

Earnings Release 1Q22

August 9th, 2021

Periods Definition

1Q21: April to June 2020

1Q22: April to June 2021

Lucas do Rio Verde - MT, August 9th, 2021 - FS Agrisolutions Indústria de Biocombustíveis Ltda. ("Company" or "FS"), a leading producer of corn ethanol, animal nutrition and bioenergy, announces its consolidated results for the first quarter ("1Q22") of the fiscal year 2022 ("FY22"). The Company's financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and with the accounting practices adopted in Brazil, however, are presented here in a managerial format to better explain the Company's performance.

1Q22 HIGHLIGHTS

- **Net revenue: BRL 1,294.6 million** in 1Q22 (+112.2%)
- **EBITDA: BRL 526.2 million** in 1Q22 (+208.2%), with a margin of BRL 1.657/liter of ethanol sold and 40.6% of margin (+12.7 p.p.)
- **Net profit: BRL 506.6 million** in 1Q22, with a margin of 39.1%
- **Cash flow from operations: BRL 761.5 million** in 1Q22
- **Capex: BRL 75.0 million** in 1Q22, BRL 68.3 million in growth and BRL 6.7 million in maintenance capex
- **Net debt: BRL 2,333.4 million**, or 1.54x EBITDA LTM, (-3.10x vs. 1Q21)

Financial highlights (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Net revenue	610,169	1,294,609	112.2%
Cost of goods sold	(399,497)	(685,976)	71.7%
Gross profit	210,672	608,633	188.9%
Gross margin	34.5%	47.0%	12.5 p.p.
Selling, general & administrative expense	(64,880)	(113,772)	75.4%
EBIT	145,792	494,861	239.4%
EBIT margin	23.9%	38.2%	14.3 p.p.
Depreciação e amortização	24,939	31,341	25.7%
EBITDA	170,731	526,202	208.2%
EBITDA margin	28.0%	40.6%	12.7 p.p.
Net profit (loss) for the period	(53,434)	506,589	n.m.
Net margin	(8.8%)	39.1%	n.m.
EBITDA minus maintenance capex	170,949	519,459	203.9%
Net debt	2,650,680	2,333,439	(12.0%)
EBITDA (LTM)	571,590	1,515,551	165.1%
Net debt / EBITDA (LTM)	4.64 x	1.54 x	(3.10 x)

OPERATIONAL HIGHLIGHTS

Operational Highlights	1Q21	1Q22	1Q22 vs 1Q21
Corn crushed (tons)	595,649	777,506	30.5%
Biomass Consumption (m³)	633,457	748,757	18.2%
Ethanol produced (m³) ¹	252,741	336,339	33.1%
DDG Products produced (tons) ²	225,458	296,194	31.4%
Corn Oil produced (tons)	7,704	10,598	37.6%
Ethanol sold (m ³)	263,238	317,549	20.6%
% volume anhydrous sold	35.5%	40.2%	4.7 p.p.
DDG Products sold (tons)	224,267	306,596	36.7%
Corn Oil sold (ton)	7,617	10,411	36.7%
Energy sold (MWh)	28,018	40,200	43.5%

¹ Production of anhydrous ethanol and hydrous ethanol combined.

² Considers the sum of the products: DDG High protein, DDG High fiber and Wetcake.

The Company processed approximately 777.5 thousand tons of corn in 1Q22, an increase of 30.5% compared to the 1Q21 driven by the start-up of SRS Plant expansion in February 2021. With the SRS Plant expansion, we have reached an annual installed production capacity of 1.4 million m³ of anhydrous ethanol.

In 1Q22, FS produced 336.3 thousand m³ of ethanol, an increase of 33.1% versus 1Q21, and sold 317.5 thousand m³ of ethanol, an increase of 20.6% versus 1Q21. In 1Q22, FS increased the share of anhydrous ethanol sold by 4.7 p.p. compared to 1Q21 due to commercial initiatives to capture better net prices.

NET REVENUE

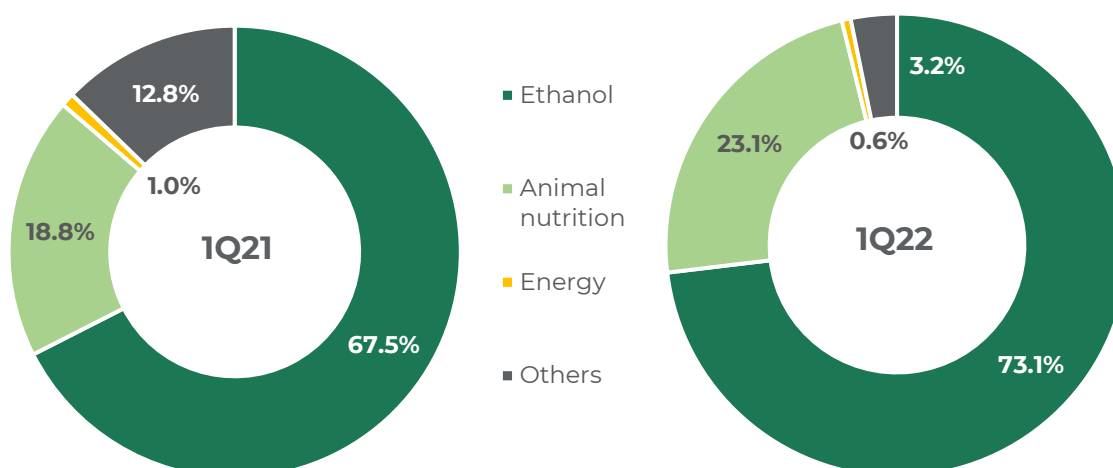
Net revenue (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Ethanol segment	379,240	883,714	133.0%
Anhydrous ethanol	141,935	381,684	168.9%
Hydrous ethanol	237,305	502,030	111.6%
Animal nutrition segment	105,456	278,736	164.3%
DDG High-protein	52,038	162,389	212.1%
DDG High-fiber	26,940	42,381	57.3%
Wetcake	10,243	21,682	111.7%
Corn Oil	16,235	52,284	222.0%
Energy co-generation segment	5,375	7,490	39.3%
Other segment	71,708	38,946	-45.7%
Total net revenue from segments	561,778	1,208,886	115.2%
Reclassification - Freight	48,391	85,723	77.1%
Net revenue	610,169	1,294,609	112.2%

Total net revenue from segments

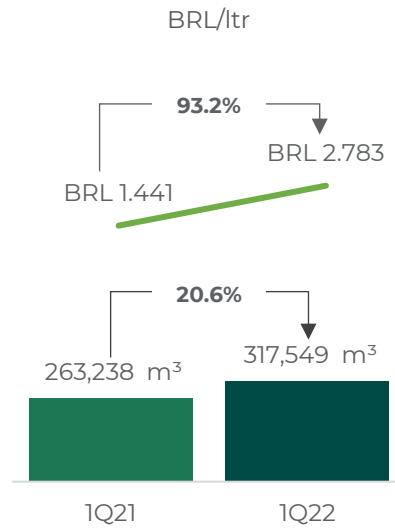
For management reporting purposes and for a better understanding and standardization of financial performance by product and segment, FS deducts from the revenue all logistics and freight expenses to determine net revenue by segment and product. With this view, the determination of net revenue per liter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

In 1Q22, net revenue from segments totaled BRL 1,208.9 million, 115.2% higher than 1Q21, driven by the increase in production capacity due to the start-up of the expansion of SRS Plant in February 2021, and the improvement in net sales prices of ethanol and animal nutrition products.

Net revenue from segments



Ethanol Segment



<i>(in BRL thousands)</i>	1Q21	1Q22	1Q22 vs 1Q21
Ethanol segment	379,240	883,714	133.0%
Anhydrous ethanol	141,935	381,684	168.9%
Hydrous ethanol	237,305	502,030	111.6%
% volume anhydrous sold	35.5%	40.2%	4.7 p.p.

Net revenue from the ethanol segment totaled BRL 883.7 million in 1Q22, 133.0% higher than 1Q21. The average net sales price of ethanol in 1Q22 was BRL 2.783/liter, 93.2% higher than 1Q21. Additional highlights were: i) increase of 20.6% in sales volume versus 1Q21, a result of the start-up of SRS Plant expansion, and ii) increase of 11.2 p.p. in CIF sales versus 1Q21.

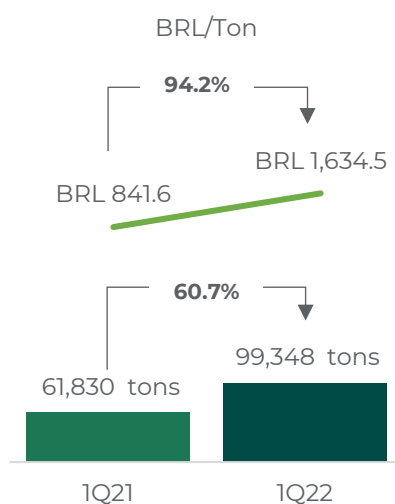
Animal Nutrition Segment

<i>(in BRL thousands)</i>	1Q21	1Q22	1Q22 vs 1Q21
Animal nutrition segment (a)	105,456	278,736	164.3%
DDG High-protein	52,038	162,389	212.1%
DDG High-fiber	26,940	42,381	57.3%
Wetcake	10,243	21,682	111.7%
Total DDGs	89,221	226,452	153.8%
Corn Oil	16,235	52,284	222.0%
Production cost - corn (b)	237,949	500,055	110.2%
Coverage rate (c) = (a / b)	44.3%	55.7%	11.4 p.p.

Net revenue from the animal nutrition segment totaled BRL 278.7 million in 1Q22, 164.3% higher than 1Q21 mainly driven by increased volumes from the start-up of SRS Plant expansion and price increases. The price appreciation of substitute products (soybean complex and corn) was the key driver of price increases for our animal nutrition products. The coverage ratio of animal nutrition revenue compared to the cost of corn reached 55.7% in the 1Q22, 11.4 p.p. higher than 1Q21. The coverage ratio represents our ability to effectively hedge our cost of corn with the sales of animal nutrition products and is a key risk management metric for our operations.

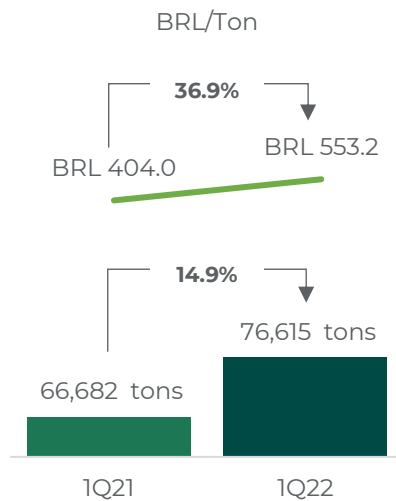
High Protein DDG

FS Essential™



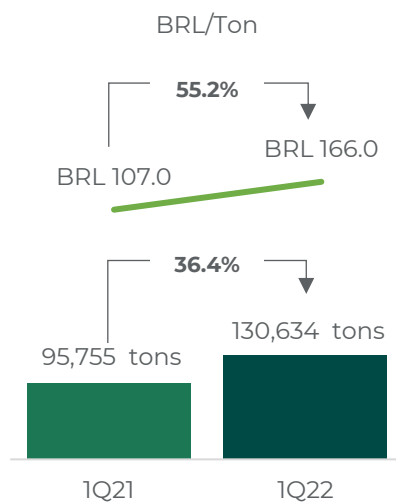
Net revenue from High Protein DDG totaled BRL 162.4 million in 1Q22, 212.1% higher than 1Q21, driven by the increase in volume and sales price. The net sales price of High Protein DDG in 1Q22 was BRL 1,634.5/ton, 94.2% higher than 1Q21. Volume increased 60.7% in 1Q22 versus 1Q21, due to the start-up of SRS Plant expansion in February 2021 and better industrial performance of high-protein dry mass yield.

High Fiber DDG FS Ouro™



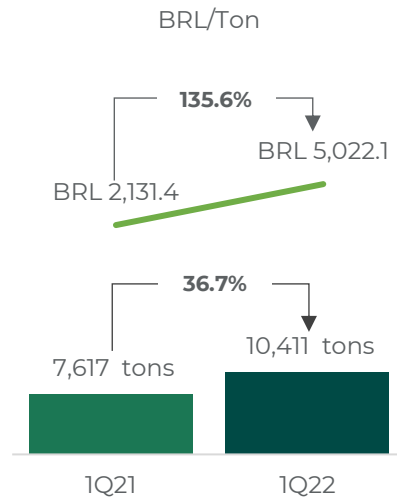
Net revenue from High Fiber DDG totaled BRL 42.4 million in 1Q22, 57.3% higher than 1Q21. The net sales price of DDG High Fiber in 1Q22 was BRL 553.2/ton, 36.9% higher than 1Q21. Volume increased 14.9% in 1Q22 versus 1Q21 due to the start-up SRS Plant expansion in February 2021.

Wetcake FS Úmido™



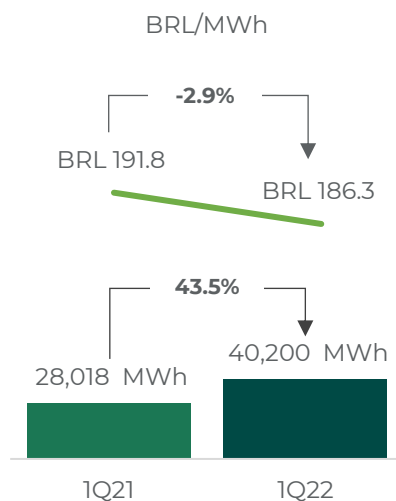
Net revenue from Wetcake totaled BRL 21.7 million in 1Q22, 111.7% higher than 1Q21. The net sales price of Wetcake in 1Q22 was BRL 166.0/ton, 55.2% higher than 1Q21. Volume increased 36.4% in 1Q22 versus 1Q21 due to the start-up of the SRS Plant expansion in February 2021.

Corn Oil FS Vital™



Net revenue from Corn Oil totaled BRL 52.3 million in 1Q22, 222.0% higher than 1Q21. The net sales price of corn oil in 1Q22 was BRL 5,022.1/ton, 135.6% higher than 1Q21, mainly due to the increase in the price of its substitute product (soybean oil). Volume increased 36.7% in 1Q22 versus 1Q21 due to the start-up SRS Plant expansion in February 2021.

Energy Cogeneration Segment



(in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Energy co-generation segment	5,375	7,490	39.3%

Net revenue from Energy Cogeneration totaled BRL 7.5 million in 1Q22, 39.3% higher than 1Q21. The net sales price of energy in 1Q22 was BRL 186.3/MWh, 2.9% lower than 1Q21 due to lower PPAs (Power Purchase Agreements) prices negotiated on previous year. Volume increased 43.5% in 1Q22 versus 1Q21.

Other Segment

(in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Other segment	71,708	38,946	(45.7%)

Net revenue from the Other Segment totaled BRL 38.9 million in 1Q22, driven mainly by the commercialization of 28,633 tons of corn, traded at BRL 80.17/sac.

COST OF GOODS SOLD

Cost of Goods Sold (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Variable cost (a)	(297,936)	(573,840)	92.6%
Costs of corn	(237,949)	(500,055)	110.2%
Biomass costs	(36,722)	(42,381)	15.4%
Chemicals and enzymes	(23,265)	(31,403)	35.0%
Fixed cost (b)	(46,876)	(71,204)	51.9%
Maintenance	(6,354)	(10,256)	61.4%
Labor	(12,393)	(13,851)	11.8%
Depreciation	(23,442)	(30,451)	29.9%
Other production costs	(4,687)	(16,645)	255.1%
Cost of goods sold (c) = (a+b)	(344,812)	(645,044)	87.1%
Cost of goods resold (d)	(54,685)	(40,932)	(25.1%)
Cost of goods sold (e) = (c+d)	(399,497)	(685,976)	71.7%
Gross margin	34.5%	47.0%	12.5 p.p.
Corn cost - in BRL per sac	24.01	40.65	69.3%
Biomass cost - in BRL per m³	56.34	69.55	23.4%

Cost of goods sold (c)

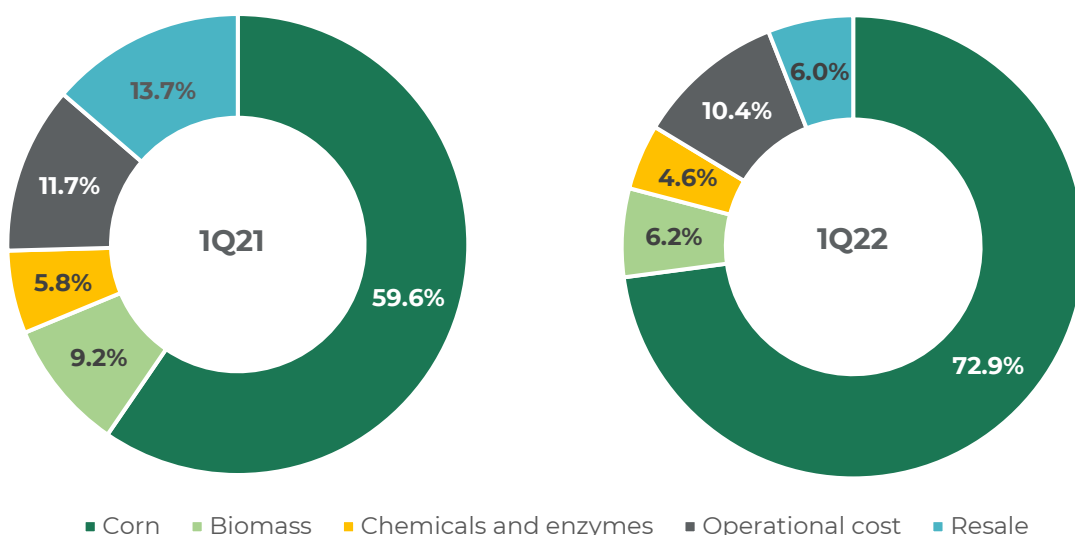
In 1Q22, the total cost of goods sold was BRL 645.0 million, 87.1% higher than 1Q21. The main reasons for the variation were:

- Corn costs: total cost of BRL 500.1 million, 110.2% higher than 1Q21, impacted by the increase in the volume of corn crushed from the start-up of SRS Plant expansion in February 2021 and commodity price increase, resulting in an average cost of BRL 40.65/sac in 1Q22, versus BRL 24.01/sac in 1Q21, an increase of 69.3%; and
- Biomass costs: total cost of BRL 42.4 million, 15.4% higher than 1Q21, closing 1Q22 with an average cost of BRL 69.55/m³, versus BRL 56.34/m³ in 1Q21, an increase of 23.4%.

Cost of goods resold (d)

In 1Q22, the cost of goods resold was BRL 40.9 million, 25.1% lower than 1Q21, mainly related to the volume of corn resold.

Breakdown of cost of goods sold (e)



SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A expenses <i>(in BRL thousands)</i>	1Q21	1Q22	1Q22 vs 1Q21
Expenses with freight	(48,391)	(85,723)	77.1%
Other SG&A (d = a + b + c)	(16,489)	(28,049)	70.1%
Other selling expenses (a)	(3,980)	(5,039)	26.6%
General and administrative expenses (b)	(12,964)	(18,876)	45.6%
Other results (c)	455	(4,134)	n.m.
Total expenses	(64,880)	(113,772)	75.4%
<i>% net revenue</i>	<i>(10.6%)</i>	<i>(8.8%)</i>	<i>1.8 p.p.</i>

Selling, general and administrative expenses and other results

In 1Q22, selling, administrative and general expenses, and other results totaled BRL 113.8 million, an increase of 75.4% compared to 1Q21, and represented 8.8% of net revenue for the period, 1.8 p.p. lower than 1Q21. The main highlights were:

- i. Expenses with freight: Freight and logistics expenses were BRL 85.7 million in 1Q22, an increase of 77.1% above 1Q21, mainly due to the increase in the total volume of sales and especially CIF sales, where FS takes responsibility for the management, control and costs of all freight and logistic expenses to deliver the product to the client's facility. In 1Q22, CIF sales reached 71.2% in the ethanol segment, an increase of 11.2 p.p. versus 1Q21. The increase of CIF sales is part of the Company's strategy to better manage its logistics routes, improve net prices and efficiently serve its customers.
- ii. Other SG&A (Other selling, administrative and general expenses, and other results): these three items represented a total expense of BRL 28.0 million in 1Q22, or 2.2% of net revenue in the period, a reduction of 0.5 p.p. compared to 1Q21, mainly due to the dilution of expenses with the start-up of the SRS Plant expansion, consequently increasing net revenue.
- iii. CBIOs (decarbonization credit from RenovaBio program): in 1Q22, FS recognized BRL 0.5 million in other results of CBIOs, in connection with 24.3 thousands of new CBIOs unit issued.

CORN ETHANOL PRODUCTION COST

Corn ethanol production cost (in BRL/liter)	1Q21	1Q22	1Q22 vs 1Q21
Total net cost (a)	(1.288)	(2.001)	55.3%
Cost of goods sold ¹	(1.310)	(2.031)	55.1%
Selling, administrative and general expenses ²	(0.073)	(0.068)	(6.3%)
Depreciation and amortization ³	0.095	0.099	4.2%
Net revenue from animal nutrition and energy (b)	0.439	0.851	94.1%
Ethanol production cost (c) = (a + b)	(0.850)	(1.150)	35.4%
Maintenance CAPEX (d)	0.001	(0.020)	n.m.
Corn ethanol production cost (e) = (c + d)	(0.849)	(1.170)	37.9%

Note: The items (1) and (3) are divided by ethanol sold, and the Items (2), (b) and (d) are divided by ethanol produced.

Corn ethanol production cost

In 1Q22, corn ethanol production cost was BRL 1.170 per liter, 37.9% higher than 1Q21. The main highlights were:

- i. Higher corn prices increasing the cost of goods sold by 55.1% versus 1Q21.
- ii. 94.1 % increase in the contribution in BRL per liter of net revenue from the animal nutrition and energy cogeneration segments, reducing the corn ethanol production cost; and
- iii. Increase in Maintenance Capex mainly due to the equipment, buildings, and bearer plant (bamboo) investments.

NET FINANCE RESULTS

Net finance results (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Derivative	(8,244)	(249,998)	2932.5%
Realized	(27,468)	20,797	n.m.
Unrealized	19,224	(270,795)	n.m.
Finance income	4,711	98,432	1989.4%
Finance expenses	(83,752)	(195,609)	133.6%
Foreign exchange rate variation	(134,061)	436,649	n.m.
Realized	(2,293)	2,157	n.m.
Unrealized	(131,768)	434,492	n.m.
Adjustment to present value	(769)	(1,321)	71.8%
Net finance results	(222,115)	88,153	n.m.

Net finance results

In 1Q22, we recognized a gain of BRL 88.2 million in net finance results, versus a loss of BRL 222.1 million in 1Q21. The main highlights were:

- i. Derivatives: loss of BRL 250.0 million, of which BRL 20.8 million is realized profit, mainly related to the bond currency swap and BRL 270.8 million of unrealized loss, mainly related to debt and corn protection from FX variation.
- ii. Finance Income: BRL 98.4 million mainly from the financial investments (TRS ¹) at FS Luxembourg s.à.r.l., ("FS Lux").
- iii. Finance expenses: total finance expenses of BRL 195.6 million, 133.6% higher than 1Q21, due to the higher gross debt position after the issuance of our Secured Green Notes ("Bond") at FS Lux and its mirror effects from the CPRF (Cédula de Produtor Rural Financeira) at FS.
- iv. Foreign exchange variation on the Company's USD denominated debt: gain of BRL 436.6 million, reflecting the impact of the appreciation of 12.2% of BRL against the USD in the 1Q22 (BRL/USD 5.6973 from March 31st, 2021 to BRL/USD 5.0022 in June 30th, 2021), which BRL 2.2 million is realized gain and BRL 434.5 million is unrealized gain, against the depreciation of 5.3% of BRL against the USD in the 1Q21 (BRL/USD 5.1987 from March 31st, 2020 to BRL/USD 5.4760 in June 30th, 2020).

¹ 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.

NET PROFIT (LOSS)

Net income (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
(loss) profit before income and social contribution taxes (a)	(76,323)	583,014	n.m.
Nominal rate	34.0%	34.0%	0.0 p.p.
Tax expense at nominal rate (b)	25,950	(198,225)	n.m.
Adjustment of income and social contribution taxes (c)	(3,061)	14,839	n.m.
Tax and social contribution before tax incentive (d) = (b + c)	22,889	(183,386)	n.m.
Current tax	-	160,212	n.m.
Deferred tax	22,889	23,174	1.2%
Tax incentives (e)	-	106,961	n.m.
Income tax and social contribution (f) = (d + e)	22,889	(76,425)	n.m.
Effective rate	(30.0%)	(13.1%)	16.9 p.p.
Net profit (loss) of the period (g) = (a + f)	(53,434)	506,589	n.m.

Tax and social contribution

In 1Q22, income tax and social contribution generated an expense of BRL 76.4 million, driven by booking of deferred tax over a loss before income and social contribution taxes.

The adjustment of income and social contribution taxes (c) mainly includes tax depreciation, adjustment to present value and tax losses.

FS has a tax incentive for operating in the SUDAM area, which results in a 75% reduction in income tax on the operations of the Lucas do Rio Verde Plant ("LRV Plant") for a period of 10 years which was awarded in 2018. This benefit will occur when there are taxable profits in the calculation period. In December 2020, the Company also obtained the benefit for the SRS Plant, which will be valid for a period of 10 years, starting in 2021.

Net profit (loss) of the period

In 1Q22, FS recorded a profit of BRL 506.6 million, compared to a loss of BRL 53.4 million in 1Q21, driven mainly by i) higher revenue due to a combination of higher selling prices and increased sales volumes by the start-up SRS Plant expansion; and ii) better finance results due to foreign exchange rate variation.

Ownership structure

No changes in the ownership structure in 1Q22. The Company's quotaholders are Summit Brazil Renewables I LLC (Summit) with 71.22%, Tapajós Participações S.A. with 23.74%, and preferred quotaholders with 5.04%.

Dividends

The Company has the practice to distribute dividends in connection with tax liabilities generated to our USA shareholders related to the Company's taxable income flowing into their taxable basis in USA ("Tax Distributions"). The Company made a Tax Distribution payment of BRL 254.3 million 1Q22.

RECONCILIATION OF EBITDA, EBIT AND EBITDA minus MAINTENANCE CAPEX

Reconciliation of EBITDA <i>(in BRL thousands)</i>	1Q21	1Q22	1Q22 vs 1Q21
Net revenue	610,169	1,294,609	112.2%
(Loss)/profit for the period	(53,434)	506,589	n.m.
(+) Finance costs	(13,970)	480,963	n.m.
(-) Finance income	102,024	(132,467)	n.m.
(+) Foreign exchange rate variations, net	134,061	(436,649)	n.m.
(+) Income tax and social contribution	(22,889)	76,425	n.m.
EBIT	145,792	494,861	239.4%
(+) Depreciation and amortization	24,939	31,341	25.7%
EBITDA	170,731	526,202	208.2%
(-) Maintenance Capex	(218)	6,743	n.m.
EBITDA Minus Maintenance Capex	170,949	519,459	203.9%
EBITDA Margin	28.0%	40.6%	12.7 p.p.
EBIT Margin	23.9%	38.2%	14.3 p.p.

CAPEX

CAPEX (in BRL thousands)	1Q21 ¹	1Q22 ¹	1Q22 ¹ vs 1Q21 ¹
Property, Plant, and Equipment - beginning of period (a)	2,190,785	2,879,404	31.4%
Capex: (d) = (b + c)	240,212	75,025	(68.8%)
Growth capex ² (b)	240,430	68,282	(71.6%)
Maintenance capex ³ (c)	(218)	6,743	n.m.
Depreciation (e)	(23,791)	(32,678)	37.4%
Property, Plant, and Equipment - end of period (f) = (a + d + e)	2,407,206	2,921,751	21.4%

¹ Includes acquisitions, transfers, and casualties.

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

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

In 1Q22, capex totaled BRL 75.0 million, a decrease of 68.8% versus 1Q21, mostly related to the residual values from expansion of the SRS Plant. The Company expects to have a BRL 279.3 million in capex in the next three quarters (BRL 247.8 million in growth capex and BRL 31.6 million in maintenance capex).

NET DEBT EVOLUTION

Net Debt <i>(in BRL thousands)</i>	2Q21	3Q21	4Q21	1Q22	1Q22 (LTM)
Net Debt BoP	2,650,680	2,839,665	3,071,733	2,972,112	2,650,680
EBITDA	244,134	325,091	420,124	526,202	1,515,551
Working Capital + Others	(234,537)	(574,471)	131,081	261,176	(416,752)
Income Taxes paid	-	-	-	(25,867)	(25,867)
Cash Flow From Operations	9,597	(249,380)	551,205	761,511	1,072,932
Cash Capex	(142,676)	(84,639)	(106,204)	(145,563)	(479,082)
Cash Flow From Operations Minus Capex	(133,079)	(334,019)	445,001	615,948	593,851
Cash Flow From Financing Activities	(55,904)	101,951	(345,380)	22,723	(276,610)
Interest + Others paid	(86,659)	(116,889)	(63,648)	(180,448)	(447,644)
FX and Derivatives Impact	30,755	218,840	(281,732)	457,446	425,309
Dividends Paid / Tax Distribution	-	-	-	(254,275)	(254,275)
Net Debt EoP	2,839,665	3,071,733	2,972,112	2,333,439	2,333,439
Change in Net Debt	188,983	232,068	(99,621)	(638,671)	(317,241)

In 1Q22, the net debt in the end of period totaled BRL 2,333.4 million, a change of BRL 638.7 million compared to the net debt in the beginning of the quarter, mostly related to the cash flow from operations and FX and derivatives impact. Cash Flow From Operations reached BRL 761.5 million in 1Q22 (or 144.7% EBITDA conversion) and BRL 1,072.9 million in the last twelve months (or 70.8% EBITDA conversion).

INDEBTEDNESS

Indebtedness (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Senior Secured Green Notes - Bond ¹	-	2,988,421	n.m.
CPRF (Cédula de produtor rural financeira) ²	-	2,954,680	n.m.
TRS (Total return swap) ³	-	(2,987,223)	n.m.
Project Finance	2,659,403	-	n.m.
Certificate of Agribusiness Receivables (CRA)	195,921	159,282	(18.7%)
Certificate of Real Estate Receivables (CRI)	120,000	94,861	(20.9%)
Other working capital lines	571,924	154,344	(73.0%)
Gross debt ⁴	3,547,248	3,364,365	(5.2%)
Total cash (a) ⁵	896,568	4,018,149	348.2%
TRS (Total return swap) (b) ³	-	(2,987,223)	n.m.
Total cash (c) = (a)+(b)	896,568	1,030,926	15.0%
Net debt	2,650,680	2,333,439	(12.0%)
Net debt / EBITDA (LTM)	4.64 x	1.54 x	(66.8%)
EBITDA (LTM)	571,590	1,515,551	165.1%

¹ Issuance of USD 600.0 million Senior Secured Green Notes - Bond - Notes by the subsidiary FS Luxembourg s.à.r.l., ("FS Lux").

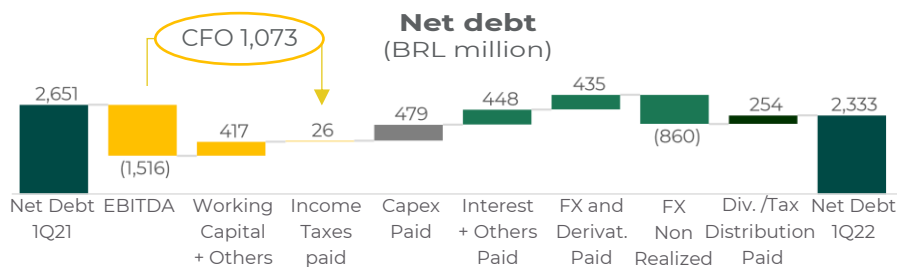
² Issuance of USD 594.2 million of CPRF (Cédula de Produtor Rural Financeira) by FS, in connection with the Bond issued.

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

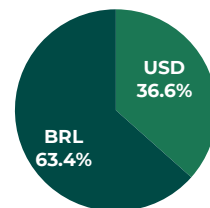
⁴ Related party debt not included

⁵ Includes cash and cash equivalents, financial investments, and restricted cash (short-term and long-term)

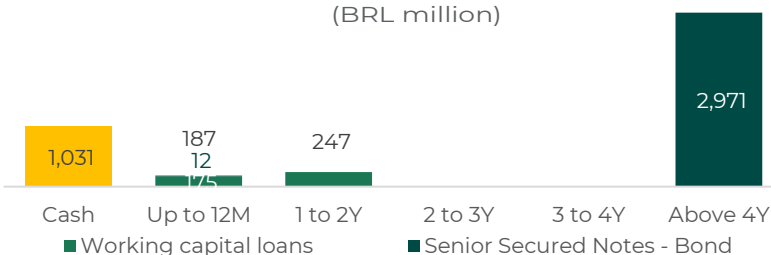
At the end of 1Q22, total gross debt reached BRL 3,364.4 million and total cash closed at BRL 1,030.9 million, resulting in a net debt of BRL 2,333.4 million, 12.0% lower than 1Q21. The decrease in net debt was driven by: (i) The impact of the BRL appreciation vs USD in our USD denominated debt, (ii) the stronger cash position, 15.0% higher than 1Q22, and (iii) the issuance of the Bond, on December 15th, 2020 of USD 550.0 million and reopening in January of USD 50.0 million, used to prepay the outstanding Project Finance Debt and financing for working capital; and FS fully hedged (principal plus interest) USD 350.0 million into BRL, maintaining exposure in USD for only USD 250.0 million of the Bond. The Bond matures in December 2025.



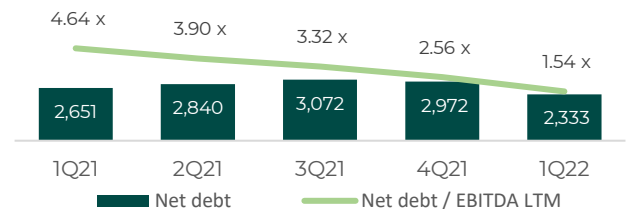
Gross debt by currency (%)



Debt amortization schedule ⁶
(BRL million)



Net Debt / EBITDA LTM
(BRL million)



⁶ Does not include the impact of transaction costs.



CONTROLLED COMPANIES

FS has one controlled company, which is the wholly owned subsidiary FS Lux, established on September 8th, 2020 with the exclusive purpose of issuing international debt securities.

ABOUT FS

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

LEGAL NOTICE

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

STATEMENT OF INCOME

Statement of income (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Revenue from segments			
Segment - Ethanol	379,240	883,714	133.0%
Segment - Animal nutrition	105,456	278,736	164.3%
Segment - Energy co-generation	5,375	7,490	39.3%
Segment - Others	71,708	38,946	(45.7%)
Total revenue from segments	561,778	1,208,886	115.2%
Reclassification - Freight	48,391	85,723	77.1%
Net revenue	610,169	1,294,609	112.2%
Cost of goods sold	(399,497)	(685,976)	71.7%
Gross profit	210,672	608,633	188.9%
<i>Gross margin</i>	34.5%	47.0%	12.5 p.p.
Selling, general & administrative expense	(64,880)	(113,772)	75.4%
EBIT	145,792	494,861	239.4%
<i>EBIT margin</i>	23.9%	38.2%	14.3 p.p.
Depreciation and amortization	24,939	31,351	25.7%
EBITDA	170,731	526,212	208.2%
<i>EBITDA margin</i>	28.0%	40.6%	12.7 p.p.
Net finance costs	(222,115)	88,153	n.m.
Profit before tax	(76,323)	583,014	n.m.
Tax	22,889	(76,425)	n.m.
Net profit (loss) for the period	(53,434)	506,589	n.m.
<i>Net margin</i>	(8.8%)	39.1%	n.m.

STATEMENTS OF FINANCIAL POSITION

Statements of financial position (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Cash and cash equivalents	230,993	859,818	272.2%
Financial investments	41	15,160	n.m.
Restricted cash	665,534	171,105	(74.3%)
Trade and other receivables	126,236	154,986	22.8%
Inventories	345,076	706,838	104.8%
Advances to suppliers	15,654	18,878	20.6%
Income tax and social contribution	2,551	-	(100.0%)
Recoverable taxes	60,575	145,628	140.4%
Prepaid expenses	9,212	28,478	209.1%
Biological assets	4,665	6,093	30.6%
Derivative financial instrument	23,397	276	(98.8%)
Other credits	516	1,992	286.0%
Total current assets	1,484,450	2,109,252	42.1%
Financial investments	-	2,972,066	n.m.
Deferred taxes assets	138,424	-	n.m.
Biological assets	10,042	18,009	79.3%
Judicial deposits	3,571	3,710	3.9%
Advances to suppliers	9,106	12,968	42.4%
Total long-term assets	161,143	3,006,753	1765.9%
Investments	-	-	n.m.
Property, plant and equipment	2,407,206	2,921,751	21.4%
Intangible assets	8,269	13,012	57.4%
Total non-current assets	2,576,618	5,941,516	130.6%
Total Assets	4,061,068	8,050,768	98.2%
Trade payables	470,671	723,728	53.8%
Loans	649,182	457,209	(29.6%)
Advances from customers	15,135	21,012	38.8%
Lease payables	1,329	8,373	530.0%
Income tax and social contribution	-	23,604	n.m.
Taxes and contributions payable	16,747	9,695	(42.1%)
Payroll and related changes	29,396	25,830	(12.1%)
Derivative financial instruments	14,655	278,537	1800.6%
Total current liabilities	1,197,115	1,547,988	29.3%
Trade payables	5,794	20,874	260.3%
Lease payables	8,781	36,562	n.m.
Loans	2,898,066	5,894,379	103.4%
Loans with related parties	60,898	-	n.m.
Other non-current liabilities	32,172	29,388	(8.7%)
Deferred taxes liabilities	-	32,326	n.m.
Total non-current liabilities	3,005,711	6,013,529	100.1%
Capital	83,381	87,806	5.3%
Capital reserve	596	-	n.m.
Tax incentive reserve	16,741	139,557	733.6%
Accumulated gains / (losses)	(242,476)	261,614	n.m.
Cumulative translation adjustment	-	274	n.m.
Total equity	(141,758)	489,251	n.m.
Total liabilities and equity	4,061,068	8,050,768	98.2%

STATEMENTS OF CASH FLOW

Statement of cash flow (in BRL thousands)	1Q21	1Q22	1Q22 vs 1Q21
Net profit/ (loss) for the period	(53,434)	506,589	n.m.
Adjustment for:			
Depreciation and amortization	24,939	31,341	25.7%
Current and deferred income tax, net of tax incentives	(22,889)	76,425	n.m.
Adjustment to present value - loans, trade payables and receivable and leasing	(3,199)	(2,738)	(14.4%)
Income from financial investments	-	(97,862)	n.m.
Provision for interest on loans	67,693	178,380	163.5%
Provision for interest on loans with related parties	1,425	-	n.m.
Adjustment to fair value - derivatives	(19,224)	270,796	n.m.
Adjustment to fair value - Bearer plant (bamboo)	-	4,929	n.m.
Expected losses on credit	(110)	3	n.m.
Foreign exchange rate gains or losses	131,768	(436,922)	n.m.
Changes in:			
Trade receivables	(23,494)	(46,618)	98.4%
Inventories	(39,001)	(236,955)	507.6%
Advances to suppliers	44,998	8,089	(82.0%)
Recoverables taxes	15,553	(35,114)	n.m.
Trade payables	306,161	570,237	86.3%
Advance from customers	(14,191)	125	n.m.
Payroll and related charges	5,510	(2,695)	n.m.
Taxes and contributions payable	7,424	(7,751)	n.m.
Others	(4,175)	(11,326)	171.3%
Interest and charges paid	(77,469)	(340,001)	338.9%
Interest received	-	160,304	n.m.
Income tax paid	-	(25,867)	n.m.
Net cash from operation (used in) activities (a)	348,285	563,369	61.8%
Cash flow from investing activities			
Acquisition of property, plant and equipment	(280,286)	(143,572)	(48.8%)
Biologic assets	-	(848)	n.m.
Interest charges paid over capitalized loans	(17,131)	(751)	(95.6%)
Acquisition of intangible assets	(1,114)	(1,143)	2.6%
Investments in parent company	-	-	n.m.
Financial investments	79,545	8,630	(89.2%)
Restricted deposits	(589,716)	(142,229)	(75.9%)
Net cash used in investing activities (b)	(808,702)	(279,913)	(65.4%)
Cash flow from financing activities			
Loans	575,453	80,000	(86.1%)
Loans paid to related parties	-	-	n.m.
Repayment of loans	(194,624)	(159,130)	(18.2%)
Lease paid	(693)	(893)	28.9%
Receipt (payment) of derivative financial instruments	1,273	(37,758)	n.m.
Capital increase	-	-	n.m.
Profits distribution	-	(254,275)	n.m.
Net cash from financing activities (c)	381,409	(372,056)	n.m.
Foreign currency translation adjustment	-	(195)	n.m.
Increase in cash and cash equivalents (d) = (a+b+c)	(79,008)	(88,795)	12.4%
Cash and cash equivalents at the beginning of the period	310,001	948,613	206.0%
Cash and cash equivalents at the end of the period	230,993	859,818	272.2%