

SMTO
B3 LISTED NM

Results

2nd Quarter
2020/2021 Harvest



Disclaimer

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

Agenda

1. Operational Highlights

5. Hedge Position

2. Financial Highlights

6. Sugar Market

3. Cash Cost

7. Ethanol Market

4. Indebtedness

Operational Highlights

OPERATIONAL DATA	6M20	6M21	Chg.(%)
Crushed Sugarcane ('000 tons)	18,924	20,117	6.3%
Own	12,551	13,697	9.1%
Third Parties	6,373	6,420	0.7%
Agricultural Yield (ton/ha)	85.4	84.6	-0.9%
Average TRS (kg/ton)	136.7	143.7	5.1%
Production			
Sugar ('000 tons)	959	1,337	39.4%
Ethanol ('000 m³)	928	878	-5.5%
Cogeneration ('000 MWh)	629	675	7.2%
TRS Produced	2,587	2,891	11.7%
Mix Sugar - Ethanol	39% - 61%	48% - 52%	

✓ Higher use of harvest time, as a result of the drier weather observed throughout the period

Financial Highlights

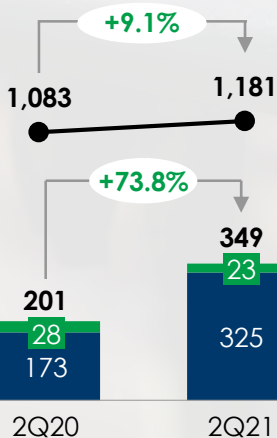
R\$ '000	Executive Summary	2Q20	2Q21	Chg. (%)	6M20	6M21	Chg. (%)
	Net Revenue ¹	770,096	925,504	20.2%	1,525,030	1,951,658	28.0%
	Adjusted EBITDA	387,858	476,248	22.8%	736,240	967,691	31.4%
	Adjusted EBITDA Margin	50.4%	51.5%	1.1 p.p.	48.3%	49.6%	1.3 p.p.
	Adjusted EBIT	166,341	214,742	29.1%	284,666	398,939	40.1%
	Adjusted EBIT Margin	21.6%	23.2%	1.6 p.p.	18.7%	20.4%	1.8 p.p.
	Copersucar Rights (net)	-	252,786	n.m.	-	252,786	n.m.
	Net Income without IFRS 16 effects	92,847	343,668	n.m.	189,207	466,835	146.7%
	Net Income	61,982	331,894	n.m.	153,445	447,600	191.7%
	Cash Income	116,285	313,312	169.4%	182,814	461,311	152.3%
	Net Debt / EBITDA	1.88x	1.38x	-26.5%	1.88x	1.38x	-26.5%
	TRS Sold ('000 Tons)	613	721	17.7%	1,233	1,576	27.7%

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

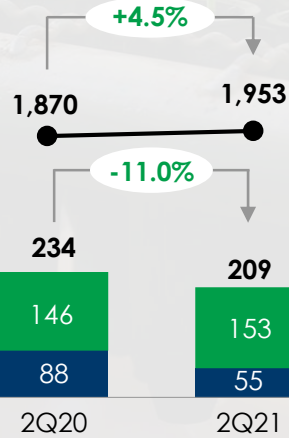
SUGAR

('000 tons)
(R\$/ton)



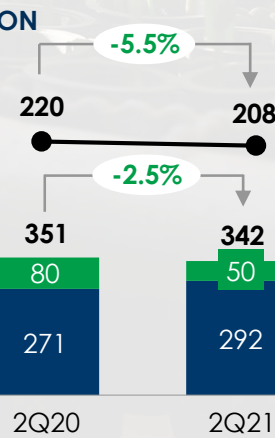
ETHANOL

('000 m³)
(R\$/m³)



COGENERATION

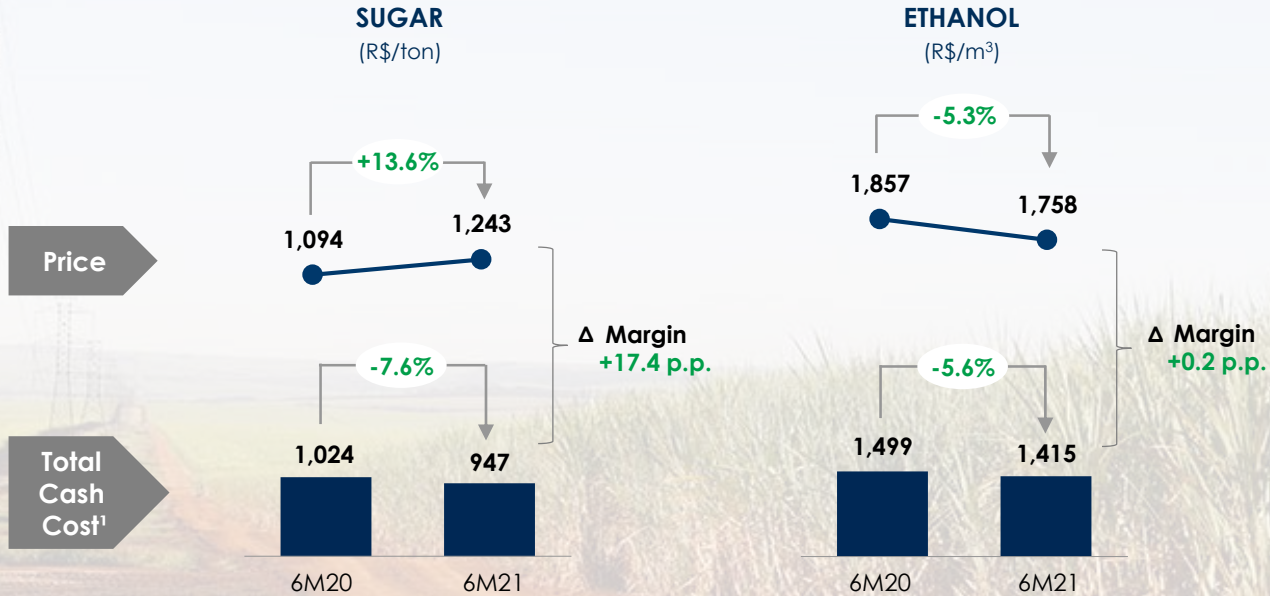
('000 MWh)
(R\$/MWh)



Drop in the spot price

● Average Price
■ Spot
■ Contracted

Cash Cost including Maintenance Capex



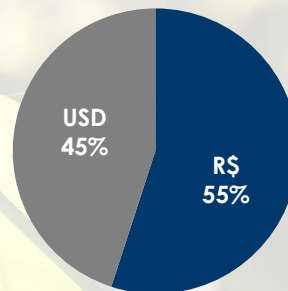
1 - The total cash cost of the products considers: COGS + selling expenses + general and administrative expenses - depreciation / amortization + change in fair value of biological assets + maintenance capex

Indebtedness

	Mar/20	Sep/20	Chg.%
R\$ '000			
Gross Debt	4,841,376	4,751,141	-1.9%
Cash and Cash Equivalents	1,962,066	1,871,124	-4.6%
Net Debt	2,879,311	2,880,017	0.0%
Net Debt / LTM EBITDA - R\$	1.55x	1.38x	-11.1%
Net Debt / LTM EBITDA - USD ¹	1.23x	1.18x	-3.7%
LTM Adjusted EBITDA	1,875,191	2,088,642	12.5%

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

Currency - Gross



S&P Global

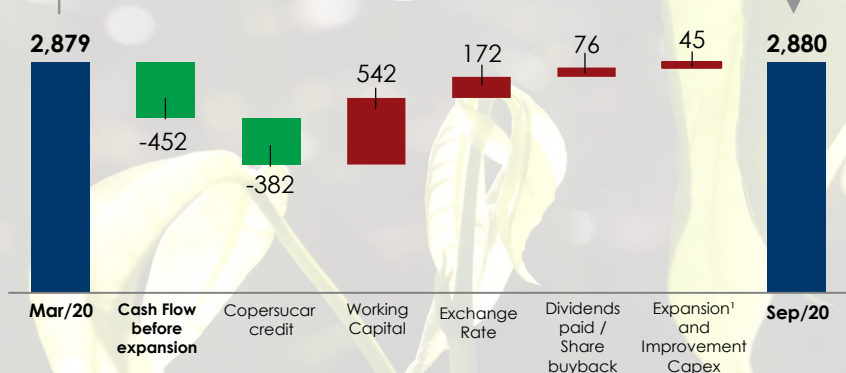
BBB-
Investment Grade
Global Scale

BrAAA
National Scale

Debt Evolution

R\$ - '000,000

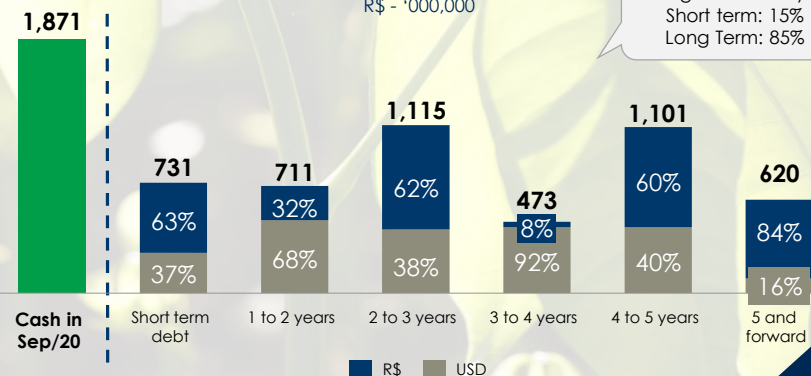
+0.0%



Debt Schedule

R\$ - '000,000

Average Term: 3.5 years
Short term: 15%
Long Term: 85%



■ R\$ ■ USD

1- Includes sale of fixed assets / Others



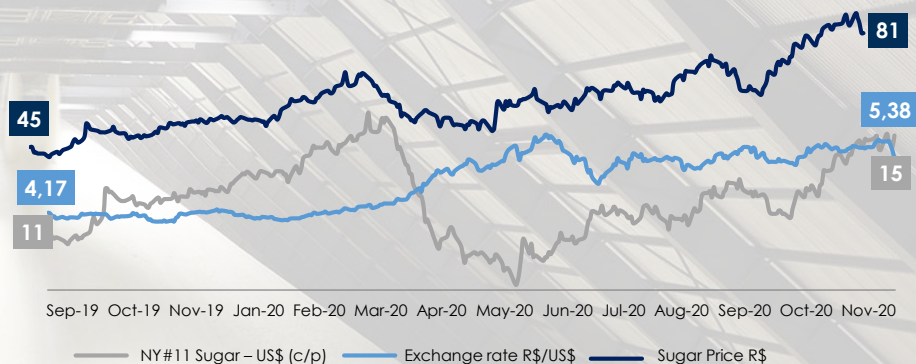
Sugar Market

Sugar and Ethanol Prices (in sugar equivalent)



Sugar Price in BRL

Prices in BRL at historical highs



Source: Bloomberg and CEPEA/Esalq

Hedge Position

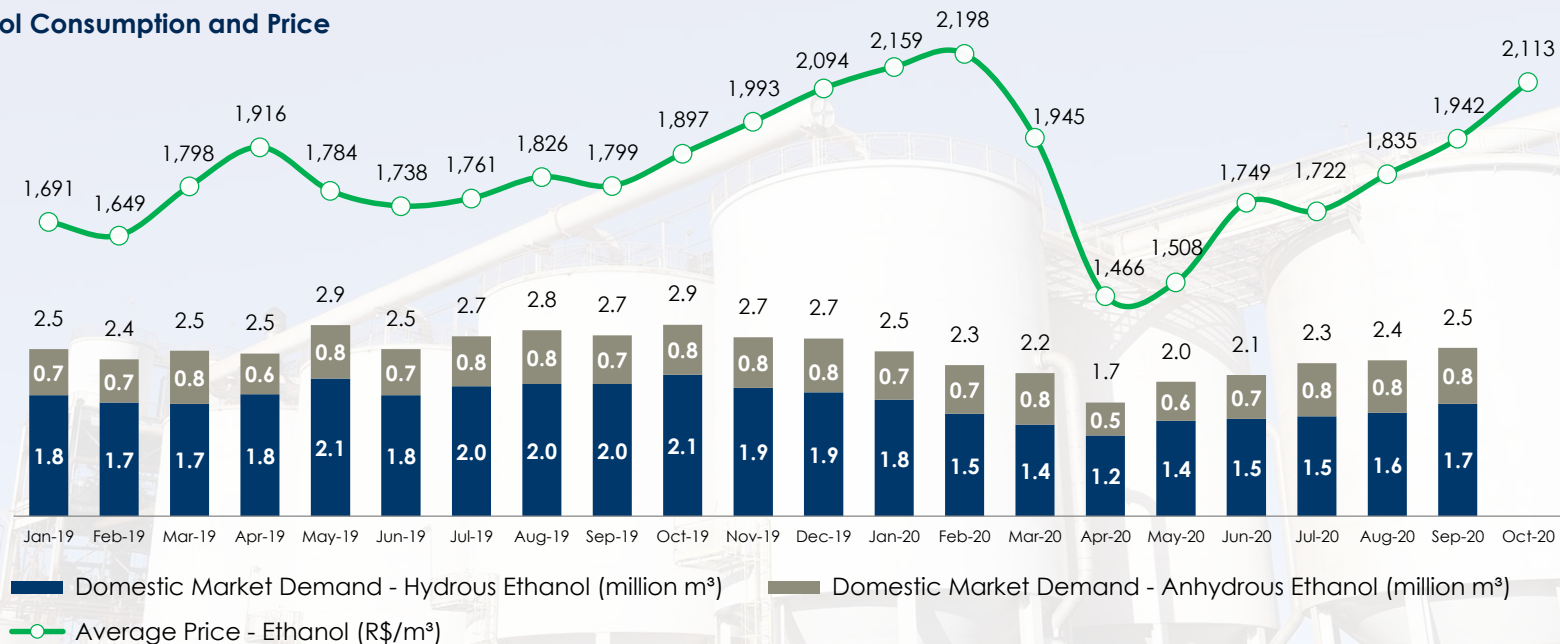
SUGAR	Hedged Volume (ton)	Average Price (US\$ c/p)	Average Price ¹ (R\$/ton)	
2020/2021 Harvest	587,734	13.68	~1,432	~95% of own sugarcane fixed ²
2021/2022 Harvest	652,152	12.69	~1,540	~44% of own sugarcane fixed ³

1 - For the amount fixed in sugar, but not fixed in dollars, the exchange rate of R\$ 5.60/USD was considered; 2 - Considering the max sugar production scenario;

3 - Considering the same mix and production of the crop 20.21

Ethanol Market

Ethanol Consumption and Price



- ✓ Ethanol prices staged an important recovering, even when compared to the same period of last crop year
- ✓ Gradual recovery of demand combined with the favorable parity of hydrous ethanol price compared to gasoline price

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