

SMTO
B3 LISTED NM

Results
4th Quarter
2019/2020 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. Financial Highlights

4. Production Guidance

2. Cash Cost

5. Hedge Position

3. Indebtedness

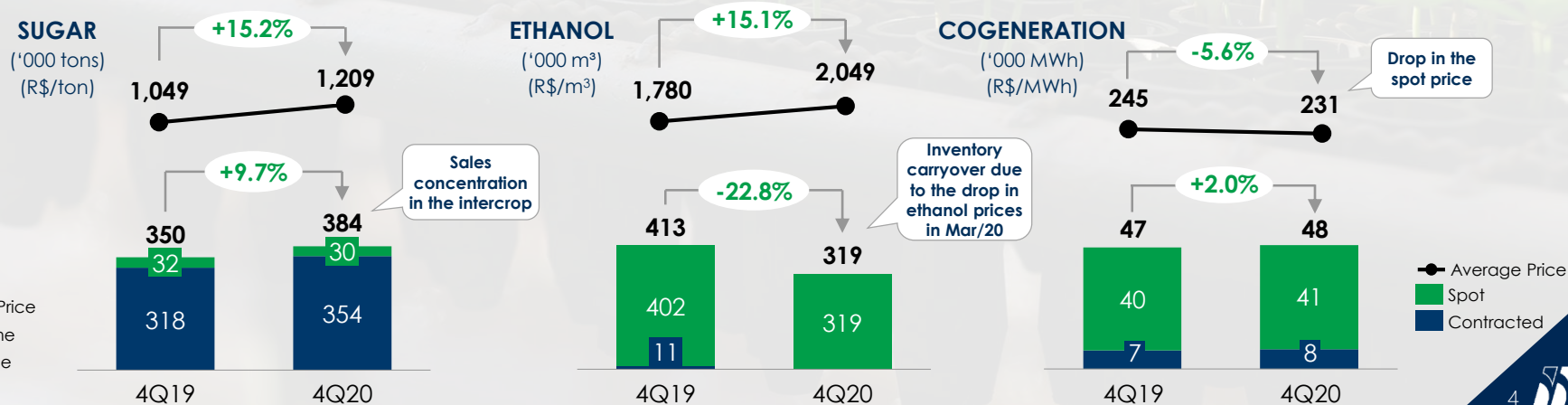
6. Sugar and Ethanol Market

Financial Highlights

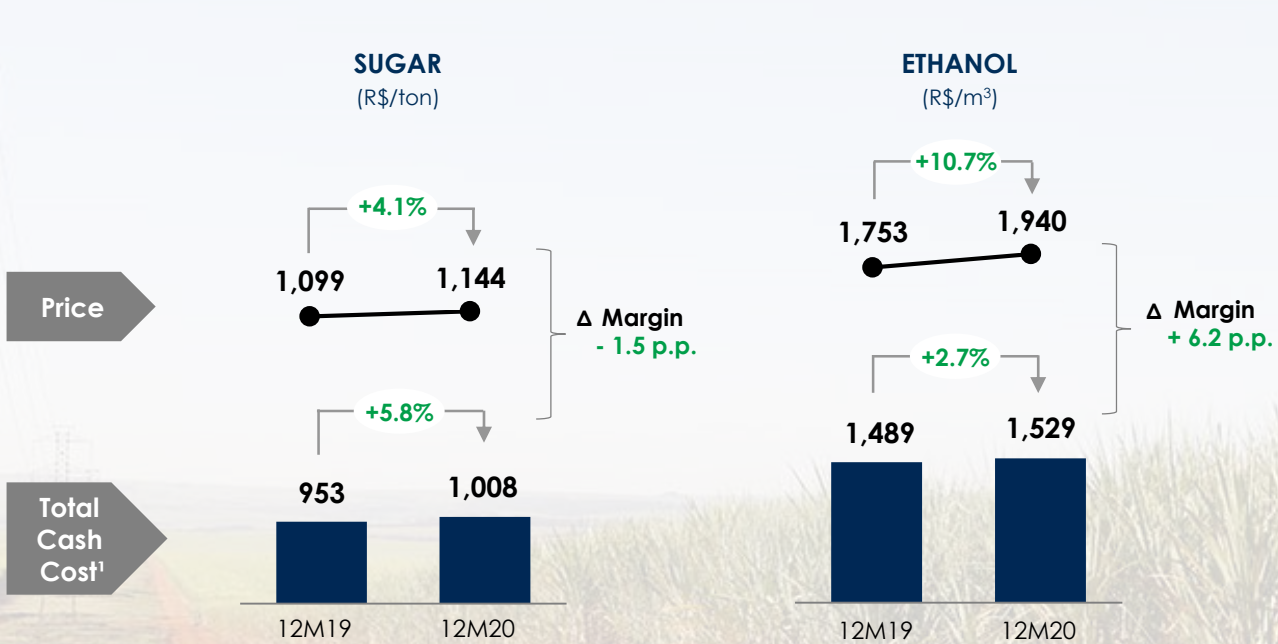
R\$ '000

Executive Summary	4Q19	4Q20	Chg. (%)	12M19	12M20	Chg. (%)
Net Revenue ¹	1,124,508	1,146,539	2.0%	3,381,663	3,701,547	9.5%
Adjusted EBITDA	509,586	579,510	13.7%	1,644,534	1,857,191	12.9%
Adjusted EBITDA Margin	45.3%	50.5%	5.2 p.p.	48.6%	50.2%	1.5 p.p.
Adjusted EBIT	121,050	270,185	123.2%	599,760	792,538	32.1%
Adjusted EBIT Margin	10.8%	23.6%	12.8 p.p.	17.7%	21.4%	3.7 p.p.
IAA (Copersucar) net of taxes	70,634	-	n.m.	70,634	230,402	226.2%
Net Income without IFRS 16 effects	85,610	117,513	37.3%	314,045	661,815	110.7%
Net Income	85,610	142,645	66.6%	314,045	639,010	103.5%
Cash Income	158,048	164,860	4.3%	461,370	713,547	54.7%
TRS Sold ('000 Tons)	1,070	943	-11.8%	3,010	3,022	0.4%

1- Excludes the Hedge Accounting effect of foreign-denominated debt and PPA USC
Data do not include the IFRS 16 impacts



Cash Cost including Maintenance Capex Ex-Consecana



12M20
 x
12M19

- Inflation in the period: 3.3%
- Agricultural inputs/Diesel: +8.2%

(Increase in the Consecana price: +12.9%)

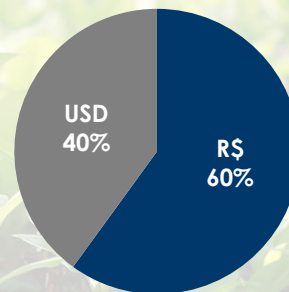
1 - The total cash cost of the products considers: COGS + selling expenses + general and administrative expenses - depreciation / amortization + change in fair value of biological assets + maintenance capex

Indebtedness

	Mar/19	Mar/20	Chg.%
R\$ '000			
Gross Debt	4,491,205	4,841,376	7.8%
Cash and Cash Equivalents	2,089,213	1,962,064	-6.1%
Net Debt	2,401,992	2,879,312	19.9%
Net Debt / LTM EBITDA - R\$	1.46 x	1.55 x	6.1%
Net Debt / LTM EBITDA - USD ¹	1.32 x	1.23 x	-6.9%
LTM Adjusted EBITDA	1,644,534	1,857,191	12.9%

1 – LTM EBITDA Daily Average PTAX 12 months:
 March/19: R\$ 3.78
 March/20: R\$ 4.11

Currency - Gross



S&P Global

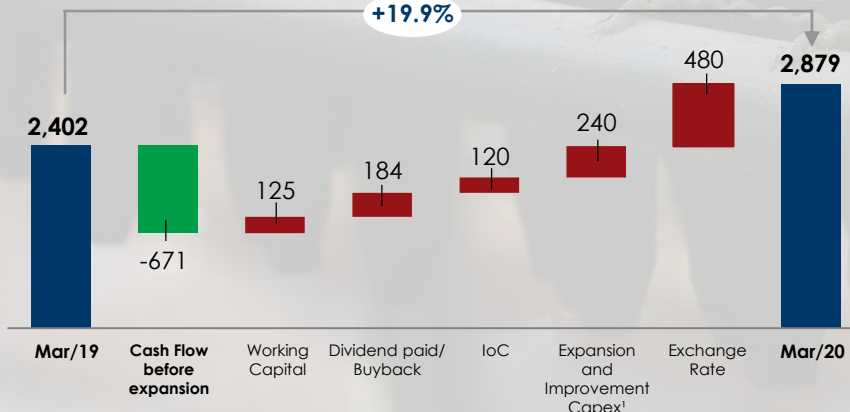
BBB-
Investment Grade
 Global Scale

BrAAA
 National Scale

Debt Evolution

R\$ - '000,000

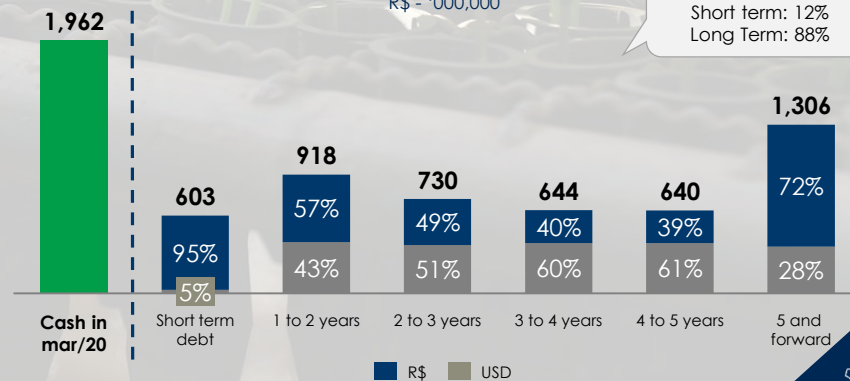
+19.9%



Debt Schedule

R\$ - '000,000

Average Term: 3.8 years
 Short term: 12%
 Long Term: 88%



1 – Expansion capex + Improvement capex + receipt of proceeds from the sale of fixed assets + others

Production Guidance: 20/21 Harvest

	19/20	20/21 Guidance	Chg. (%)
OPERATIONAL DATA			
Crushing ('000 tons)	22,640	23,200	2.5%
Average TRS (Kg/Ton)	139.4	138.0	-1.0%
Production Mix Scenarios			
		Max Sugar	Max Ethanol
Sugar ('000 tons)	1,106	1,490	1,135
Ethanol ('000 m ³)	1,172	970	1,200
Cogeneration ('000 MWh)	913	925	930

- ✓ The crushing increase is a result of the higher productivity of the cane fields
- ✓ The production mix should favor sugar production in the 20/21 harvest, considering the current sugar price premium in relation to ethanol

Hedge Position – Current

SUGAR	Hedged Volume (ton)	Average Price (US\$ c/p)	Average Price ¹ (R\$/ton)	
2020/2021 Harvest	1,093,727	13.00	~1,319	~96% of own sugarcane fixed ²
2021/2022 Harvest	260,261	12.18	~1,449	~23% of own sugarcane fixed ³
DOLLAR	Hedged Volume (US\$ '000)	Average Price (R\$/US\$)		
2020/2021 Harvest	295,088	4.50		~76% of own sugarcane fixed ²
2021/2022 Harvest	33,962	5.23		~11% of own sugarcane fixed ³

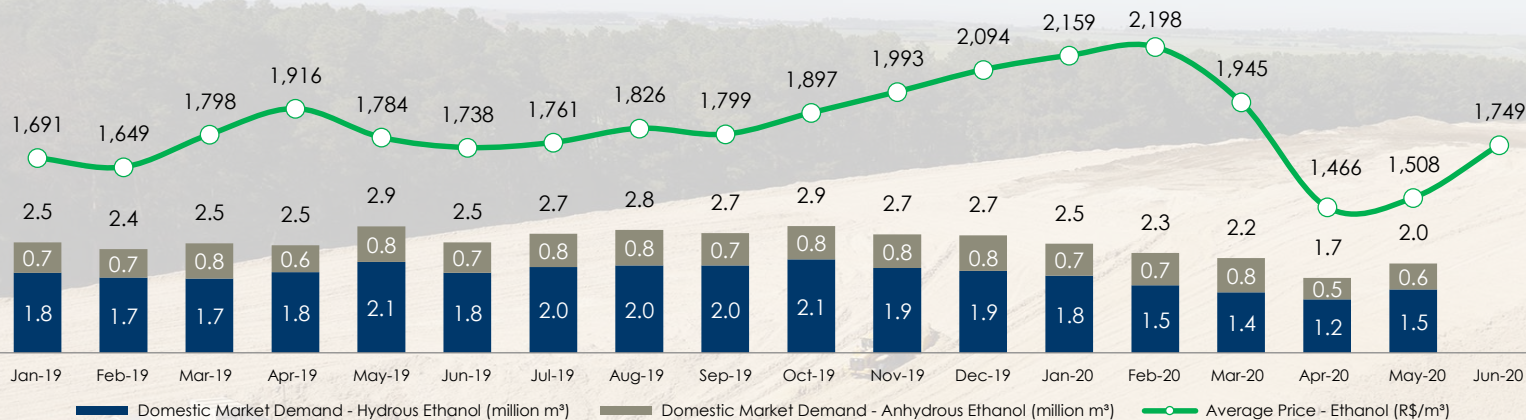
Position in June 26, 2020

1 - For the amount fixed in sugar, but not fixed in dollars, the exchange rate of R\$ 5.48/USD was considered; 2 - Considering the max sugar production scenario;

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

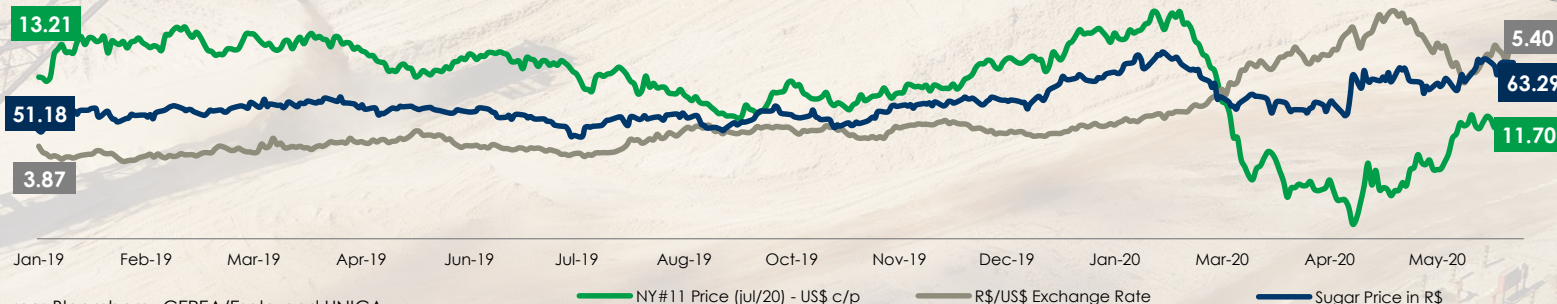
Sugar and Ethanol Market

Ethanol Consumption and Price



- Circulation restriction (COVID-19 pandemic)
- Drop in the oil price

Sugar price and Exchange rate



- Sharp devaluation of the Real
- Prices in Reais higher than the pre-pandemic period



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