



NOVEMBER 28TH, 2023

2Q24 EARNINGS RELEASE



Period Definitions

2Q23: July to September 2022

6M23: April to September 2022

2Q24: July to September 2023

6M24: April to September 2023

Earnings Release 2Q24

November 28th, 2023

Lucas do Rio Verde – MT, November 28th, 2023 – FS Indústria de Biocombustíveis Ltda (“FS Ltda”) and FS Indústria de Etanol S.A. (“FS S.A.”) (combined as “Company” or “FS”), leading producers of corn ethanol (anhydrous and hydrous), animal nutrition and bioenergy, also active in corn and ethanol commercialization, announce their results for the second quarter (“2Q24”) and the first half (“6M24”) of the fiscal year 2024 (“FY24”), ended September 30th, 2023. FS combined financial statements were prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and with the accounting practices adopted in Brazil, presented in a managerial format.

2Q24 HIGHLIGHTS

- **Net revenue: BRL 2,003.2 million** (+5.1%).
- **EBITDA: BRL 218.8 million** (-69.1%) or BRL 0.460/liter of ethanol sold, with margin of 10.9% (-26.2 p.p.).
- **Net loss: BRL 179.8 million**, with -9.0% margin.
- **Capex: BRL 257.1 million**, of which BRL 250.5 million in growth capex.
- **Net debt: BRL 4,945.8 million**, or 3.08x LTM EBITDA, (+1.47x vs. 2Q23).
- On November 16th, 2023, we made a disbursement of the **first transaction of BRL 102.9 million with FINEP** for financing innovation projects, with 12 years maturity, with a cost of TR+3.3% p.a.
- As of November 28th, 2023, we had repurchased and cancelled USD 197.2 million of our Green Bond (issued by FS Lux), reducing the outstanding principal to USD 482.8 million.

Financial highlights (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Net revenue	1,906,740	2,003,159	5.1%	3,793,339	3,824,709	0.8%
Cost of goods sold	(1,235,533)	(1,531,878)	24.0%	(2,319,607)	(2,785,503)	20.1%
Gross profit	671,207	471,281	(29.8%)	1,473,732	1,039,206	(29.5%)
Gross margin	35.2%	23.5%	(11.7 p.p.)	38.9%	27.2%	(11.7 p.p.)
Selling, general & administrative expense	(248,873)	(359,169)	44.3%	(451,330)	(621,381)	37.7%
Other results	250,973	43,289	(82.8%)	294,042	66,772	(77.3%)
EBIT	673,307	155,401	(76.9%)	1,316,444	484,597	(63.2%)
EBIT margin	35.3%	7.8%	(27.6 p.p.)	34.7%	12.7%	(22.1 p.p.)
Depreciation and amortization	34,127	63,360	85.7%	66,991	111,266	66.1%
EBITDA	707,434	218,761	(69.1%)	1,383,435	595,863	(56.9%)
EBITDA margin	37.1%	10.9%	(26.2 p.p.)	36.5%	15.6%	(20.9 p.p.)
EBITDA BRL/liter	2.005	0.460	(77.0%)	2.097	0.685	(67.3%)
Net profit (loss)	274,512	(179,833)	n.m.	541,565	(145,829)	n.m.
Net margin	14.4%	(9.0%)	(23.4 p.p.)	14.3%	(3.8%)	(18.1 p.p.)
EBITDA minus maintenance capex	700,120	212,149	(69.7%)	1,367,009	582,687	(57.4%)
Net debt	4,615,242	4,945,789	7.2%	4,615,242	4,945,789	7.2%
EBITDA (LTM)	2,862,019	1,604,529	(43.9%)	2,862,019	1,604,529	(43.9%)
Net debt/EBITDA (LTM)	1.61 x	3.08 x	1.47 x	1.61 x	3.08 x	1.47 x

OPERATIONAL HIGHLIGHTS

Operational Highlights	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Corn crushed (tons)	859,495	1,191,982	38.7%	1,588,160	2,246,948	41.5%
Biomass Consumption (m³)	724,532	1,005,868	38.8%	1,368,359	1,905,475	39.3%
Ethanol produced¹ (m³)	381,484	524,066	37.4%	701,476	976,679	39.2%
Ethanol production yield² (liter/ton)	438.0	434.8	(0.7%)	435.1	429.7	(1.2%)
DDG Products produced ³ (tons)	331,574	426,505	28.6%	620,013	814,358	31.3%
Corn Oil produced (tons)	13,316	20,418	53.3%	23,098	36,802	59.3%
CBIOS issued (units)	343,573	383,020	11.5%	665,838	748,715	12.4%
Ethanol sold (m ³)	352,838	475,200	34.7%	659,629	869,245	31.8%
% volume anhydrous sold	60.0%	59.4%	(0.7 p.p.)	54.8%	59.5%	4.7 p.p.
DDG Products sold (tons)	345,656	432,616	25.2%	633,431	802,958	26.8%
Corn Oil sold (tons)	13,332	18,047	35.4%	22,847	33,502	46.6%
CBIOS sold (units)	187,134	461,548	146.6%	552,134	1,216,107	120.3%
Total Volume Corn Marketing (tons)	259,726	236,493	(8.9%)	493,069	734,142	48.9%
Energy sold (MWh)	14,487	21,784	50.4%	27,241	44,392	63.0%

¹ Production of anhydrous ethanol and hydrous ethanol combined.

² Total anhydrous ethanol produced converted into liters and divided by the total volume of corn crushed in tons.

³ Considers the sum of the products: DDG High protein, DDG High fiber and DDG Wetcake.

The Company processed 1,192.0 thousand tons of corn in 2Q24, an increase of 38.7% compared to the 2Q23, mainly driven by the start-up of our third plant in Primavera do Leste ("PDL Plant") in early May'23.

The consumption of biomass in 2Q24 reached 1,005.9 thousand m³, an increase of 38.8% versus 2Q23.

In 2Q24, FS produced 524.1 thousand m³ of ethanol, an increase of 37.4% versus 2Q23. In the quarter, we sold 475.2 thousand m³ of ethanol, an increase of 34.7% versus 2Q23. The share of anhydrous ethanol sold decreased by 0.7 p.p. compared to 2Q23. Additionally, we issued 383.0 thousand and sold 461.5 thousand units of CBIOS in 2Q24, an increase of 11.5% and 146.6% versus 2Q23, respectively.

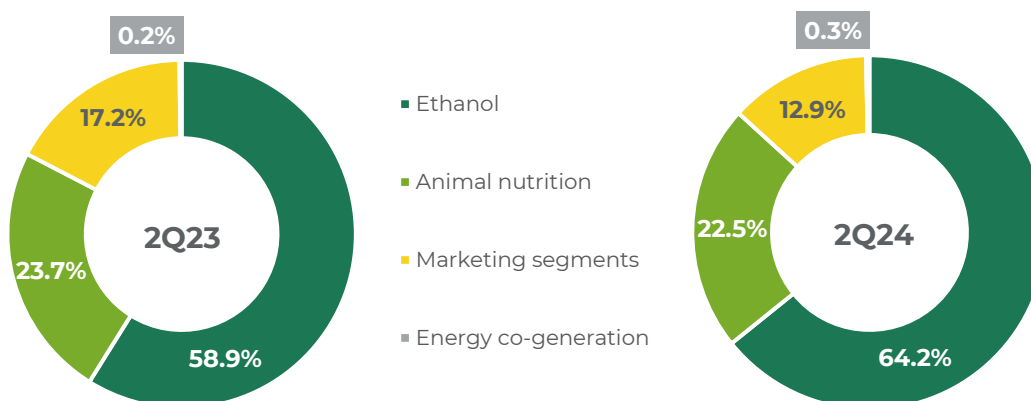
Finally, in 2Q24, FS sold 432.6 thousand tons of DDG products, an increase of 25.2% versus 2Q23.

NET REVENUE

Net revenue (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Ethanol segment	1,004,221	1,098,777	9.4%	2,125,803	2,215,818	4.2%
Anhydrous ethanol	644,486	679,123	5.4%	1,209,182	1,374,022	13.6%
Hydrous ethanol	359,735	419,654	16.7%	916,621	841,796	(8.2%)
Animal nutrition segment	404,629	385,805	(4.7%)	743,502	755,937	1.7%
DDG High-protein	163,713	171,224	4.6%	306,545	327,787	6.9%
DDG High-fiber	95,657	89,838	(6.1%)	181,325	182,855	0.8%
DDG Wetcake	58,963	58,094	(1.5%)	104,879	117,647	12.2%
Corn Oil	86,296	66,649	(22.8%)	150,753	127,648	(15.3%)
Energy co-generation	3,552	5,325	49.9%	7,477	11,281	50.9%
Energy	2,400	3,861	60.9%	5,369	8,441	57.2%
Steam	1,152	1,464	27.1%	2,108	2,840	34.7%
Total net revenue from industrial segments (a)	1,412,402	1,489,907	5.5%	2,876,782	2,983,036	3.7%
Corn marketing	283,857	211,507	(25.5%)	538,517	326,465	(39.4%)
Ethanol commercialization	-	1,782	n.m.	-	1,782	n.m.
Energy resale	9,135	7,901	(13.5%)	13,098	11,281	(13.9%)
Total net revenue from marketing segments (b)	292,992	221,190	(24.5%)	551,615	339,528	(38.4%)
Total net revenue from segments¹ (c) = (a) + (b)	1,705,394	1,711,097	0.3%	3,428,397	3,322,564	(3.1%)
Reclassification - Freight on sales (d)	201,346	292,062	45.1%	364,942	502,145	37.6%
Net revenue (f) = (c) + (d)	1,906,740	2,003,159	5.1%	3,793,339	3,824,709	0.8%

¹ For managerial reporting purposes and for a better understanding and standardization of financial performance by product and segment, FS deducts from the net revenue all logistics and freight expenses to determine net revenue from segments and products. With this view, the determination of net revenue per liter or per ton are directly comparable to each other, regardless of the sales incoterms - CIF or FOB, as well as being directly comparable with market indicators, such as the ethanol ESALQ index which is also net of taxes and freight.

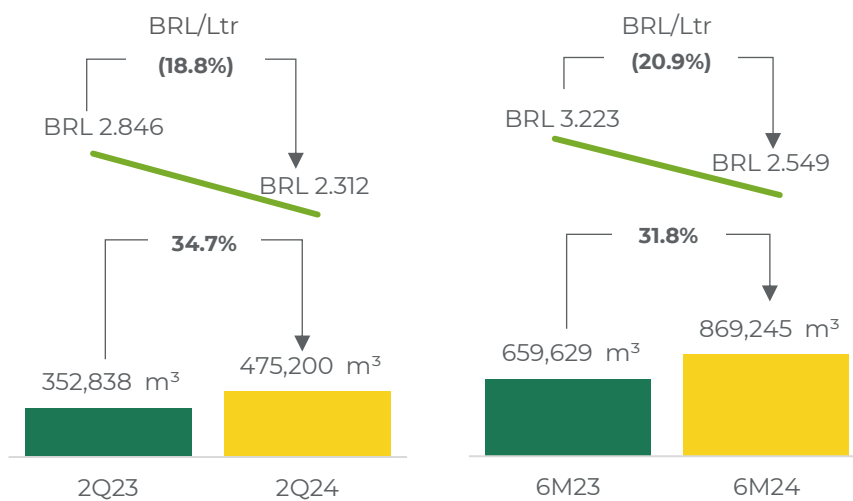
Total net revenue from segments (c)



Total net revenue from industrial segments (a)

In 2Q24, net revenue from industrial segments totaled BRL 1,489.9 million, 5.5% higher than 2Q23, mainly driven by an increase in production capacity due to the start-up of PDL Plant partially offset by lower ethanol and animal nutrition net sales prices. Details for the industrial segments are presented on following pages.

Ethanol Segment



(in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Ethanol segment	1,004,221	1,098,777	9.4%	2,125,803	2,215,818	4.2%
Anhydrous ethanol	644,486	679,123	5.4%	1,209,182	1,374,022	13.6%
Hydrous ethanol	359,735	419,654	16.7%	916,621	841,796	(8.2%)
% volume anhydrous sold	60.0%	59.4%	(0.7 p.p.)	54.8%	59.5%	4.7 p.p.

Net revenue from the ethanol segment totaled BRL 1,098.8 million in 2Q24, 9.4% higher than 2Q23. The average net sales price of ethanol in 2Q24 was BRL 2.312/liter, 18.8% lower than 2Q23, while the average ESALQ hydrous net price in 2Q24 was BRL 2.190/liter, 18.7% lower than 2Q23, mainly driven by the consecutive reductions in gasoline prices set by Petrobras and reduction on ethanol pump parity versus gasoline. FS' ethanol net sales price was BRL 0.122/liter higher than ESALQ hydrous in 2Q24. Ethanol CIF sales reached 83.3% in 2Q24 (-1.6 p.p. versus 2Q23).

Animal Nutrition Segment

(in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Animal nutrition segment (a)	404,629	385,805	(4.7%)	743,502	755,937	1.7%
DDG High-protein	163,713	171,224	4.6%	306,545	327,787	6.9%
DDG High-fiber	95,657	89,838	(6.1%)	181,325	182,855	0.8%
DDG Wetcake	58,963	58,094	(1.5%)	104,879	117,647	12.2%
Total DDGs	318,333	319,156	0.3%	592,749	628,289	6.0%
Corn Oil	86,296	66,649	(22.8%)	150,753	127,648	(15.3%)
P&L corn marketing (b)	17,532	19,348	10.4%	25,979	67,591	160.2%
Net revenue - corn marketing	283,857	211,507	(25.5%)	538,517	326,465	(39.4%)
Production cost - corn marketing	(266,325)	(192,159)	(27.8%)	(512,538)	(258,874)	(49.5%)
Production cost - corn (c)	782,877	1,066,051	36.2%	1,449,397	2,038,059	40.6%
Coverage ratio (d) = (a + b) / (c)	53.9%	38.0%	(15.9 p.p.)	53.1%	40.4%	(12.7 p.p.)

Net revenue from the animal nutrition segment totaled BRL 385.8 million in 2Q24, 4.7% lower than 2Q23, mainly driven by increased volumes after the start-up of PDL Plant, offset by price decreases driven by lower prices of substitute products (corn, soybean meal or soybean oil).

Net revenue from **High Protein DDG** totaled BRL 171.2 million in 2Q24, 4.6% higher than 2Q23. The net sales price of High Protein DDG in 2Q24 was BRL 1,297.5/ton, 22.7% lower than 2Q23.

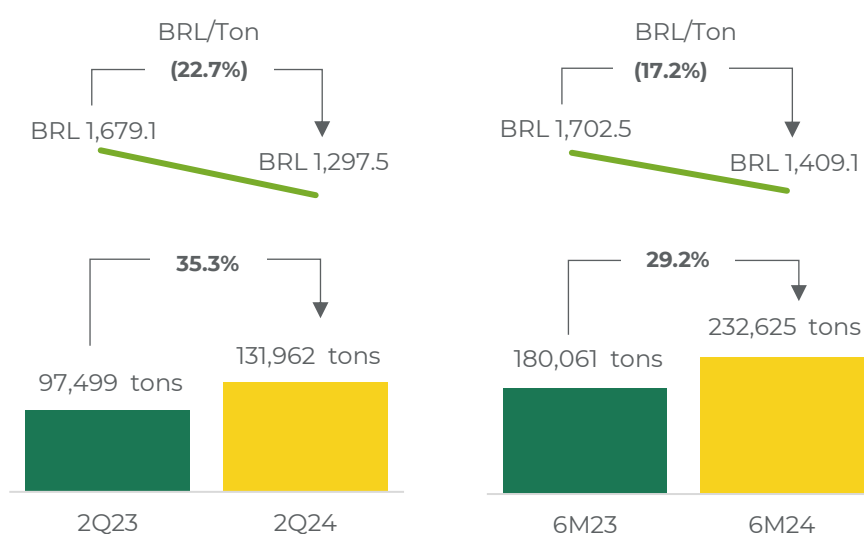
Net revenue from **High Fiber DDG** totaled BRL 89.8 million in 2Q24, 6.1% lower than 2Q23. The net sales price of High Fiber DDG in 2Q24 was BRL 901.8/ton, 19.0% lower than 2Q23.

Net revenue from **Wetcake DDG** totaled BRL 58.1 million in 2Q24, 1.5% lower than 2Q23. The net sales price of Wetcake DDG in 2Q24 was BRL 289.0/ton, 20.5% lower than 2Q23.

Net revenue from **Corn Oil** totaled BRL 66.6 million in 2Q24, 22.8% lower than 2Q23. The net sales price of corn oil in 2Q24 was BRL 3,693.0/ton, 42.9% lower than 2Q23.

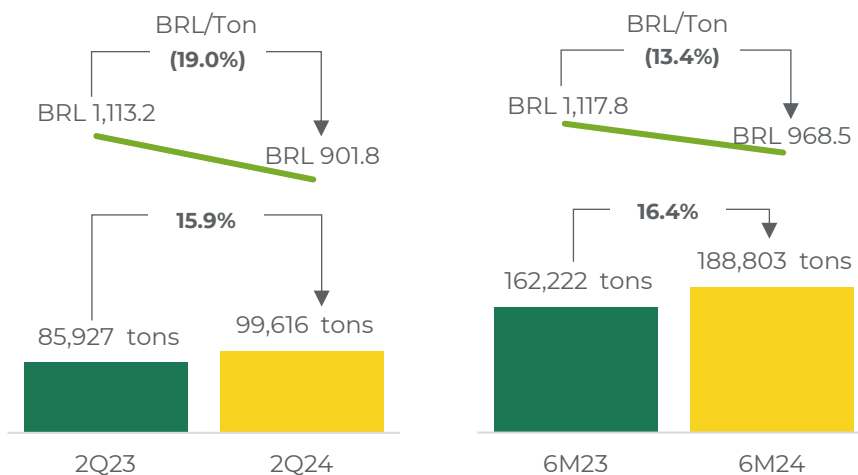
High Protein DDG

FS Essential™



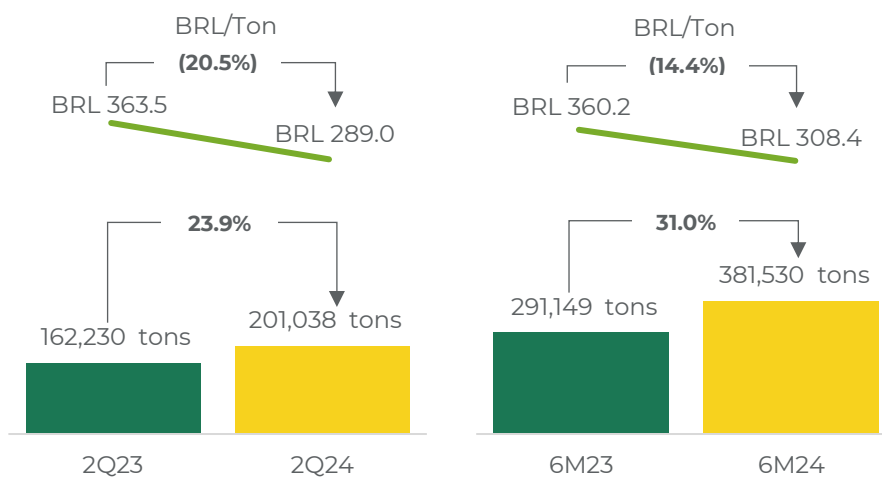
High Fiber DDG

FS Ouro™



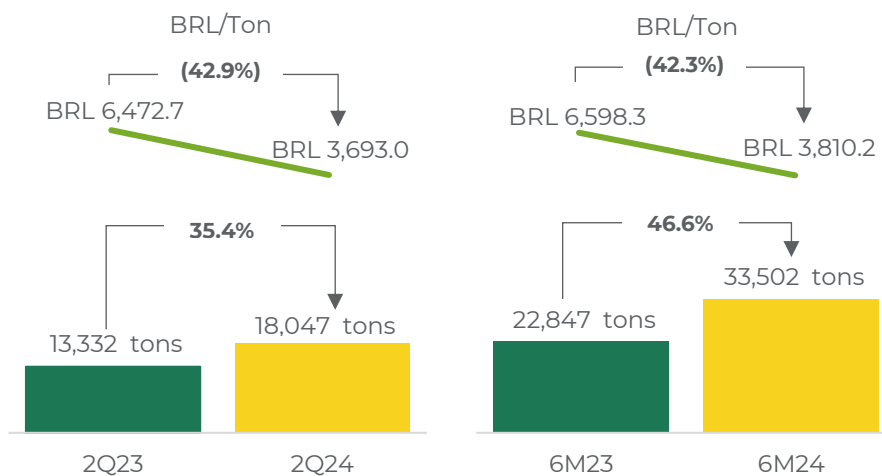
Wetcake DDG

FS Umido™



Corn Oil

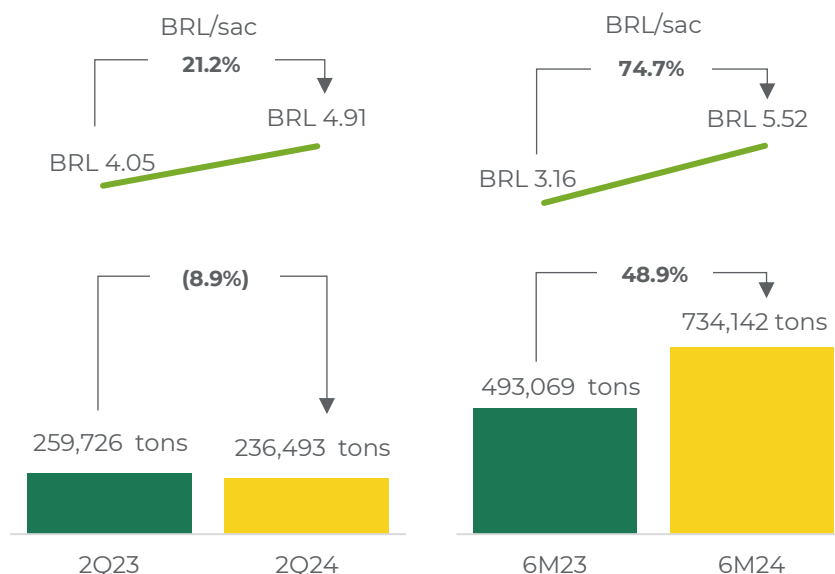
FS Vital™



Total net revenue from marketing segments (b)

In 2Q24, net revenue from marketing segments totaled BRL 221.2 million, 24.5% lower than 2Q23, driven by lower net revenue from corn marketing and lower net revenue from energy resale.

Corn Marketing



(in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Net revenue corn marketing (a)	283,857	211,507	(25.5%)	538,517	326,465	(39.4%)
Cost of goods resold corn marketing w/out MTM (b)	(265,106)	(174,445)	(34.2%)	(507,018)	(274,239)	(45.9%)
P&L corn marketing (w/out MTM) (c) = (a) + (b)	18,751	37,062	97.7%	31,499	52,226	65.8%
Volume corn marketing invoiced (tons) (d)	252,465	327,799	29.8%	449,968	487,924	8.4%
Spread per sac invoiced (BRL/sac) (e) = (c) / (d)	4.46	6.78	52.2%	4.20	6.42	52.9%
P&L MTM contracted volumes (f)	(1,219)	(17,714)	<i>n.m.</i>	(5,520)	15,365	<i>n.m.</i>
Volume of corn marketing contracted ¹ (tons) (g)	7,261	(91,307)	<i>n.m.</i>	43,102	246,218	<i>n.m.</i>
Cost of goods resold total (h) = (b) + (f)	(266,325)	(192,159)	(27.8%)	(512,538)	(258,874)	(49.5%)
P&L corn marketing total (i) = (a) + (h)	17,532	19,348	10.4%	25,979	67,591	160.2%
Total volume (j) = (d) + (g)	259,726	236,493	(8.9%)	493,069	734,142	48.9%
Spread per sac (BRL/sac) (k) = (i) / (j)	4.05	4.91	21.2%	3.16	5.52	74.7%

¹ This volume represents the total contracted and not invoiced in the period, that by accounting rules, must be marked-to-market (MTM) and recognized in the period it was contracted.

Net revenue from Corn Marketing totaled BRL 211.5 million in 2Q24, 25.5% lower than 2Q23, mainly due to lower corn marketing prices. The spread of Corn Marketing invoiced in 2Q24 was BRL 6.78 per sac, 52.2% higher than 2Q23. Despite the lower net revenue in the quarter compared to 2Q23, the spread per sac increase led by higher volumes invoiced and better negotiations, drove an increase of 97.7% on the P&L corn marketing.

According to FS' accounting policy, the open positions of contracted corn marketing operations are marked to market. Therefore, the results of these operations are recognized during the marketing period and reversed upon the execution (invoiced). This may result in negative values in the 'Mark to Market' line when the executed contract values are higher than those of new contracts. In 2Q24, lower volumes contracted partially offset the total result, delivering an increase of 21.2% on the spread per sac compared to 2Q23.

TOTAL COST

Cost of industrial product sold (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Net revenue from industrial segments (a)	1,412,402	1,489,907	5.5%	2,876,782	2,983,036	3.7%
Variable cost (b)	(875,981)	(1,204,462)	37.5%	(1,628,500)	(2,293,071)	40.8%
Cost of corn crushed	(782,877)	(1,066,051)	36.2%	(1,449,397)	(2,038,059)	40.6%
Biomass costs	(60,627)	(90,744)	49.7%	(116,840)	(165,036)	41.2%
Chemicals and enzymes	(32,477)	(47,667)	46.8%	(62,263)	(89,976)	44.5%
Fixed cost (c)	(88,314)	(127,491)	44.4%	(171,335)	(223,774)	30.6%
Maintenance	(13,612)	(16,867)	23.9%	(27,595)	(30,175)	9.3%
Labor	(23,476)	(27,505)	17.2%	(43,844)	(48,282)	10.1%
Depreciation	(32,086)	(59,124)	84.3%	(62,532)	(104,170)	66.6%
Other production costs	(19,140)	(23,995)	25.4%	(37,364)	(41,147)	10.1%
Cost of industrial product sold (d) = (b) + (c)	(964,295)	(1,331,953)	38.1%	(1,799,835)	(2,516,845)	39.8%
Gross profit of industrial segment (e) = (a) + (d)	448,107	157,954	(64.8%)	1,076,947	466,191	(56.7%)
<i>Gross margin of industrial segment (f) = (e) / (a)</i>	<i>31.7%</i>	<i>10.6%</i>	<i>(21.1 p.p.)</i>	<i>37.4%</i>	<i>15.6%</i>	<i>(21.8 p.p.)</i>
Corn Crushed cost - in BRL per sac	56.34	56.96	1.1%	56.16	59.63	6.2%
Biomass cost - in BRL per m³	87.41	98.14	12.3%	88.56	97.26	9.8%

Cost of industrial product sold (d)

In 2Q24, the total cost of industrial product sold (d) was BRL 1,332.0 million, 38.1% higher than 2Q23. The main reasons for the variation were:

- i. Corn cost: total cost of BRL 1,066.1 million in 2Q24, 36.2% higher than 2Q23, driven by the increase in the volume of ethanol produced with the start-up of PDL Plant;
- ii. Biomass costs: total cost of BRL 90.7 million in 2Q24, 49.7% higher than 2Q23, driven by (a) the increase in volume of biomass consumed after the start-up of PDL Plant, and (b) the increase in biomass average cost of BRL 98.14/m³ in 2Q24 (increase of 12.3% versus 2Q23);
- iii. Chemicals and enzymes: total cost of BRL 47.7 million in 2Q24, 46.8% higher than 2Q23, driven by (a) the increase in volume of ethanol produced with the start-up of PDL Plant, and (b) price increases of chemicals and enzymes;
- iv. Labor: total cost of BRL 27.5 million in 2Q24, 17.2% higher than 2Q23, mainly due to wage increases and higher headcount related to industrial operations due to the start-up of PDL Plant, partially offset by gains of scale and dilution of corporate industrial costs due to the start-up of PDL Plant;
- v. Depreciation: total cost of BRL 59.1 million in 2Q24, 84.3% higher than 2Q23, mainly due to (a) start-up of PDL Plant; and (b) amortization of rights of use assets for our warehouses and wagons lease.

Our gross margin of industrial segments dropped 21.1 p.p. in the quarter, from 31.7% to 10.6%. The main reasons for the decrease in margins are related to lower crush spread, driven by (i) lower ethanol prices (-18.8% versus 2Q23), (ii) lower animal nutrition coverage ratio (38.0% vs. 53.9% in 2Q23), (iii) higher biomass price (+12.3% versus 2Q23); and (iv) higher depreciation (+84.3% versus 2Q23).

Cost of marketing goods sold <i>(in BRL thousands)</i>	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Net revenue from mkt. segments (g)	292,992	221,190	(24.5%)	551,615	339,528	(38.4%)
Cost of mkt. goods sold (h)	(270,019)	(182,211)	(32.5%)	(514,252)	(284,023)	(44.8%)
Cost of goods sold (Corn)	(265,106)	(174,445)	(34.2%)	(507,018)	(274,239)	(45.9%)
Cost of goods sold (Ethanol)	-	(1,712)	n.m.	-	(1,712)	n.m.
Cost of goods sold (Energy)	(4,913)	(6,054)	23.2%	(7,234)	(8,072)	11.6%
Gross profit of mkt. segments (i) = (g) + (h)	22,973	38,979	69.7%	37,363	55,505	48.6%
<i>Gross margin of mkt. segments (j) = (i) / (g)</i>	7.8%	17.6%	9.8 p.p.	6.8%	16.3%	9.6 p.p.
P&L MTM corn mkt. contracted volumes (k)	(1,219)	(17,714)	n.m.	(5,520)	15,365	n.m.
Gross profit of mkt. segments with MTM (l) = (i) + (k)	21,754	21,265	(2.2%)	31,843	70,870	122.6%

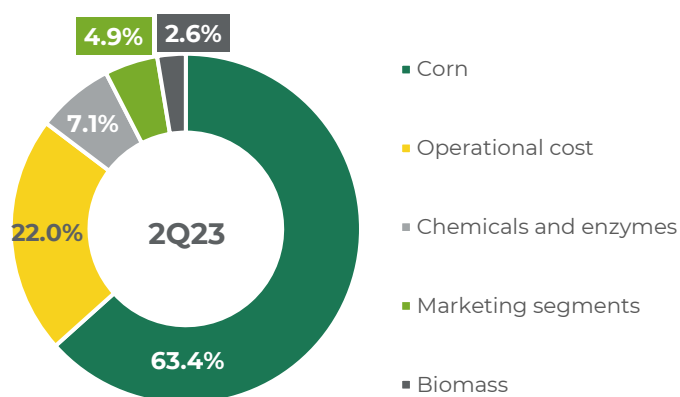
Cost of marketing goods sold (h)

In 2Q24, the cost of marketing goods sold (h) was BRL 182.2 million, 32.5% lower than 2Q23, driven by the decrease of corn marketing purchasing price.

Our gross margin of marketing segments increased 9.8 p.p. in the quarter, from 7.8% to 17.6%.

Total Cost <i>(in BRL thousands)</i>	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Net revenue from industrial segments (a)	1,412,402	1,489,907	5.5%	2,876,782	2,983,036	3.7%
Net revenue from marketing segments (g)	292,992	221,190	(24.5%)	551,615	339,528	(38.4%)
Reclassification - Freight on sales (total) (m)	201,346	292,062	45.7%	364,942	502,145	37.6%
Net revenue (n) = (a) + (g) + (m)	1,906,740	2,003,159	5.1%	3,793,339	3,824,709	0.8%
Cost of industrial product sold (d)	(964,295)	(1,331,953)	38.1%	(1,799,835)	(2,516,845)	39.8%
Cost of marketing goods sold (h)	(270,019)	(182,211)	(32.5%)	(514,252)	(284,023)	(44.8%)
P&L MTM corn marketing contracted volumes (k)	(1,219)	(17,714)	n.m.	(5,520)	15,365	n.m.
Total cost (o) = (d) + (h) + (k)	(1,235,533)	(1,531,878)	24.0%	(2,319,607)	(2,785,503)	20.1%
Gross profit (p) = (n) + (o)	671,207	471,281	(29.8%)	1,473,732	1,039,206	(29.5%)
<i>Gross margin (q) = (p) / (n)</i>	35.2%	23.5%	(11.7 p.p.)	38.9%	27.2%	(11.7 p.p.)

Total cost (o)



Our total gross margin dropped 11.7 p.p. in the quarter, from 35.2% to 23.5%.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A expenses (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Expenses with freight	(201,346)	(292,062)	45.1%	(364,942)	(502,145)	37.6%
Other SG&A (d) = (a) + (b) + (c)	203,446	(23,818)	n.m.	207,654	(52,464)	n.m.
Other selling expenses (a)	(11,037)	(15,815)	43.3%	(18,499)	(26,187)	41.6%
General and administrative expenses (b)	(36,490)	(51,292)	40.6%	(67,889)	(93,049)	37.1%
Other results (c)	250,973	43,289	(82.8%)	294,042	66,772	(77.3%)
Total income / (expenses)	2,100	(315,880)	n.m.	(157,288)	(554,609)	252.6%
<i>% net revenue</i>	<i>0.1%</i>	<i>(15.8%)</i>	<i>(15.9 p.p.)</i>	<i>(4.1%)</i>	<i>(14.5%)</i>	<i>(10.4 p.p.)</i>

Selling, general and administrative expenses and other results

In 2Q24, selling, administrative and general expenses, and other results totaled an expense of BRL 315.9 million, representing 15.8% of net revenue for the period. The main highlights were:

- i. Expenses with freight: BRL 292.1 million in 2Q24, an increase of 45.1% above 2Q23, mainly due the increase in the total volume of ethanol sales (+34.7% versus 2Q23), higher diesel costs, and increase in sales to more distant regions.
- ii. Other SG&A (Other selling expenses, general and administrative expenses, and other results): these three items totaled an expense of BRL 23.8 million in 2Q24 versus an income of BRL 203.4 million in 2Q23. The main reasons for the variation were:
 - a. Other selling expenses: total cost of BRL 15.8 million in 2Q24, 43.3% higher than 2Q23, driven by higher labor expenses;
 - b. General and administrative expenses: total cost of BRL 51.3 million in 2Q24, 40.6% higher than 2Q23, driven by the higher expenses with contracted services and labor expenses; and
 - c. Other results: total income of BRL 43.3 million in 2Q24, 82.8% lower than 2Q23, driven by (i) BRL 38.7 million in other results of CBIOs (decarbonization credits from RenovaBio program), BRL 15.6 million higher than 2Q23 in connection with the increase in market prices and volume of CBIOs issued, and (ii) BRL 159.6 million lower than 2Q23 result of the non-recurring gain on the sale of biological assets that happened in 2Q23.

NET FINANCE RESULTS

Net finance results (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Finance income	209,163	179,344	(14.3%)	370,276	363,211	(1.9%)
Finance expenses	(324,146)	(450,057)	38.8%	(631,432)	(883,522)	39.9%
Foreign exchange rate variation	(115,413)	(103,862)	(10.0%)	(413,738)	56,343	n.m.
Realized	(118)	72,303	n.m.	(562)	68,808	n.m.
Unrealized	(115,295)	(176,165)	52.8%	(413,176)	(12,465)	(97.0%)
Derivative	(40,668)	(22,632)	(44.3%)	129,218	(272,579)	n.m.
Realized	(14,305)	(1,065)	(92.6%)	(286,487)	(251,701)	(12.1%)
Unrealized	(26,363)	(21,566)	(18.2%)	415,705	(20,877)	n.m.
Adjustment to present value	(40,812)	(75,137)	84.1%	(46,916)	(65,926)	40.5%
Net finance results	(311,876)	(472,344)	51.5%	(592,591)	(802,473)	35.4%

Net finance results

In 2Q24, we recognized an expense of BRL 472.3 million in net finance results versus an expense of BRL 311.9 million in 2Q23. The main highlights in the quarter were:

- i. Finance income: BRL 179.3 million, 14.3% lower than 2Q23, mainly due lower interest rates (CDI) and lower average cash position during the period.
- ii. Finance expenses: BRL 450.1 million, 38.8% higher than 2Q23, mainly due to the higher gross debt position.
- iii. Foreign exchange variation on the Company's USD denominated debt: loss of BRL 103.9 million, reflecting the impact of the depreciation of 3.9% of BRL against the USD in the 2Q24 (BRL/USD 4.8192 as of June 30th, 2023 to BRL/USD 5.0076 as of September 30th, 2023), of which BRL 33.8 million is recognized as a realized gain and BRL 70.1 million is reflected in unrealized gains, compared to the depreciation of 3.2% of BRL against the USD in the 2Q23 (BRL/USD 5.2380 as of June 30th, 2022 to BRL/USD 5.4066 as of September 30th, 2022).
- iv. Derivatives: loss of BRL 22.6 million in 2Q24 versus a loss of BRL 40.7 million in 2Q23. The main reasons for the variation were the FX appreciation of BRL 0.3990 between the quarters and the decrease in interest rates:
 - a. Derivative realized: loss of BRL 1.1 million, mainly related to a profit from debt protections of interest rates and commodities positions, totally offset by a loss on FX variation.
 - b. Derivative unrealized: loss of BRL 21.6 million, mainly related to a profit from debt protections of interest rates, totally offset by a loss of FX variation and interest from swap Bond notes.
- v. Adjustment to present value: BRL 75.1 million, 84.1% higher than 2Q23, mainly due to (a) lengthening of payment terms of corn contracts; (b) increase in the need for corn purchase with the start-up of PDL Plant; and (c) increase in contract costs (interest and corn prices).

NET PROFIT (LOSS)

Net profit (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Profit (loss) before income and social contrib. taxes (a)	361,431	(316,943)	<i>n.m.</i>	723,853	(317,876)	<i>n.m.</i>
Nominal rate	34.0%	34.0%	0.0 p.p.	34.0%	34.0%	0.0 p.p.
Tax expense at nominal rate (b)	(122,886)	107,761	<i>n.m.</i>	(246,110)	108,078	<i>n.m.</i>
Adjustment of income and social contribution taxes (c)	12,904	35,064	171.7%	40,758	69,684	71.0%
Tax and social contrib. before tax incentive (d) = (b) + (c)	(109,982)	142,825	<i>n.m.</i>	(205,352)	177,762	<i>n.m.</i>
Current tax	(114,677)	10,361	<i>n.m.</i>	(199,933)	10,361	<i>n.m.</i>
Deferred tax	4,694	132,464	<i>n.m.</i>	(5,419)	167,401	<i>n.m.</i>
Tax incentives (e)	23,064	(5,715)	<i>n.m.</i>	23,064	(5,715)	<i>n.m.</i>
Income tax and social contrib. (f) = (d) + (e)	(86,919)	137,110	<i>n.m.</i>	(182,288)	172,047	<i>n.m.</i>
Effective tax rate	24.0%	43.3%	0.8 p.p.	25.2%	54.1%	1.1 p.p.
Net profit (loss) (g) = (a) + (f)	274,512	(179,833)	<i>n.m.</i>	541,565	(145,829)	<i>n.m.</i>

Tax and social contribution (f)

In 2Q24 we recognized an income of BRL 142.8 million in income tax and social contributions (f) versus an expense of BRL 86.9 million in 2Q23 due to a loss before taxes (a), totally offset by positive tax and social contribution (d) with increase in deferred tax and higher adjustment of income and social contribution taxes (c).

Net profit (loss) of the period (g)

In 2Q24, FS recorded a net loss of BRL 179.8 million compared to a net profit of BRL 274.5 million in 2Q23, mostly explained by:

- i. The compression of the crush spread in the quarter, mainly driven by lower ethanol and animal nutrition prices; and
- ii. Higher SG&A, depreciation, and finance expenses.

¹ FS has a tax incentive for operating in the SUDAM area, which results in a 75% reduction in income tax on the operations of the LRV Plant and the SRS Plant for a period of 10 years which was awarded in 2018 and 2020 respectively. This benefit will occur when there are taxable profits in the calculation period.

Ownership structure

FS Ltda. quotaholders are Summit Brazil Renewables I LLC ("Summit") with 70.69%, minority shareholders with 25.20%, and management team with 4.10%.

FS S.A. shareholders are SBR Group represented by FS Fundo de Investimento em Participações Multiestratégia Investimento no Exterior ("FIP Summit") controlled by Summit and Summit Brazil Renewables I LLC ("Summit") with 70.80%, minority shareholders with 25.14%, and management team with 4.06%.

Both companies (FS Ltda and FS S.A.) have the same shareholders and controlling group. Summit, the controlling group at FS Ltda., is represented by the FIP Summit at FS S.A.

Dividends and Tax Distributions

The Company primarily distributes dividends in connection with tax liabilities incurred by our USA shareholders related to their investment in the Company ("Tax Distributions"). In addition, FS may distribute additional dividends beyond Tax Distributions if financial leverage metrics are within the Company's targets.

In 2Q24 the Company did not distribute any dividends.

RECONCILIATION OF EBITDA, EBIT AND EBITDA minus MAINTENANCE CAPEX

Reconciliation of EBITDA <i>(in BRL thousands)</i>	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Net revenue	1,906,740	2,003,159	5.1%	3,793,339	3,824,709	0.8%
Net profit/(loss)	274,512	(179,833)	n.m.	541,565	(145,829)	n.m.
(+) Finance costs	456,451	576,485	26.3%	992,493	1,279,602	28.9%
(-) Finance income	(259,988)	(208,003)	(20.0%)	(813,640)	(420,786)	(48.3%)
(+) Foreign exchange rate variations, net	115,413	103,862	(10.0%)	413,738	(56,343)	n.m.
(+) Income tax and social contribution	86,919	(137,110)	n.m.	182,288	(172,047)	n.m.
EBIT	673,307	155,401	(76.9%)	1,316,444	484,597	(63.2%)
<i>EBIT Margin</i>	35.3%	7.8%	(27.6 p.p.)	34.7%	12.7%	(22.0 p.p.)
(+) Depreciation and amortization	34,127	63,360	85.7%	66,991	111,266	66.1%
EBITDA	707,434	218,761	(69.1%)	1,383,435	595,863	(56.9%)
<i>EBITDA Margin</i>	37.1%	10.9%	(26.2 p.p.)	36.5%	15.6%	(20.9 p.p.)
(-) Maintenance Capex	7,314	6,612	(9.6%)	16,426	13,176	(19.8%)
EBITDA Minus Maintenance Capex	700,120	212,149	(69.7%)	1,367,009	582,687	(57.4%)

CAPEX

CAPEX ¹ (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
PPE - beginning of period (a)	3,711,837	5,335,943	43.8%	3,329,098	4,994,520	50.0%
Capex: (e) = (b) + (c) + (d)	639,338	257,063	(59.8%)	1,059,092	659,141	(37.8%)
Growth capex ² (b)	609,469	250,451	(58.9%)	1,008,978	645,965	(36.0%)
Maintenance capex ³ (c)	7,314	6,612	(9.6%)	16,426	13,176	(19.8%)
Biological assets capex (d)	22,555	-	<i>n.m.</i>	33,688	-	<i>n.m.</i>
Depreciation (f)	(29,418)	(64,103)	117.9%	(65,174)	(124,758)	91.4%
Assets sale and disposals (g)	(174,173)	(4,693)	(97.3%)	(175,432)	(4,693)	(97.3%)
PPE - end of period (h) = (a) + (e) + (f) + (g)	4,147,584	5,524,210	33.2%	4,147,584	5,524,210	33.2%

¹ Includes acquisitions and transfers.

² Growth Capex is calculated as the sum of additions, acquisitions disposals and transfers for the following line items in the note to the financial statements entitled "Property, plant and equipment": Land, Construction in progress, Advances to suppliers, Right of use, Bearer plant, Buildings, Machinery and equipment and Installations.

³ Maintenance Capex is calculated as the sum of additions, acquisitions, disposals and transfers for the following line items in the note to the financial statements entitled "Property, plant and equipment": Buildings, Machinery and equipment, Furniture and computers, Vehicles, and Installations.

Capex (e) totaled BRL 257.1 million in 2Q24, a decrease of 59.8% versus 2Q23, mainly explained by (i) the residual values from construction of the PDL Plant; and (ii) lower biological assets.

Depreciation (f) totaled BRL 64.1 million in 2Q24, an increase of 117.9% million versus 2Q23, mainly explained by the start-up of PDL Plant and amortization of rights of use lease assets for our warehouses and wagons lease.

The Company expects to have a BRL 261.5 million in capex in the next two quarters comprised of: (i) BRL 152.5 million in growth capex, mostly related to the investment in the construction of our PDL plant and construction of two additional warehouses; and (ii) BRL 14.8 million in maintenance capex.

NET DEBT EVOLUTION

Net Debt (in BRL thousands)	3Q23	4Q23	1Q24	2Q24	2Q24 LTM
Net Debt BoP	4,615,243	5,066,503	4,842,117	5,034,357	4,615,243
EBITDA	519,503	489,163	377,102	218,761	1,604,529
Working Capital	(247,222)	256,068	1,117,724	(8,462)	1,118,108
Income Taxes paid	-	-	-	-	-
Cash Flow From Operations	272,281	745,231	1,494,826	210,299	2,722,637
Cash Capex	(105,987)	(97,730)	(332,648)	(58,935)	(595,300)
Cash Flow From Operations Minus Capex	166,294	647,501	1,162,178	151,364	2,127,338
Cash Flow From Financing Activities	(617,555)	(423,115)	(1,354,418)	(62,796)	(2,457,884)
Net Interest	(111,970)	(452,621)	(112,416)	(187,133)	(864,140)
Provision for Interest	(269,310)	(291,096)	(309,947)	(501,706)	(1,372,059)
Interest received	157,340	(161,525)	197,531	314,573	507,919
Impact from FX, Derivatives and Others	(495,185)	29,506	(596,618)	124,337	(937,960)
Dividends Paid / Tax Distribution	(10,400)	-	(645,384)	-	(655,784)
Net Debt EoP (a)	5,066,503	4,842,117	5,034,357	4,945,789	4,945,789
Change in Net Debt	451,260	(224,386)	192,240	(88,568)	330,546
Raw material inventories ¹ (b)	1,597,653	628,592	686,799	1,585,470	1,585,470
Finished goods inventories ² (c)	282,112	99,615	245,228	317,339	317,339
Readily Marketable Inventories - RMI (d) = (b) + (c)	1,879,765	728,207	932,027	1,902,810	1,902,810
Net Debt EoP adjusted by RMI (e) = (a) - (d)	3,186,738	4,113,910	4,102,330	3,042,979	3,042,979

¹ Corn inventories position at market value.

² Ethanol inventories valued by the ESALQ Hydrated Ethanol Ribeirão Preto/SP index.

In 2Q24, net debt at the end of period totaled BRL 4,945.8 million, a decrease of BRL 88.6 million compared to the net debt in the beginning of the quarter, mostly related to (i) the lower working capital needs at the period, (ii) lower cash capex and (iii) positive cash flow generated from operational activities that totally offset the negative impact of cash flow from financing activities.

Cash flow from operations was BRL 210.3 million in 2Q24, mainly driven by lower EBTIDA generated at the period.

In 2Q24, cash capex (cash basis) totaled BRL 58.9 million. The capex previously presented in "property plant and equipment" (accrual basis) was BRL 257.1 million, higher than the cash basis due the postponement of payments of capex accrued.

Our RMI (Readily Marketable Inventories), which accounts for the seasonality of our inventory levels, increased by BRL 970.8 million in comparison to the previous quarter. Net debt adjusted by RMI was BRL 3,043.0 million.

In the last twelve months, cash flow from operations was a positive BRL 2,722.6 million, a conversion of 169.7% of the EBITDA accumulated in the period.

INDEBTEDNESS

Indebtedness <i>(in BRL thousands)</i>	2Q23	2Q24	2Q24 vs 2Q23
Senior Secured Green Notes (Bond) and CPRF ^{1,2,3}	3,387,583	2,478,616	(26.8%)
Certificate of Agribusiness or Real Estate Receivables (CRA/CRI)	1,983,797	3,071,005	54.8%
Other working capital lines ⁴	1,372,331	1,996,923	45.5%
Gross Debt	6,743,710	7,546,543	11.9%
Total cash ^{5,6}	2,128,468	2,600,754	22.2%
Net debt	4,615,242	4,945,789	7.2%
EBITDA (LTM)	2,862,019	1,604,529	(43.9%)
Net debt / EBITDA (LTM)	1.61 x	3.08 x	1.47 x
Readily Marketable Inventories - RMI	2,526,379	1,902,810	(24.7%)
Net debt adjusted by RMI	2,088,863	3,042,979	45.7%
Net debt adjusted by RMI / EBITDA (LTM)	0.73 x	1.90 x	1.17 x
EBITDA adjusted by PDL Plant (LTM) ⁷	2,862,019	1,812,156	(36.7%)
Net debt adjusted by RMI / EBITDA adjusted by PDL (LTM)	0.73 x	1.68 x	0.95 x

¹ Initial issue of USD 680.0 million Senior Secured Green Notes - Bond - Notes by the subsidiary FS Luxembourg s.à.r.l., ("FS Lux"). Balance on November 28th of USD 482.8 million.

² Issuance of USD 594.2 million of CPRF (Cédula de Produtor Rural Financeira) by FS, in connection with the Bond issued. Balance at the end of the quarter of USD 240.8 million.

³ Acquisition of rights over a TRS (Total Return Swap) of USD 594.2 million - The TRS is a financial instrument agreement between FS Lux and a financial institution that mirrors the terms and cash flows of the CPRF issued by FS. The TRS amount is fully deducted from the Gross Debt in order to eliminate the duplicate debt caused by the local issuance of a CPRF. Balance at the end of the quarter of USD 240.8 million.

⁴ Issuance of BRL 1.5 billion of CPRF (Cédula de Produtor Rural Financeira) by FS, due the back-to-back transaction to transfer assets from FS LTDA to FS S.A.

⁵ Financial instrument/application of BRL 1.5 billion between FS LTDA and financial institutions that mirrors the terms and cash flows of the CPRF issued by FS to cover the back-to-back transition.

⁶ Includes cash and cash equivalents, financial investments, and restricted cash (short-term and long-term).

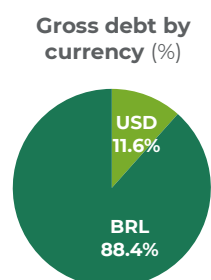
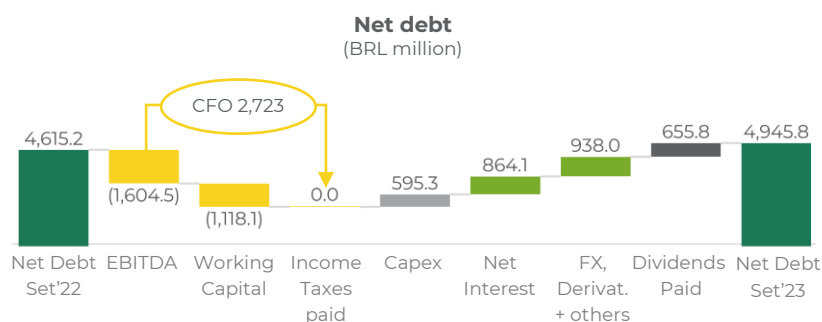
⁷ EBITDA adjusted by the annualized EBITDA of the PDL Plant (calculated based on the average EBITDA of the PDL Plant in 2Q24, multiplied by four and added to the EBITDA for the year of the LRV plants and SRS).

At the end of 2Q24, total gross debt reached BRL 7,546.5 million and total cash closed at BRL 2,600.8 million, resulting in a net debt of BRL 4,945.8 million, 7.2% higher than 2Q23. The increase in gross debt was driven by: (i) the additional issuance of CRA and working capital lines, partially offset by (ii) the impact of FX variation in our USD denominated debt. Net leverage (net debt / EBITDA) increased by 1.47x when compared to 2Q23, reaching 3.08x, a result of the increase in gross debt, capex, financial activities, and lower EBITDA.

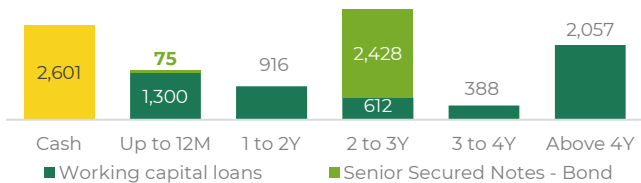
The adjusted net leverage considers (i) the RMI value reducing the net debt by readily liquid inventories of ethanol and corn, and (ii) PDL Plant EBITDA annualized increasing the LTM EBITDA. With these adjustments in net debt and EBITDA, our adjusted net leverage reached 1.68x at the end of 2Q24.

On November 16th, 2023, we made a disbursement of the **first transaction of BRL 102.9 million with FINEP** for financing innovation projects, with 12 years maturity, with a cost of TR+3.3% p.a.

Also, as of November 28th, 2023, we had **repurchased and cancelled USD 197.2 million of our Green Bond** (issued by FS Lux), reducing the outstanding principal to USD 482.8 million

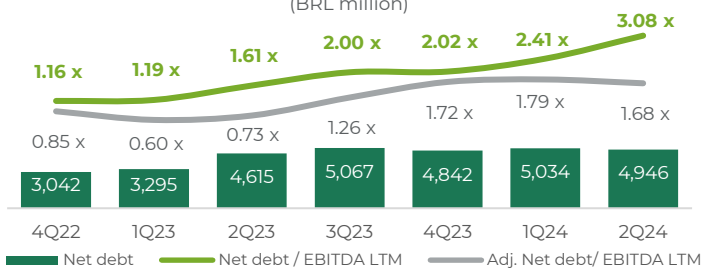


Debt amortization schedule⁽²⁾ (BRL million)



⁽²⁾ Does not include the impact of transaction costs.

Net Debt / EBITDA LTM (BRL million)



CONTROLLED COMPANIES

FS Ltda has one controlled company, which is the wholly owned subsidiary FS Lux, established on September 8th, 2020 with the main purpose of issuing international debt securities. Additionally, FS Ltda holds 1% in the capital of FS Comercialização de Etanol ("FS ECE"), a joint venture with FS S.A. established on May 30th, 2023, focused on ethanol commercialization. As per FS ECE's Articles of Incorporation, decision concerning its significant activities require consensus among shareholders.

FS S.A. has no controlled companies and holds 99% of the capital of FS ECE.

ABOUT FS

FS is a leading producer of low-carbon ethanol biofuel and animal nutrition products from corn, as well as bioenergy from renewable biomass. The Company owns and operates three industrial plants in the State of Mato Grosso, Brazil.

LEGAL NOTICE

The statements contained in this document related to business prospects, projections of operating and financial results and those related to growth prospects of FS are merely projections and, as such, are based exclusively on management's expectations about the future of the business. These expectations depend, substantially, on market conditions, the performance of the Brazilian economy, the sectors in which the Company operates and international markets and are subject to change without prior notice. The information contained herein does not mean and should not be interpreted as a guarantee of the Company's performance or future results.

STATEMENT OF INCOME

Statement of income (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Segment - Ethanol	1,004,221	1,098,777	9.4%	2,125,803	2,215,818	4.2%
Segment - Animal nutrition	404,629	385,805	(4.7%)	743,502	755,937	1.7%
Segment - Energy co-generation	3,552	5,325	49.9%	7,477	11,281	50.9%
Total revenue from industrial segments	1,412,402	1,489,907	5.5%	2,876,782	2,983,036	3.7%
Segment - Corn marketing	283,857	211,507	(25.5%)	538,517	326,465	(39.4%)
Segment - Ethanol marketing	-	1,782	n.m.	-	1,782	n.m.
Segment - Energy resale	9,135	7,901	(13.5%)	13,098	11,281	(13.9%)
Total revenue from marketing segments	292,992	221,190	(24.5%)	551,615	339,528	(38.4%)
Reclassification - Freight on sales	201,346	292,062	45.1%	364,942	502,145	37.6%
Net revenue	1,906,740	2,003,159	5.1%	3,793,339	3,824,709	0.8%
Total cost	(1,235,533)	(1,531,878)	24.0%	(2,319,607)	(2,785,503)	20.1%
Gross profit	671,207	471,281	(29.8%)	1,473,732	1,039,206	(29.5%)
Gross margin	35.2%	23.5%	(11.7 p.p.)	38.9%	27.2%	(11.7 p.p.)
Selling, general & administrative expense	2,100	(315,880)	n.m.	(157,288)	(554,609)	252.6%
EBIT	673,307	155,401	(76.9%)	1,316,444	484,597	(63.2%)
EBIT margin	35.3%	7.8%	(27.6 p.p.)	34.7%	12.7%	(22.0 p.p.)
Depreciation and amortization	34,127	63,360	85.7%	66,991	111,266	66.1%
EBITDA	707,434	218,761	(69.1%)	1,383,435	595,863	(56.9%)
EBITDA margin	37.1%	10.9%	(26.2 p.p.)	36.5%	15.6%	(20.9 p.p.)
Net finance costs	(311,876)	(472,344)	51.5%	(592,591)	(802,473)	35.4%
Profit / (loss) before tax	361,431	(316,943)	n.m.	723,853	(317,876)	n.m.
Tax	(86,919)	137,110	n.m.	(182,288)	172,047	n.m.
Net profit / (loss) for the period	274,512	(179,833)	n.m.	541,565	(145,829)	n.m.
Net margin	14.4%	(9.0%)	(23.4 p.p.)	14.3%	(3.8%)	(18.1 p.p.)

STATEMENTS OF FINANCIAL POSITION

Statements of financial position (in BRL thousands)	2Q23	2Q24	2Q24 vs 2Q23	6M23	6M24	6M24 vs 6M23
Cash and cash equivalents	1,589,854	1,814,044	14.1%	1,589,854	1,814,044	14.1%
Financial investments	96,958	1,243,808	n.m.	96,958	1,243,808	n.m.
Restricted cash	2,051,740	2,438,709	18.9%	2,051,740	2,438,709	18.9%
Trade and other receivables	310,801	25,237	(91.9%)	310,801	25,237	(91.9%)
Trade receivables with related parties	-	7,889	n.m.	-	7,889	n.m.
Inventories	2,377,212	2,870,325	20.7%	2,377,212	2,870,325	20.7%
Advances to suppliers	56,811	30,065	(47.1%)	56,811	30,065	(47.1%)
Recoverable taxes	236,883	430,318	81.7%	236,883	430,318	81.7%
Prepaid expenses	53,448	95,035	77.8%	53,448	95,035	77.8%
Biological assets	5,621	-	n.m.	5,621	-	n.m.
Derivative financial instruments	35,357	87,954	148.8%	35,357	87,954	148.8%
Other credits	16,702	2,616	(84.3%)	16,702	2,616	(84.3%)
Total current assets	6,831,387	9,046,000	32.4%	6,831,387	9,046,000	32.4%
Restricted cash	16,908	49,892	195.1%	16,908	49,892	195.1%
Advances to suppliers	112,114	51,978	(53.6%)	112,114	51,978	(53.6%)
Recoverable taxes	289,949	448,747	54.8%	289,949	448,747	54.8%
Derivative financial instruments	16,503	-	n.m.	16,503	-	n.m.
Deferred taxes assets	-	261,574	n.m.	-	261,574	n.m.
Related parties loans	296,143	266,505	(10.0%)	296,143	266,505	(10.0%)
Judicial deposits	3,964	4,905	23.7%	3,964	4,905	23.7%
Total long-term assets	4,003,479	1,083,601	(72.9%)	4,003,479	1,083,601	(72.9%)
Property, plant and equipment	4,147,584	5,524,210	33.2%	4,147,584	5,524,210	33.2%
Intangible assets	16,985	20,210	19.0%	16,985	20,210	19.0%
Total non-current assets	8,168,048	6,628,021	(18.9%)	8,168,048	6,628,021	(18.9%)
Total Assets	14,999,435	15,674,021	4.5%	14,999,435	15,674,021	4.5%
Trade payables	2,276,455	3,613,888	58.8%	2,276,455	3,613,888	58.8%
Loans and borrowings	1,264,321	4,264,453	237.3%	1,264,321	4,264,453	237.3%
Advances from customers	61,711	542,082	n.m.	61,711	542,082	n.m.
Lease payables	16,910	41,294	144.2%	16,910	41,294	144.2%
Income tax and social contribution payable	91,582	-	n.m.	91,582	-	n.m.
Taxes and contributions payable	13,607	17,600	29.3%	13,607	17,600	29.3%
Payroll and related changes	41,856	46,107	10.2%	41,856	46,107	10.2%
Derivative financial instruments	431,717	304,721	(29.4%)	431,717	304,721	(29.4%)
Total current liabilities	4,198,159	8,830,145	110.3%	4,198,159	8,830,145	110.3%
Trade payables	43,835	17,342	(60.4%)	43,835	17,342	(60.4%)
Loans and borrowings	10,318,718	6,227,789	(39.6%)	10,318,718	6,227,789	(39.6%)
Lease payables	60,961	351,775	n.m.	60,961	351,775	n.m.
Derivative financial instruments	76,048	-	n.m.	76,048	-	n.m.
Deferred tax liabilities	11,603	203,352	n.m.	11,603	203,352	n.m.
Provision for contingencies	-	189	n.m.	-	189	n.m.
Total non-current liabilities	10,511,165	6,800,447	(35.3%)	10,511,165	6,800,447	(35.3%)
Net parent investment	290,111	43,429	(85.0%)	290,111	43,429	(85.0%)
Total equity	290,111	43,429	(85.0%)	290,111	43,429	(85.0%)
Total liabilities and equity	14,999,435	15,674,021	4.5%	14,999,435	15,674,021	4.5%

STATEMENTS OF CASH FLOW

Statement of cash flow (in BRL thousands)	6M23	6M24	6M24 vs 6M23
Net profit/ (loss) for the period	541,565	(145,829)	n.m.
Adjustment for:			<i>n.m.</i>
Depreciation and amortization	66,991	111,266	66.1%
Income from financial investments	(212,915)	(342,183)	60.7%
Deferred income and social contribution taxes	182,289	(172,047)	<i>n.m.</i>
Foreign exchange rate (gains) or losses	413,179	(83,635)	<i>n.m.</i>
Adjustment to fair value	(117,117)	257,214	<i>n.m.</i>
Adjustments to present value	(26,297)	65,926	<i>n.m.</i>
Borrowing costs (debt charges)	513,271	811,653	58.1%
Adjustment to fair value - biological assets	(4,419)	-	<i>n.m.</i>
Expected credit losses	(2)	123	<i>n.m.</i>
Provision for contingencies	-	189	<i>n.m.</i>
Gain on sale of assets	(171,302)	(11,135)	(93.5%)
Changes in:			
Trade receivables	(34,980)	297,034	<i>n.m.</i>
Prepaid expenses	-	16,516	<i>n.m.</i>
Inventories	(1,590,485)	(1,790,208)	12.6%
Recoverables taxes	(274,473)	(305,105)	11.2%
Trade and other receivables with parties loans	(28,963)	(54,115)	86.8%
Judicial deposits	(189)	(728)	285.2%
Other assets	(7,684)	30,071	<i>n.m.</i>
Advances to suppliers	(64,298)	20,703	<i>n.m.</i>
Trade payables	1,707,957	2,411,496	41.2%
Advance from customers	34,744	501,774	<i>n.m.</i>
Payroll and related charges	(5,803)	(20,934)	260.7%
Taxes and contributions payable	(160,179)	2,758	<i>n.m.</i>
Other non-current payables	(66,423)	-	<i>n.m.</i>
Interest and charges paid	(349,212)	(492,577)	41.1%
Interest redeemed from short-term investments	151,040	512,104	239.1%
Income tax paid	-	-	<i>n.m.</i>
Net cash from operation (used in) activities (a)	496,295	1,620,331	226.5%
Cash flow from investing activities			
Acquisition of property, plant and equipment	(764,164)	(533,613)	(30.2%)
Proceeds from sale of biological assets, right of contracts and bear plants	295,185	142,030	(51.9%)
Biologic assets	(10,666)	-	<i>n.m.</i>
Interest charges paid over capitalized loans	29,030	(15,995)	<i>n.m.</i>
Redemptions of financial investments	138,371	26,458	(80.9%)
(Applications) redemptions of restricted cash	(1,668,125)	1,473,133	<i>n.m.</i>
Net cash used in investing activities (b)	(1,980,369)	1,092,013	<i>n.m.</i>
Cash flow from financing activities			
Proceeds from loans and borrowings	3,184,638	2,408,825	(24.4%)
Repayment of loans and borrowings	(842,939)	(3,720,180)	<i>n.m.</i>
Dividends paid	(702,500)	(645,384)	(8.1%)
Lease paid	(12,389)	(43,404)	250.3%
Capital increase	195	47	(75.9%)
Derivative financial instruments paid	(286,488)	(251,701)	(12.1%)
Net cash from financing activities (c)	1,340,517	(2,251,797)	<i>n.m.</i>
Foreign currency translation adjustment	14,216	(21,358)	<i>n.m.</i>
Increase in cash and cash equivalents (d) = (a) + (b) + (c)	(129,341)	439,189	<i>n.m.</i>
Cash and cash equivalents at the beginning of the period	1,719,194	1,374,855	(20.0%)
Cash and cash equivalents at the end of the period	1,589,854	1,814,044	14.1%



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