and (ii) inflationary pressures on purchases of inputs, parts and equipment in the period. The plant's startup and full ramp-up, which is expected by October 2022, will increase the Company's production capacity by approximately: (i) 210,000 m³ of ethanol; (ii) 150,000 tons of Distiller's Dried Grains with Solubles (DDGS); and (iii) 10,000 tons of corn oil.

CASH NET INCOME

Cash net income amounted to R\$639.2 million in 3Q22, increasing 108.5% on the same period last crop year, driven mainly by EBITDA growth in the period. In 9M22, cash net income was R\$1,309.5 million, advancing 70.6% in relation to 9M21, reflecting the same factor affecting the quarter.

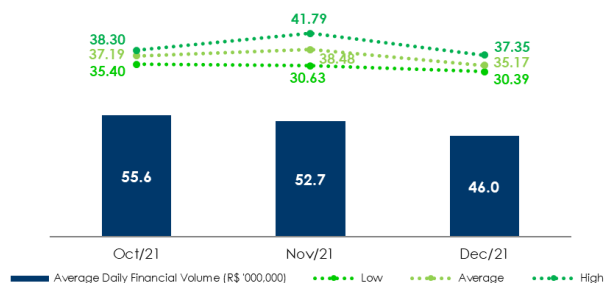
Cash Income	3Q22	2Q22	3Q21	Δ 3Q22/2Q22	Δ 3Q22/3Q21	9M22	9M21	Chg.%
R\$ '000								
Net Income	696,938	368,412	272,164	89.2%	156.1%	1,255,441	719,764	74.4%
Non-cash effect of IFRS 16 on Net Income before taxes	(52,037)	(22,839)	9,820	127.8%	-629.9%	(75,455)	38,961	-293.7%
Income Tax booked	206,931	127,429	37,105	62.4%	457.7%	387,000	211,552	82.9%
Income Tax paid	(48,811)	(28,192)	(10,536)	73.1%	363.3%	(79,070)	(27,808)	184.3%
Judicial Deposit (Income Tax/Social Contribution-Copersucar)	(167,893)	-	-	n.m	n.m	(167,893)	(154,905)	8.4%
Biological Asset/ Others	4,104	(12,920)	(2,038)	-131.8%	-301.4%	(10,495)	(19,738)	-46.8%
Cash Income	639,232	431,890	306,515	48.0%	108.5%	1,309,528	767,826	70.6%
Total Shares ex-treasury (in thousand)	346,375	346,375	346,375	0.0%	0.0%	346,375	346,375	0.0%
Cash Income per share	1.85	1.25	0.88	48.0%	108.5%	3.78	2.22	70.6%

CAPITAL MARKETS

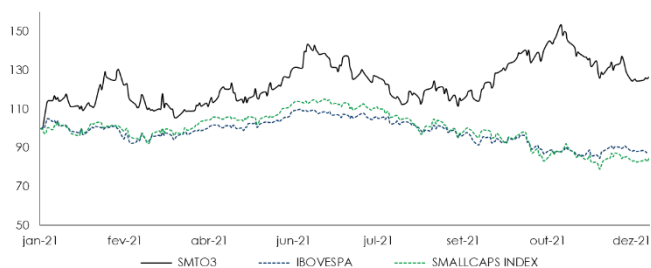
SMTO3 Performance – 12 months In R\$



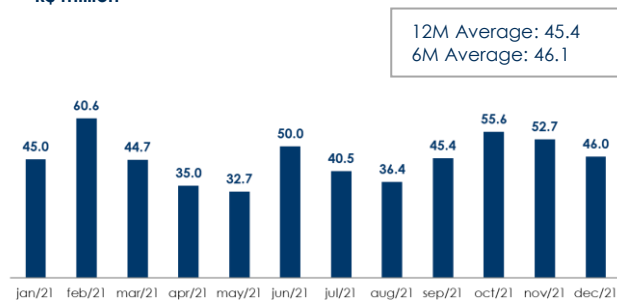
Price and Volume In R\$



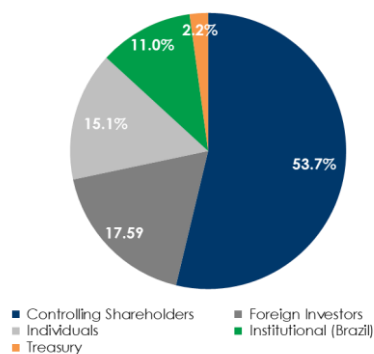
SMTO3 Performance vs. Stock Indexes Base 100



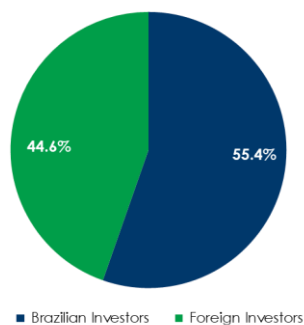
Average Daily Trading Volume R\$ million



Ownership structure Base: December 30, 2021



Free-float composition



INVESTOR RELATIONS

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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 2019/20 crop year, in accordance with the consolidated and audited Financial Statements, including the effects detailed in section 'Adoption of IFRS 16/CPC 06 – Leases' on page 3 of this earnings release.

INCOME STATEMENT

SÃO MARTINHO S.A. - CONSOLIDATED	3Q22	3Q21	Chg. (%)	9M22	9M21	Chg. (%)
R\$ '000						
Gross Revenue	1,649,079	1,332,201	23.8%	4,535,238	3,395,168	33.6%
Deductions from Gross Revenue	(117,346)	(121,222)	-3.2%	(297,921)	(243,441)	22.4%
Net Revenue	1,531,733	1,210,979	26.5%	4,237,317	3,151,727	34.4%
Cost of Goods Sold (COGS)	(828,676)	(749,052)	10.6%	(2,414,354)	(2,038,912)	18.4%
Gross Profit	703,057	461,927	52.2%	1,822,963	1,112,815	63.8%
Gross Margin (%)	45.9%	38.1%	7.8 p.p	43.0%	35.3%	7.7 p.p
Operating income (expenses)	333,649	(86,438)	-486.0%	130,678	108,019	21.0%
Selling Expenses	(32,858)	(43,600)	-24.6%	(111,610)	(130,912)	-14.7%
General and Administrative Expenses	(53,618)	(66,482)	-19.3%	(202,629)	(183,163)	10.6%
Equity in the results of investees	1,979	1,877	5.4%	5,281	4,793	10.2%
Other income (expenses), net	418,146	21,767	1821.0%	439,636	417,301	5.4%
Operating profit	1,036,706	375,489	176.1%	1,953,641	1,220,834	60.0%
Finance income (costs)	(132,837)	(66,220)	100.6%	(311,200)	(289,518)	7.5%
Finance income	36,308	15,502	134.2%	111,201	49,345	125.4%
Finance costs	(130,244)	(73,110)	78.1%	(343,008)	(327,044)	4.9%
Monetary and foreign exchange variations, net	(41,120)	(7,365)	458.3%	(104,411)	(15,602)	569.2%
Derivatives	2,219	(1,247)	-277.9%	25,018	3,783	561.3%
Profit before taxation	903,869	309,269	192.3%	1,642,441	931,316	76.4%
Income Tax and Social Contribution - Current	(140,475)	9,380	-1597.6%	(232,570)	(167,602)	38.8%
Income Tax and Social Contribution - Deferred	(66,456)	(46,485)	43.0%	(154,430)	(43,950)	251.4%
Net Income	696,938	272,164	156.1%	1,255,441	719,764	74.4%
Net Margin (%)	45.5%	22.5%	23.0 p.p	29.6%	22.8%	6.8 p.p

BALANCE SHEET (ASSETS)

SÃO MARTINHO S.A. CONSOLIDATED - ASSETS		
R\$ '000		
ASSETS	Dec/21	Mar/21
CURRENT ASSETS		
Cash and Cash Equivalents	323,650	288,350
Financial investments	1,179,290	1,062,154
Trade Receivables	370,413	215,659
Derivative Financial Instruments	100,712	139,904
Inventories and advance to suppliers	1,550,356	446,313
Biological Assets	1,008,013	989,540
Taxes Recoverable	48,408	12,062
Income Tax and Social Contribution	37,540	42,250
Other assets	14,747	9,376
TOTAL CURRENT ASSETS	4,633,129	3,205,608
NON-CURRENT ASSETS		
Long-term Receivables		
Financial investments	11,127	13,644
Inventories and advance to suppliers	122,161	106,838
Derivative Financial Instruments	148,002	48,639
Trade Receivables	28,944	24,189
Taxes Recoverable	154,237	96,241
Income Tax and Social Contribution	8,617	-
Judicial Deposits	734,205	485,029
Other Assets	156,471	113,935
	1,363,764	888,515
Investments	43,519	39,951
Property, plant and equipment	6,122,356	5,962,644
Intangible assets	452,701	451,742
Right-of-use assets	1,782,809	1,869,396
TOTAL NON-CURRENT ASSETS	9,765,149	9,212,248
TOTAL ASSETS	14,398,278	12,417,856

BALANCE SHEET (LIABILITIES)

SÃO MARTINHO S.A. CONSOLIDATED - LIABILITIES		
R\$ '000		
LIABILITIES AND EQUITY	Dec/21	Mar/21
CURRENT LIABILITIES		
Borrowings	661,274	674,504
Leases payable	53,036	66,264
Agricultural partnership payable	307,102	285,308
Derivative Financial Instruments	254,221	218,685
Trade Payables	521,229	221,707
Payables to Copersucar	10,579	9,075
Salaries and Social Charges	183,055	171,883
Taxes recoverable	48,215	24,229
Income tax and social contribution payable	10,114	7,480
Dividends Payable	-	102,552
Advances from Customers	30,804	17,436
Acquisition of Ownership interests	-	11,638
Other Liabilities	15,724	30,812
TOTAL CURRENT LIABILITIES	2,095,353	1,841,573
NON-CURRENT LIABILITIES		
Borrowings	4,221,958	3,376,459
Leases payable	362,168	399,157
Agricultural partnership payable	992,807	1,161,905
Derivative Financial Instruments	15,719	80,227
Payables to Copersucar	159,175	167,121
Deferred Income Tax and Social Contribution	904,319	834,822
Provision for Contingencies	87,217	102,256
Acquisition of Ownership interests	3,677	3,650
Taxes with suspended payment	709,550	458,480
Other Liabilities	4,176	5,617
TOTAL NON-CURRENT LIABILITIES	7,460,766	6,589,694
EQUITY		
Share Capital	2,681,571	2,071,819
Treasury Shares	(139,997)	(139,997)
Carrying Value Adjustments	844,706	551,050
Revenue Reserves	805,698	1,503,717
Retained Earnings	650,181	-
TOTAL EQUITY	4,842,159	3,986,589
TOTAL LIABILITIES AND EQUITY	14,398,278	12,417,856

CONSOLIDATED CASH FLOW

SÃO MARTINHO S.A.	9M22	9M21
R\$ '000		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	1,255,441	719,764
Adjustments		
Depreciation and amortization	520,647	506,715
Biological assets harvested	608,586	527,621
Change in the fair value of biological assets	(10,495)	(19,738)
Amortization of electricity contracts	6,055	6,579
Equity in the results of investees	(5,281)	(4,793)
Gains (losses) on investments and PP&E written off	(815)	5,744
Interest, monetary and exchange variations, net	215,629	135,559
Derivative financial instruments	64,767	236,256
Setup of provision for contingences, net	9,168	8,794
Income tax and social contribution	387,000	211,552
Taxes with suspended payment	251,070	201,895
Adjustment to present value and other adjustments	113,012	103,507
	3,414,784	2,639,455
Changes in asset and liabilities		
Trade receivables	(256,398)	(156,522)
Inventories	(645,283)	(363,494)
Taxes recoverable	(67,647)	30,459
Derivative financial instruments	(74,007)	(251,802)
Other assets	(284,919)	(252,932)
Trade payables	460,833	37,148
Salaries and social charges	11,172	6,362
Taxes payable	(126,881)	(139,387)
Payables to Copersucar	(9,438)	(10,673)
Provision for contingencies - settlement	(20,542)	(13,060)
Other liabilities	(3,169)	(14,030)
	2,398,505	1,539,584
Cash from operations		
Payment of interest on borrowings	(88,403)	(186,187)
Income tax and social contribution paid	(79,070)	(27,808)
Net cash provided by (used in) operating activities	2,231,032	1,325,589
CASH FLOW FROM INVESTING ACTIVITIES		
Investment of funds	(12,159)	(485)
Return of capital	-	8
Purchases of property, plant and equipment and intangible assets	(768,292)	(243,626)
Additions to biological assets (planting and crop treatments)	(861,503)	(660,606)
Financial investments	(74,786)	698,706
Proceeds from sale of property, plant and equipment	8,872	14,327
Dividends received	1,394	-
Net cash provided by (used in) investing activities	(1,706,474)	(191,676)
CASH FLOW FROM FINANCING ACTIVITIES		
Amortization of lease and partnership agreements	(449,047)	(234,486)
Proceeds from borrowings – third parties	1,951,678	212,479
Repayment of borrowings - third parties	(1,184,332)	(770,020)
Payment of dividends and Interest on Shareholders Equity	(807,557)	(187,617)
Acquisition of treasury shares	-	(8,636)
Net cash provided by (used in) financing activities	(489,258)	(988,280)
Increase (decrease) in cash and cash equivalents	35,300	145,633
Cash and cash equivalents at the beginning of the period	288,350	92,066
Cash and cash equivalents at the end of the period	323,650	237,699
Additional information		
Balance of financial investments (current assets)	1,179,290	1,153,574
Total available funds	1,502,940	1,391,273