



CONDENSED COMBINED INTERIM FINANCIAL STATEMENTS (FS)

FS Indústria de Biocombustíveis Ltda., FS I
Indústria de Etanol S.A. and FS
Comercialização de Etanol Ltda

As of June 30, 2024



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Independent auditor's report on review of condensed combined interim financial statements

To the Directors, Quotaholders and Shareholders of
FS Indústria de Biocombustíveis Ltda, FS I Indústria de Etanol S.A. and FS
Comercialização de Etanol Ltda.
Lucas do Rio Verde – MT

Introduction

We have reviewed the condensed combined interim financial statements of the entities FS I Indústria de Etanol S.A., FS Indústria de Biocombustíveis Ltda. and FS Comercialização de Etanol Ltda. ("FS"), which comprises the condensed combined statement of financial position as of June 30, 2024, the condensed combined statements of income, comprehensive income, changes in net parent investment and cash flows for the three-month period ended June 30, 2024, and notes to the combined interim financial statements.

The FS's Management is responsible for the preparation of the condensed combined interim financial statements in accordance with the accounting practices adopted in Brazil (BR GAAP), including the requirements of Technical Pronouncement CPC 21 (R1) - Interim Statement, and with International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB), including IAS 34 - Interim Financial Reporting. Our responsibility is to express a conclusion on the condensed combined interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Brazilian and international standards for review of interim financial information (NBC TR 2410 and ISRE 2410, 'Review of Interim Financial statements Performed by the Independent Auditor of the Entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed combined interim financial statements of FS as of June 30, 2024 do not present fairly, in all material respects, the financial position, financial performance and cash flows of the Company in accordance with CPC 21 (R1) - Interim Statements and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board - IASB.



Emphasis of matter – Basis for preparation of the condensed combined financial statements

We draw attention to explanatory note No. 2 (a), which describes the basis for preparing the condensed combined financial statements. The condensed combined interim financial statements were prepared in accordance with the accounting practices adopted in Brazil (BR GAAP), including the requirements of Technical Pronouncement CPC 21 (R1) - Interim Statement, and with International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB), including IAS 34 - Interim Financial Reporting, to provide information about all the FS Group industrial activities in a single statement, to measure financial covenants commitments and to provide financial information to the stakeholders. The condensed combined financial statements should be read in that context. Our conclusion is not qualified with respect to this matter.

Other Matters - Statements of added value

We also reviewed the condensed combined statements of added value ('DVA') for the three-month period ended June 30, 2024, prepared under the responsibility of FS's Management, and presented as supplementary information for IAS 34 issued by the International Accounting Standards Board – IASB, whose presentation is not required for non - public companies. These statements were submitted to the same review procedures in accordance with the review of the condensed combined interim financial statements with the objective to conclude if they reconcile with the interim financial information and the criteria's defined in CPC 09 – Statement of value added. Based on our review, we are not aware of any fact that might lead us to believe that they were not prepared, in all material respects, in accordance with the condensed combined interim financial statements, taken as a whole.

Cuiabá, August 22, 2024

KPMG Auditores Independentes Ltda.

CRC SP-014428/F-7

Rafael Henrique Klug

Accountant CRC 1SP246035/O-7

Condensed combined statements of financial position As of June 30, 2024 and March 31, 2024

(In thousand of Reals)

Assets	Note	06/30/2024	03/31/2024	Liabilities	Note	06/30/2024	03/31/2024
Cash and cash equivalents	5	2,955,191	3,328,233	Trade payables	11	3,211,581	2,932,643
Restricted cash	6	854,184	1,246,927	Loans and borrowings	12	1,315,542	1,031,046
Trade and other receivables	7	498,152	380,830	Lease payables	14	46,727	45,104
Inventories	8	1,671,651	1,092,861	Advances from customers	13	46,692	237,101
Advances to suppliers	9	39,309	47,721	Income tax and social contribution payable	18.a	938	—
Recoverable taxes	15.a	667,265	591,627	Taxes and contributions payable	15.b	10,771	8,599
Prepaid expenses		65,802	52,566	Payroll and related changes		67,812	61,526
Derivative financial instruments	18	57,170	3,666	Derivative financial instruments	18	30,621	1,837
Other assets		39,102	1,804	Total current liabilities		4,730,684	4,317,856
Total current assets		6,847,826	6,746,235				
Trade and other receivables	7	3,468	3,468	Trade payables	11	18,200	18,200
Restricted cash	6	52,972	51,188	Loans and borrowings	12	8,961,563	8,959,869
Advances to suppliers	9	49,145	91,935	Lease payables	14	338,100	338,733
Recoverable taxes	15.a	365,170	309,020	Derivative financial instruments	18	19,671	63,876
Derivative financial instruments	18	98,160	29,372	Taxes and contributions payable		5,427	—
Deferred tax assets	19.b	413,439	333,123	Deferred tax liabilities	19.b	—	209
Related parties' loans	28	310,694	273,564	Provision for contingencies	16	2,634	538
Judicial deposits	16	5,539	5,370	Total non-current liabilities		9,345,595	9,381,425
Total long-term assets		1,298,587	1,097,040	Total liabilities		14,076,279	13,699,281
Property, plant and equipment	10	5,491,140	5,489,832				
Intangible assets		32,935	31,542	Net parent investment			
Total non-current assets		6,822,662	6,618,414	Net parent investment	17	(405,791)	(334,632)
				Total net parent investment		(405,791)	(334,632)
Total assets		13,670,488	13,364,649	Total liabilities and net parent investment		13,670,488	13,364,649

The notes are an integral part of these condensed combined interim financial statements.

Condensed combined statements of profit or loss

For the three-month period ended June 30, 2024 and 2023

(In thousands of Reais)

	Note	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Net revenue	21	2,037,842	1,821,550
Cost of goods sold	22	(1,386,941)	(1,253,625)
Gross profit		650,901	567,925
Operational expenses			
Selling expenses	23	(280,940)	(220,404)
Expected credit losses	7	(5)	(51)
Administrative and general expenses	24	(71,096)	(41,757)
Other results	25	33,066	23,483
Profit before net financial expenses and taxes		331,926	329,196
Finance income		338,563	212,783
Finance expenses		(533,492)	(703,117)
Foreign exchange rate variations, net		(232,307)	160,205
Net finance expenses	26	(427,236)	(330,129)
(Loss) profit before income and social contribution taxes		(95,310)	(933)
Current income and social contribution taxes	19	(4,633)	—
Deferred income and social contribution taxes	19	55,958	34,937
Tax incentives on income tax	19	3,699	—
(Loss) net profit for the period		(40,286)	34,004

The notes are an integral part of these condensed combined interim financial statements.

Condensed combined statements of comprehensive income

For the three-month period ended June 30, 2024 and 2023

(In thousand of Reais)

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
(Loss) net profit for the period	(40,286)	34,004
Items that may be reclassified to profit or loss		
Unrealized results of cash flow hedge and recognized in net parent investment	(66,351)	115,870
Deferred income and social contribution taxes	22,564	(39,396)
Cumulative translation adjustment - CTA	12,914	(5,390)
Total comprehensive (loss) income	(71,159)	105,088

The notes are an integral part of these condensed combined interim financial statements.

Condensed combined statements of changes in net parent investment

For the three-month period ended June 30, 2024 and 2023

(In thousand of Reais)

	Note	Net parent investment
Balance at March 31, 2024		(334,632)
Loss for the period		(40,286)
Items that will be reclassified to profit or loss		
Unrealized results of cash flow hedge and recognized in net parent investment		(66,351)
Deferred income and social contribution taxes		22,566
Cumulative translation adjustment - CTA		12,912
Total comprehensive income		(71,159)
Balance at June 30, 2024		(405,791)
Balance at March 31, 2023		736,756
Net profit for the year		34,004
Items that will be reclassified to profit or loss		
Unrealized results of cash flow hedge and recognized in net parent investment		76,474
Cumulative translation adjustment - CTA		(5,390)
Total comprehensive income		105,088
Capital increase		47
Distribution of dividends	17.c	(645,384)
Balance at June 30, 2023		196,507

The notes are an integral part of these condensed combined interim financial statements.

Condensed combined statements of cash flows - Indirect method

For the three-month period ended June 30, 2024 and 2023

(In thousands of Reais)

	Note	06/30/2024	06/30/2023
Cash flow from operating activities			
(Loss) net profit for the period		(40,286)	34,004
Adjustment for:			
Depreciation and amortization		66,974	47,906
Income from financial investments and restricted cash		(56,101)	27,347
Current and deferred income tax and social contribution	19	(55,024)	(34,937)
Foreign exchange rate (gains) or losses	26	232,307	(163,119)
Adjustment to fair value of derivatives	18	(155,146)	229,379
Adjustment to present value	26	4,173	(13,424)
Interest and amortization of transaction cost		448,699	309,947
Allowance of expected credit losses	7	5	51
Provision for contingencies		2,096	—
Result on the sale of assets		255	—
Changes in:			
Trade and other receivables		(98,994)	242,508
Trade receivables		—	86,996
Inventories		(570,399)	(429,421)
Recoverable taxes		(131,784)	(72,853)
Prepaid expenses		(13,236)	(25,979)
Judicial deposits	16	(169)	(640)
Other assets		(39,305)	25,115
Advances to suppliers	9	51,202	(77,186)
Trade payables		291,098	1,425,046
Advances from customers	13	(190,409)	2,017
Payroll and related charges		6,286	(8,714)
Taxes and contributions payable	15.b	7,599	(49,216)
Cash (used in) generated from operating activities		(240,159)	1,554,827
Interest payment on loans and borrowings	12	(253,010)	(214,151)
Interest payment on suppliers and other financial obligations		(79,351)	—
Interest redeemed from short-term investments		—	145,407
Interest redeemed from cash-restricted investments		23,619	52,124
Net cash (used in) generated from operating activities		(548,901)	1,538,207
Cash flow from investing activities			
Acquisition of property, plant and equipment	29	(101,207)	(716,737)
Proceeds from sale of property, plant and equipment		—	54,030
Proceeds from sale of biological assets	28.d	—	367
Interest and charges paid over capitalized interest	10	—	(15,995)
Loans from related parties		—	11,096

For the three-month period ended June 30, 2024 and 2023
(In thousands of Reais)

	Note	06/30/2024	06/30/2023
Purchase of financial investments and increase in restricted cash	6	(296,952)	(19,662)
Redeemed financial investments and restricted cash	6	720,394	1,236,775
Net cash generated from investing activities		322,235	549,874
Cash flow from financing activities			
Loans received, net of transaction costs	12	71,669	2,330,852
Repayment of loans and borrowings	12	(259,144)	(2,191,672)
Foreign currency translation effect		—	(521,391)
Dividends paid	17.c	—	(645,384)
Leases paid	14	(11,587)	(19,262)
Capital increase		—	47
Derivative financial instruments paid		(51,220)	(251,659)
Net cash used in financing activities		(250,282)	(1,298,469)
Foreign currency translation variation effect on cash and cash equivalents		103,906	(5,390)
(Decrease) increase in cash and cash equivalents		(373,042)	784,222
Cash and cash equivalents at the beginning of the period	5	3,328,233	1,374,855
Cash and cash equivalents at the end of the period	5	2,955,191	2,159,077

The notes are an integral part of these condensed combined interim financial statements.

Condensed combined statements of added value

For the three-month period ended June 30, 2024 and 2023

(In thousands of Reals)

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Sales of goods, products and services	2,156,498	1,896,379
Other revenue	54,440	86,641
Loss on impairment of accounts receivable	(5)	(51)
Revenue	2,210,933	1,982,969
Inputs purchased from third parties	(1,591,459)	(1,504,515)
Costs of products, goods and services sold	(1,290,091)	(1,208,581)
Materials, energy, third party services and others	(301,113)	(296,038)
Gain on sale of assets and right	(255)	104
Gross added value	619,474	478,454
Depreciation and amortization	(66,974)	(47,906)
Net added value produced	552,500	430,548
Added value received in transfer	340,548	294,052
Finance income	340,548	294,052
Total added value to distribute	893,048	724,600
Distribution of added value	893,048	724,600
Employee	85,695	26,522
Direct remuneration	67,013	12,888
Benefits	15,585	10,980
Service Guarantee Fund	3,097	2,654
Taxes, fees and contributions	79,855	39,892
Federal taxes	31,059	(34,937)
State taxes	48,796	74,829
Remuneration of third-party capital	767,784	624,182
Interest	415,803	334,547
Other	351,981	289,635
Remuneration of equity	(40,286)	34,004
(Loss) net profit of the period	(40,286)	34,004

The notes are an integral part of these condensed combined interim financial statements.

Notes to the combined financial statements

1. Operations

The condensed combined interim financial statements of FS ("FS" or "Companies") include the following companies under common control:

- FS Indústria de Biocombustíveis Ltda., ("FS Ltda."), is a limited liability company constituted on April 01, 2014 and it is located at Estrada A-01, 900m from KM 7 at, Avenida das Indústrias, S/N - KM 05, Distrito Industrial Senador Atílio Fontana, City of Lucas do Rio Verde, State of Mato Grosso, Brazil. FS Ltda. holds 100% of the share capital of FS Luxembourg S.a.r.l. ("FS Lux"). FS Lux is a limited liability company constituted on September 8, 2020, under the laws of Luxembourg and located at 9 Bitbourg street, L-1273, in Luxembourg.
- FS I Indústria de Etanol S.A. ("FS S.A"), a stock company constituted on June 13, 2022 and it is located at Estrada A-01, 900 m from Km 7 of Avenida das Indústrias, s/n° - Distrito Industrial Senador Atílio Fontana, City of Lucas do Rio Verde, State of Mato Grosso, Brazil. FS S.A, on June 13, 2022 and commenced its operations in May, 2023.
- FS Comercialização de Etanol Ltda. ("FS ECE"). A limited liability company, constituted on May 30, 2023, and located at A-01 Road, 900 meters from Km 7 of Avenida das Indústrias, s/n° - Senator Atílio Fontana Industrial District, Lucas do Rio Verde - Mato Grosso State, Brazil.

FS's core business is the production and commercialization of corn ethanol (anhydrous and hydrous), animal nutrition products used for livestock and poultry feed, called Dried Distillers Grains (DDG), and corn oil, energy and steam cogeneration and resale of corn, energy and ethanol acquired of third parties. Companies use corn as raw material of its products and biomass in its energetic matrix.

Seasonality

The corn plantation, mainly source of raw material for ethanol production, animal nutrition products and bioenergy, initiate in September and extends to December, period denominated as growing period. The second corn plantation is locally denominated of "safrinha" and occurs between January and March in the majority of cases.

FS financial information are bound to season variations due to the period of harvest corn, which occur in different moments over the year, depending of location of the farms. Environmental aspects and restrictions financials of market may influence the necessity of working capital over the period, as directly impact the inventory levels, advances to customers, loans and trade payables. The production volume and sales do not suffer fluctuations related to seasonality due to the purchase program of corn that are planned to supply the cycles of harvest and middle harvests.

2. Basis for preparation

The condensed combined interim financial statements were prepared in accordance with the international standard of financial reporting IAS 34 - Interim Financial Report issued by the International Accounting Standards Board (IASB) and also with the technical pronouncement *CPC 21 (R1) - Demonstração Intermediária*.

These condensed combined interim financial statements were prepared following the same basis of preparation and consistent accounting policies as those adopted in the preparation of the combined financial statements as of March 31, 2024 and they should be read in conjunction with those statements.

The information of footnotes that did not significantly change or presented irrelevant disclosures compared to March 31, 2024, are not repeated in full in these condensed combined interim financial statements. Therefore, information explaining the main events and transactions that occurred is included to provide an understanding of changes in the financial position and operational performance of FS since the publication of the combined financial statements of March 31, 2024.

In preparing these condensed combined interim financial statements, Management used judgments, estimates and assumptions that affect the application of accounting policies of FS and the reported amounts of assets, liabilities, revenues and expenditures. The actual results could differ from these estimates. The estimates and assumptions are reviewed continuously and have not relevant changes compared to the combined financial statements of March 31, 2024.

The issuance of the condensed combined interim financial statements was authorized by the Management on August 22, 2024.

a. Basis of combination and reasons for combining Companies.

FS condensed combined interim financial statements are being presented exclusively to provide information about all the FS industrial and commercialization activities in these single financial statements, to measure financial covenants commitments and to present combined financial information to the shareholders and stakeholders. Therefore, these financial statements are not the parent company nor consolidated financial statements of an entity and its subsidiaries and should not be used as a basis for the calculation of dividends, taxes, other corporate issues and do not provide indicators of financial performance that could be achieved if the Companies considered in the combination had operated as a single entity or as an indication of profit (loss) from transactions with these Companies for any period in the future.

The condensed combined interim financial statements are a single set of combined financial statements for these entities that are ultimately under common control. The Management of the Companies used the definition of control in accordance with CPC 44 - Combined Financial Statements, CPC 36 - Consolidated Financial Statements and IFRS 10 - Consolidated Financial Statements, both in relation to the assessment of the existence of common control and the combination procedure for the companies as of June 30, 2024.

In defining the entities that compose the condensed combined interim financial statements, Management included only companies directly linked to industrial and commercial activities, which are FS Ltda., FS S.A. and FS ECE, excluding companies under common control of the ultimate parent that are not directly engaged in such activities, as FS Infraestrutura S.A. and FS Florestal S.A.

(i) Criteria for preparing condensed combined interim financial statements

The combination principles of the Technical Pronouncement CPC 44 – Combined Financial Statements were used in the preparation of the condensed combined interim financial statements of FS and considered, among other procedures:

- Intercompany balances and transactions, and any unrealized income or expenses derived from intercompany transactions between combined entities are eliminated in the preparation of the condensed combined interim financial statements; and
- Realized loss and gains are eliminated in the same way; and the accounting practices are uniform to all the Companies.

The composition of assets, liabilities and net parent investment for the period ended June 30, 2024 and March 31, 2024 and the companies net profit (loss) for the period ended June 30, 2024 and March 31, 2024, which are part of the condensed combined interim financial statements, without elimination of transactions between the parties, are presented below:

Balance as of June 30, 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net parent investment	Net profit (loss) of the period
FS Ltda. Consolidated (*)	5,740,220	5,904,422	3,605,014	7,788,908	250,720	(24,083)
FS S.A.	1,591,121	3,196,675	1,617,586	1,556,687	1,613,523	36,096
FS ECE	192,962	—	178,323	1,576	13,063	3,677
Eliminations	(676,477)	(2,278,435)	(670,239)	(1,576)	(2,283,097)	(55,976)
Combined	6,847,826	6,822,662	4,730,684	9,345,595	(405,791)	(40,286)

Balance as of March 31, 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net parent investment	Net profit (loss) of the period
FS Ltda. Consolidated (*)	5,341,286	5,821,398	3,084,875	7,799,932	277,877	(283,265)
FS S.A.	1,567,153	3,004,173	1,403,682	1,590,217	1,577,427	(212,122)
FS ECE	89,201	318	80,137	—	9,382	(618)
Eliminations	(251,405)	(2,207,475)	(250,838)	(8,724)	(2,199,318)	6,705
Combined	6,746,235	6,618,414	4,317,856	9,381,425	(334,632)	(489,300)

(*) The balances represent 100% of FS Ltda's ownership interest in the share capital of the company FS Luxembourg S.a.r.l. ('FS Lux').

3. Use of estimates and judgments

In preparing these condensed combined interim financial statements, the Management has used judgments, estimates and assumptions that affect the application of the FS accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and assumptions are continually reviewed. Revisions of estimates are recognized prospectively.

(i) Judgments

Judgments applied on the accounting policies that have the most significant effect on the amounts recognized in the condensed combined interim financial statements are included in the following notes:

- Note 10 – Assessment of the determination of capitalized expenditures such as interest on property, plant and equipment; and
- Note 18 - Designation of hedge accounting financial instruments.

(ii) Uncertainties about assumptions and estimates

Information on uncertainties related to assumptions and estimates that have a significant risk of resulting in a material adjustment in the year ended June 30, 2024 are included in the following notes:

- Note 7 – Recognition of allowance for expected credit losses;
- Note 10 – Impairment test: main underlying assumptions of recoverable amounts;
- Notes 7 and 11 – Adjustment to present value of trade receivable and trade payables;
- Note 18 – Derivative financial instruments: determination of fair values;
- Note 19 – Uncertainty regarding the treatment of income taxes; and
- Note 19 – Recognition of deferred taxable assets: availability of taxable profit against which temporary deductible differences and taxable losses can be used.

Fair value measurement

Several of the FS accounting policies and disclosures require the measurement of fair value for financial and non-financial assets and liabilities.

FS established a control structure related to fair value measurement.

FS regularly revises significant unobservable data and valuation adjustments. If third party information, such as brokerage quotes or pricing services is used to measure fair value, the valuation team analyzes evidence obtained of third parties to support the conclusion that such valuations meet the requirements of the CPC 48/IFRS 9- Financial Instruments, including the level in the fair value hierarchy at which such valuations should be classified.

When measuring fair value of an asset or liability, FS uses observable data, as much as possible. Fair values are classified at different levels according to hierarchy based on information (inputs) used in valuation techniques, as follows:

- Level 1: Prices quoted (not adjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs, except for quoted prices, included in Level 1 which are observable for assets or liabilities, directly (prices) or indirectly (derived from prices).
- Level 3: Inputs, for assets or liabilities, which are not based on observable market data (non-observable inputs).

FS recognizes transfers between levels of the fair value hierarchy of the reporting period of the condensed combined interim financial statements in which the changes occurred. Additional information on the assumptions used in the measurement of fair values are included in note 18.

4. Changes in Material Accounting Policies

Except as described below, the accounting policies applied in these condensed combined interim financial statements are the same as those applied in the combined financial statements as of March 31, 2024.

a. Amendments to IAS 1 - Presentation of Financial Statements

FS has adopted the Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants - Amendments to IAS 1, as issued in 2020 and 2022. The amendments apply retrospectively for periods beginning on or after January 1, 2024 (April 1 in the case of FS Combined). They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period. FS concluded that there were no impacts from the initial application of this standard.

b. Amendments to IAS 7 and IFRS 7 - Statement of Cash Flows and Financial Instruments

The amendments pertain to the disclosure of information regarding supplier financing arrangements, allowing users of the financial statements to assess their effects on the entity's liabilities and cash flows, as well as its exposure to liquidity risk. The amendments became effective for annual periods beginning on or after January 1, 2024. It was concluded that there were no impacts from the initial application of this regulation.

c. New Accounting Standards and Interpretations Not Yet Effective

The following amended standards and interpretations are not expected to have a significant impact on the condensed combined interim financial statements:

Other Accounting Standards

The following new and amended standards are not expected to have a significant impact on the condensed combined interim financial statements:

- Lack of Convertibility (amendments to CPC 02).

5. Cash and cash equivalents

	06/30/2024	03/31/2024
Bank deposits and cash	970,230	1,055,701
Financial investments in bank deposit certificates ("CDB")	1,984,960	2,272,532
Total	2,955,190	3,328,233

FS considers as cash and cash equivalents highly liquid balances, that mature no later than 3 months from the date of investment which are promptly convertible into a known sum of cash and subject to an insignificant risk of change of value and is intend to meet short-term commitments.

Short-term financial investments refer to certificate of bank deposits ('CDB') which are instruments offered by banks and have individually negotiated rates, linked to the Interbank Deposit Certificate ('CDI') plus or minus a fixed spread. For the period ended June 30, 2024, the average annual return on these investments was 10.27% (10.50% for the period ended March 31, 2024) These instruments are available for immediate redemption.

As of June 30, 2024, the balance of cash and cash equivalents held in US dollars ("USD") amounts to USD 171,804 or R\$ 955,040 (USD 205,333 or R\$ 1,025,883 as of March 31, 2024).

Information on the FS exposure to market and credit risk and fair value measurement related to cash and cash equivalents is included in Note 18.

6. Restricted cash

	06/30/2024	03/31/2024
Investments collateralizing loans	907,156	1,298,115
Total	907,156	1,298,115
Current	854,184	1,246,927
Non-current	52,972	51,188

Restricted cash refers to investments collateralizing loans and derivative financial instruments..

For the period ended June 30, 2024, and period ended March 31, 2024, the average annual return on these investments was 10.33% and 10.54% respectively.

Information on the FS exposure to credit, market and measurement of fair value risks related to restricted cash is included in Note 18.

7. Trade and other receivables

	06/30/2024	03/31/2024
Trade receivables	489,397	376,700
Trade receivables - Related parties	12,573	7,943
Subtotal	501,970	384,643
(-) Allowance for expected credit losses	(350)	(345)
Total	501,620	384,298
Current	498,152	380,830
Non-current	3,468	3,468

Allowance for expected credit losses

FS assesses the expected credit losses on trade receivables based on: (a) historical experience of losses by customers and segment; (b) assignment of a credit rating to each customer based on qualitative and quantitative measures for the customer, as determined by internal policies (see note 18); and (c) assigns an impairment percentage for expected credit losses based on items (a) and (b) above and the customer's credit status (current or past due).

Based on the historic loss and expectations regarding the future performance of the current receivables, FS's assessment is that the remaining current receivables is not significant for the constitution of an allowance.

The maturity composition of receivables at the reporting date of the condensed combined interim financial statements was as follows:

	06/30/2024	03/31/2024
Not overdue		
Up to 30 days	266,867	206,597
31 to 60 days	27,541	15,384
61 to 90 days	32,360	2,601
>90 days	158,615	141,829
Subtotal	485,383	366,411
Overdue		
Up to 30 days	12,653	16,787
31 to 60 days	2,023	25
61 to 90 days	1,211	31
91 to 180 days	—	699
Subtotal	15,887	17,542
Total	501,270	383,953

Changes in the allowance for expected credit losses during the period of contract assets are presented in the following table:

Balance as of March 31, 2024	(345)
Allowance for expected credit losses	(5)
Balance as of June 30, 2024	(350)
Balance as of March 31, 2023	(5)
Provision for expected credit losses	(51)
Balance as of June 30, 2023	(56)

As of March 31, 2024 and June 30, 2024, there were no receivables as collateral for loan agreements.

Other information about the FS exposure to credit and market risks and impairment losses related to trade and other receivables are included in note 18.

8. Inventories

	06/30/2024	03/31/2024
Inventories held by third party	567,074	131,233
Raw material	749,563	645,608
Finished goods	130,355	97,164
Production inputs	85,847	84,861
Consumption material	109,304	104,786
Work-in-process inventory	29,508	29,209
Total	1,671,651	1,092,861

Cost is determined by the weighted average costing method.

As of June 30, 2024, and March 31, 2024, the inventories of grain corn held as collateral totaled:

	06/30/2024	03/31/2024
Tons pledged	935,497	480,699
Amount pledged	563,668	289,330

As of June 30, 2024, and March 31, 2024, the amounts held by third parties were as follows, respectively:

	06/30/2024	03/31/2024
Raw material - Corn	463,226	38,951
Finished goods - Ethanol	102,860	91,920
Finished goods - DDGs	988	362
Total	567,074	131,233

As of June 30, 2024, and March 31, 2024, the volume held by third parties were as follows, respectively:

	06/30/2024	03/31/2024
Tons of corn	673,289	41,071
Cubic meters of ethanol	56,575	41,821
Tons of animal nutrition	650	459

9. Advances to suppliers

	06/30/2024	03/31/2024
Advances to suppliers of inventories	54,829	102,332
Advances to related parties	24,557	29,911
Advances to other suppliers	9,068	7,413
Total	88,454	139,656
Current	39,309	47,721
Non current	49,145	91,935

Advances to suppliers of inventories include corn, biomass and forest development (eucalyptus). The current amount refers to corn and biomass supply, and the non-current amount refers to forest development (eucalyptus), used to supply biomass needs and has a cultivation period up to six years.

The advances to suppliers with related parties was R\$ 24,557 as of June 30, 2024 (R\$ 29,924 as of March 31, 2024), see note 28.

10. Property, plant and equipment

Cost of acquisition	03/31/2023	Additions	Transfers	06/30/2023	03/31/2024	Additions	Transfers	06/30/2024
Land	151,094	—	33,115	184,209	184,193	—	43,505	227,698
Buildings	654,994	2,198	782,320	1,439,512	1,282,910	—	9,816	1,292,726
Machinery and equipment	1,426,375	3,457	851,695	2,281,527	2,410,139	2,507	30,465	2,443,111
Furniture and computers	24,040	379	9,511	33,930	33,945	305	910	35,160
Vehicles	1,891	—	500	2,391	2,710	23	(1)	2,732
Airplane	29,196	—	—	29,196	—	—	—	—
Installations	562,132	530	483,397	1,046,059	976,907	331	3,623	980,861
Construction in progress	2,351,616	264,435	(2,160,538)	455,513	843,326	67,845	(88,830)	822,341
Right of use	243,555	131,079	—	374,634	456,952	—	(3,461)	453,491
Total	5,444,893	402,078	—	5,846,971	6,191,082	71,011	(3,973)	6,258,120
Depreciation								
Buildings	(51,787)	(7,372)	—	(59,159)	(81,549)	(8,068)	(4)	(89,621)
Machinery and equipment	(253,740)	(26,804)	—	(280,544)	(362,567)	(30,989)	(1)	(393,557)
Furniture and computers	(8,699)	(952)	—	(9,651)	(12,717)	(1,088)	(45)	(13,850)
Vehicles	(819)	(111)	—	(930)	(1,288)	(127)	—	(1,415)
Airplane	(3,161)	(730)	—	(3,891)	—	—	—	—
Installations	(106,637)	(14,755)	—	(121,392)	(166,774)	(16,391)	561	(182,604)
Right of use	(25,530)	(9,931)	—	(35,461)	(76,355)	(13,040)	3,462	(85,933)
Total	(450,373)	(60,655)	—	(511,028)	(701,250)	(69,703)	3,973	(766,980)
Net property, plant and equipment	4,994,520	341,423	—	5,335,943	5,489,832	1,308	—	5,491,140

Construction in progress

The balance in construction in progress refers to expansion and improvements of the plant in Sorriso and Lucas do Rio Verde – MT and the construction of second phase of the ethanol plant in Primavera do Leste – MT.

Provision for impairment

The FS, at the end of each reporting period, assesses possible indications of impairment of its assets that could create the need to test their recoverable value.

Management has not identified any triggering events that would justify the need for a provision for impairment as of June 30, 2024.

Capitalization of borrowing costs

For the period ended June 30, 2024 there were no net borrowing costs paid and capitalized and for March 31, 2024 were R\$ 15,995, interest accrued and paid. The average interest rate of the year ended was 13.62% p.y. on March 31, 2024.

Collateral

FS has pledged property, plant and equipment as collateral pledged to loans in the amount of R\$ 1,456,134 for the period ended June 30, 2024 and March 31, 2024, and comprises land, buildings, machinery, equipment and installations.

11. Trade payables

The trade payables balances refer to raw material (corn), production inputs and other necessary products in the production area, expenditures for engineering services and acquisition of machinery and equipment.

	06/30/2024	03/31/2024
Raw material payables	2,848,104	2,601,828
Property, plant and equipment payables	208,655	234,098
Other payables	173,022	114,917
Total	3,229,781	2,950,843
Current	3,211,581	2,932,643
Non-current	18,200	18,200

The balance of trade payables with related parties as of June 30, 2024, are 489,183 (R\$ 307,836 as of March 31, 2024). See note 28.

Reverse Factoring

FS offers to its suppliers the use of reverse factoring agreements with banks. These agreements are signed with suppliers with the aim of serving mutual interests in terms of liquidity and working capital. The related liabilities have been included in resource acquisition programs through credit lines from FS with financial institutions, considering the commercial negotiation characteristics related to payment terms between suppliers and FS. This operation is presented in the statements of financial position and cash flow statements under the trade payables category, as Management considers that the operation does not alter the nature of the liability.

Reverse factoring operations are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

	06/30/2024	03/31/2024
Trade payables	1,949,626	397,878
Reverse factoring	1,280,155	2,552,965
Total	3,229,781	2,950,843

As of June 30, 2024, the discount rates on reverse factoring averaged Interbank Deposit Certificate CDI+2.17% p.y. (CDI+2.17% p.y as of March 31, 2024) with an average maturity of 130 days. The CDI rates are pre-fixed on the date of the transaction. Interest expenses are recognized in finance expenses, as disclosed in note 26. Below is the payment schedule:

Not overdue	06/30/2024	03/31/2024
Up to 30 days	1,012,622	758,232
31 to 60 days	62,741	466,835
61 to 180 days	82,639	1,185,623
>181 days	122,153	142,274
Total	1,280,155	2,552,964

The exposure to liquidity risks and fair value measurement related to trade payables is disclosed in note 18.

12. Loans and borrowings

	Interest rates p.y.	Currency	06/30/2024	03/31/2024
Loans for investments	6,5% to 10%	USD	3,615,021	3,347,634
Loans for working capital	CDI + 2.34%	R\$	7,161,521	7,149,567
Total Loans			10,776,542	10,497,201
(-) Transaction cost			(499,437)	(506,286)
Total			10,277,105	9,990,915
Current			1,315,542	1,031,046
Non-current			8,961,563	8,959,869

Management categorizes loans and borrowings in according to the nature of resources application in operations. Loans for investments are those where the resources applies to investments related to the construction and expansion of industrial units, while the loans for working capital are those where the resource applies to the short-term operational needs.

For more information on the exposure of the FS to risks of interest rates, liquidity, fair value measurement and a sensitivity analysis arising from these loans and borrowings, see note 18.

a. Terms and debt amortization schedule

As a consequence of these loans and borrowings, the following collateral were granted:

- Mortgage of FS's land (note 10);
- Fiduciary assignment of fixed assets (note 10);
- Inventories of corn (note 8); and
- Restricted cash (note 6).

The loans and borrowing have the following maturities (the classification between investments and working capital has been assigned by management):

June 30, 2024	Book Value	Until 12 months	1 to 2 years	2 to 3 years	3 to 4 years	Above 4 years
Loans for investments (*)	3,615,021	117,380	571,360	—	35,681	3,374,390
Loans for working capital (*)	7,161,521	1,256,863	960,224	588,613	371,329	3,500,702
Total	10,776,542	1,374,243	1,531,584	588,613	407,010	6,875,092

March 31, 2024	Book Value	Until 12 months	1 to 2 years	2 to 3 years	3 to 4 years	Above 4 years
Loans for investments (*)	3,347,634	51,336	—	648,312	—	2,647,986
Loans for working capital (*)	7,149,567	1,058,023	972,892	644,961	319,825	4,153,866
Total	10,497,201	1,109,359	972,892	1,293,273	319,825	6,801,852

(*) The presented amount do not include transaction costs.

b. Reconciliation of movements of financial position with cash flows

Balance as of March 31, 2024	9,990,915
Items that affect cash flow	(440,485)
Proceeds	72,305
Payments of principal	(259,144)
Interest payment	(253,010)
Transaction cost	(636)
Items that do not affect cash flow	726,675
Provision for interest	331,916
Foreign exchange rate (gains) or losses (*)	229,546
Transaction cost (Amortization)	36,936
Foreign currency translation effect (**)	128,277
Balance as of June 30, 2024	10,277,105

Balance as of March 31, 2023	11,622,230
Items that affect cash flow	(95,409)
Proceeds	2,378,671
Payments of principal	(2,191,672)
Interest payment	(214,151)
Transaction cost	(68,257)
Items that do not affect cash flow	(370,120)
Provision for interest	309,947
Capitalized interest payment	(15,995)
Exchange variation (*)	(163,119)
Transaction cost (Amortization)	20,438
Foreign currency translation effect (**)	(521,391)
Balance as of June 30, 2023	11,156,701

(*) The exchange variation comprises the amounts realized and unrealized (note 26).

(**) It refers to the currency conversion adjustment of the dollar loans of FS Ltda.'s subsidiary, FS Lux.

c. Restrictive clauses ("covenants")

The main financial covenants include conditions that restrict the occurrence of certain financial operations, if the financial ratio of net debt to EBITDA is higher than 3.0x. The verification of this ratio occurs on a quarterly basis, based on the combined financial statements for the last 12 months.

For the period ended in June 30, 2024, FS Ltda. recorded a net debt to EBITDA ratio exceeding 3.0x. Consequently, the FS is subject to certain operational restrictions; however, this does not result in default nor does it accelerate the maturity of its loans. The main restrictions include obtaining certain types of loans dividends and profits distribution related to the current period results.

13. Advances from customers

Advances from customers represent amount received from customers for the sales of products which have not yet met the criteria to be recognized as net revenue as of the end of the period. These advances are shown as a liability on the statement of financial position with a balance of R\$ 46,692 and R\$ 237,101 as of June 30, 2024 and March 31, 2024, respectively.

14. Lease payables

	Warehouse (i)	Wagons (iii)	Other (ii)	Total
Balance as of March 31, 2024	235,743	116,290	31,804	383,837
Provision for interest	8,262	3,243	1,072	12,577
Payment	(5,710)	(1,424)	(4,453)	(11,587)
Balance as of June 30, 2024	238,295	118,109	28,423	384,827
Current				46,727
Non current				338,100

	Warehouse (i)	Wagons (iii)	Other (ii)	Total
Balance as of March 31, 2023	95,482	98,579	22,366	216,427
Addition	187,075	48,738	1,680	237,493
Contractual adjustment	—	—	(177)	(177)
(-) Adjustment to present value	(87,425)	(18,711)	(99)	(106,235)
Provision for interest	3,920	3,838	540	8,298
Payment	(9,549)	(7,065)	(2,648)	(19,262)
Balance as of June 30, 2023	189,503	125,379	21,662	336,544
Current				34,671
Non-current				301,873

The balance of lease payables with related parties as of June 30, 2024 was R\$ 193,823 (R\$ 199,294 as of March 31, 2024). See note 28.

Right of use

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see note 10).

	Warehouse (i)	Wagons (iii)	Other (ii)	Total
Balance as of March 31, 2024	234,334	114,622	31,642	380,598
Amortization	(6,272)	(3,155)	(3,612)	(13,039)
Balance as of June 30, 2024	228,062	111,467	28,030	367,559

	Warehouse (ii)	Wagons (iii)	Other (ii)	Total
Balance as of March 31, 2023	98,083	96,962	22,980	218,025
Addition	99,650	30,028	1,494	131,172
Contractual adjustment	—	—	(94)	(94)
Amortization	(4,131)	(2,904)	(2,895)	(9,930)
Balance as of June 30, 2023	193,602	124,086	21,485	339,173

i) Refers to the leasing of warehouses for the storage of corn.

ii) Composed by machinery that serves industrial activities and a leased office located in São Paulo.

iii) Composition relating to wagon lease operations.

15. Taxes and contributions

a) Recoverable taxes

	06/30/2024	03/31/2024
PIS and COFINS	829,566	730,498
ICMS	37,459	29,472
IRPJ	72,994	71,237
IRRF	91,283	68,309
Other taxes and contributions	1,133	1,131
Total	1,032,435	900,647
Current	667,265	591,627
Non-current	365,170	309,020

b) Taxes and contributions payable

	06/30/2024	03/31/2024
ICMS	4,983	4,249
Retained tax of third parties (*)	2,032	2,397
ISS	627	744
Other taxes	3,129	1,209
Total	10,771	8,599

(*) The retained taxes of third parties refers to follow taxes: PIS, COFINS, CSLL, IRPJ, INSS and Funrural.

16. Contingent liabilities and judicial deposits

As of June 30, 2024, FS had contingent liabilities whose cash outflow is considered probable in the amount of R\$ 2,634 (R\$ 538 as of March 31, 2024).

Unrecorded contingent liabilities

Estimates of contingent liabilities for lawsuits are the best estimate of possible expenses to be incurred. As of June 30, 2024, and March 31, 2024, FS had contingencies assessed as possible risk by legal advisors and Management in the amount of R\$ 23,607 and R\$ 40,647, respectively, for which no provision was recorded:

	06/30/2024	03/31/2024
Civil	191	191
Labor	2,730	2,730
Tax	20,686	37,726
Total	23,607	40,647

Civil

Contingency for passive civil demands with a possible likelihood of loss related to claims of freights compensations in lawsuits promoted by independent transportation companies with direct or joint responsibility under the law.

Labor

Contingency for labor demands with a possible likelihood of loss related to claims of compensations for overtime, severance payments and FGTS in lawsuits promoted by employees of outsourced companies due to subsidiary responsibility.

Tax

Lawsuits of tax are related to risks of inquiries by tax authorities and infraction notices related to the non-occurrence or the improper collection of ICMS debts.

Among the mentioned contingencies, there is an ongoing judicial matter related to ICMS about machinery imports for the expansion of the plant located in Lucas do Rio Verde - MT, for which the FS maintains a judicial deposit in the amount of R\$ 5,370 (R\$ 5,370 as of March 31, 2024).

17. Net parent investment

Balance as of June 30, 2024	a. Capital	b. Tax incentive reserves	Equity instruments	Other comprehensive income	Adjustment of asset valuation	Accumulated losses	Net parent investment
FS Ltda. (i)	88,083	366,955	—	42,396	26,277	(323,027)	250,720
FS S.A. (ii)	4,500	—	1,806,555	—	—	(197,532)	1,613,523
FS ECE (iii)	10,000	—	—	—	—	3,061	13,063
Eliminations	(10,000)	—	(1,806,555)	—	—	(384,288)	(2,283,097)
Combined	92,583	366,955	—	42,396	26,277	(901,786)	(405,791)

Balance as of March 31, 2024	a. Capital	b. Tax incentive reserves	Equity instruments	Other comprehensive income	Accumulated losses	Net parent investment
FS Ltda. (i)	88,083	366,955	—	71,747	(248,908)	277,877
FS S.A. (ii)	4,500	—	1,806,555	—	(233,628)	1,577,427
FS ECE (iii)	10,000	—	—	—	(618)	(618)
Eliminations	—	—	(1,806,555)	—	(392,763)	(2,199,318)
Combined	102,583	366,955	—	71,747	(875,917)	(344,632)

a. Capital

i. FS Ltda.

FS Ltda. subscribed and paid-in capital as of June 30, 2024 and March 31, 2024, are R\$ 88,083 and 88,083, respectively. As of June 30, 2024, of the total of 88,083,439 quotas, 83,380,928 are ordinary and 4,702,511 are preferred (of the 88,036,938 quotas, 83,380,928 are ordinary and 4,656,010 are preferred shares as of March 31, 2024). The preferred quotas were approved by the Management Board and were fully subscribed and paid-up by the members of management with no voting rights, no priority to receive dividends and no minimum dividends guaranteed, with priority to redeem it without a premium.

Quota holder	Type	06/30/2024			03/31/2024		
		Subscribed capital	Paid capital	% of ownership	Paid capital	Paid in capital	% of ownership
Summit Brazil Renewables I, LLC	Ordinary	62,265	62,265	70.69%	62,265	62,265	70.69%
Non-controlling quota holder	Ordinary	21,116	21,116	23.97%	21,116	21,116	23.97%
Others	Preferred	4,702	4,702	5.34%	4,702	4,702	5.34%
Total		88,083	88,083	100.00%	88,083	88,083	100.00%

ii. FS S.A.

FS S.A. capital as of June 30, 2024 and March 31, 2024, was R\$ 4,500 divided into 4,500,000 (four million and five hundred thousand shares), with a par value of R\$ 1,00 each.

Shareholder	% of Ownership	Subscribed capital
SBR FS Fundo de Investimentos	70.51 %	3,173
LRV Fundo de Investimentos em Participações	8.71 %	392
Others	20.78 %	935
Total	100.00 %	4,500

iii. FS ECE

FS ECE capital as of June 30, 2024 was R\$ 10,000, divide into 10,000.000 (ten million shares), with a par value of R\$ 1,00 each.

Shareholder	% of Ownership	Subscribed capital
FS I Indústria de Etanol S.A	99.00%	9,900
FS Indústria de Biocombustíveis Ltda	1.00%	100
Total	100.00%	10,000

b. Tax incentive reserves

i. FS Ltda.

Corresponds to the reserve that is recorded to comply with the requirements of the federal tax incentive program with the Amazon Development Superintendent – SUDAM and Programa de Desenvolvimento Industrial e Comercial de Mato Grosso – PRODEIC. Related to SUDAM, the value of the benefit for a determinate period is recorded in the statement of profit or loss as a reduction of current income tax with a corresponding reserve established in equity. According to the program rules, the amount of the incentive accumulated in the mentioned reserve can only be used to offset accumulated losses or increase capital.

Related to PRODEIC, FS Ltda. is guaranteed – for a term of 13 (thirteen) years starting from complementary decree No. 182, of July, 2019 – the granting of tax benefit in the amount of ICMS tax due on the respective operations. The amount of the benefits related to the years 2017 to 2019 were excluded from the calculation basis of income tax and social contribution with a corresponding tax incentive reserve established in equity, in accordance with the provisions of art. 30 of Law 12.973/14.

The tax incentive reserve on June 30, 2024 and March 31, 2024 totals R\$ 366,955 and is composed of R\$ 15,954 related to PRODEIC and R\$ 351,001 related to SUDAM. During the period ended June 30, 2024, FS Ltda. did not establish a tax incentive reserve as it did not record any taxable profit for the year, as of March 31, 2024, there are no new tax incentive reserve were recorded.

ii. FS S.A.

FS S.A. is eligible for a federal tax incentive program, and for the period ended June 30, 2024 the Company determined a SUDAM (Superintendência de Desenvolvimento da Amazônia) tax benefit in the amount of R\$ 3.699 to be recognized.

c. Dividends

i. FS Ltda.

In the period ended June 30, 2024 no profits were distributed. In the period ended June 30, 2023, accumulated profits were distributed, representing R\$ 7.33 per quota, as shown below:

Quota holder	% of ownership	Subscribed capital
Summit Brazil Renewables I Participações Ltda	70.69 %	62,265
Non-controlling quota holder	23.97 %	21,116
Others	5.34 %	4,702
Total as of June 30, 2024	100.00 %	88,083

Quotista	% of ownership	Subscribed capital	Distribution of results
Summit Brazil Renewables I Participações Ltda	70.69%	62,265	445,819
Non-controlling quota holder	23.97%	21,116	152,214
Others	5.34%	4,702	47,349
Total as of June 30, 2023	100.00%	88,083	645,382

18. Financial instruments

a. Accounting classification and fair values

The following table shows the carrying and fair values of financial assets and liabilities, including their fair value hierarchy levels. It does not include information on the fair value of financial assets and liabilities not measured at fair value if the book value is a reasonable approximation of fair value.

	Note	Fair value through profit or loss		Amortized Cost		Fair value through other comprehensive income		Other liabilities		Total		Fair value Level 2	
		06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024
Financial assets measured at fair value													
Financial investments in bank deposit certificates ("CDB") ⁽¹⁾	5	1,984,960	2,272,532	—	—	—	—	—	—	1,984,960	2,272,532	1,984,960	2,272,532
Derivative financial instruments	18	155,330	33,038	—	—	—	—	—	—	155,330	33,038	155,330	33,038
Total		2,140,290	2,305,570	—	—	—	—	—	—	2,140,290	2,305,570	2,140,290	2,305,570
Financial assets not measured at fair value													
Bank deposits and cash	5	—	—	970,230	1,055,701	—	—	—	—	970,230	1,055,701	—	—
Restricted cash	6	—	—	907,156	1,298,115	—	—	—	—	907,156	1,298,115	—	—
Related parties loans	28	—	—	310,694	273,564	—	—	—	—	310,694	273,564	—	—
Trade and other receivables	7	—	—	501,620	384,298	—	—	—	—	501,620	384,298	—	—
Other assets		—	—	39,103	1,804	—	—	—	—	39,103	1,804	—	—
Judicial deposits	16	—	—	5,539	5,370	—	—	—	—	5,539	5,370	—	—
Total		—	—	2,734,342	3,018,852	—	—	—	—	2,734,342	3,018,852	—	—
Financial liabilities measured at fair value													
Derivative financial instruments	18	6,500	2,110	—	—	43,792	63,603	—	—	50,292	65,713	50,292	65,713
Total		6,500	2,110	—	—	43,792	63,603	—	—	50,292	65,713	50,292	65,713
Financial liabilities not measured at fair value													
Trade payables	11	—	—	—	—	—	—	3,229,781	2,950,843	3,229,781	2,950,843	—	—
Loans and borrowings ⁽²⁾	12	—	—	—	—	—	—	10,776,542	10,497,201	10,776,542	10,497,201	10,849,903	10,570,562
Lease payables	14	—	—	384,827	383,837	—	—	—	—	384,827	383,837	—	—
Total		—	—	384,827	383,837	—	—	14,006,323	13,448,044	14,391,150	13,831,881	10,849,903	10,570,562

⁽¹⁾ The financial investments in bank deposit certificates ("CDB") are classified as Level 1 in the hierarchy; for more details on the fair value methodology, refer to Note 16.b.

⁽²⁾ The amount presented does not include transaction costs.

b. Measurement of fair value

Fair value of financial assets and liabilities is the value by which the instrument may be exchanged in a current transaction between parties that are willing to negotiate, and not in a forced sale or settlement. The methods and assumptions used to estimate the fair value are described below.

The fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables and other short-term liabilities approximate their book value due to their short-term maturity. The fair value of other long-term assets and liabilities do not differ significantly from their book values.

The fair value of financial instruments liabilities of FS approximates of book value, due to they are subject to variable interest rate and do not have significant change in the credit risk of FS.

The fair value of loans and borrowings approximate to the amounts recorded in the condensed combined interim financial statements due to the fact that these financial instruments are subject to observable interest rates (see note 12).

Derivatives are valued through valuation techniques with observable market data and refer, mainly, to swaps of interest rates, foreign exchange forward contracts (NDFs) and commodity term contracts and options. The valuation techniques applied often include pricing models and swaps contracts, NDFs, term contracts, with present value calculations Black & Scholes. The models incorporate various data, such as spot and forward exchange rates, interest rate curves, and forward rate curves for the commodity (corn).

Fair value hierarchy

FS uses the following hierarchy to determine and disclose the fair values of financial instruments according to the valuation technique used:

- Level 1: prices quoted (without adjustments) in active markets for identical assets and liabilities;
- Level 2: other techniques for which all data that have significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques that use data that have a significant effect on fair value that are not based on observable market data.

There were no transfers between levels during the period ended June 30, 2024.

c. Financial risk management

FS presents exposure to the following risks from the use of financial instruments:

- Credit risk;
- Liquidity risk;
- Price risk; and
- Market risk.

(i) Risk management structure

Management has overall responsibility for establishing and overseeing FS' risk management framework.

FS risk management policies are established to identify and analyze the risks to which it is exposed, to set appropriate risk limits and controls, and to monitor risks and adherence to defined limits. Risk management policies and systems are regularly reviewed to reflect changes in market conditions and activities. FS, through its training and management standards and procedures, seeks to maintain an environment of discipline and control in which all employees are aware of their attributions and obligations.

Credit risk

Credit risk is the risk that FS will incur financial losses if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	Note	06/30/2024	03/31/2024
Cash and cash equivalents	5	2,955,190	3,328,233
Restricted cash	6	907,156	1,298,115
Trade and other receivables	7	501,620	384,298
Related party loans	28	310,694	273,564
Derivative financial instruments	18	155,330	33,038
Other assets		39,104	1,804
Total		4,869,094	5,319,052

Cash and cash equivalents

The amounts are kept in highly rated financial institutions in order to minimize the credit risk brought by these operations. Cash and equivalents are maintained with banks and financial institutions that have a rating between AA- to AAA, and equivalents, based on the reference rating agencies.

FS used an approach similar to the expected credit loss (ECL) measurement methodology in assessing expected credit loss on cash and cash equivalents and financial investments.

Derivatives

Derivatives are contracted with banks and financial institutions to manage the exchange rate risk in future payments of loans, and to manage the fluctuation in the price of corn and ethanol, according to the operational needs. The derivatives are held with banks and financial institutions rated between AA- to AAA, based on the reference rating agencies.

Trade and other receivables

The credit risk of trade receivables arises from the possibility of FS not receiving amounts from sales operations. To mitigate this risk, FS adopts the practice of detailed analysis of the financial and equity situation of its customers, establishing a credit limit.

The Credit area is responsible for setting limits for all customers that make term transactions. The parameters of the definition of credit limits are:

- a) Market information (external credit rating agencies and network with other companies of the sector);
- b) Financial analysis of on financial statements ; and
- c) Constitution of guarantees through a rural producer note (CPRs), Surety, etc.

Liquidity risk

The finance department continuously monitors FS' liquidity needs to ensure that there is sufficient cash to meet its short-term obligations.

Excess cash is invested in private securities, bank deposit certificates ("CDBs") and purchase and sale commitments, indexed to the CDI variation, with high liquidity.

Exposure to liquidity risk

The book value of financial liabilities with liquidity risk are presented below:

	Note	06/30/2024	03/31/2024
Trade payables	11	3,229,781	2,950,843
Loans and borrowings (*)	12	10,277,105	10,497,201
Lease payables	14	384,827	383,837
Derivative financial instruments	18	50,292	65,713
Total		13,942,005	13,897,594
Current		4,604,471	4,010,630
Non-current		9,337,534	9,380,678

(*) The amount does not include transaction costs.

The following are the contractual maturities of financial liabilities, including interest payments.

June 30, 2024	Book value	Contractual Cash Flow	Until 12 months	1 to 2 years	2 to 3 Years	3 to 4 Years	Above 4 years
Trade payables	3,229,781	3,245,580	3,227,380	18,200	—	—	—
Loans and borrowings (*)	10,277,105	15,766,422	2,162,546	2,468,739	1,384,960	1,135,999	8,614,178
Lease payables	384,827	618,305	85,466	78,283	69,733	64,072	320,751
Derivative financial instruments	50,292	118,231	106,119	903	3,251	3,832	4,126
Total	13,942,005	19,748,538	5,581,511	2,566,125	1,457,944	1,203,903	8,939,055

March 31, 2024	Book value	Contractual Cash Flow	Until 12 months	1 to 2 years	2 to 3 Years	3 to 4 Years	Above 4 years
Trade payables	2,950,843	3,019,430	3,001,230	18,200	—	—	—
Loans and borrowings (*)	10,497,201	18,664,948	2,055,852	2,817,638	2,817,638	2,817,638	8,156,182
Lease payables	383,837	641,433	87,639	80,909	80,909	80,909	311,067
Derivative financial instruments	65,713	(34,801)	(77,974)	41,563	1,610	—	—
Total	13,897,594	22,291,010	5,066,747	2,958,310	2,900,157	2,898,547	8,467,249

(*) The amount does not include transaction costs.

Price risk

Price risk arises from the potential fluctuation in market prices of corn traded by FS. These price fluctuations may cause changes in FS' sales revenue. To mitigate this risk, FS monitors the market regularly seeking to anticipate price movements. The table below shows the positions of derivative financial instruments to hedge commodity price risk outstanding as of June 30, 2024:

Derivatives	Purchased/ Sold	Market	Contract	Maturity	Currency	Notional	Fair value as of 06/30/2024
Term contract	Sold	B3	Corn	07/31/2024	BRL	27,611	49,876
Term contract	Purchased	B3	Corn	08/15/2025	BRL	100,000	1,137
Term contract	Sold	B3	Ethanol	12/31/2024	BRL	19,920	1,092
Term contract	Purchased	B3	Ethanol	01/31/2024	BRL	19,920	2,549
Total Derivative Financial Instrument							54,654

Sensitivity analysis – commodity price risk

Based on corn price on June 30, 2024, traded at B3 (Brazilian exchange), a probable scenario (level 1) was defined to calculate the price variation impact in assuming every other variable is held constant, and based on this, changes of 25% (level 2) and 50% (level 3) are, as detailed below:

Instruments on June 30, 2024	Contract	Value	Probable	Appreciation (R\$)		Depreciation (R\$)	
			(Level 1)	(Level 2)	(Level 3)	(Level 2)	(Level 3)
			In Reais	25%	50%	25%	50%
Financial assets							
Forward contract	Corn	49,876	49,876	62,345	74,814	37,407	24,938
Forward contract	Ethanol	1,092	1,092	1,365	1,638	819	546
Financial liabilities							
Forward contract	Corn	1,137	1,137	1,421	1,706	853	569
Forward contract	Ethanol	2,549	2,549	3,186	3,824	1,912	1,275
Total			47,282	59,103	70,922	35,461	23,640
Impacto no resultado e no investimento líquido do controlador				11,821	23,640	(11,821)	(23,642)

Market risk

Management monitors exchange and interest rates in order to mitigate risks that negatively impact FS' results.

When appropriate, the Management uses derivatives financial instruments to manage market risks.

Foreign exchange risk

FS's operations give rise to certain exposures to foreign currency risk mainly due to the inflow and outflow of capital abroad, as well as contracts denominated in dollars for the production and sale of goods FS manages a portion of this risk with derivative financial instruments, primarily options, swaps and forward contracts ("NDFs"), to reduce exposure to foreign currency fluctuation between the Brazilian real and the US dollar.

	Note	06/30/2024		03/31/2024	
		R\$	USD	R\$	USD
Financial assets					
Cash and cash equivalents	4	955,040	171,804	1,025,883	205,333
Related parties' loans	28	310,694	55,891	273,564	54,754
Derivative financial instruments	18	66,396	11,944	—	—
Total financial assets		1,332,130	239,639	1,299,447	260,087
Financial liabilities					
Loans for investments (*)	12	(3,615,021)	(650,312)	(3,347,634)	(670,036)
Derivative financial instruments	18	(29,055)	(5,227)	(63,603)	(12,730)
Total financial liabilities		(3,644,076)	(655,539)	(3,411,237)	(682,766)
Net exposure		(2,311,946)	(415,900)	(2,111,790)	(422,679)

(*) The amount does not include transaction costs.

Hedge accounting effects

FS formally designates the operation subject to hedge accounting for the purpose of cash flow protection. The designated hedge is to protect foreign currency debt. To manage the risk of foreign currency variation, FS contracted derivative instruments "Swap", in which these instruments exchange variation of the U.S. Dollar for the CDI, reducing FS's exposure to this currency. The operations designated as hedge accounting are presented in the following table:

Type	Index	Acquisition Date	Maturity Date	Days remaining until maturity	Currency	Notional	Fair value at 06/30/2024
Swap/Bond	USD x CDI	02/03/2023	02/15/2029	2,204	BRL	300,000	8,085

Type	Index	Acquisition Date	Maturity Date	Days remaining until maturity	Currency	Notional	Fair value at 03/31/2024
Swap / Bond	USD x CDI	02/03/2023	12/09/2025	1,827	BRL	300,000	(63,603)

FS formally designates its hedge accounting operations, documenting: (i) the hedge relationship; (ii) FS's objective and risk management strategy in adopting the hedge; (iii) the identification of the financial instrument; (iv) the purpose of covered transaction; (v) the nature of the risk to be covered; (vi) the description of the hedging ratio and (vii) the demonstration of the correlation between the hedge and the hedging object.

The relationship between the instrument and the hedging object, as well as the policies and objectives of risk management, were documented at the beginning of the operation. The effectiveness tests are duly documented thus confirming the prospective effectiveness of the hedge relationship from the variation in the market value of the items subject to "hedge".

Cash flow hedge consists of providing protection against the change in cash flows attributable to a particular risk associated with a recognized asset or liability or a highly probable anticipated transaction that may affect the result.

Prospective and retrospective effectiveness tests are also documented, and it is confirmed that the designated derivatives are effective in compensating for the variation in the market value of the items subject to hedging.

The effective portion of the changes in the fair value of derivatives designated and classified as cash flow hedge are recorded as a component of "other comprehensive income". As of June 30, 2024, the balance recorded in other comprehensive income was R\$ 29,962, net of income tax and social contribution. A loss of R\$ 19,102 for the period ended June 30, 2024, related to the amount deemed ineffective was recognized in the statement of profit or loss (R\$ 3,913 for the year ended June 30, 2023).

Effect of fair value recognized in net parent investment	
Balance as of March 31, 2024	73,754
Unrealized results from cash flow hedges and recognized on parent company's net investment	(66,351)
Deferred income and social contribution taxes	22,559
Balance as of June 30, 2024	29,962

Cash flow sensitivity analysis – foreign exchange risk

Based on US dollar exchange rate on June 30, 2024, a probable scenario (level 1) was defined to calculate the exchange rate impact for the period ended, assuming that all other variables are kept constant and, based on that, variations of 25 % (level 2) and 50% (level 3) are calculated, as detailed below:

Instruments in June 30, 2024	Currency	Carrying amount	Exchange rate	Probable	Appreciation (R\$)		Depreciation (R\$)	
				(Level 1)	(Level 2)	(Level 3)	(Level 2)	(Level 3)
					25%	50%	25%	50%
Financial assets								
Cash and cash equivalents	USD	171,804	5.5589	955,041	1,193,802	1,432,562	716,281	477,521
Total return swap (TRS)	USD	—	5.5589	—	—	—	—	—
Derivative financial instruments	USD	11,944	5.5589	66,396	82,995	99,594	49,797	33,198
Financial liabilities								
Loans for investments*	USD	(650,312)	5.5589	(3,615,019)	(4,518,774)	(5,422,529)	(2,711,265)	(1,807,510)
Derivative financial instruments	USD	(5,227)	5.5589	(29,056)	(36,320)	(43,585)	(21,792)	(14,528)
Total				(2,622,638)	(3,278,298)	(3,933,958)	(1,966,979)	(1,311,319)
Impact on profit or loss and net parent investment					(655,660)	(1,311,320)	655,659	1,311,319

(*) The presented amount does not include transaction costs.

Reference: the information PTAX (exchange rate calculated during the day for Central Bank of Brazil) was extracted from the BACEN basis (Central Bank of Brazil), considering the last business day of June 30, 2024.

Interest rate risk

FS is exposed to the interest rate risk variations in its financial investments and loans and borrowings indexed to CDI in the reporting period.

As of June 30, 2024, the profile of FS' financial instruments remunerated by variable interest is:

Financial instruments	Note	06/30/2024	03/31/2024
Financial investments in bank deposit certificates ("CDB")	5	1,984,960	2,272,532
Restricted cash	6	907,156	1,298,115
Loans for working capital (*) (**)	12	(7,161,521)	(7,149,567)
Total		(4,269,405)	(3,578,920)

(*) The presented amount does not include transaction costs.

(**) All working capital loans are exposed to CDI.

Interest rate risk on financial assets and liabilities - sensitivity analysis

Based on the CDI rate in effect on June 30, 2024, a probable scenario (level 1) was defined to calculate the interest income or expense for the period ended, assuming that all other variables are kept constant and, based on that, variations of 25 % (level 2) and 50% (level 3) are calculated, as detailed below:

Financial instruments	Combined Exposure at 06/30/2024	Risk	Probable (Level 1)		Appreciation (R\$)		Depreciation (R\$)	
			%	Valor	(Level 2)	(Level 3)	(Level 2)	(Level 3)
Financial assets and liabilities								
Cash and cash equivalents	1,984.961	CDI	10.40	206,436	258,045	309,654	154,827	103,218
Restricted cash	907.156	CDI	10.40	94,344	117,930	141,516	70,758	47,172
Loans for working capital (*)	(7,161.521)	CDI	10.40	(744,798)	(930,998)	(1,117,197)	(558,599)	(372,399)
Loans for investments	(272)	CDI	10.40	(28)	(35)	(42)	(21)	(14)
Total				(444,046)	(555,058)	(666,069)	(333,035)	(222,023)
Impact on profit or loss and net parent investment					(111,012)	(222,023)	111,011	222,023

(*) The amount presented does not include transaction costs, Reference: CDI information was obtained from the CETIP (clearinghouse for the custody and financial settlement of securities), considering the last business day of June 30, 2024.

Derivative financial instruments

FS has operations that may be impacted by the variation of foreign currencies. Among these exposures, the most relevant is a loan in the amounting to USD 635.905 (R\$ 3.177.106) as of June 30, 2024, and USD 635.905 (R\$ 3.177.106) as of March 31, 2024.

FS manages a portion of this risk through the use of derivative financial instruments of short and medium time, primarily swaps, options and non-deliverable forward contracts ('NDF's'), to reduce the impact to foreign currency variations between the Brazilian Real and the US dollar.

The open positions as of June 30, 2024 and March 31, 2024, including expiration dates, weighted average strike rates and fair value, are detailed below:

Type	Sold/ Purchased	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 06/30/2024
Option	Corn	06/17/2024	09/16/2024	91	BRL	36,056	668
Swap	IPCA x CDI	09/15/2021	09/15/2025	1.461	BRL	300,000	31,764
Swap	USD x CDI	12/08/2020	12/09/2025	1.827	USD	300,000	66,396
Forward contract	Ethanol	01/10/2024	06/28/2024	170	BRL	77,873	6,626
Term contract	Corn	03/29/2024	07/31/2024	124	BRL	97,595	49,876
Total Derivative financial instruments (assets)							155,330
Current							57,170
Non- current							98,160

Type	Sold/ Purchased	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 06/30/2024
NDF	Milho B3	03/19/2024	09/16/2024	78	BRL	2	21
Forward contract	Etanol	11/23/2023	12/31/2024	184	BRL	24.625 (st)	1,545
Swap	PRÉ x CDI	08/16/2023	08/15/2025	411	BRL	100,000	272
Swap	USD x CDI	12/08/2020	12/09/2025	527	USD	300,000	18,262
Term contract	Milho	03/29/2024	07/31/2024	31	BRL	300,000	29,055
Swap	PRÉ x CDI	08/16/2023	08/15/2025	730	BRL	100,000	1,137
Total Instrumento Financeiro Derivativo (passivos)							50,292
Current							30,621
Non- current							19,671

Type	Sold/ Purchased	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 03/31/2024
Term contract	Corn	02/26/2023	02/15/2029	1,782	BRL	5.427 (ton)	103
Swap	IPCA x CDI	09/15/2021	09/15/2025	533	BRL	300,000	28,743
Swap	IPCA x CDI	02/03/2023	12/15/2029	2,085	BRL	300,000	526
Forward contract	Ethanol	11/23/2023	12/31/2024	275	BRL	67.060 m3	3,002
Term contract	Corn	03/29/2024	07/31/2024	122	BRL	27,611	664
Total Derivative financial instruments (assets)							33,038

Type	Sold/ Purchased	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 03/31/2024
NDF	Corn	03/19/2024	09/16/2024	169	BRL	2.316 (st)	(21)
Forward contract	Ethanol	11/23/2023	12/31/2024	275	BRL	24,625	(1,545)
Swap	Pré x CDI	08/16/2023	08/15/2025	502	BRL	100,000	(272)
Swap	USD x CDI	12/08/2020	12/09/2025	618	USD	300,000	(63,603)
Term contract	Corn	03/29/2024	07/31/2024	122	BRL	27,611	(272)
Total Derivative financial instruments (liabilities)							(65,713)

Loss from derivative financial instruments

FS recorded the gains and losses on these transactions in the statement of profit or loss for the period, as detailed below:

	Note	04/01/2024 a 06/30/2024	04/01/2023 a 06/30/2023
Gain with derivative operations	26	191,879	7,194
Losses with derivative operations	26	(54,458)	(257,141)
Gain with derivative operations (resale corn)	22	16,670	33,079
Total		154,091	(216,868)

19. Income taxes and social contribution

a. Income tax and social contribution payable

	06/30/2024	03/31/2024
Income tax recoverable (IRPJ)	4	—
Income tax recoverable (CSLL)	934	—
Total	938	—

b. Deferred income tax and social contribution

Deferred taxes on assets, liabilities, net parent investment and statement of profit or loss were attributed as follows:

	Assets		Liabilities		Net parent investment / Equity		Statement of profit or loss	
	06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024	04/01/2024 a 06/30/2024	04/01/2023 a 06/30/2023
Deferred income tax and social contribution								
Allowance for expected credit losses	119	117	—	—	—	—	2	13
Bonus provision	5,409	10,100	—	—	—	—	(4,691)	(8,474)
Trade payables provision	9,405	1,078	—	—	—	—	8,327	1,419
Capitalized loan interest	—	—	(62,303)	(67,245)	—	—	4,942	(42,314)
Transaction costs of loans	—	—	(107,844)	(114,158)	—	—	6,314	(17,117)
Fair value of derivative financial instruments	386	10,615	(36,458)	—	15,435	37,995	(69,247)	(2,727)
Right of use	2,292	1,101	—	—	—	—	1,191	—
Lease payables	3,580	—	—	—	—	—	3,580	(352)
Adjustment to present value	106	5,057	(695)	—	—	—	(5,646)	(7,869)
Tax losses carryforwards	808,713	679,849	—	—	—	—	128,864	129,108
Tax depreciation adjustment	—	—	(381,037)	(361,399)	—	—	(19,638)	(19,718)
Unrealized results (**)	190,314	190,322	—	—	(2,014)	—	(2,015)	(529)
Others	13,137	5,424	(31,685)	(27,947)	—	—	3,975	3,497
Subtotal	1,033,461	903,663	(620,022)	(570,749)	13,421	37,995	55,958	34,937
Offsetting (*)	(620,022)	(570,540)	620,022	570,540	—	—	—	—
Total	413,439	333,123	—	(209)	13,421	37,995	55,958	34,937

(*) Balances of deferred tax assets and liabilities offset by Companies, considering they are related to income taxes levied by the same tax authority.

(**) Refers to deferred tax calculated on the unrecognized gain upon the sale of assets by FS Ltda. to FS S.A., which took place in June 2022.

c. Effective rate reconciliation

	04/01/2024 a 06/30/2024	04/01/2023 a 06/30/2023
Effective rate reconciliation		
(Loss) before income and social contribution taxes	(95,310)	(933)
Nominal rate	34 %	34 %
Tax benefit (expense) at nominal rate	32,405	317
Adjustment of income and social contribution taxes		
Permanent exclusion - tax incentive - PRODEIC	15,095	12,248
CBIOS	10,567	22,964
MEP	—	(634)
Others	(6,742)	42
Income taxes and social contribution	51,325	34,937
Reconciliation with values presented in the statement profit or loss		
Current income and social contribution taxes	(4,633)	—
Deferred income and social contribution taxes	55,958	34,937
Tax and social contribution	51,325	34,937
Tax incentives on income tax	3,699	—
Income tax and social contribution in the period	55,024	34,937
Effective rate	58 %	3745 %

Realization

Supported by internal assessments and estimates of future results, Management consider as probable that taxable profits will be determined and has recognized deferred tax assets that will be realized. The estimates include variables from the micro and macro economic scenario, in addition to those related to the markets in which FS performs operational activities.

20. Information by segment

Base for segmentation

FS has four strategic divisions which are its reportable segments, grouped into industrial activities and marketing. These divisions offer different products and are managed separately as they require different sales strategies. Management makes its decisions based on internal and segmented reports, in the condensed combined interim financial statements and other market information, considering the micro and macroeconomic scenario.

The following summary describes operations in each of FS's reportable segments:

Segments	Type activity	Operations
Ethanol	Industrial	Sales of anhydrous and hydrous ethanol
Animal nutrition	Industrial	Sales of DDG (Distiller's dried grains) and corn oil
Energy	Industrial	Sale of energy and generated steam
Marketing	Marketing	Resale of grains, ethanol, and energy acquired from third parties

The operating assets related to these segments are all located in Brazil.

Information about reportable segments

Results are analyzed by Management based on total net revenue from reportable segments and activities (Industrial and Marketing), less the logistics costs (freight expenses) of sales, less the cost of goods sold segregated in activities (Industrial and Marketing) totaling the gross profit .

Products sold by the FS related to industrial activities derive from the same production process – corn crushing – and, therefore, Management does not allocate operating costs and expenses between the segments in its internal reports, but allocates the costs attributable to Industrial and Marketing activities, and analyzes the gross margin per activity. In addition, FS's assets and liabilities are not reported to Management.

The result by segment and activities in the period ended was as follows:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Anhydrous	643,710	694,899
Hydrous	632,822	422,142
Total ethanol segment	1,276,532	1,117,041
High protein	157,633	156,563
High fiber	77,371	93,017
Wet cake	53,161	59,553
Corn oil	78,122	60,999
Total animal nutrition segment	366,287	370,132
Energy	5,495	4,580
Steam	1,348	1,376
Total energy segment	6,843	5,956
Total net revenue from reportable segments of industrial activities (A)	1,649,662	1,493,129
Corn	72,849	114,958
Ethanol	47,313	—
Energy	4,855	3,380
Total net revenue from reportable marketing segment and activity (B)	125,017	118,338
Total net revenue from reportable segment (A+B)	1,774,679	1,611,467
Freight on sales (reclassification) (C) (1)	263,163	210,083
Total net revenue	2,037,842	1,821,550
Cost of goods sold (Industrial) (D)	(1,288,066)	(1,184,892)
Cost of goods sold (Marketing) (E)	(98,875)	(68,733)
Cost of goods sold	(1,386,941)	(1,253,625)
Gross profit (Industrial) (A+D)	361,596	308,237
Gross profit (Marketing) (B+E)	26,142	49,605
Freight on sales (reclassification) (C) (1)	263,163	210,083
Gross profit	650,901	567,925
Expenses (2)	(55,812)	(28,646)
Freight on sales (C) (1)	(263,163)	(210,083)
Total expenses	(318,975)	(238,729)
Net finance expenses	(427,236)	(330,129)
(Loss) profit before income and social contribution taxes	(95,310)	(933)

(1) Reclassification of logistic expenses on sales of products, assessed by Management within net revenue.

(2) Expenses include: selling expenses, administrative expenses and other results less freight on sales.

For the period ended June 30, 2024, the FS had customers that represented over than 10% of its gross revenue. The main five customers account for 53.6% of gross revenue, which two largest with percentages of 28.9% and 11.6% (65.0% of gross revenue, which two largest with percentages of 43.0% and 7.0% for the period ended June 30, 2023).

21. Net revenue

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Domestic market		
Ethanol	1,366,606	1,217,267
DDG	352,876	361,529
Corn oil	81,050	66,704
Energy	5,495	4,579
Corn marketing	78,072	166,716
Energy marketing	4,855	3,380
Ethanol marketing	52,641	—
Others	1,351	1,375
Total domestic market	1,942,946	1,821,550
Foreign market		
Corn oil	6,020	—
Corn marketing	26,334	—
DDG	4,235	—
Total foreign market	94,896	—
Net revenue	2,037,842	1,821,550

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Gross operating revenue	2,184,107	1,906,500
Deductions		
Sales tax	(127,889)	(72,970)
Return of sales and other deductions	(18,376)	(11,980)
Net revenue	2,037,842	1,821,550

22. Cost of goods sold

Production costs for the period ended are allocated across the FS's products lines utilizing the relative sales value methodology. The cost of resold products is measured by the average acquisition cost and allocated to the product's result. Below is a table showing the cost of goods sold allocated by production inputs and cost of resold products for materials, for the period ended June 30, 2024 and 2023:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Corn	(975,448)	(972,008)
Biomass	(107,347)	(74,292)
Depreciation	(63,614)	(45,046)
Labor	(33,244)	(20,777)
Chemicals products	(30,927)	(23,510)
Production	(28,924)	(16,023)
Maintenance	(22,871)	(13,308)
Enzymes	(19,631)	(18,799)
Others	(4,290)	—
Lab	(1,770)	(1,129)
Cost of goods sold - production inputs	(1,288,066)	(1,184,892)
Corn marketing	(63,713)	(99,794)
Ethanol marketing	(46,547)	—
Energy marketing	(5,285)	(2,018)
Gain (losses) on derivatives	16,670	33,079
Cost of goods resold - production inputs	(98,875)	(68,733)
Total	(1,386,941)	(1,253,625)

23. Selling expenses

Selling expenses are presented as follows:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Expenses with freight on sales	(263,163)	(210,083)
Personnel expenses	(13,188)	(7,691)
Expenses with contracted services	(918)	(780)
Travel expenses	(970)	(416)
Depreciation and amortization expenses	(535)	(469)
Other selling expenses	(2,166)	(965)
Total	(280,940)	(220,404)

24. Administrative and general expenses

The administrative and general expenses incurred in the period ended are divided as follows:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Personnel expenses	(39,261)	(18,830)
Expenses with contracted services	(15,786)	(11,400)
Depreciation and amortization expenses	(2,825)	(2,391)
Travel expenses	(2,481)	(2,878)
Expenses with taxes and fees	(268)	(327)
Office expenses	(2,469)	(1,121)
Other expenses	(8,006)	(4,810)
Total	(71,096)	(41,757)

25. Other results

Other results incurred in the period ended are presented as follows:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Other revenues		
Carbon credit (CBIOS)	27,697	34,027
Gain on the sale of assets and rights	—	104
Revenue from extemporaneous credit	6,219	—
Other revenues	24,184	4,825
Total	58,100	38,956
Others expenses		
Tax reversals	(16,223)	(10,337)
Bonus and donations	(495)	(608)
Disposals in inventory	—	(617)
Other expenses	(8,316)	(3,911)
Total	(25,034)	(15,473)
Other results	33,066	23,483

26. Net financial income (expenses)

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Finance income		
Interest related to financial investments	120,250	175,035
Discounts obtained	7,352	4,578
Adjustment to present value - trade receivables	18,928	21,722
Gain with derivative operations	191,879	7,194
Interest income	154	4,254
Total income	338,563	212,783
Finance expenses		
Interest expense on loans	(332,836)	(335,417)
Reverse factoring interest	(64,499)	(16,427)
Adjustment to present value - trade payables	(10,524)	(12,511)
Adjustment to present value - lease payables	(12,577)	—
Interest on advance receivables	(15,195)	(37,667)
Bank fees	(30,609)	(39,785)
Financial taxes	411	(1,275)
Losses with derivative operations	(54,458)	(257,141)
Other finance expenses	(13,205)	(2,894)
Total expenses	(533,492)	(703,117)
Foreign exchange rate variation		
Income foreign exchange rate variation	1,986	(462,436)
Expense foreign exchange rate variation	(234,293)	622,641
Total foreign exchange rate variation	(232,307)	160,205
Net finance expenses	(427,236)	(330,129)

Gains or losses on the derivative transaction are a consequence of fair value adjustments, as specified in note 18.

The result of the foreign exchange variation as of June 30, 2024 and 2023, is composed by to the following breakdown:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Net exchange variations of trade payables		
Foreign exchange rate variation of trade payables - realized	(2,761)	(2,927)
Total	(2,761)	(2,927)
Net exchange variations of loans		
Foreign exchange rate variation on loan unrealized	(229,546)	163,700
Foreign exchange rate variation on loan realized	—	(568)
Total	(229,546)	163,132
Net foreign exchange variation	(232,307)	160,205

27. Commitments

The FS has the following commitments established on June 30, 2024:

Sale				
Product	Unit	Quantity	Price	Maturity
Ethanol	m ³	2,173,973	Current market prices	May, 2025
Steam	ton.	46,086	R\$ 123.74	April, 2025
DDG	ton	1,109,053	R\$ 488.28	January, 2028
Oil	ton	30,375	R\$ 3,771.03	March, 2025
Energy	MWh	483,960	R\$ 138.09	December, 2045

Purchase				
Product	Unit	Quantity	Price	Maturity
Energy	MWh	212,898	R\$ 152.96	December, 2025
Corn	ton.	1,273,544	R\$ 42.07 per bag	August, 2025
Corn marketing	ton.	102,806	R\$ 39.02 per bag	September, 2024
Eucalyptus	Stere meter	3,061	R\$ 51.42	September, 2028
Purchase of equipment and services	—	—	R\$ 19,193	—

28. Related parties

a. Ultimate parent

For the period ended June 30, 2024 and 2023, the ultimate parent company of FS Ltda. and FS I S.A. is SRMM, LLC (Summit).

The FS maintains adherence to internal policies so that all transactions with related parties are priced at an arm's length basis.

b. Remuneration of key Management personnel

Managers are the key personnel who have authority and responsibility for planning, directing and controlling the activities of the Companies. For the period ended June 30, 2024, and 2023, short-term benefits (salaries, profit sharing, medical care, housing, among others) were accrued to managers and recorded under 'Personnel Expenses'.

The remuneration of key management personnel comprises:

	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Short term benefit	4,069	3,983

c. Transaction with related parties

Below is presented the balances with related parties referring to the sale or purchase of DDG, property, plant and equipments, services, corn and loans in the year:

	Note	Other related parties		Indirect quotaholder		Direct quotaholder		Total	
		06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024	06/30/2024	03/31/2024
Trade and other receivables	5	6,022	3,508	9,855	6,940	—	—	15,877	10,448
Related party loans (i)	10	—	—	52,423	47,613	248,774	225,951	301,197	273,564
Advances to suppliers	7	2,976	7,143	21,581	22,781	—	—	24,557	29,924
Right of use	12	101,933	104,818	86,908	88,883	—	—	188,841	193,701
Others assets		249,567	—	—	—	—	—	249,567	—
Total assets		360,498	115,469	170,767	166,217	248,774	225,951	780,039	507,637
Trade Payables (ii)	9	182,487	4,213	306,696	303,623	—	—	489,183	307,836
Lease payables (iii)	12	102,149	104,379	91,674	94,915	—	—	193,823	199,294
Advance from customers	11	—	—	2,537	1,076	977	—	3,514	1,076
Total liabilities		284,636	108,592	400,907	399,614	977	—	686,520	508,206

(i) On October 5, 2021, FS Lux, a subsidiary of FS Ltda., granted loans to its ultimate controlling shareholders in the amount of USD 50,000 (R\$ 274,055) with a rate of 7.28% p.y. maturing on October 05, 2028.

(ii) Refers mainly to the acquisition of grains (corn)

(iii) Refers to the lease of warehouses for storing corn and wagons.

d. Purchases and sales transactions with related parties

The sales (revenues) and purchases (costs) of products and services from related parties are listed below:

	Other related parties	
	06/30/2024	06/30/2023
Revenues	17,039	23,969
Ethanol hydrous	1,236	—
Corn marketing	—	1,303
Corn oil	11,550	15,762
High fiber	99	797
Wet cake	2,245	4,171
High protein	424	413
Steam	1,485	1,515
Others	—	8
Costs	(187,431)	(39,976)
Corn	(160,024)	(24,548)
Corn marketing	(1,399)	(4,325)
Warehouse leasing	(23,755)	(6,116)
Biomass	(2,238)	(4,065)
Others	—	(922)
Total	(170,392)	(16,007)

e. Guarantees provided to related parties

FS is the guarantor of certain related party's loans and borrowings, being jointly liable in those obligations. As of June 30, 2024, the total amount of guarantees was:

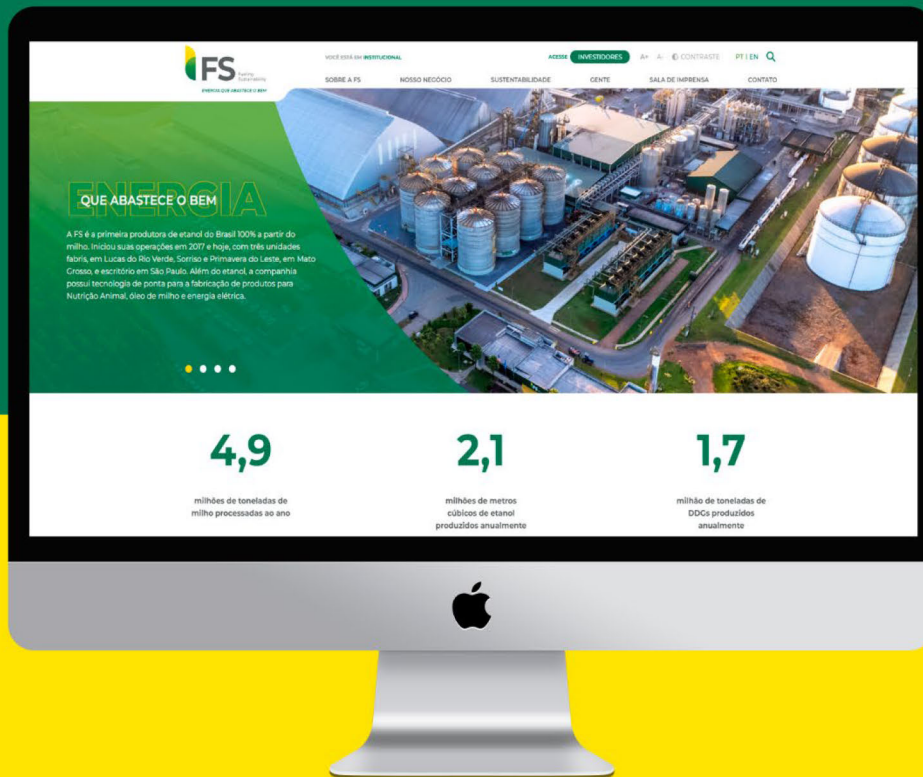
	06/30/2024	03/31/2024
FS Florestal S.A.	1,085,402	1,048,337
FS Infraestrutura S.A.	249,817	198,754
Total	1,335,219	1,247,091

Of the total of guarantees, R\$ 828,152 refers to financial investments that is disclosed as restricted cash, see note 6.

29. Statements of cash flows

For the period ended June 30, 2024 and 2023, property, plant and equipment were acquired at a total net cash outflow of R\$ 101,207 and R\$ 716,737, respectively.

	Note	04/01/2024 to 06/30/2024	04/01/2023 to 06/30/2023
Cost of acquisition of property, plant and equipment	10	75,764	402,078
Movement of trade payables	11	25,443	445,445
Right of use	10	—	(131,079)
Others		—	293
Net acquisition of property, plant and equipment		101,207	716,737



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