



Fueling
Sustainability

FS Earnings Release 1Q24

August 29th, 2023

Legal Disclaimer

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.





Highlights | 1Q24



Net Revenue: BRL 1,821.6 million in 1Q24 (-3.4% vs. 1Q23)

EBITDA: BRL 377.1 million in 1Q24 (-44.2% vs. 1Q23) and 20.7% EBITDA margin (-15.1 p.p. vs. 1Q23). **EBITDA / liter: 0.957 in 1Q24** (-BRL 1.246/liter vs. 1Q23)

Net Profit: BRL 34.0 million in 1Q24, with 1.9% of net margin (-12.3 p.p. vs. 1Q23)

CAPEX: BRL 402.1 million in 1Q24

Net Debt / EBITDA: 2.41x EBITDA LTM (+1.22 x versus 1Q23)
Net Debt of BRL 5,034.4 million (+52.8% vs. 1Q23)

PDL Plant start-up in early May'23, **ahead of schedule and below budget**

Issuance of **BRL 1,150 million** in two unsecured CRAs in April and June 2023, both in two series, with **6.5-year** maturities

As of August 28th, 2023, we had **repurchased and cancelled USD 168.3 million** of our **Green Bond**, reaching **USD 511.7 million of outstanding principal**.

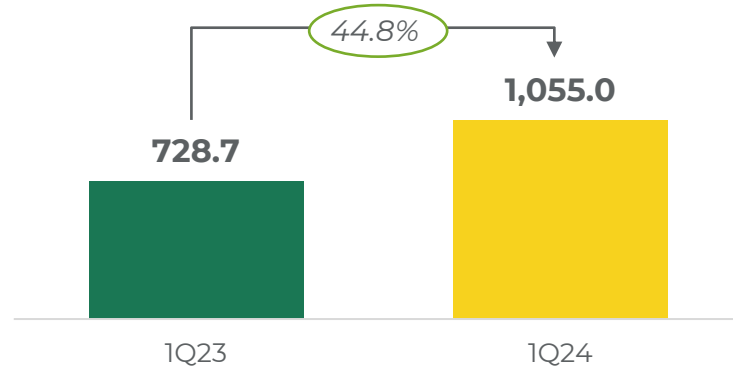


Operational Highlights

Corn Crushed

'000 tons

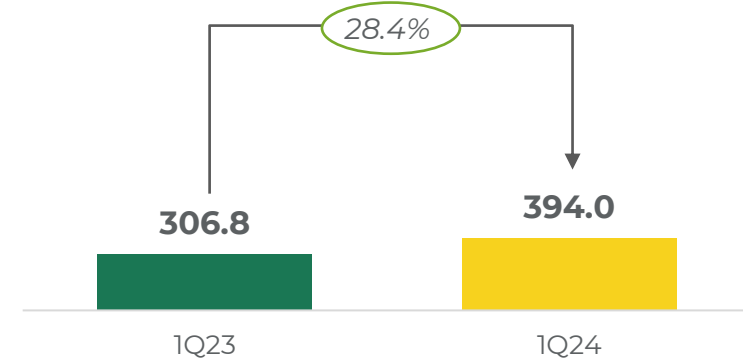
1Q



Ethanol Sold⁽¹⁾

'000 m³

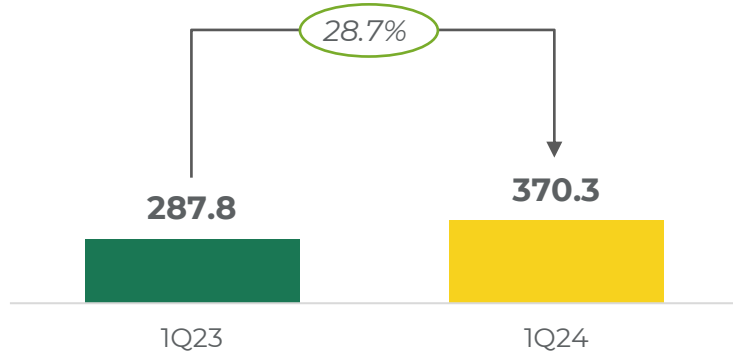
1Q



DDG Products Sold⁽²⁾

'000 Tons

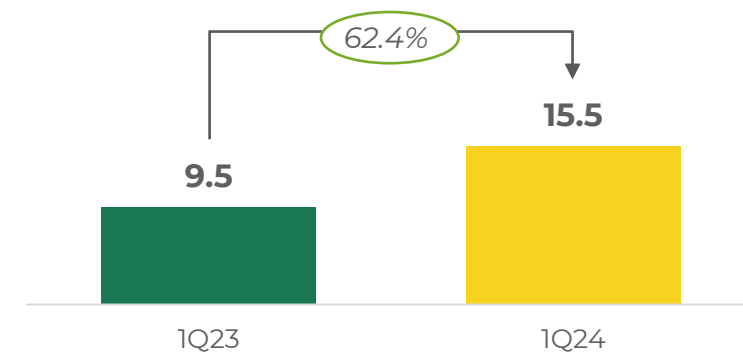
1Q



Corn Oil Sold

'000 Tons

1Q



Notes:

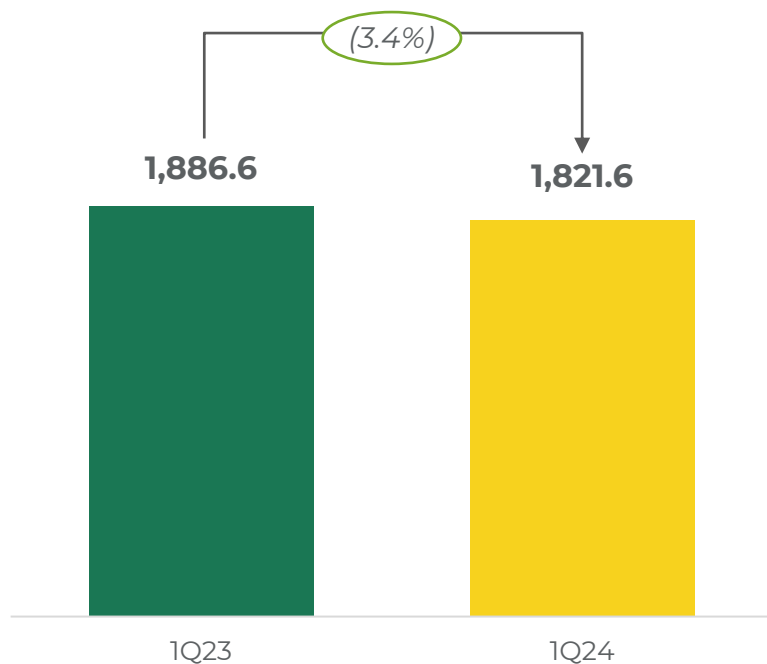
1. Volume of anhydrous ethanol and hydrous ethanol combined.
2. Considers the sum of the products: DDG high protein, DDG high fiber and DDG Wetcake.

\$ Net Revenue

Total Net Revenue

In BRL MM

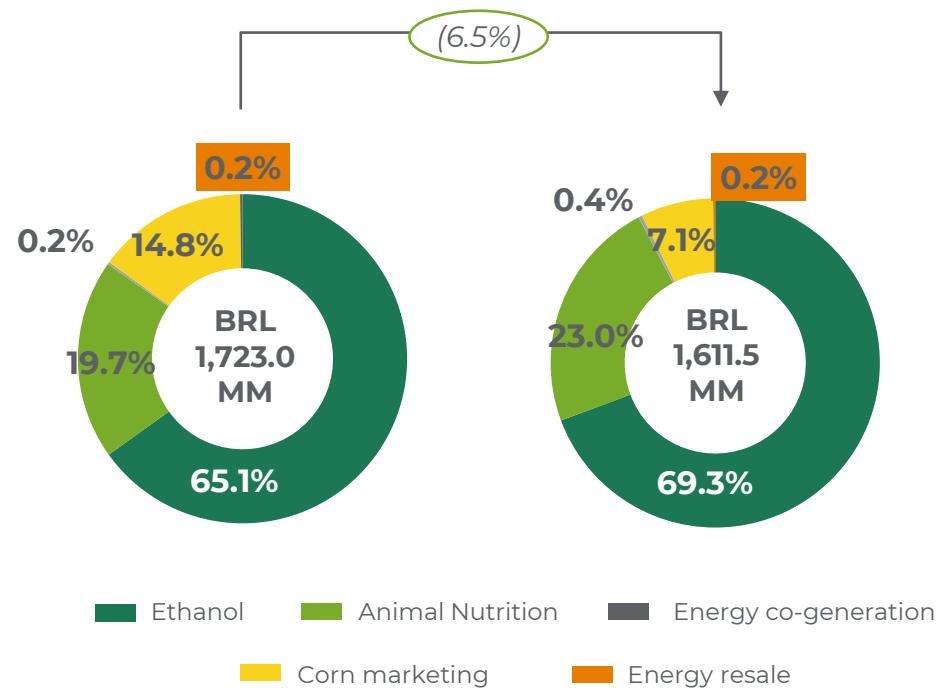
1Q



Total Net Revenue From Segments

1Q23

1Q24

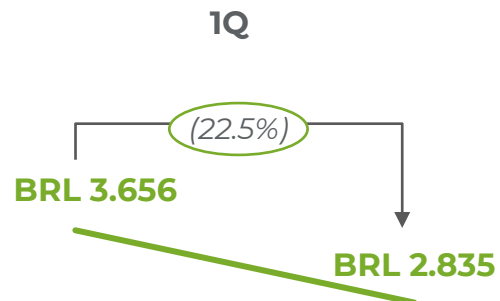




Ethanol Segment

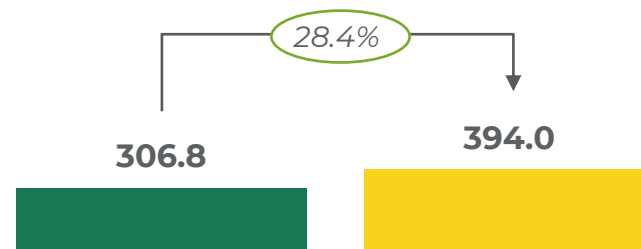
Net Sale Price

In BRL/ltr



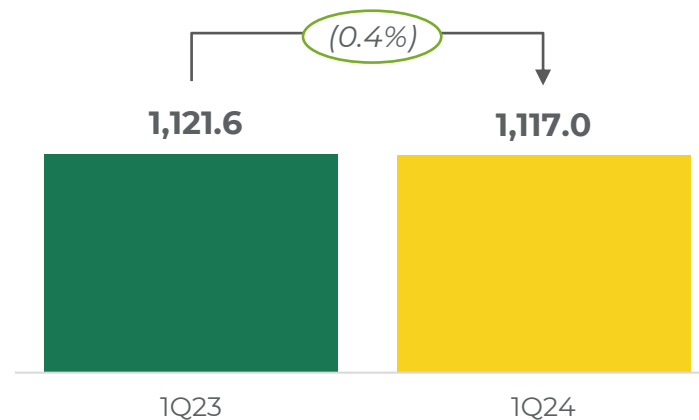
Volume Sold

In m³ thousand



Net Revenue Ethanol Segment

In BRL MM





Animal Nutrition Segment

Coverage
Ratio⁽¹⁾

52.2%

43.0%

Net Revenue
Animal Nutrition
Segment
(in BRL MM)

338.9

370.1

1Q23

1Q24

DDGs⁽²⁾ + Corn Oil Volume Sold

In thousand tons

29.8%

297.3

385.8

1Q23

1Q24

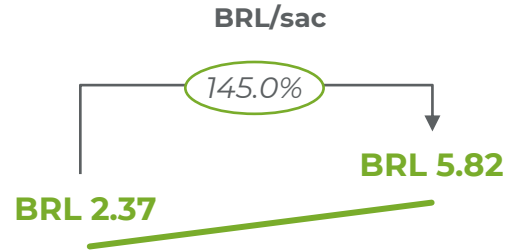
Notes:

1. Animal nutrition segment revenue + P&L corn marketing divided by corn COGS
2. Considers the sum of the products: DDG high protein, DDG high fiber and DDG Wetcake.

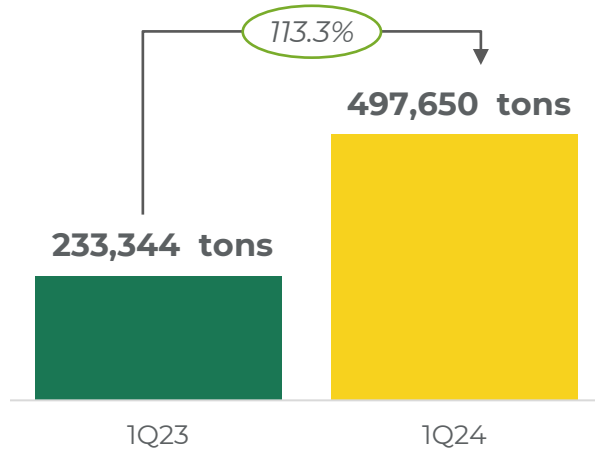


Corn Marketing

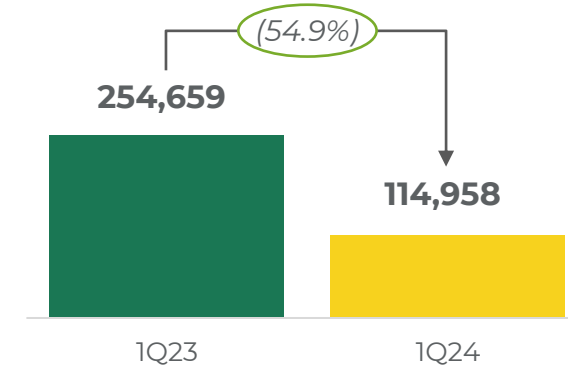
Spread per sac



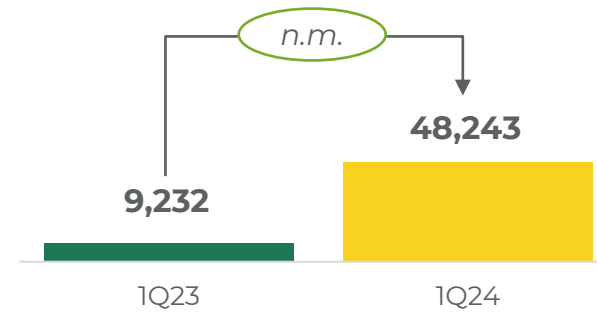
Total Volume



Net Revenue



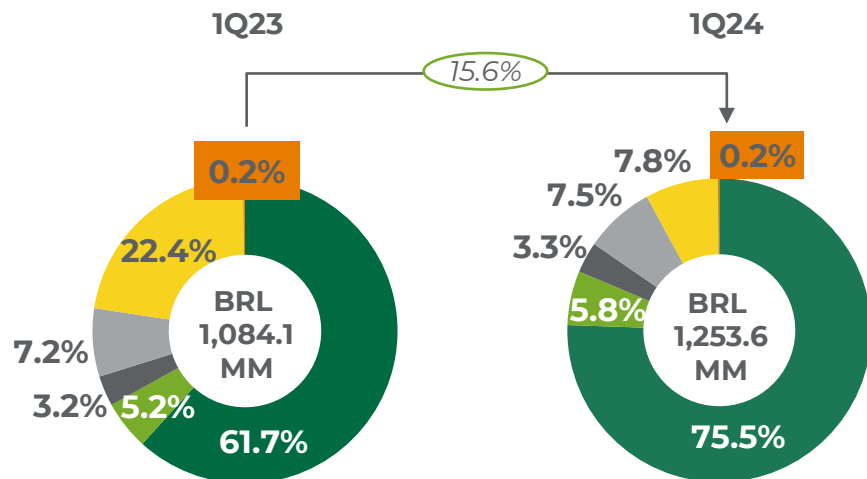
P&L Total





Cost of Goods Sold

COGS



Corn

Biomass

Corn Marketing

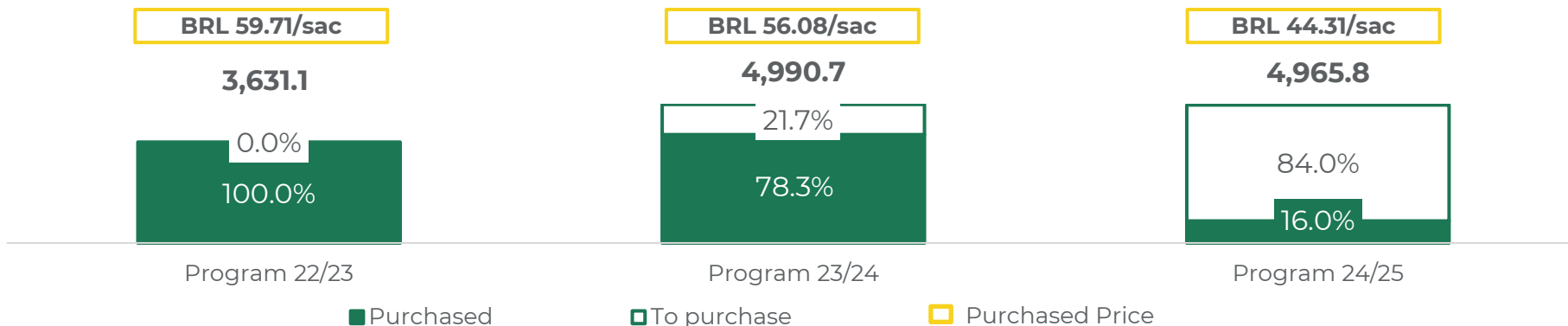
Energy Resale

Chemicals and enzymes

Operational cost

Corn Program^(1,2,3)

thousand tons



Notes:

1. As of August 7th, 2023.
2. The price per sac does not consider warehouse and freight costs.
3. The programs consider the need for the future plant of Primavera do Leste.

\$ EBITDA and Net Profit

EBITDA Evolution

In BRL MM

1Q

35.8%

20.7%

(44.2%)

676.0

377.1

1Q23

1Q24

2.203

0.957

■ EBITDA — EBITDA Margin □ EBITDA (BRL/liter)

Net Profit Evolution

In BRL MM

1Q

14.2%

1.9%

(87.3%)

267.2

34.0

1Q23

1Q24

■ Net Profit — Net Profit Margin



Capex

Growth Capex

In BRL MM

399.5



395.5



1Q

(1.0%)

Maintenance Capex⁽¹⁾

In BRL MM

9.1



6.6



Maintenance
Capex (BRL/liter)

0.028



0.015



Biological Assets Capex

In BRL MM

11.1



0.0



Total Capex

In BRL MM

419.8



402.1



(4.2%)

1Q23

1Q24



Cash Flow Statement

Net Debt Evolution (in BRL MM)	2Q23	3Q23	4Q23	1Q24	1Q24 LTM
Net Debt BoP	3,294.5	4,615.2	5,066.5	4,842.1	3,294.5
EBITDA	707.4	519.5	489.2	377.1	2,093.2
Working Capital	(1,043.3)	(247.2)	256.1	1,117.7	83.3
Income Taxes paid	-	-	-	-	-
Cash Flow From Operations	(335.9)	272.3	745.2	1,494.8	2,176.5
Cash Capex	(197.8)	(106.0)	(97.7)	(662.3)	(1,063.8)
Cash Flow From Operations Minus Capex	(533.6)	166.3	647.5	832.5	1,112.7
Cash Flow From Financing Activities	(787.1)	(617.6)	(423.1)	(1,024.7)	(2,852.5)
Net Interest	(248.9)	(112.0)	(452.6)	(112.4)	(925.9)
Impact from FX, Derivatives and Others	(213.1)	(495.2)	29.5	(266.9)	(945.7)
Dividends Paid / Tax Distribution	(325.0)	(10.4)	-	(645.4)	(980.8)
Net Debt EoP	4,615.2	5,066.5	4,842.1	5,034.4	5,034.4
Change in Net Debt	1,320.7	451.3	(224.4)	192.2	1,739.8
Readily Marketable Inventories – RMI ⁽¹⁾	2,526.4	1,879.8	728.2	830.3	830.3
Net Debt EoP adjusted by RMI	2,088.9	3,186.7	4,113.9	4,204.0	4,204.0

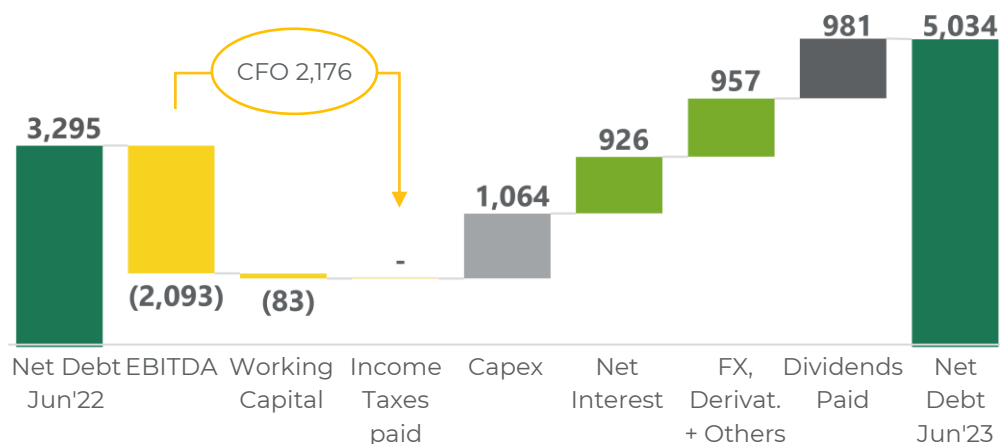
Notes:

1. RMI calculus consider the position of corn inventories multiplied by the market value on the closing date, added to the ethanol inventories position multiplied by ESALQ Hydrous Ethanol Ribeirão Preto/SP index also on the closing date.

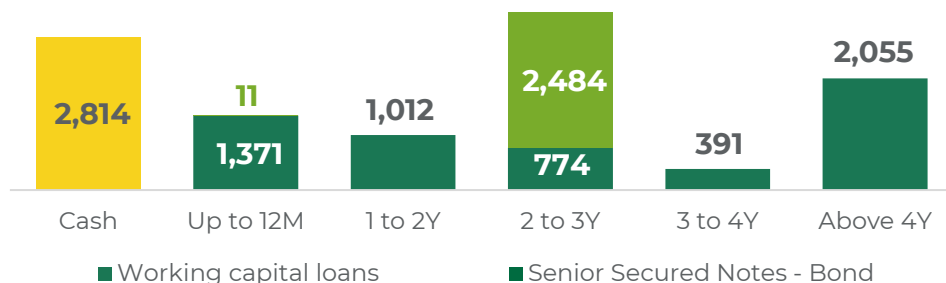


Indebtedness

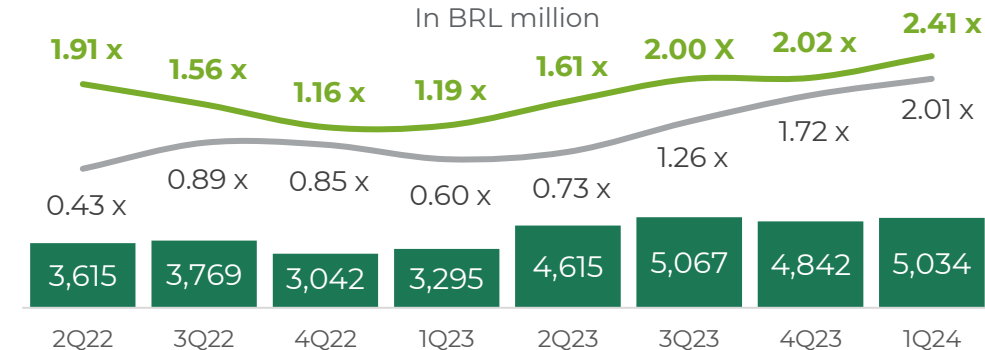
Net Debt In BRL million



Debt Amortization Schedule⁽¹⁾ In BRL million



Net debt / EBITDA LTM In BRL million



Net debt Net debt / LTM EBITDA Net debt adj. RMI / LTM EBITDA

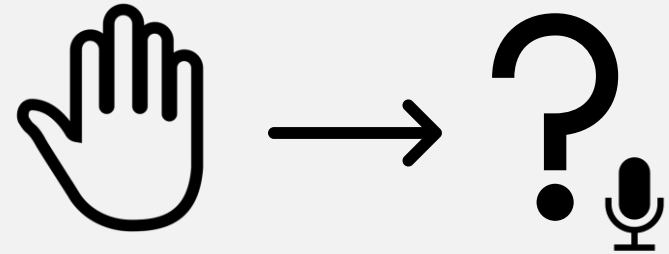
Net Debt Reconciliation (in BRL million)	1T23	1T24	1T24 vs 1T23
Bond and CPRF ^(2, 3, 4)	3,436.0	2,465.0	(28.3%)
CRA and CRI	1,979.6	3,173.6	60.3%
Other WC lines ⁽⁵⁾	1,130.2	2,210.2	95.6%
Gross debt	6,545.8	7,848.8	19.9%
Total cash ^(4,6,7)	3,251.3	2,814.4	(13.4%)
Net debt	3,294.5	5,034.4	52.8%
Net debt / LTM EBITDA	1.19 x	2.41 x	1.22 x
Net debt adj. RMI	1,665.9	4,204.0	152.4%
Net debt adj. RMI / LTM EBITDA	0.60 x	2.01 x	1.41 x
Gross Debt – USD (%)	35.0%	11.7%	(23.3 p.p.)
Gross Debt – BRL (%)	65.0%	88.3%	23.3 p.p.

Notes:

- Does not include the impact of transaction costs
- Initial issue of USD 680.0 million Senior Secured Green Notes - Bond - Notes by the subsidiary FS Luxembourg s.à.r.l., ("FS Lux"). Current balance of USD 511.7 million.
- Issuance of USD 594.2 million of CPRF (Cédula de Produtor Rural Financeira) by FS, in connection with the Bond issued. Current balance of USD 340.8 million.
- 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. Current balance of USD 340.8 million.
- 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.
- 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.
- Includes cash and cash equivalents, financial investments, and restricted cash (short-term and long-term).

? Questions & Answers

To organize the Q&A queue, please use the **raise hand** tool and wait to be invited to open your microphone and ask your question.



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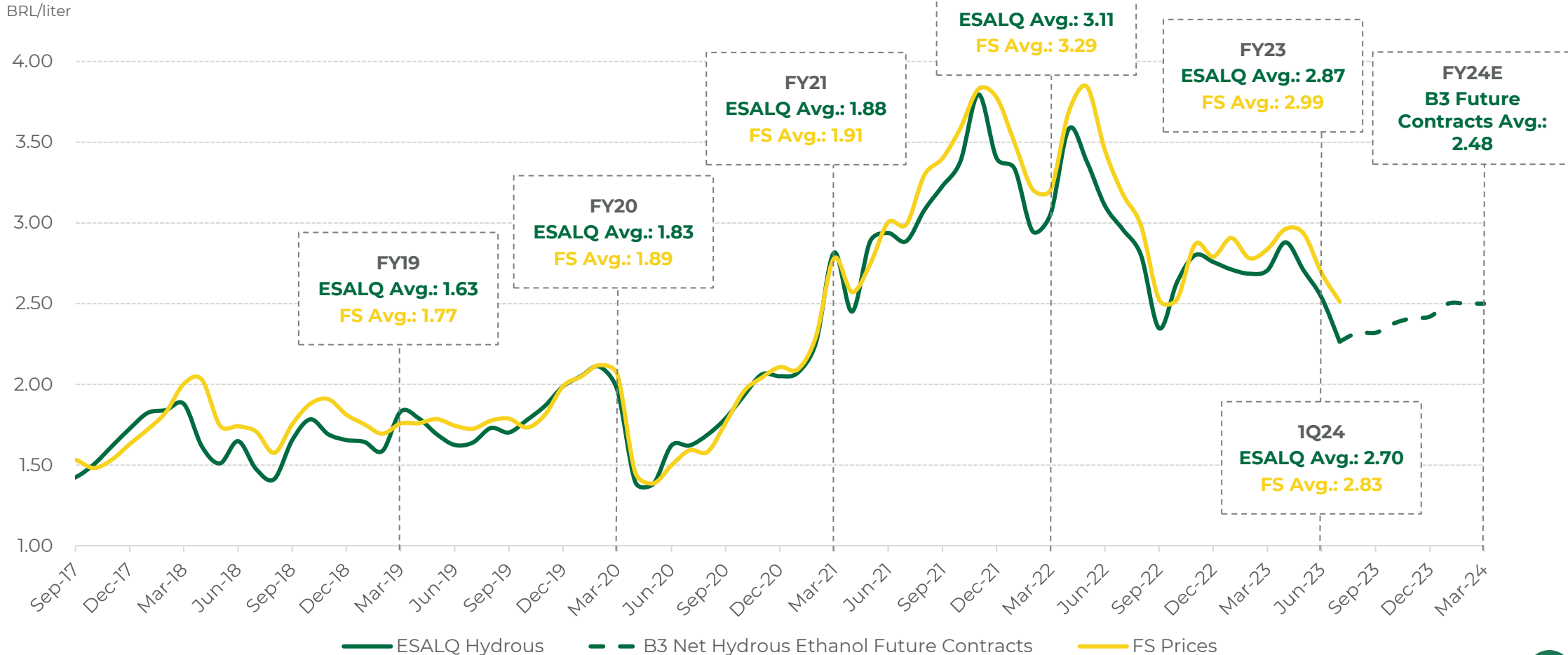


1Q24

BACKUP

Our Ethanol Net Prices Have Closely Followed ESALQ Hydrus Ribeirão Preto

FS Net Prices vs. ESALQ Net Hydrus Ribeirão Preto Prices



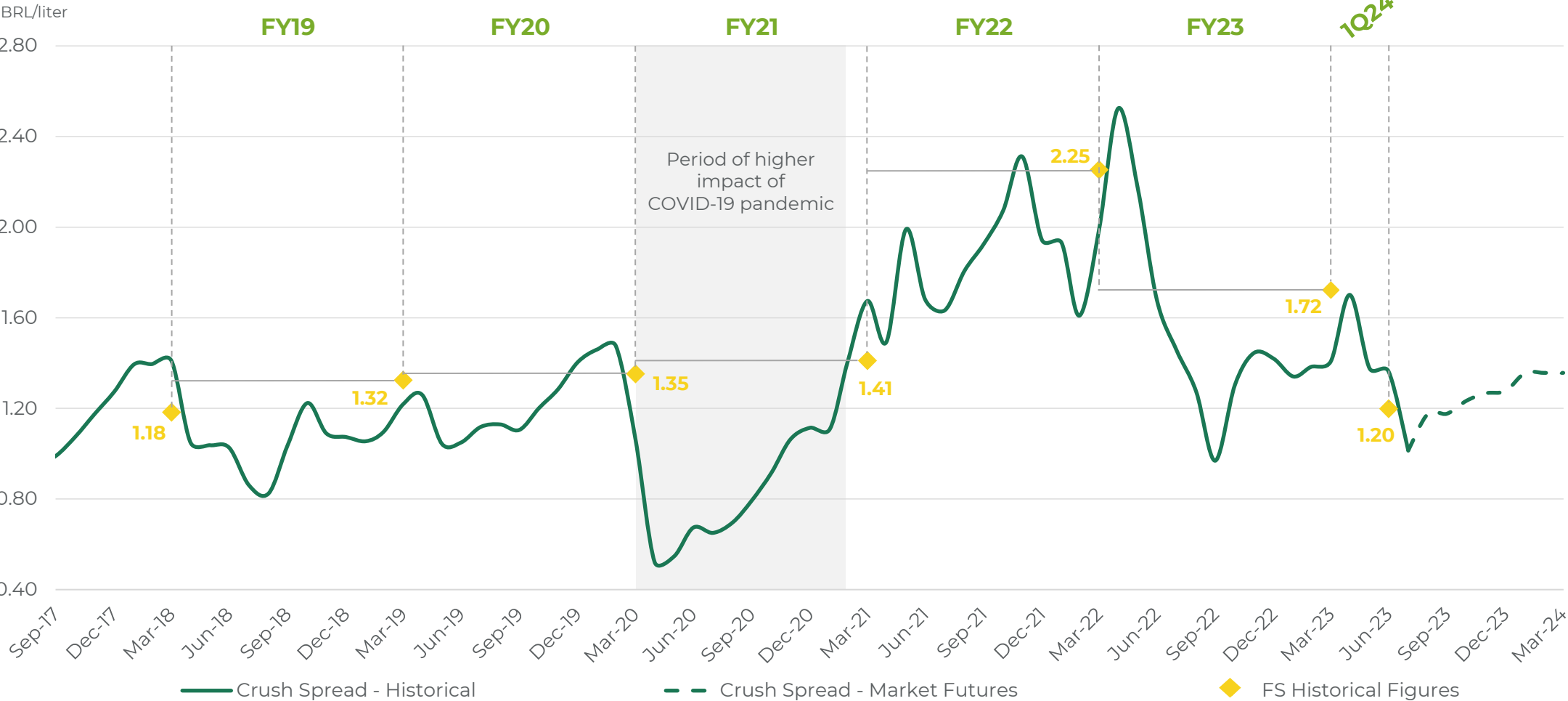
Notes: ¹Distribution by volume of m³ of ethanol. ²Arithmetic average of ethanol futures price for the period December 2022 until April 2023 obtained on the B3 platform.

Source: FS estimates, CEPEA ESALQ, B3.

Base date: Company model, B3 Future Prices and ESALQ prices of August 25th, 2023.

Ethanol vs. Corn Prices: Crush Spread Dynamics

Corn Ethanol Crush Spread⁽¹⁾



Notes: ¹Assumes 425 ton/liter of corn for the conversion from sacs to liters.
Source: Bloomberg, ESALQ, Brazilian Central Bank and FS estimates.
Base date: Company model, FX, B3 Future Prices, CBOT and ESALQ of August 25th, 2023.

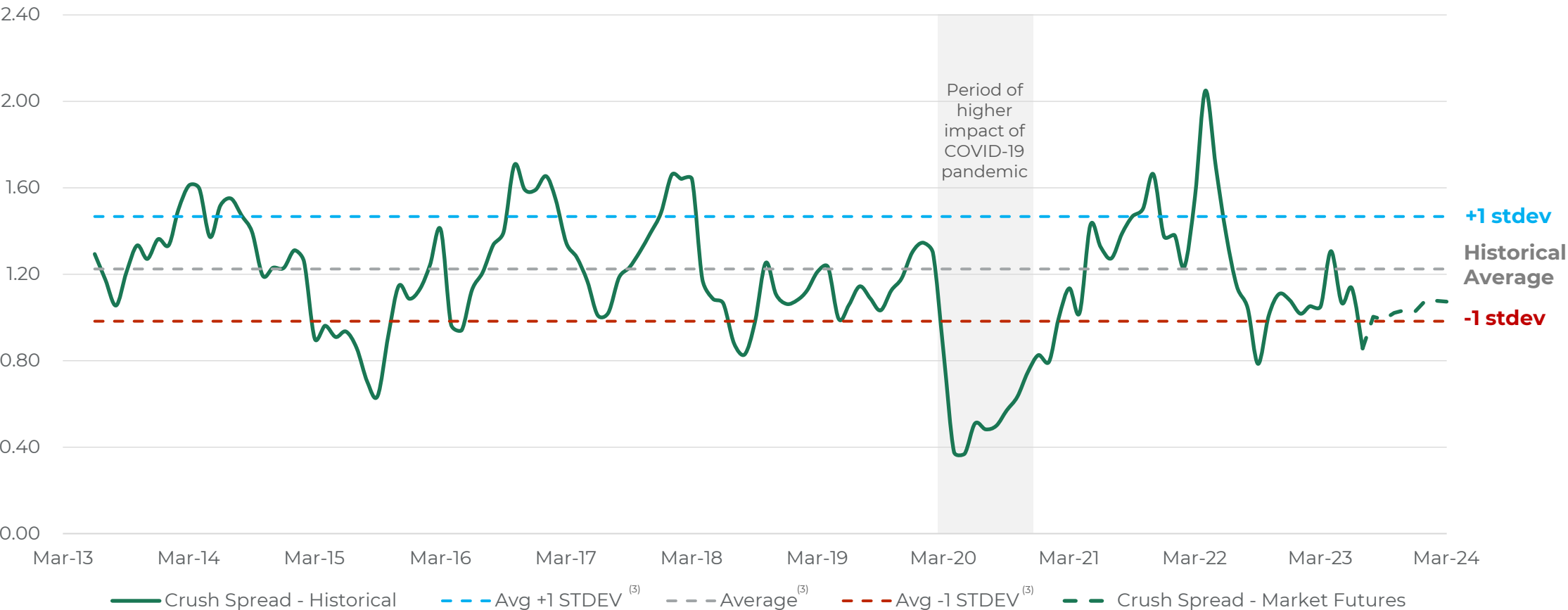
Ethanol vs. Corn Prices: Crush Spread Dynamics through the cycle

Corn Ethanol Crush Spread⁽¹⁾

USD/Gallon

Considering Future Contracts

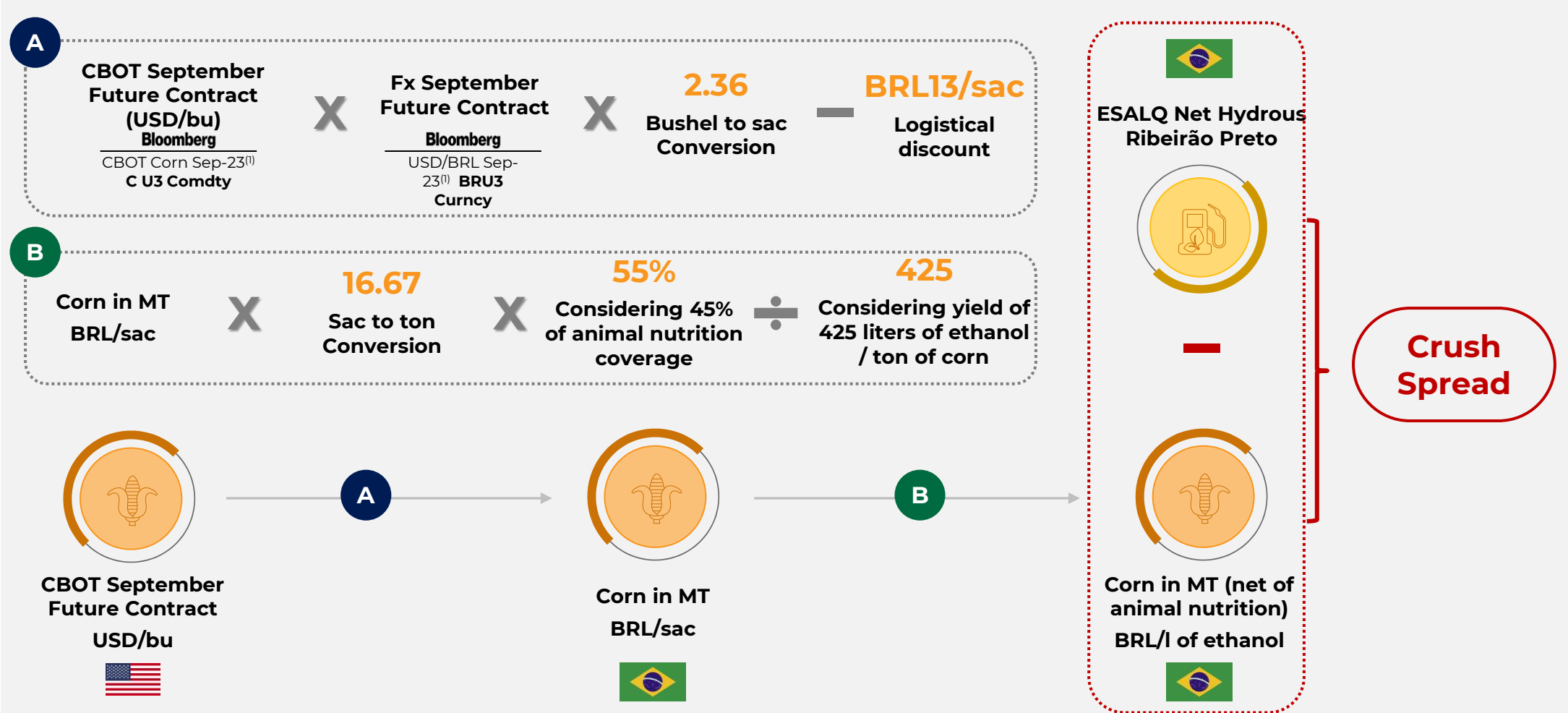
Average (US\$/gal)	Crush Spread	Implied EBITDA
Last 10 Years ⁽³⁾	1.22	0.95



Notes: ¹Assumes 425 ton/liter of corn for the conversion from sacs to liters. ²Assumes BRL0.348/liter of SG&A & other costs (FY21 figure) adjusted for inflation. ³Excluding period from Mar-20 to Feb-21 as it was heavily impacted by Covid-19 pandemic
Source: Bloomberg, ESALQ, Brazilian Central Bank.
Base date: Company model, FX, B3 Future Prices, CBOT and ESALQ of August 25th, 2023.

Crush Spread Calculation

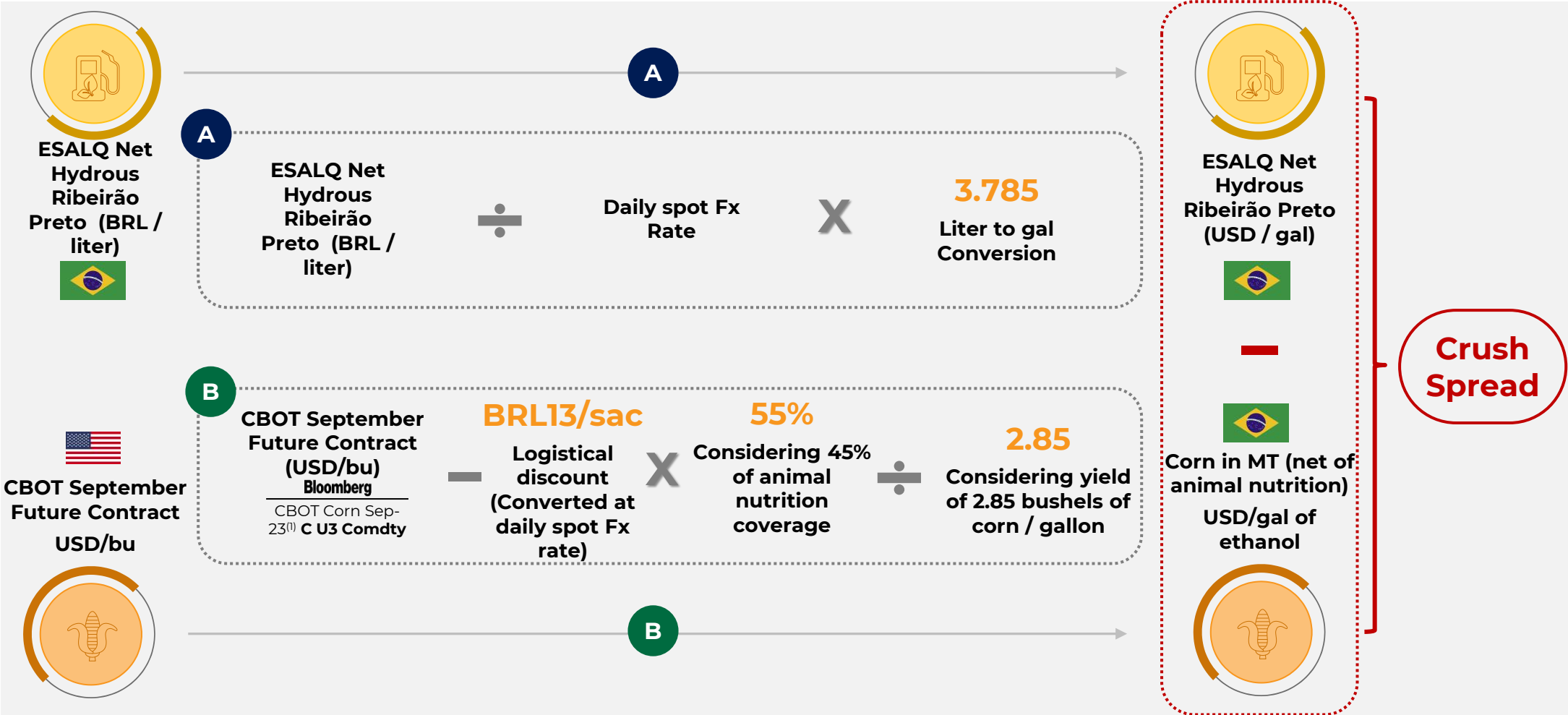
BRL / Liter



Notes:
1. September 2023 future contracts are used from June 2022 to May 2023

Crush Spread Calculation

USD / Gallon



Notes:
1. September 2023 future contracts are used from June 2022 to May 2023. From June 2021, 2022 contracts will start to be used (C U2 Comdty for CBOT)

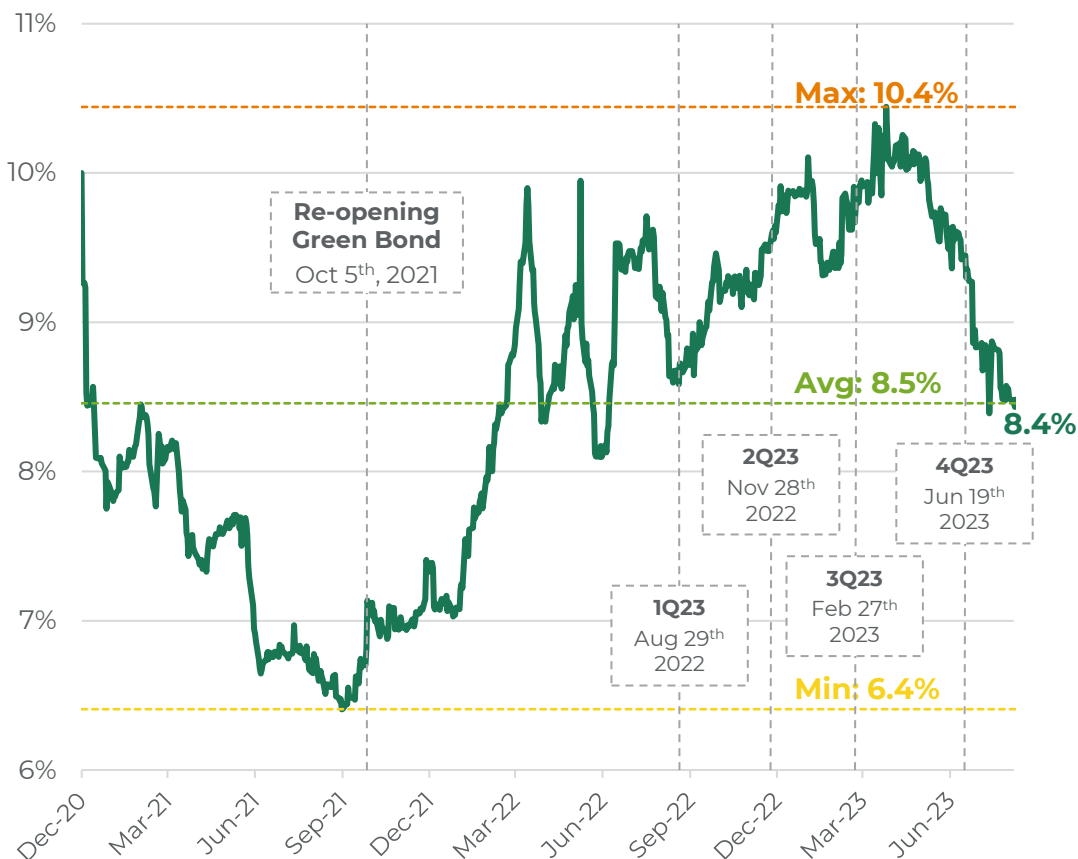


Bond Performance

\$511.7MM FS 2025 Bond Secondary Market Performance as of August 25th, 2023

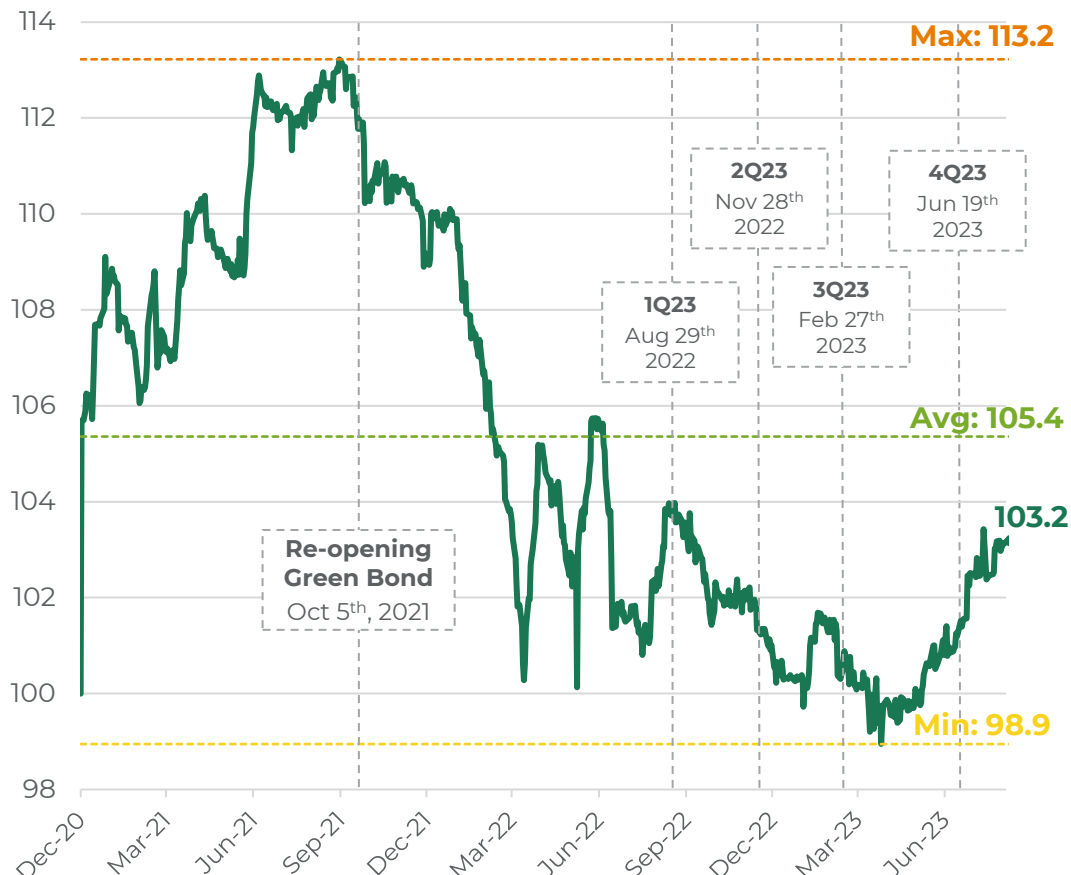
FS 2025 Yield⁽¹⁾

YTM (%) | FS LUX SARL 25 USD BMRK



FS 2025 Price⁽¹⁾

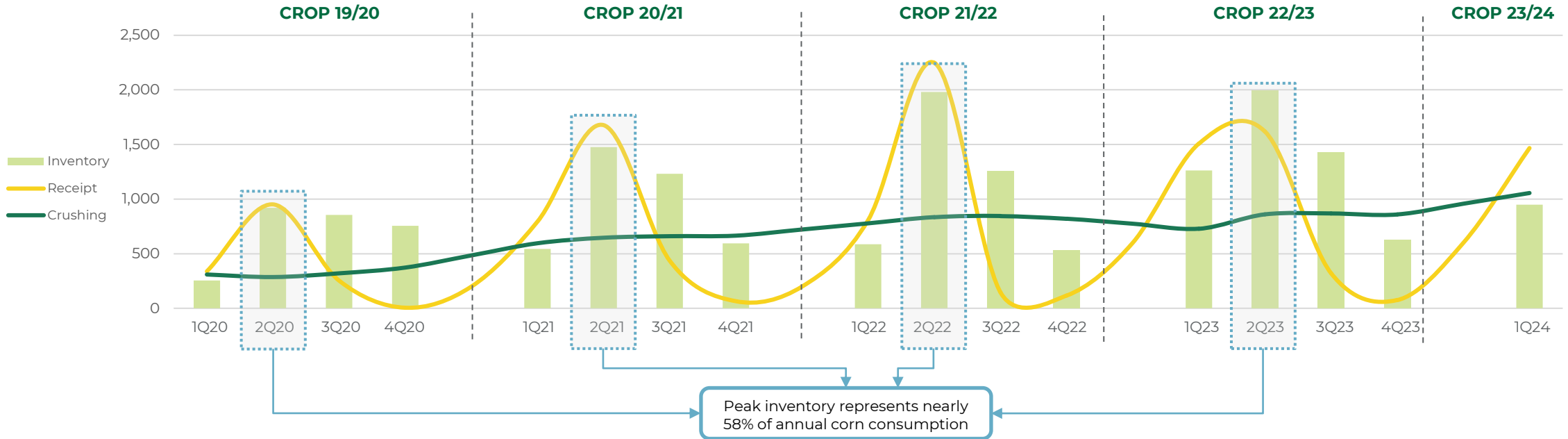
Price (\$) | FS LUX SARL 25 USD BMRK



Notes: 1. Considers closing prices of each day.
Source: Bloomberg

Corn inventory dynamics

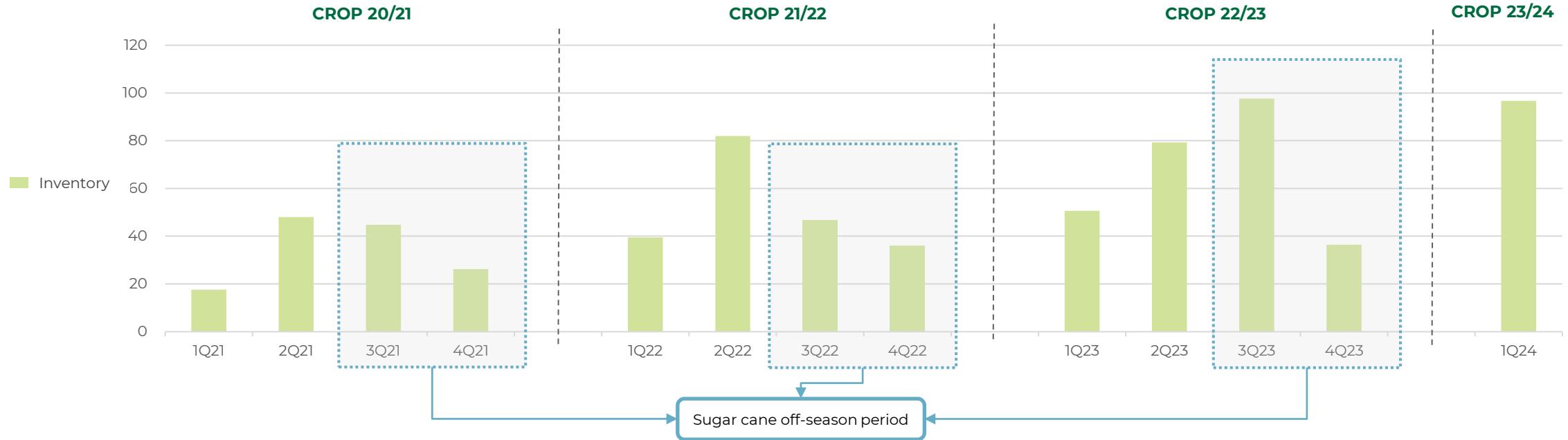
FS consolidated end of quarter in '000 tons



'000 tons	CROP 19/20	1Q20	2Q20	3Q20	4Q20	CROP 20/21	1Q21	2Q21	3Q21	4Q21	CROP 21/22	1Q22	2Q22	3Q22	4Q22	CROP 22/23	1Q23	2Q23	3Q23	4Q23	CROP 23/24	1Q24
Receipt	1,551	22%	61%	16%	1%	2,973	27%	56%	15%	2%	3,319	24%	68%	4%	4%	3,523	43%	46%	9%	2%	4,944	30%
Crushing	1,289	24%	22%	25%	29%	2,567	23%	25%	26%	26%	3,277	24%	25%	26%	25%	3,316	22%	26%	26%	26%	4,724	22%

Ethanol inventory dynamics

FS consolidated end of quarter inventory in '000 m³



'000 m ³	CROP 20/21	1Q21	2Q21	3Q21	4Q21	CROP 21/22	1Q22	2Q22	3Q22	4Q22	CROP 22/23	1Q23	2Q23	3Q23	4Q23	CROP 23/24	1Q24
Production	1,111	24%	25%	26%	25%	1,426	23%	26%	26%	25%	1,455	21%	26%	26%	26%	2,059	21%
Sales	1,108	24%	22%	26%	28%	1,416	22%	23%	29%	26%	1,456	21%	24%	25%	30%	2,045	19%