



# Earnings Release 2<sup>nd</sup> Quarter

2023/2024 HARVEST

NOVEMBER 9, 2023

### Cash Income of R\$ 400.2 million in 2Q24

**Adjusted EBITDA** was **R\$ 654.9 million in 2Q24** (-16.9%), with adjusted EBITDA margin of 42.6%, and **R\$ 1,212.2 million in 6M24** (-27.1%), with adjusted EBITDA margin of 41.9%. The performance in the quarter and in six months mainly reflects the lower ethanol sales volume and prices, which were partially offset by higher sugar prices and volumes.

**Adjusted EBIT** was **R\$ 297.9 million** (-29.1%), with margin of 19.4%, in 2Q24, and **R\$ 513.5 million** (-41.9%) in 6M24.

**Net income** of **R\$ 418.1 million** (+96.7%), representing margin of 27.2% in 2Q24, and **R\$ 638.4 million** (+47.0%) in 6M24.

**Registered warrants** (Copersucar Rights) received **from Copersucar** in the net amount of **R\$ 502.8 million**, which contributed to R\$ 331,6 million to the net income in the period.

**Leverage Ratio** of **1.51x Net Debt/Adjusted EBITDA** on September 30, 2023.

On September 30, 2023, **sugar prices hedged for the 2023/24 crop year** totaled **~547,000 tons** (~73% of own cane) at a price of **~R\$ 2,676/ton**. For the **24/25 crop year**, prices were hedged for around **267,000 tons of sugar** at **~R\$ 2,762/ton**.

### Executive Summary

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
Net Revenue <sup>1</sup>	1,536,691	1,353,309	1,584,671	13.6%	-3.0%	2,890,000	3,292,087	-12.2%
Adjusted EBITDA	654,958	557,261	787,714	17.5%	-16.9%	1,212,219	1,663,408	-27.1%
Adjusted EBITDA Margin	42.6%	41.2%	49.7%	1.4 p.p	-7.1 p.p	41.9%	50.5%	-8.6 p.p
Adjusted EBIT	297,894	215,578	420,037	38.2%	-29.1%	513,472	884,052	-41.9%
Adjusted EBIT Margin	19.4%	15.9%	26.5%	3.5 p.p	-7.1 p.p	17.8%	26.9%	-9.1 p.p
Copersucar Rights	502,834	-	-	n.m.	n.m.	502,834	-	n.m.
Cash Income	400,217	124,710	318,202	n.m	25.8%	524,927	544,999	-3.7%
Net Debt / EBITDA LTM	1.51 x	1.16 x	1.27 x	30.6%	19.1%	1.51 x	1.27 x	19.1%

<sup>1</sup> - 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.

**SMT03:** R\$ 39.26 per share

**Market Cap:** R\$ 13.9 billion

\*As of September 29, 2023

#### Conference Call

November 10, 2023 (Friday)

3:00 p.m. (Brazil) + 55 11 3181-8565

2:00 p.m. (New York) +1 412 717-9627

Access Code: São Martinho

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# 2Q24 EARNINGS RELEASE

## CONSOLIDATED ADJUSTMENTS

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The section on adjustments was incorporated into the Company's Earnings Release to facilitate the understating of results by detailing the impacts of managerial account movements in transforming the accounting data to an operating cash perspective and, also, adjustments in the equity accounts arising from the adoption of specific accounting standards.

### Adjustments in 2Q24 and 6M24 Income Statements

To help investors understand its recurring operating cash generation, the Company makes managerial adjustments to certain accounting data to define the adjusted EBITDA indicator, as shown in the following table:

In R\$ '000

	2Q24			6M24			
	Accounting	Impacts	Adjusted	Accounting	Impacts	Adjusted	
<b>Net Revenue<sup>1</sup></b>	<b>1.534.989</b>	<b>1.702</b>	<b>1.536.691</b>	<b>2.877.576</b>	<b>12.424</b>	<b>2.890.000</b>	
Hedge Accounting		-			6.573	→	Financial expenses related to <u>hedge accounting</u> exchange variation.
(+) PPA		4.384			7.218		
Real Estate Results		(2.682)			(1.367)	→	Financial income from <u>real estate development</u> was included in net revenue.
<b>Cost of Goods Solds (COGS)</b>	<b>(1.052.999)</b>	<b>(59.077)</b>	<b>(1.112.076)</b>	<b>(1.884.597)</b>	<b>(236.598)</b>	<b>(2.121.195)</b>	
Biological Assets		(11.885)			(157.021)		} Biological assets and IFRS 16 adjustments were excluded from cost because they are non-cash effects.
(-) IFRS 16		(47.192)			(79.577)		
<b>Gross Profit</b>	<b>481.990</b>	<b>(57.375)</b>	<b>424.615</b>	<b>992.979</b>	<b>(224.175)</b>	<b>768.804</b>	
<b>Operating Income (expenses)</b>	<b>375.854</b>	<b>(502.575)</b>	<b>(126.721)</b>	<b>245.355</b>	<b>(500.687)</b>	<b>(255.332)</b>	
Stock Option - Non-vested		5.208			13.261	→	The effects of costs and revenues related to <u>stock options</u> and <u>equity income</u> were excluded.
Equity Income		(2.121)			(3.910)		
(-) PPA		(4.384)			(7.218)		
Coopersucar Rights		(502.834)			(502.834)	→	The revenue related to the receipt of <u>Coopersucar Rights</u> was adjusted because it does not represent a recurring revenue from the company's operating activity.
(-) IFRS 16		1.557			14		
<b>EBIT</b>	<b>857.844</b>	<b>(559.950)</b>	<b>297.894</b>	<b>1.238.334</b>	<b>(724.862)</b>	<b>513.472</b>	
Depreciation and Amortization	419.628	(62.564)	357.064	839.761	(141.013)	698.748	
<b>EBITDA</b>	<b>1.277.472</b>	<b>(622.514)</b>	<b>654.958</b>	<b>2.078.095</b>	<b>(865.876)</b>	<b>1.212.219</b>	
Maintenance Capex	(360.896)	-	(360.896)	(695.459)	-	(695.459)	
<b>EBITDA - CAPEX</b>	<b>916.576</b>	<b>(622.514)</b>	<b>294.062</b>	<b>1.382.636</b>	<b>(865.876)</b>	<b>516.760</b>	

### Adjustments to Equity for 2Q24:

As of March 2010, inclusive, the Company began to adopt hedge accounting for derivatives designated as foreign currency-denominated liabilities.

The quarterly results are recorded in shareholders' equity ("Adjustments to Book Value"), net of deferred income tax and social contribution. In the period from April to September 2023, we recorded a reduction in shareholders' equity of R\$ 40.4 million.

# 2Q24 EARNINGS RELEASE

## CONSOLIDATED ADJUSTMENTS

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### Effects of Adoption of IFRS 16/CPC 06

As from the fiscal year ended March 31, 2020, the Company adopts 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:

1. **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
2. **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 of IFRS16 on Income Statements for 2Q24 and 6M24:

In R\$ '000

Results	2Q24			6M24			
	Before IFRS 16	Impacts	After IFRS 16	Before IFRS 16	Impacts	After IFRS 16	
<b>Net Revenue<sup>1</sup></b>	<b>1,536,691</b>	<b>-</b>	<b>1,536,691</b>	<b>2,890,000</b>	<b>-</b>	<b>2,890,000</b>	
COGS	(1,100,191)	47,192	(1,052,999)	(1,964,174)	79,577	(1,884,597)	We no longer account for cash cost of agrarian contracts
(-) Leasing Payment		109,212			219,701		
(+) Right-of-Use Amortization		(62,019)			(140,124)		We now account for contract amortization
<b>Gross Income</b>	<b>436,500</b>	<b>47,192</b>	<b>483,692</b>	<b>925,825</b>	<b>79,577</b>	<b>1,005,403</b>	
Selling/General/Adm. Expenses	373,027	(1,557)	371,470	238,151	(14)	238,137	
(-) Leasing Payment		(1,012)			876		
(+) Right-of-Use Amortization		(545)			(889)		
<b>Op. Income Before Financial Result</b>	<b>809,526</b>	<b>45,636</b>	<b>855,162</b>	<b>1,163,976</b>	<b>79,564</b>	<b>1,243,540</b>	
Financial Result/Debt Hedge	(192,015)	(87,582)	(279,597)	(273,020)	(175,283)	(448,303)	Adjustment to Present Value (APV) of agrarian contracts is accounted for as net financial result
Lease APV		(87,582)			(175,283)		
<b>Income before Taxes</b>	<b>617,511</b>	<b>(41,946)</b>	<b>575,565</b>	<b>890,956</b>	<b>(95,719)</b>	<b>795,237</b>	
Income tax	(171,733)	14,262	(157,471)	(189,419)	32,544	(156,875)	
<b>Net Income</b>	<b>445,779</b>	<b>(27,685)</b>	<b>418,094</b>	<b>701,537</b>	<b>(63,175)</b>	<b>638,362</b>	
<b>Book EBITDA</b>	<b>1,169,272</b>	<b>108,200</b>	<b>1,277,472</b>	<b>1,857,518</b>	<b>220,577</b>	<b>2,078,095</b>	As we no longer account for cash cost of agrarian contracts, Book EBITDA increased, which effect has been adjusted for the Adjusted EBITDA
Leasing Payment	-	(108,200)	(108,200)	-	(220,577)	(220,577)	
Other adjustments	(514,314)	-	(514,314)	(645,299)	-	(645,299)	
<b>Adjusted EBITDA</b>	<b>654,958</b>	<b>-</b>	<b>654,958</b>	<b>1,212,219</b>	<b>-</b>	<b>1,212,219</b>	

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

## Capex Guidance for 2023/24 crop year

As per the Material Fact dated November 09, 2023, the estimated Maintenance Capex is R\$1,943.6 million, down 2.8% compared to the initial guidance, reflecting the reduction in the prices of agricultural inputs used in planting (renewal) and crop treatments in the period.

Capex for Operational Improvements is estimated at R\$323.0 million, due to the schedule for the replacement of fleet and agricultural machinery to ensure higher availability of equipment and sugarcane in the upcoming crop years.

Regarding Modernization/Expansion, the guidance is approximately R\$465 million (up 47.9% from the previous guidance), resulting from new investments approved for the crop year, including: (i) the Biomethane project at the Santa Cruz Unit, as per the Material Fact notice published on October 30, 2023; (ii) initial project of two-line harvesters at the São Martinho Unit); and iii) lower investments with deleveraged rate of returns of over 18% p.a. on average.

Considering the abovementioned factors, Total Capex guidance for the 2023/24 crop year was revised to approximately R\$2.7 billion, as summarized below:

	Updated 12M24	Guidance 12M24	Var. (%)
Maintenance Capex	1,943.6	2,000.0	-2.8%
Operational Improvements	323.0	157.0	105.7%
Modernization/Expansion	465.0	314.5	47.9%
<b>Total Capex</b>	<b>2,731.6</b>	<b>2,471.5</b>	<b>10.5%</b>

*Note that forward-looking statements are not guarantees of future performance, since they involve risks, uncertainties and assumptions and therefore depend on circumstances that may or may not occur. Readers are cautioned that industry conditions and other operational and weather conditions could affect the Company's future results, leading them to differ materially from those expressed in such forward-looking statements*



## Operating Highlights

	6M24	6M23	$\Delta$ 6M24/6M23
<b>Operational Data</b>			
<b>TRS Produced ('000 tons)</b>	<b>2,549.4</b>	<b>2,336.1</b>	<b>9.1%</b>
Sugarcane	2,408.4	2,336.1	3.1%
Corn	141.0	-	n.m.
<b>Agricultural - Sugarcane</b>			
Crushed Sugarcane ('000 tons)	17,489.0	16,726.6	4.6%
Own	11,197.3	11,030.7	1.5%
Third Parties	6,291.7	5,695.9	10.5%
Agricultural Yield (ton/ha)	85.1	71.7	18.7%
Average TRS (kg/ton)	137.7	139.8	-1.5%
<b>Corn Processing ('000 tons)</b>	<b>212.7</b>	<b>-</b>	<b>n.m.</b>
<b>Production Data</b>			
Sugar ('000 tons)	1,129.8	1,006.1	12.3%
Ethanol ('000 m³)	801.3	750.8	6.7%
Sugarcane	719.1	750.8	-4.2%
Corn	82.2	-	n.m.
Cogeneration ('000 MWh)	460.1	580.2	-20.7%
DDGS ('000 tons)	54.7	-	n.m.
Mix Sugar - Ethanol (Sugarcane)	49% - 51%	45% - 55%	
Mix Sugar - Ethanol (Consolidated)	46% - 54%		

In the first six months of the 23/24 crop year, the Company processed around 17.5 million tons of sugarcane, an increase of 4.6% from 6M23, reflecting better productivity in the period (average yield of sugarcane fields (TCH) increased 18.7% compared to 6M23). The recovery in yield due to: i) the normalization of weather conditions between October 2022 and September 2023; ii) special agricultural management and use of high-yield genetic varieties; and iii) investments made in previous crop years, especially in crop treatments.

As mentioned in 1Q24, in April 2023, São Martinho started selling ethanol produced from corn processing at the Boa Vista unit in the state of Goiás. The operation, still in the phase of operational adjustments, processed 213 thousand tons of corn in the first half of 23/24 crop year.

In 6M24, sugar production came to 1,129.8 thousand tons (+12.3% vs. 6M23) while ethanol production was 801,300 cubic meters (+6.7% vs. 6M23), reflecting the better yield of raw material and the higher share of sugar in the mix during the period. Corn contributed 82,000 m³ to this ethanol and an additional 54,700 tons of DDGS.

Throughout the 23/24 harvest, the sugarcane fields managed by São Martinho, including the land it owns, leases, and manages for suppliers, presented growth in available Sugarcane of approximately 15% (vs. 22/23 Harvest), due to investments made in previous harvests and differentiated agricultural techniques. The main operational challenge throughout the period were the working days for crushing due to the El Niño – with expected impact in the Center-South region between August and December/23. With the combination of greater availability of raw material and fewer harvest days, it is estimated that, by the end of 23/24, the amount of sugar cane crushed will be in line with guidance (21.5 million tons) with a contingency volume of sugar cane ("cana bisada") for harvest 24/25.

# 2Q24 EARNINGS RELEASE

CONSOLIDATED

NET REVENUE

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## Net Revenue Breakdown

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Chg. (%)
<b>Domestic Market</b>	<b>735,802</b>	<b>581,917</b>	<b>678,698</b>	<b>26.4%</b>	<b>8.4%</b>	<b>1,317,719</b>	<b>1,624,678</b>	<b>-18.9%</b>
Sugar	72,239	51,379	45,687	40.6%	58.1%	123,618	94,258	31.1%
Ethanol	476,392	382,101	414,902	24.7%	14.8%	858,493	1,164,748	-26.3%
Sugarcane	401,988	313,438	414,902	28.3%	-3.1%	715,426	1,164,748	-38.6%
Corn	74,404	68,663	-	8.4%	n.m.	143,067	-	n.m.
Energy	68,617	58,664	78,148	17.0%	-12.2%	127,281	142,821	-10.9%
Yeast	18,646	15,344	22,452	21.5%	-17.0%	33,990	34,061	-0.2%
DDGS	28,139	26,083	-	7.9%	n.m.	54,222	-	n.m.
CBIOs	5,554	3,939	4,547	41.0%	22.1%	9,493	44,213	-78.5%
Others	66,215	44,407	112,962	49.1%	-41.4%	110,622	144,577	-23.5%
<b>Export Market</b>	<b>800,889</b>	<b>771,392</b>	<b>905,973</b>	<b>3.8%</b>	<b>-11.6%</b>	<b>1,572,281</b>	<b>1,667,409</b>	<b>-5.7%</b>
Sugar	768,012	715,125	522,514	7.4%	47.0%	1,483,137	987,649	50.2%
Ethanol	28,338	52,494	377,194	-46.0%	-92.5%	80,832	671,621	-88.0%
Yeast	4,539	3,773	6,265	20.3%	-27.5%	8,312	8,139	2.1%
<b>Net Revenue<sup>1</sup></b>	<b>1,536,692</b>	<b>1,353,310</b>	<b>1,584,671</b>	<b>13.6%</b>	<b>-3.0%</b>	<b>2,890,000</b>	<b>3,292,087</b>	<b>-12.2%</b>
Sugar	840,251	766,504	568,201	9.6%	47.9%	1,606,755	1,081,907	48.5%
Ethanol	504,730	434,595	792,096	16.1%	-36.3%	939,325	1,836,369	-48.8%
Sugarcane	430,326	365,932	792,096	17.6%	-45.7%	796,258	1,836,369	-56.6%
Corn	74,404	68,663	-	8.4%	n.m.	143,067	-	n.m.
Energy	68,617	58,664	78,148	17.0%	-12.2%	127,281	142,821	-10.9%
Yeast	23,185	19,117	28,717	21.3%	-19.3%	42,302	42,200	0.2%
DDGS	28,139	26,083	-	7.9%	n.m.	54,222	-	n.m.
CBIOs	5,554	3,939	4,547	41.0%	22.1%	9,493	44,213	-78.5%
Others	66,215	44,407	112,962	49.1%	-41.4%	110,622	144,577	-23.5%
<b>Net Revenue - Sugarcane</b>	<b>1,428,850</b>	<b>1,255,946</b>	<b>1,584,671</b>	<b>13.8%</b>	<b>-9.8%</b>	<b>2,684,794</b>	<b>3,292,087</b>	<b>-18.4%</b>
<b>Net Revenue - Corn</b>	<b>107,842</b>	<b>97,364</b>	<b>-</b>	<b>10.8%</b>	<b>n.m.</b>	<b>205,206</b>	<b>-</b>	<b>n.m.</b>

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

## Net Revenue

São Martinho's net revenue came to R\$ 1,536.7 million in 2Q24, down 3.0% from 2Q23, due to lower ethanol sales prices and volumes, partially offset by the higher sugar prices and volumes in the period. In 6M24, net revenue totaled R\$ 2,890.0 million, down 12.2% year on year, due to: i) the price and volume dynamics that affected the quarter; and ii) inventory sales 1Q23 – in the comparison period, approximately 113,500 m<sup>3</sup> of ethanol were sold was produced during the 21/22 crop year.

# 2Q24 EARNINGS RELEASE

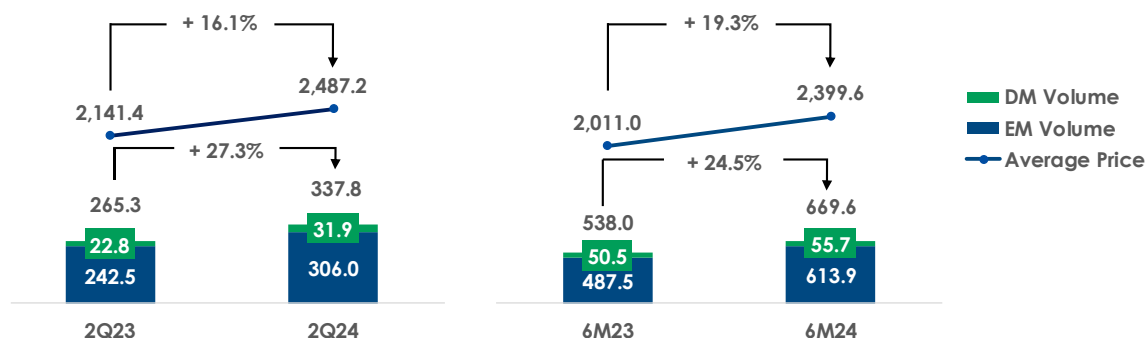
## CONSOLIDATED

### NET REVENUE

**SMTO**  
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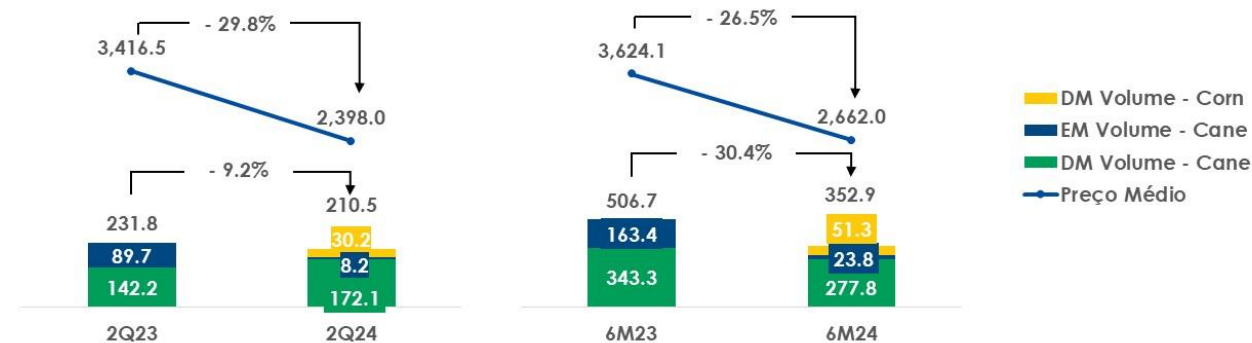
The following charts present a breakdown of net revenue by product in 2Q24 and 6M24 compared to the same periods in the 22/23 crop year.

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



Net revenue from sugar sales amounted to R\$ 840.3 million in 2Q24, increasing 47.9% compared to 2Q23, due to the combination of better prices (+16.1%) and higher volume (+27.3%) in the period. In 6M24, revenue increased 48.5% year on year to R\$ 1,606.8 million, driven by higher prices (+19.3%) and volumes (+24.5%).

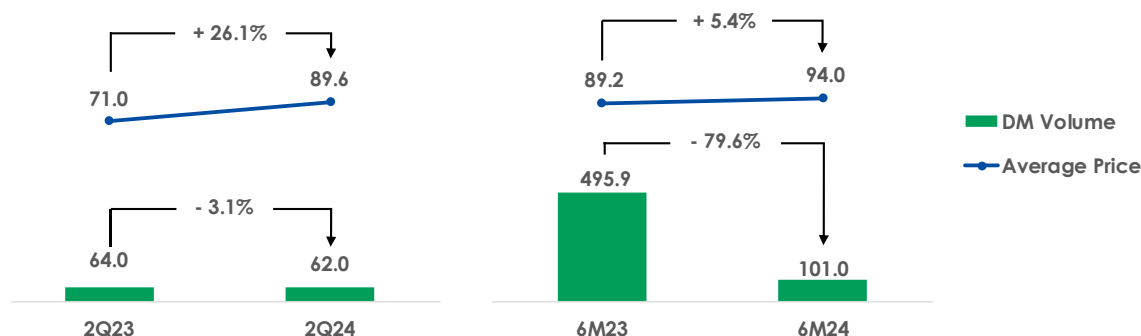
### Ethanol - Volume ('000 m³) and Average Price (R\$/m³)



Net revenue from ethanol sales declined 36.3% in 2Q24 (vs. 2Q23), to R\$ 504.7 million, reflecting the lower sales prices (-29.8%) and volumes (-9.2%) in the period. In the year, revenue from biofuel came to R\$ 939.3 million (-48.8%), due to lower prices (-26.5%) and volumes (-30.4%) in the period.



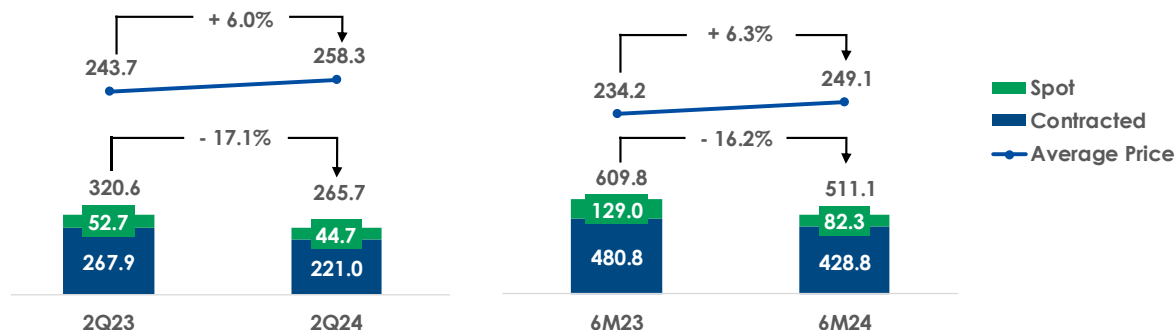
#### CBIOs - Volume ('000 CBIOs) and Average Price (R\$/CBIO)



In 2Q24, we sold around 62,000 CBIOs (decarbonization credits) at an average net price of R\$ 89.6/CBIO (net of PIS/Cofins, INSS and income tax withheld at source of 15%). In the crop year, we sold 101,000 CBIOs at an average net price of R\$ 94.0/CBIO.

Moreover, as described in the notes to the financial statements ("Inventories and advances to suppliers"), on September 30, 2023, São Martinho had approximately 244,000 CBIOs issued but not sold.

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



Net revenue from cogeneration sales totaled R\$ 68.6 million in 2Q24, down 12.2% from 2Q23, reflecting the lower sales volume (-17.1%), which was partially offset by the higher sales price (+6.0%) in the period. In the first six months of the crop year, net revenue totaled R\$ 127.3 million, down 10.9% from 6M23, due to the combination of higher sales prices (+6.3%) and lower volumes (-16.2%) in the period.

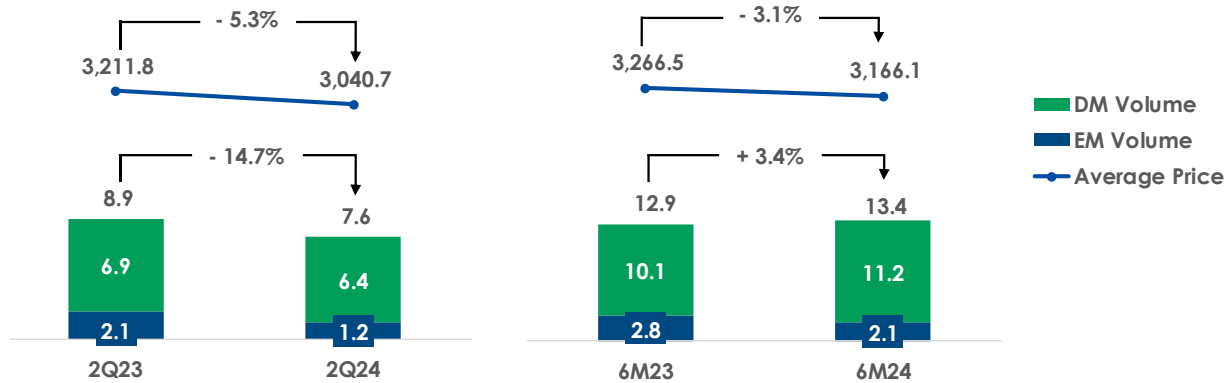
# 2Q24 EARNINGS RELEASE

CONSOLIDATED

NET REVENUE

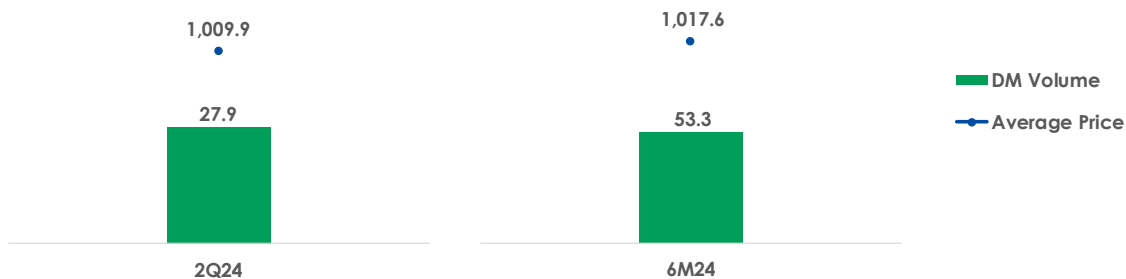
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## Yeast – Volume ('000 tons) and Average Price (R\$/ton)



Net revenue from yeast sales totaled R\$ 23.1 million in 2Q24, decreasing 19.3% compared to 2Q23, due to lower sales volume (-14.7%) and price (-5.3%) in the period. In the first six months of the 23/24 crop year, revenue from yeast came to R\$ 42.3 million, in line with the same period the previous crop year, registering higher volumes (+3.4%) and lower prices (-3.1%).

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



Net revenue from DDGS sales totaled R\$ 28.1 million in the second quarter of the crop year, with an average price of R\$ 1,009.9/ton. In the crop year, net revenue totaled R\$ 54.2 million, with an average price of R\$ 1,017.6/ton.

As mentioned in 1Q24, since the 23/24 crop year is the first accounting period including the corn ethanol plant, there is no comparison base.

# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

## COSTS

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### Cost of Goods Sold (COGS) - Cash

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
<b>Operation - Sugarcane</b>	<b>574,474</b>	<b>536,228</b>	<b>616,958</b>	<b>7.1%</b>	<b>-6.9%</b>	<b>1,110,703</b>	<b>1,322,719</b>	<b>-16.0%</b>
Agricultural Costs	506,133	474,102	544,288	6.8%	-7.0%	980,235	1,168,172	-16.1%
Suppliers	326,706	295,301	348,534	10.6%	-6.3%	622,006	701,507	-11.3%
Own Sugarcane - Partnerships	99,236	116,552	103,114	-14.9%	-3.8%	215,789	257,045	-16.1%
Own Sugarcane	80,191	62,249	92,640	28.8%	-13.4%	142,440	209,621	-32.0%
Industrial	68,341	62,126	72,670	10.0%	-6.0%	130,468	154,547	-15.6%
<b>Corn Processing</b>	<b>120,195</b>	<b>98,825</b>	<b>-</b>	<b>21.6%</b>	<b>n.m.</b>	<b>219,020</b>	<b>-</b>	<b>n.m.</b>
Corn Purchase	103,605	88,813	-	16.7%	n.m.	192,418	-	n.m.
Industrial	16,589	10,012	-	65.7%	n.m.	26,601	-	n.m.
Other Products	69,669	39,412	72,442	76.8%	-3.8%	109,081	127,209	-14.3%
Reintegra	(736)	(761)	(805)	-3.2%	-8.6%	(1,497)	(1,568)	-4.6%
<b>Cash COGS</b>	<b>763,602</b>	<b>673,705</b>	<b>688,595</b>	<b>13.3%</b>	<b>10.9%</b>	<b>1,437,306</b>	<b>1,448,360</b>	<b>-0.8%</b>
(-) Resale costs	-	(2,875)	(32,102)	-100.0%	-100.0%	(2,875)	(44,768)	-93.6%
<b>Cash COGS (ex- Resale)</b>	<b>763,602</b>	<b>670,830</b>	<b>656,493</b>	<b>13.8%</b>	<b>16.3%</b>	<b>1,434,431</b>	<b>1,403,592</b>	<b>2.2%</b>
Biological Assets	(11,885)	(145,136)	25,994	-91.8%	-145.7%	(157,020)	18,639	n.m.
(-) Depreciation and Amortization	348,475	335,414	361,740	3.9%	-3.7%	683,890	767,994	-11.0%
<b>Cost of Goods Sold (COGS)</b>	<b>1,100,192</b>	<b>863,983</b>	<b>1,076,329</b>	<b>27.3%</b>	<b>2.2%</b>	<b>1,964,175</b>	<b>2,234,992</b>	<b>-12.1%</b>
Non-cash effect of IFRS 16	(47,192)	(32,385)	(28,085)	45.7%	68.0%	(79,577)	(70,351)	13.1%
<b>Cost of Goods Sold (COGS) after IFRS 16</b>	<b>1,053,000</b>	<b>831,598</b>	<b>1,048,244</b>	<b>26.6%</b>	<b>0.5%</b>	<b>1,884,598</b>	<b>2,164,641</b>	<b>-12.9%</b>

Cash COGS in 2Q24 amounted to R\$ 763.6 million, up 10.9% from 2Q23, reflecting the additional absolute costs associated with the new corn ethanol operation. Considering only the Sugarcane operation, cash COGS decreased 6.9% compared to 2Q23, totaling R\$ 574.5 million, reflecting the higher share of ethanol produced at the Boa Vista unit (UBV) in the sales mix. In the first six months of the crop year, cash COGS totaled R\$ 1,437.3 million, in line with the same period the previous year, due to lower sales volume (-15.3% in ATR Sold) and the lower price of industrial inputs and diesel.

The following chart shows the variation in Cash COGS, considering only own sugar and ethanol. In 6M24, this indicator remained in line with the same period of 22/23 crop year, due to the combination of the new corn ethanol plant being in the operating ramp-up phase, lower sales volume, and lower input prices. Considering the sugarcane operation alone, Cash COGS declined 16.0% in absolute terms, with unit COGS decreasing by 2.4% in comparison to 6M23.

In R\$ '000



Excludes Other Products and includes Reintegra.

# 2Q24 EARNINGS RELEASE

## SUGARCANE

### COSTS

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### Cash Cost Breakdown

This section details the composition of **Cash Cost** for products resulting from the **sugarcane** operation, defined as follows:

Cash Cost = COGS – Depreciation/Amortization + Var. in Fair Value of Biological Assets + Selling Expenses + General and Administrative Expenses + Maintenance Capex

The composition of Cash Cost from the perspectives of product, sugar + ethanol and total from sugarcane operations is detailed below.

In R\$ '000

	6M24							6M23						
	Sugar	Ethanol	Sugar + Ethanol	Cogen.	Yeast	Others	Total	Sugar	Ethanol	Sugar + Ethanol	Cogen.	Yeast	Others	Total
Cost of Goods Sold (COGS)	1,061,261	561,180	1,622,441	33,121	14,357	67,791	1,737,710	856,395	1,234,026	2,090,421	35,811	17,099	91,661	2,234,992
(-) Depreciation and Amortization	(378,358)	(272,391)	(650,750)	(8,487)	(4,988)	(12,220)	(676,444)	(297,559)	(433,634)	(731,193)	(10,213)	(6,118)	(20,469)	(767,994)
Var. Fair Value of Biological Assets	17,271	123,117	140,389			16,632	157,020	2,513	4,178	6,690			(25,329)	(18,639)
<b>Cash Cost</b>	<b>700,174</b>	<b>411,906</b>	<b>1,112,081</b>	<b>24,633</b>	<b>9,370</b>	<b>72,203</b>	<b>1,218,286</b>	<b>561,349</b>	<b>804,569</b>	<b>1,365,918</b>	<b>25,597</b>	<b>10,981</b>	<b>45,862</b>	<b>1,448,359</b>
Selling Expenses	73,148	10,923	84,071	7,723		630	92,424	54,204	35,951	90,155	7,406		4	97,565
General and Administrative Expens:	81,737	59,900	141,637	16,875	3,121	3,462	165,095	48,968	73,775	122,744	15,015		3,104	140,862
(-) Depreciation and Amortization	(3,864)	(2,832)	(6,696)	(798)	(148)		(7,641)	(2,259)	(3,403)	(5,662)	(693)			(6,355)
<b>Operational Cash COGS</b>	<b>851,195</b>	<b>479,897</b>	<b>1,331,093</b>	<b>48,433</b>	<b>12,343</b>	<b>76,295</b>	<b>1,468,164</b>	<b>662,263</b>	<b>910,892</b>	<b>1,573,155</b>	<b>47,325</b>	<b>10,981</b>	<b>48,970</b>	<b>1,680,432</b>
(+) Maintenance Capex	412,938	282,521	695,459	-	-	-	695,459	266,739	415,245	681,983				681,983
<b>Total Cash COGS</b>	<b>1,264,133</b>	<b>762,419</b>	<b>2,026,552</b>	<b>48,433</b>	<b>12,343</b>	<b>76,295</b>	<b>2,163,623</b>	<b>929,001</b>	<b>1,326,137</b>	<b>2,255,138</b>	<b>47,325</b>	<b>10,981</b>	<b>48,970</b>	<b>2,362,415</b>
Sold Volume <sup>1</sup>	670	302	1,214	511	13			538	507	1,433	610	13		
Average Cash Cost (R\$/Unit <sup>1</sup> )	1,888	2,528	1,669	95	924			1,727	2,617	1,573	78	850		
Operational Margin (%)	21.3%	4.2%		61.9%	70.8%			14.1%	27.8%		66.9%	74.0%		

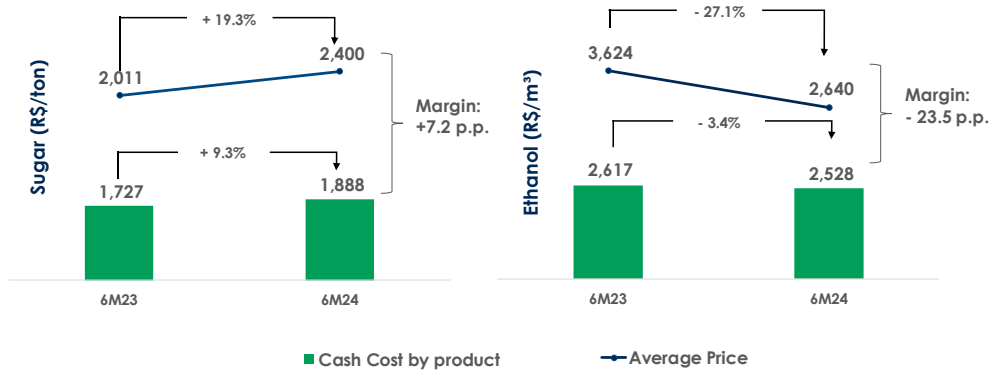
Data does not include the IFRS 16 Impacts

1 - Sugar/feast in ton; Ethanol in m³; Cogen. in MWh; Sugar + Ethanol in TRS Sold

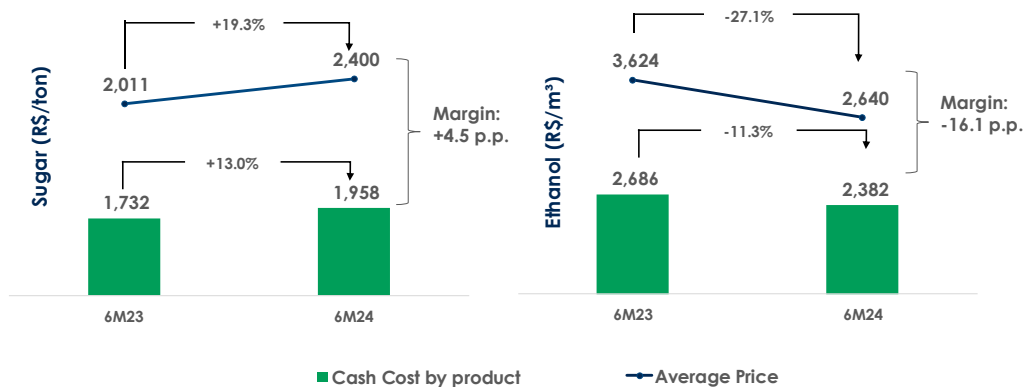
The table also compiles the unit values of Cash Cost, based on the division of Total Cash Cost by Sales Volume, and the respective operating margin. All the information is broken down by the product and sugar + ethanol perspectives.

Cash Cost of sugar + ethanol increased 6.1% in 6M24 compared to 6M23 (in R\$/ton of TRS, excluding resales). This variation is due to: i) lower sales volume in the period (-15.3% in TRS sold), in line with the company's sales strategy; and ii) inflation effect on labor.

Compiling the information detailed in the previous sections, the variation in **Operating Margin** from sugar and ethanol produced from **sugarcane** processing is shown below:



Below is the **Adjusted Operating Margin**, breaking down the impacts of price variation of each product of Consecana and considering them individually in the Company's sugar and ethanol costs.



# 2Q24 EARNINGS RELEASE

## CORN OPERATION

### RESULTS & PURCHASES

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#### Corn Operation Results

In R\$ '000

	2Q24	1Q24	Δ 2Q24/1Q24	6M24
<b>Net Revenue</b>	<b>107,842</b>	<b>97,364</b>	<b>10.8%</b>	<b>205,206</b>
Ethanol	74,404	68,663	8.4%	143,067
DDGS	28,139	26,083	7.9%	54,222
Corn Oil	5,299	2,618	102.4%	7,917
<b>Cost of Goods Sold (COGS)</b>	<b>(117,760)</b>	<b>(103,508)</b>	<b>13.8%</b>	<b>(221,267)</b>
Corn Purchases	(103,605)	(88,813)	16.7%	(192,418)
Industrial, SG&A and Others	(14,155)	(14,695)	-3.7%	(28,849)
<b>EBITDA</b>	<b>(9,918)</b>	<b>(6,144)</b>	<b>61.4%</b>	<b>(16,061)</b>
EBITDA Margin (%)	-9.2%	-6.3%	-2.9 p.p	-7.8%
(-) Depreciation/Amortization	(4,491)	(2,954)	52.0%	(7,445)
<b>EBITDA</b>	<b>(14,409)</b>	<b>(9,098)</b>	<b>58.4%</b>	<b>(23,507)</b>
EBIT Margin (%)	-13.4%	-9.3%	-4.0 p.p	-11.5%

In the first six months of operation, 213,000 tons of corn were processed, which produced around 82,000 m<sup>3</sup> of ethanol and 55,000 tons of DDGS – of which 51,300 m<sup>3</sup> and 53,300 tons, respectively, were sold in the period. The corn ethanol plant added around 141,000 tons of product (in TRS produced) and R\$ 107,8 million in Net Revenue to the consolidated performance of São Martinho.

The result of the operation observed in the first half was due to the combination of: i) the operating timetable of the plant in the ramp-up phase to reach the projected daily crushing capacity; ii) co-products, especially DDGS, still in the process specification adjustments and the achievement of expected protein levels; iii) price of corn for processing in the first year of operation; and iv) market conditions that affected ethanol sales prices.

#### Corn Purchases

	Corn Purchases (Tons)	Gross Price (R\$/Sc)	Net Price (R\$/Sc)
<b>23/24 Harvest</b>	<b>210,650</b>	<b>79.6</b>	<b>70.9</b>
Physical Stocks	210,650	79.6	70.9
<b>24/25 Harvest</b>	<b>129,954</b>	<b>66.0</b>	<b>58.1</b>
Physical Stocks	35,067	79.6	70.9
Forward Delivery	94,888	61.0	53.4

In September 2023, the company had purchased approximately 211,000 tons of corn at a net price of around R\$ 70.9/sc for the remainder of the 23/24 crop year and approximately 130,000 tons at R\$ 58.1/sc, for the 24/25 crop year.



# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

## OPERATING EXPENSES & OTHER INCOME

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### Selling, General and Administrative Expenses

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
<b>General and Administratives Expenses - Cash</b>	<b>64,068</b>	<b>76,189</b>	<b>75,631</b>	<b>-15.9%</b>	<b>-15.3%</b>	<b>140,257</b>	<b>138,123</b>	<b>1.5%</b>
Labor	31,333	43,293	42,939	-27.6%	-27.0%	74,626	80,279	-7.0%
General Expenses	32,735	32,896	32,692	-0.5%	0.1%	65,631	57,844	13.5%
Stock Options/Others	15,260	17,446	(17,499)	-12.5%	-187.2%	32,706	(27,701)	n.m
Depreciation and Amortization	4,206	3,435	3,191	22.4%	31.8%	7,641	6,355	20.2%
IFRS16	1,557	(1,543)	(207)	n.m	n.m	14	(254)	-105.4%
<b>General and Administratives Expenses</b>	<b>85,091</b>	<b>95,527</b>	<b>61,116</b>	<b>-10.9%</b>	<b>39.2%</b>	<b>180,618</b>	<b>116,522</b>	<b>55.0%</b>
Port Costs / Freight	41,812	42,620	47,643	-1.9%	-12.2%	84,432	90,100	-6.3%
Other	4,284	3,706	3,751	15.6%	14.2%	7,990	7,465	7.0%
<b>Selling Expenses</b>	<b>46,096</b>	<b>46,327</b>	<b>51,394</b>	<b>-0.5%</b>	<b>-10.3%</b>	<b>92,423</b>	<b>97,565</b>	<b>-5.3%</b>
% of Net Revenue	3.0%	3.5%	3.2%	-0.4 p.p	-0.2 p.p	3.2%	3.0%	0.2 p.p
<b>Selling, General and Administrative Expenses</b>	<b>131,187</b>	<b>141,854</b>	<b>112,511</b>	<b>-7.5%</b>	<b>16.6%</b>	<b>273,040</b>	<b>214,087</b>	<b>27.5%</b>
Copersucar Rights	(502,834)	-	-	n.m.	n.m.	(502,834)	-	n.m.
Others Revenues (Expenses)	(2,087)	(9,566)	(16,586)	-78.2%	-87.4%	(11,653)	(51,752)	-77.5%
Equity Result	(2,121)	(1,789)	(1,458)	18.6%	45.5%	(3,910)	(2,627)	48.8%
<b>Operating Income (expenses)</b>	<b>(375,855)</b>	<b>130,499</b>	<b>94,467</b>	<b>n.m</b>	<b>n.m</b>	<b>(245,357)</b>	<b>159,708</b>	<b>n.m</b>

General and administrative expenses – Cash totaled R\$ 64.1 million (+15.3% vs. 2Q23) and 140.3 million (+1.5% vs. 6M23). The variations are mainly due to combination of inflation effect on labor (inputs and associated services) and the disbursement timetable during the first half of the crop year.

Selling expenses declined 10.3% in relation to 2Q23, totaling R\$ 46.1 million, due to lower exports. In the year crop, selling expenses totaled R\$ 92.4 million, down 5.3% from 6M23, due to the same reason that affected the quarter.

# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

## FINANCIAL RESULT & DEBT

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### Financial Result

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
Financial Revenues	70,156	92,362	72,410	-24.0%	-3.1%	162,518	153,439	5.9%
Financial Expenses	(135,037)	(201,699)	(106,903)	-33.1%	26.3%	(336,736)	(304,352)	10.6%
<b>Financial Revenues/Expenses</b>	<b>(64,881)</b>	<b>(109,337)</b>	<b>(34,493)</b>	<b>-40.7%</b>	<b>88.1%</b>	<b>(174,218)</b>	<b>(150,913)</b>	<b>15.4%</b>
Exchange Variation/Derivative/Others	(127,134)	34,905	(67,401)	n.m	88.6%	(92,229)	(187,237)	-50.7%
IFRS16 Effects - APV	(87,582)	(87,701)	(71,817)	-0.1%	22.0%	(175,283)	(136,740)	28.2%
Real Estate Results	(2,682)	1,315	131	n.m	n.m	(1,367)	2,505	-154.6%
<b>Financial Result</b>	<b>(282,279)</b>	<b>(160,818)</b>	<b>(173,580)</b>	<b>75.5%</b>	<b>62.6%</b>	<b>(443,097)</b>	<b>(472,385)</b>	<b>-6.2%</b>

The Financial Result was an expense of R\$ 282.3 million in 2Q24 (+62.6% vs. 2Q23) and R\$ 443.1 million in 6M24 (-6.2% vs. 6M23). The variation in the financial result in the 2023/24 crop year is due to the mark-to-market adjustment of derivatives that swapped the indexer of the portion of USD- and fixed-rate debt to the CDI rate.

### Debt

In R\$ '000

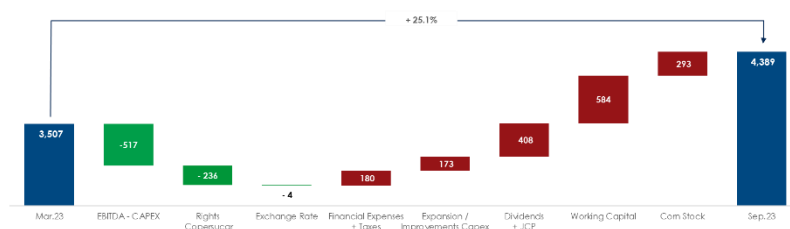
	Sep/23	Mar/23	Chg.%
Agribusiness Certificate of Receivables (CRA)	1,169,067	1,481,219	-21.1%
BNDES / FINAME	1,242,723	1,148,999	8.2%
Working Capital/ NCE (Export Credit Note)	756,590	865,621	-12.6%
Debentures	2,274,374	2,197,001	3.5%
PPE (Export prepayment)	102,710	156,139	-34.2%
International Finance Corporation (IFC)	496,954	774,905	-35.9%
<b>Gross Debt</b>	<b>6,042,418</b>	<b>6,623,883</b>	<b>-8.8%</b>
Cash and Cash Equivalents	1,653,643	3,116,778	-46.9%
<b>Net Debt</b>	<b>4,388,775</b>	<b>3,507,105</b>	<b>25.1%</b>
% Net Debt in USD	4.8%	10.3%	-53.6%
<b>LTM Adjusted EBITDA</b>	<b>2,904,353</b>	<b>3,355,541</b>	<b>-13.4%</b>
Net Debt / LTM EBITDA - BRL	1.51 x	1.05 x	44.6%
Net Debt / LTM EBITDA - USD <sup>1</sup>	1.56 x	1.06 x	46.7%

1 - LTM EBITDA average daily PTAX: Mar/23: R\$ 5.16 and Sep/23: R\$ 5.08

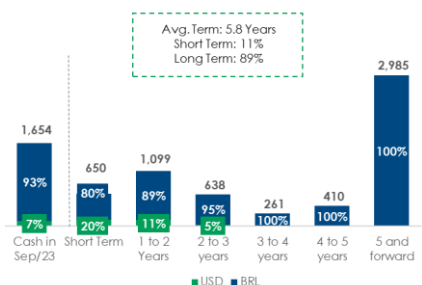
In September 2023, the Company's Net Debt stood at around R\$ 4.4 billion, increasing 25.1% from March 2023, mainly due to higher working capital and corn inventory during the period.

The following charts detail the debt position:

#### Changes in Net Debt R\$ - Million



#### Debt Amortization Schedule R\$ - Million



# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

### EBITDA, EBIT & CASH NET INCOME

**SMTO**  
B3 LISTED NM

#### EBITDA and EBIT Reconciliation

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
<b>Operating Income</b>	<b>575,565</b>	<b>219,672</b>	<b>265,505</b>	<b>162.0%</b>	<b>116.8%</b>	<b>795,237</b>	<b>482,520</b>	<b>64.8%</b>
Depreciation and Amortization <sup>1</sup>	419,628	420,133	441,294	-0.1%	-4.9%	839,761	956,475	-12.2%
Financial Revenue (Expense), net	282,279	160,818	173,580	75.5%	62.6%	443,097	472,385	-6.2%
<b>Book EBITDA<sup>1</sup></b>	<b>1,277,472</b>	<b>800,623</b>	<b>880,379</b>	<b>59.6%</b>	<b>45.1%</b>	<b>2,078,095</b>	<b>1,911,380</b>	<b>8.7%</b>
Margin (%)	83.2%	59.6%	55.7%	23.6 p.p.	27.6 p.p.	72.2%	58.3%	13.9 p.p.
Copersucar Rights	(502,834)	-	-	n.m.	n.m.	(502,834)	-	n.m.
IFRS 16 Non-cash Effect	(108,200)	(112,377)	(101,909)	-3.7%	6.2%	(220,577)	(247,726)	-11.0%
Real Estate Results	(2,682)	1,315	131	n.m.	n.m.	(1,367)	2,505	-154.6%
Equity Income	(2,121)	(1,789)	(1,458)	18.6%	45.5%	(3,910)	(2,627)	48.8%
Maturity of Hedge Accounting	-	6,573	-	-100.0%	n.m.	6,573	5,321	23.5%
Virtual Stock Options - non-vested)	5,208	8,053	(15,424)	-35.3%	-133.8%	13,261	(24,086)	-155.1%
Biological Assets	(11,885)	(145,136)	25,995	-91.8%	-145.7%	(157,021)	18,640	n.m.
<b>Adjusted EBITDA</b>	<b>654,958</b>	<b>557,261</b>	<b>787,714</b>	<b>17.5%</b>	<b>-16.9%</b>	<b>1,212,219</b>	<b>1,663,408</b>	<b>-27.1%</b>
Margin (%)	42.6%	41.2%	49.7%	1.4 p.p.	-7.1 p.p.	41.9%	50.5%	-8.6 p.p.
(-) Depreciation and Amortization	(357,064)	(341,684)	(367,677)	4.5%	-2.9%	(698,748)	(779,355)	-10.3%
<b>Adjusted EBIT</b>	<b>297,894</b>	<b>215,578</b>	<b>420,037</b>	<b>38.2%</b>	<b>-29.1%</b>	<b>513,472</b>	<b>884,052</b>	<b>-41.9%</b>
Margin (%)	19.4%	15.9%	26.5%	3.5 p.p.	-7.1 p.p.	8.2%	17.7%	0.0 p.p.
<b>Adjusted EBITDA</b>	<b>654,958</b>	<b>557,261</b>	<b>787,714</b>	<b>18.3%</b>	<b>-16.9%</b>	<b>1,212,219</b>	<b>1,663,408</b>	<b>6.8%</b>
(-) Maintenance Capex	(360,896)	(334,563)	(358,903)	7.9%	0.6%	(695,459)	(681,983)	2.0%
<b>EBITDA - CAPEX</b>	<b>294,062</b>	<b>222,699</b>	<b>428,810</b>	<b>32.0%</b>	<b>-31.4%</b>	<b>516,760</b>	<b>981,424</b>	<b>-47.3%</b>
Margin (%)	19.1%	16.5%	27.1%	2.7 p.p.	-7.9 p.p.	8.2%	19.6%	-11.4 p.p.

<sup>1</sup> - Includes the IFRS 16 impacts

Adjusted EBITDA was R\$ 654.9 million (-16.9% vs. 2Q23), with Adjusted EBITDA margin of 42.6% in the quarter, and R\$ 1,212.2 million (-27.1 vs. 6M23), with margin of 41.9% in 6M24. The performance in the quarter and in the first six months reflects lower ethanol sales prices and volumes, partially offset by the result from sugar sales until the end of 6M24.

Adjusted EBITDA excluding Maintenance Capex (EBITDA – Capex) in 2Q24 totaled R\$ 294.1 million (margin of 19.1%), declining 31.4% from 2Q23. In the first half of 23/24 crop year, adjusted EBITDA totaled R\$ 516.8 million (margin of 8.2%) and the variation of -47.3% compared to the first six months of the previous crop year.

#### Cash Net Income

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
Net Income	418,094	220,268	212,596	89.8%	96.7%	638,362	434,175	47.0%
Non-cash effect of IFRS 16 on Net Income before taxes	41,946	53,773	43,525	-22.0%	-3.6%	95,719	66,134	44.7%
Cash Tax / Judicial Deposit (Copersucar)	(47,939)	(4,195)	36,086	n.m.	n.m.	(52,134)	26,050	n.m.
Biological Asset/Others	(11,885)	(145,136)	25,995	-91.8%	-145.7%	(157,021)	18,640	n.m.
<b>Cash Income</b>	<b>400,217</b>	<b>124,710</b>	<b>318,202</b>	<b>n.m.</b>	<b>25.8%</b>	<b>524,927</b>	<b>544,999</b>	<b>-3.7%</b>
<b>Total Shares ex-treasury (in thousand)</b>	<b>346,375</b>	<b>346,375</b>	<b>346,375</b>	<b>0.0%</b>	<b>0.0%</b>	<b>346,375</b>	<b>346,375</b>	<b>0.0%</b>
<b>Cash Income per share</b>	<b>1.16</b>	<b>0.36</b>	<b>0.92</b>	<b>n.m.</b>	<b>25.8%</b>	<b>1.52</b>	<b>1.57</b>	<b>-3.7%</b>

## Hedge Position

In R\$ '000

	Sugar hedged (tons)	Avg. Price (USD c/p)	Avg. Price (R\$/ton)
<b>23/24 Harvest</b>	<b>547,396</b>	<b>22.54</b>	
	341,927	22.54	2,676
	205,469	22.54	not hedged
<b>24/25 Harvest</b>	<b>266,967</b>	<b>24.60</b>	
	252,780	24.60	2,762
	14,187	25	not hedged

The above table details our sugar hedge position for the 2023/24 crop year (base: September 30, 2023), considering the portion fixed in USD and open positions, which justify this status as they offset the exposure to purchases of inputs in USD and other foreign currency-denominated obligations.

As of 2Q24, the Company has been employing hedge structures (derivative combinations), with the intent of achieving higher prices for the 24/25 crop year, given the optimistic outlook for the sugar market. In relation to the details above, the price considers, in a conservative manner, the hedge structures at their lowest price for the 2024/25 crop year.

# 2Q24 EARNINGS RELEASE

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CAPEX

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## CAPEX Breakdown

In R\$ '000

	2Q24	1Q24	2Q23	Δ 2Q24/1Q24	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
<b>Maintenance</b>	<b>360,896</b>	<b>334,563</b>	<b>358,903</b>	<b>7.9%</b>	<b>0.6%</b>	<b>695,459</b>	<b>681,983</b>	<b>2.0%</b>
Sugarcane Planting - Renovation	133,650	129,275	111,967	3.4%	19.4%	262,925	212,835	23.5%
Off-Season Maintenance (Industrial/Agricultural)	14,849	25,656	11,191	-42.1%	32.7%	40,505	29,005	39.7%
Crop Treatment	212,398	179,632	235,745	18.2%	-9.9%	392,030	440,144	-10.9%
<b>Operational Improvements</b>	<b>18,493</b>	<b>30,148</b>	<b>16,038</b>	<b>-38.7%</b>	<b>15.3%</b>	<b>48,641</b>	<b>47,972</b>	<b>1.4%</b>
Equipment/Replacements	12,190	23,736	10,763	-48.6%	13.3%	35,926	36,635	-1.9%
Environmental/Legal	6,304	6,412	5,275	-1.7%	19.5%	12,715	11,337	12.2%
<b>Upgrading/Expansion</b>	<b>45,571</b>	<b>48,923</b>	<b>160,737</b>	<b>-6.9%</b>	<b>-71.6%</b>	<b>94,494</b>	<b>370,290</b>	<b>-74.5%</b>
Corn Ethanol Project	5,666	6,901	131,919	-17.9%	-95.7%	12,567	215,002	-94.2%
UTE Phase II	4,474	4,554	16,436	-1.8%	-72.8%	9,028	103,379	-91.3%
Other Projects	35,431	37,468	12,382	-5.4%	186.1%	72,899	51,909	40.4%
<b>TOTAL</b>	<b>424,960</b>	<b>413,634</b>	<b>535,678</b>	<b>2.7%</b>	<b>-20.7%</b>	<b>838,594</b>	<b>1,100,244</b>	<b>-23.8%</b>

Maintenance Capex totaled R\$ 360.9 million in 2Q24, in line with 2Q23, and R\$ 695.5 million in 6M24, up 2.0% vs. 6M23. The variation in both periods was due to expenses with the maintenance of industrial facilities and agricultural equipment.

Capex dedicated to Operational Improvements totaled R\$ 18.5 million in 2Q24, up 15.3% from the prior-year period, due to the replacement of fleet and equipment scheduled for the current crop year. In the crop year, Capex dedicated to improvements totaled R\$ 48.6 million, 1.4% higher than in 6M23, for the same reason that affected 2Q24.

Expansion capex was R\$ 45.6 million in 2Q24, down 71.6% in relation to 2Q23, due to the disbursement timetable for projects in the completion phase, partially offset by the execution of smaller projects (with IRR of over 18%). In 6M24, modernization and expansion Capex totaled R\$ 94.5 million, down 74.5%, due to the same impacts affecting 2Q24.

### Obligations

On September 30, 2023, São Martinho recognized R\$170.5 million in obligations payable to Copersucar under Liabilities on its balance sheet. In view of the terms negotiated in the process to terminate the membership at Copersucar, we will continue to book under "Obligations – Copersucar" all liabilities related to the contingencies currently being resolved judicially that were filed by the legal counsel of Copersucar. The total amount of these obligations is secured by bank sureties.

### Rights

Copersucar is also 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 registered warrant amounting to R\$ 5.6 billion was issued (R\$ 730.5 million proportional to the Company), in June 2018, the supplementary registered warrant amounting to R\$ 10.6 billion was issued (R\$ 1.4 billion proportional to the Company). A sum of R\$ 2.2 billion claimed by the Federal Government (R\$ 286.3 million proportional to the Company) is still in dispute.

Copersucar transferred to the Company the amounts received from the Federal Government related to this process, as shown in the following table.

### Copersucar Rights

In R\$ '000

	2019	2020	2021	2022	2023	2024
	March/2019	December/2019	September/2020	October/2021	October/2022	July/2023
First court-ordered debt security	906,287	1,059,956	1,083,223	1,174,400	1,346,041	1,418,483
Complementary court-ordered debt security	-	1,724,797	1,974,578	2,138,858	2,450,167	2,595,166
<b>Court-ordered debt securities - Copersucar</b>	<b>906,287</b>	<b>2,784,753</b>	<b>3,057,801</b>	<b>3,313,258</b>	<b>3,796,208</b>	<b>4,013,649</b>
<b>SMSA Portion</b>	<b>150,563</b>	<b>462,634</b>	<b>507,996</b>	<b>550,436</b>	<b>630,668</b>	<b>666,792</b>
PIS/COFINS withheld by Copersucar	(13,927)	(42,794)	(46,990)	(50,915)	(58,337)	(61,678)
Retentions and Expenses	(30,137)	(70,784)	(77,966)	(84,045)	(96,715)	(102,280)
<b>Other net Revenues SMSA</b>	<b>106,499</b>	<b>349,056</b>	<b>383,040</b>	<b>415,476</b>	<b>475,616</b>	<b>502,834</b>

While transferring the funds, Copersucar withheld a portion to cover legal costs and the PIS and COFINS taxes, while undertaking to transfer the corresponding amounts in the event of a favorable outcome. On September 30, 2023, the balance receivable from Copersucar was R\$ 274,641 (R\$ 212,963 on March 31, 2023), booked 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."



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.

# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

### FINANCIAL STATEMENTS

**SMTO**  
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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 - Consolidated In R\$ '000

	2Q24	2Q23	Δ 2Q24/2Q23	6M24	6M23	Δ 6M24/6M23
Gross Revenue	1,623,507	1,586,666	2.3%	3,001,846	3,390,133	-11.5%
Deductions from Gross Revenue	(88,518)	(4,871)	1717.2%	(124,270)	(110,879)	12.1%
<b>Net Revenue</b>	<b>1,534,989</b>	<b>1,581,795</b>	<b>-3.0%</b>	<b>2,877,576</b>	<b>3,279,254</b>	<b>-12.2%</b>
Cost of Goods Sold (COGS)	(1,052,999)	(1,048,244)	0.5%	(1,884,597)	(2,164,641)	-12.9%
<b>Gross Profit</b>	<b>481,990</b>	<b>533,551</b>	<b>-9.7%</b>	<b>992,979</b>	<b>1,114,613</b>	<b>-10.9%</b>
Gross Margin (%)	31.4%	33.7%	-2.3 p.p	34.5%	34.0%	0.5 p.p
<b>Operating income (expenses)</b>	<b>375,854</b>	<b>(94,466)</b>	<b>-497.9%</b>	<b>245,355</b>	<b>(159,708)</b>	<b>-253.6%</b>
Selling Expenses	(46,097)	(51,394)	-10.3%	(92,424)	(97,565)	-5.3%
General and Administrative Expenses	(85,091)	(61,116)	39.2%	(180,618)	(116,522)	55.0%
Equity in the results of investees	2,121	1,458	45.5%	3,910	2,627	48.8%
Other income (expenses), net	504,921	16,586	2944.3%	514,487	51,752	894.1%
<b>Operating profit</b>	<b>857,844</b>	<b>439,085</b>	<b>95.4%</b>	<b>1,238,334</b>	<b>954,905</b>	<b>29.7%</b>
<b>Finance income (costs)</b>	<b>(282,279)</b>	<b>(173,580)</b>	<b>62.6%</b>	<b>(443,097)</b>	<b>(472,385)</b>	<b>-6.2%</b>
Finance income	67,474	72,541	-7.0%	161,151	155,945	3.3%
Finance costs	(222,619)	(178,721)	24.6%	(512,019)	(441,095)	16.1%
Monetary and foreign exchange variations, net	(31,844)	(35,144)	-9.4%	(84,895)	(167,684)	-49.4%
Derivatives	(95,290)	(32,256)	195.4%	(7,334)	(19,551)	-62.5%
<b>Profit before taxation</b>	<b>575,565</b>	<b>265,505</b>	<b>116.8%</b>	<b>795,237</b>	<b>482,520</b>	<b>64.8%</b>
Income Tax and Social Contribution - Current	(195,583)	(82,279)	137.7%	(202,344)	(103,666)	95.2%
Income Tax and Social Contribution - Deferred	38,112	29,370	29.8%	45,469	55,321	-17.8%
<b>Net Income</b>	<b>418,094</b>	<b>212,596</b>	<b>96.7%</b>	<b>638,362</b>	<b>434,175</b>	<b>47.0%</b>
Net Margin (%)	27.2%	13.4%	13.8 p.p	22.2%	13.2%	8.9 p.p

## Balance Sheet (Assets)

São Martinho - Consolidated In R\$ '000

	Sep/23	Mar/23
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	111,878	273,408
Financial investments	1,501,126	2,804,873
Trade Receivables	363,615	274,904
Derivative Financial Instruments	186,233	163,242
Inventories and advance to suppliers	2,377,088	694,118
Biological Assets	1,222,114	1,160,568
Taxes Recoverable	241,395	214,253
Income Tax and Social Contribution	84,152	93,880
Other assets	32,291	8,229
<b>TOTAL CURRENT ASSETS</b>	<b>6,119,892</b>	<b>5,687,475</b>
<b>NON-CURRENT ASSETS</b>		
<b>Long-term Receivables</b>		
Financial investments	40,639	38,497
Inventories and advance to suppliers	130,230	224,678
Derivative Financial Instruments	213,689	225,568
Trade Receivables	34,398	40,692
Taxes Recoverable	213,725	230,676
Income Tax and Social Contribution	8,983	8,983
Judicial Deposits	1,427,846	1,088,976
Other Assets	296,104	234,425
	<b>2,365,614</b>	<b>2,092,495</b>
<b>Investments</b>	52,021	47,798
<b>Property, plant and equipment</b>	7,234,026	7,606,567
<b>Intangible assets</b>	458,716	464,125
<b>Right-of-use assets</b>	2,906,871	2,925,325
<b>TOTAL NON-CURRENT ASSETS</b>	<b>13,017,248</b>	<b>13,136,310</b>
<b>TOTAL ASSETS</b>	<b>19,137,140</b>	<b>18,823,785</b>

# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

### FINANCIAL STATEMENTS

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#### Balance Sheet (Liabilities)

São Martinho - Consolidated In R\$ '000

	Sep/23	Mar/23
<b>CURRENT LIABILITIES</b>		
Borrowings	649,778	1,028,509
Leases payable	88,011	115,855
Agricultural partnership payable	698,873	569,854
Derivative Financial Instruments	308,504	328,695
Trade Payables	416,486	281,311
Payables to Copersucar	13,944	13,539
Salaries and Social Charges	254,511	195,162
Taxes recoverable	33,338	21,094
Income tax and social contribution payable	11,764	8,490
Dividends Payable	32	5,963
Advances from Customers	97,402	5,173
Acquisition of Ownership interests	11,582	11,571
Other Liabilities	32,037	30,565
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,616,262</b>	<b>2,615,781</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	5,392,640	5,595,374
Leases payable	613,197	586,228
Agricultural partnership payable	1,697,582	1,769,834
Derivative Financial Instruments	8,902	7,250
Payables to Copersucar	156,592	162,986
Deferred Income Tax and Social Contribution	968,719	997,134
Provision for Contingencies	111,014	111,541
Taxes with suspended payment	1,404,155	1,063,378
Other Liabilities	734	1,916
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>10,353,535</b>	<b>10,295,641</b>
<b>EQUITY</b>		
Share Capital	3,941,717	3,161,384
Treasury Shares	(139,997)	(139,997)
Carrying Value Adjustments	1,096,965	1,062,480
Revenue Reserves	1,268,658	1,828,496
<b>TOTAL EQUITY</b>	<b>6,167,343</b>	<b>5,912,363</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>19,137,140</b>	<b>18,823,785</b>

# 2Q24 EARNINGS RELEASE

## CONSOLIDATED

## FINANCIAL STATEMENTS

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### Consolidated Cash Flow

São Martinho - Consolidated In R\$ '000

	6M24	6M23
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year	638,362	434,175
Adjustments		
Depreciation and amortization	378,770	466,315
Biological assets harvested	453,773	485,153
Change in the fair value of biological assets and CBIOS	(157,021)	18,640
Amortization of electricity contracts	7,218	5,007
Equity in the results of investees	(3,910)	(2,627)
Gains (losses) on investments and PP&E written off	(2,519)	(1,375)
Interest, monetary and exchange variations, net	166,369	279,801
Derivative financial instruments	(15,244)	(19,217)
Setup of provision for contingences, net	19,154	18,009
Income tax and social contribution	156,875	48,345
Taxes with suspended payment	340,777	41,384
Adjustment to present value and other adjustments	177,345	138,504
	<b>2,159,949</b>	<b>1,912,114</b>
Changes in asset and liabilities		
Trade receivables	(102,215)	(247,902)
Inventories	(910,331)	(935,532)
Taxes recoverable	17,507	(152,297)
Derivative financial instruments	(38,364)	(28,022)
Other assets	(346,943)	(20,646)
Trade payables	181,310	242,549
Salaries and social charges	59,349	18,853
Taxes payable	(203,210)	(99,372)
Payables to Copersucar	(8,217)	(10,268)
Provision for contingencies - settlement	(24,701)	(12,313)
Other liabilities	93,138	(1,219)
Cash from operations	<b>877,272</b>	<b>665,945</b>
Payment of interest on borrowings	(281,654)	(166,313)
Income tax and social contribution paid	(5,603)	(22,295)
Net cash provided by operating activities	<b>590,015</b>	<b>477,337</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment of funds	520	(223)
Purchases of property, plant and equipment and intangible assets	(217,503)	(465,771)
Additions to biological assets (planting and crop treatments)	(656,865)	(651,953)
Financial investments	1,437,720	1,260,711
Proceeds from sale of property, plant and equipment	4,417	3,599
Dividends received	1,156	1,723
Net cash provided by investing activities	<b>569,445</b>	<b>148,086</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amortization of lease and partnership agreements	(311,808)	(328,402)
Proceeds from borrowings - third parties	97,000	88,000
Repayment of borrowings - third parties	(698,727)	(133,515)
Payment of dividends and interest on Equity	(408,165)	(235,841)
Others Receipts	710	-
Net cash provided by financing activities	<b>(1,320,990)</b>	<b>(609,758)</b>
Increase (decrease) in cash and cash equivalents	<b>(161,530)</b>	<b>15,665</b>
Cash and cash equivalents at the beginning of the period	<b>273,408</b>	<b>114,903</b>
Cash and cash equivalents at the end of the period	<b>111,878</b>	<b>130,568</b>
<b>Additional information</b>		
Balance of financial investments (current assets)	1,501,126	1,744,590
Total available funds	1,613,004	1,875,158



## INVESTOR RELATIONS

☎ +55 11 2105-4100

✉ [ri@saomartinho.com.br](mailto:ri@saomartinho.com.br)

🌐 [www.saomartinho.com.br/ri](http://www.saomartinho.com.br/ri)

[saomartinho.com.br/ri](http://saomartinho.com.br/ri)