



JULY 22nd, 2024

4Q24 and FY24 EARNINGS RELEASE



Fueling
Sustainability



Periods Definition

4Q23: January to March 2023

FY23: April 2022 to March 2023

4Q24: January to March 2024

FY24: April 2023 to March 2024

Earnings Release 4Q24 and FY24

July 22nd, 2024

Lucas do Rio Verde – MT, July 22nd, 2024 – FS Indústria de Biocombustíveis Ltda (“FS Ltda”) and FS Indústria de Etanol S.A. (“FS S.A.”) (combined as “Company” or “FS”), leading producers of corn ethanol (anhydrous and hydrous), animal nutrition and bioenergy, also active in corn and ethanol commercialization, announce their results for the fourth quarter (“4Q24”) and the fiscal year (“FY24”), ended March 3rd, 2024. FS combined financial statements were prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and with the accounting practices adopted in Brazil, presented in a managerial format.

MESSAGE FROM MANAGEMENT

The fiscal year 23/24 was a very important year for FS. Despite corn and ethanol price dynamics making crush spreads temporarily more challenging, the Company has achieved several key milestones.

- Successfully concluded our 3rd industrial plant in Primavera do Leste, having our best start-up ever, reaching full production capacity in less than one month;
- Increased production and yields in our Lucas do Rio Verde and Sorriso plants, reaching new records of production;
- Expanded our commercial boundaries through exports of ethanol and animal nutrition to North, Central and South America, Middle East and Asia;
- Became the first ethanol producer in the world to receive a Low LUC Risk certification under the ISCC Corsia methodology, which confirms that the 2nd crop corn that we use as feedstock does not cause GHG emissions from Land Use Change;
- Completed technical studies that confirmed geological feasibility for the development of our BECCS (Bioenergy with Carbon Capture and Storage) project; and
- Improved our debt profile with lower cost, longer tenors and unsecured debts.

Key highlights of fiscal year 2024



4.8

million tons

CORN
CRUSHED



4.1

million m³

BIOMASS
CONSUMPTION



2.1

billion liters

ETHANOL
PRODUCED



1.7

million tons

ANIMAL
NUTRITION



1,593

thousand units

CBIOS
ISSUED



432.7

liter/ton

PRODUCTION
YIELD



99.3%

UPTIME
PLANTS

NET REVENUE

BRL 8.1 billion

EBITDA

BRL 0.8 billion

10.5% margin
0.409 BRL/liter

NET LOSS

-BRL 0.5 billion

-6.1% margin

NET DEBT

BRL 5.4 billion

6.34x net leverage

We thank all our employees, clients, suppliers, and communities for their dedication, engagement, and partnership in fulfilling our purpose of Fueling Sustainability.

Management FS

4Q24 and FY24 HIGHLIGHTS

- **Net revenue:** BRL 1,970.3 million in 4Q24 (+5.6%) and BRL 8,072.1 million in FY24 (+6.9%).
- **EBITDA:** BRL 75.7 million in 4Q24 (-84.5%) or BRL 0.126/liter of ethanol sold, with margin of 3.8% (-22.4 p.p.) and BRL 846.19 million in FY24 (-64.6%) or BRL 0.409/liter of ethanol sold, with margin of 10.5% (-21.2 p.p.).
- **Net loss:** BRL 228.7 million in 4Q24, with -11.6% margin and BRL 489.3 million in FY24, with -6.1% margin.
- **Capex:** materially zero in 4Q24 and BRL 780.1 million in FY24.
- **Net debt:** BRL 5,364.6 million, or 6.34x LTM EBITDA, (+4.32x vs. 4Q23).
 - In January 2024, we issued an unsecured CRA of BRL 868.0 million.
 - In February 2024, we made the first direct disbursement of 16 year line with BNDES line in the amount of BRL 359.2 million in order to reimburse PDL Plant investments.
 - Also in February 2024, we issued a 7-year unsecured Green Bond in the amount of USD 500.0 million; and we conclude the Tender Offer to repurchase USD 315.5 million of the Green Bond 2025.
 - As of July 22nd, 2024, we had repurchased and cancelled USD 578.7 million of our Green Bond 2025, reducing the outstanding principal to USD 101.3 million.

Financial highlights (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Net revenue	1,866,005	1,970,307	5.6%	7,550,506	8,072,050	6.9%
Cost of goods sold	(1,381,053)	(1,638,467)	18.6%	(5,021,496)	(6,258,418)	24.6%
Gross profit	484,952	331,840	(31.6)%	2,529,010	1,813,632	(28.3)%
Gross margin	26.0%	16.8%	(9.1) p.p.	33.5%	22.5%	(11.0) p.p.
Selling, general & administrative expense	(248,019)	(344,128)	38.8%	(958,977)	(1,361,782)	42.0%
Other results	208,953	18,252	(91.3)%	674,163	140,124	(79.2)%
EBIT	445,886	5,964	(98.7)%	2,244,196	591,974	(73.6)%
EBIT margin	23.9%	0.3%	(23.6) p.p.	29.7%	7.3%	(22.4) p.p.
Depreciation and amortization	43,278	69,728	61.1%	147,901	254,218	71.9%
EBITDA	489,164	75,692	(84.5)%	2,392,097	846,192	(64.6)%
EBITDA margin	26.2%	3.8%	(22.4) p.p.	31.7%	10.5%	(21.2) p.p.
EBITDA BRL/liter	1.127	0.126	(88.9)%	1.643	0.409	(75.1)%
Net profit (loss)	167,329	(228,744)	n.m.	877,411	(489,300)	n.m.
Net margin	9.0%	(11.6)%	(20.6) p.p.	11.6%	(6.1)%	(17.7) p.p.
EBITDA minus maintenance capex	483,027	69,557	(85.6)%	2,374,783	826,105	(65.2)%
Net debt	4,842,117	5,364,567	10.8%	4,842,117	5,364,567	10.8%
EBITDA (LTM)	2,392,098	846,192	(64.6)%	2,392,098	846,192	(64.6)%
Net debt/EBITDA (LTM)	2.02 x	6.34 x	4.32 x	2.02 x	6.34 x	4.32 x

OPERATIONAL HIGHLIGHTS

Operational Highlights	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Corn crushed (tons)	859,164	1,287,498	49.9%	3,315,550	4,787,511	44.4%
Biomass Consumption (m ³)	756,384	1,061,485	40.3%	2,862,937	4,073,188	42.3%
Ethanol produced ¹ (m ³)	372,684	570,187	53.0%	1,455,247	2,098,638	44.2%
Ethanol production yield ² (liter/ton)	429.8	436.9	1.7%	433.1	432.7	(0.1)%
DDG Products produced ³ (tons)	294,020	418,026	42.2%	1,224,918	1,659,923	35.5%
Corn Oil produced (tons)	13,163	21,486	63.2%	50,015	80,333	60.6%
CBIOS issued (units)	456,556	424,538	(7.0)%	1,529,559	1,593,312	4.2%
Ethanol sold (m ³)	433,878	602,355	38.8%	1,456,216	2,069,557	42.1%
% volume anhydrous sold	59.5%	40.7%	(18.8) p.p.	55.4%	50.3%	(5.2) p.p.
DDG Products sold (tons)	289,774	407,677	40.7%	1,224,426	1,618,342	32.2%
Corn Oil sold (tons)	13,619	23,310	71.2%	49,942	79,092	58.4%
CBIOS sold (units)	542,698	468,864	(13.6)%	1,178,596	2,060,704	74.8%
Total Volume Corn Marketing (tons)	29,357	58,610	99.6%	636,086	885,934	39.3%
Energy sold (MWh)	82,080	82,684	0.7%	241,771	287,289	18.8%

¹ Production of anhydrous ethanol and hydrous ethanol combined.

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

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

The Company processed 1,287.5 thousand tons of corn in 4Q24, an increase of 49.9% compared to the 4Q23, and 4,787.5 thousand tons of corn in FY24, an increase of 44.4% compared to FY23, mainly driven by the start-up of our third plant in Primavera do Leste ("PDL Plant") in early May'23.

The consumption of biomass in 4Q24 reached 1,061.5 thousand m³, an increase of 40.3% versus 4Q23, and in FY24 reached 4,073.2 thousand m³, an increase of 42.3% versus FY23.

In 4Q24, FS produced 570.2 thousand m³ of ethanol, an increase of 53.0% versus 4Q23, and in FY24, produced 2,098.6 thousand m³, an increase of 44.2% versus FY23. In the quarter, we sold 602.4 thousand m³ of ethanol, an increase of 38.8% versus 4Q23 and in the year we sold 2,069.6 thousand m³ of ethanol, an increase of 42.1% versus FY23. The share of anhydrous ethanol sold decrease by 18.8 p.p. compared to 4Q23, and, in the year, the share decrease by 5.2 p.p. compared to FY23.

Additionally, we issued 424.5 thousand units of CBIOS in 4Q24 an decrease of 7.0% versus 4Q23; and sold 468.9 thousand units of CBIOS in 4Q24, a decrease of 13.6% versus 4Q23. In the year, we issued 1,593.3 thousand units of CBIOS in FY24 an increase of 4.2% versus FY23; and sold 2,060.7 thousand units of CBIOS in FY24, an increase of 74.8% versus FY23.

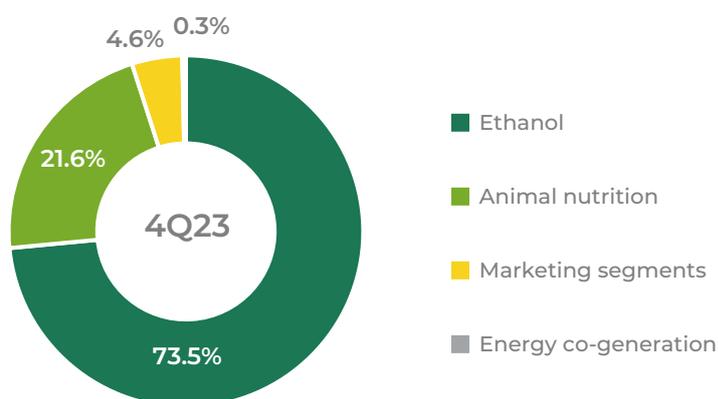
Finally, in 4Q24, FS sold 407.7 thousand tons of DDG products, an increase of 40.7% versus 4Q23, and in FY24, we sold 1,618.3 thousand tons of DDG products, an increase of 32.2% versus FY23. In corn oil, we sold 23.3 thousand tons in 4Q24, an increase of 71.2% versus 4Q23, and we sold 79.1 thousand tons in FY24, an increase of 58.4% versus FY23.

NET REVENUE

Net revenue (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Ethanol segment	1,233,488	1,245,347	1.0%	4,349,804	4,743,996	9.1%
Anhydrous ethanol	764,486	538,011	(29.6)%	2,504,262	2,540,297	1.4%
Hydrous ethanol	469,002	707,336	50.8%	1,845,542	2,203,699	19.4%
Animal nutrition segment	362,109	364,944	0.8%	1,467,633	1,500,609	2.2%
DDG High-protein	165,458	167,537	1.3%	623,251	663,924	6.5%
DDG High-fiber	86,991	72,745	(16.4)%	354,234	331,172	(6.5)%
DDG Wetcake	39,375	43,654	10.9%	194,105	209,940	8.2%
Corn Oil	70,285	81,008	15.3%	296,043	295,573	(0.2)%
Energy co-generation	5,396	5,728	6.2%	19,973	24,584	23.1%
Energy	4,571	4,279	(6.4)%	15,995	18,666	16.7%
Steam	825	1,449	75.6%	3,978	5,918	48.8%
Total net revenue from industrial segments (a)	1,600,993	1,616,019	0.9%	5,837,410	6,269,189	7.4%
Corn marketing	69,880	30,583	(56.2)%	935,251	580,466	(37.9)%
Ethanol commercialization	—	52,616	n.m.	—	105,032	n.m.
Energy resale	7,411	5,352	(27.8)%	26,793	22,647	(15.5)%
Total net revenue from marketing segments (b)	77,291	88,551	14.6%	962,044	708,145	(26.4)%
Total net revenue from segments¹ (c) = (a) + (b)	1,678,283	1,704,570	1.6%	6,799,454	6,977,334	2.6%
Reclassification - Freight on sales (d)	187,722	265,737	41.6%	751,052	1,094,716	45.8%
Net revenue (f) = (c) + (d)	1,866,005	1,970,307	5.6%	7,550,506	8,072,050	6.9%

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

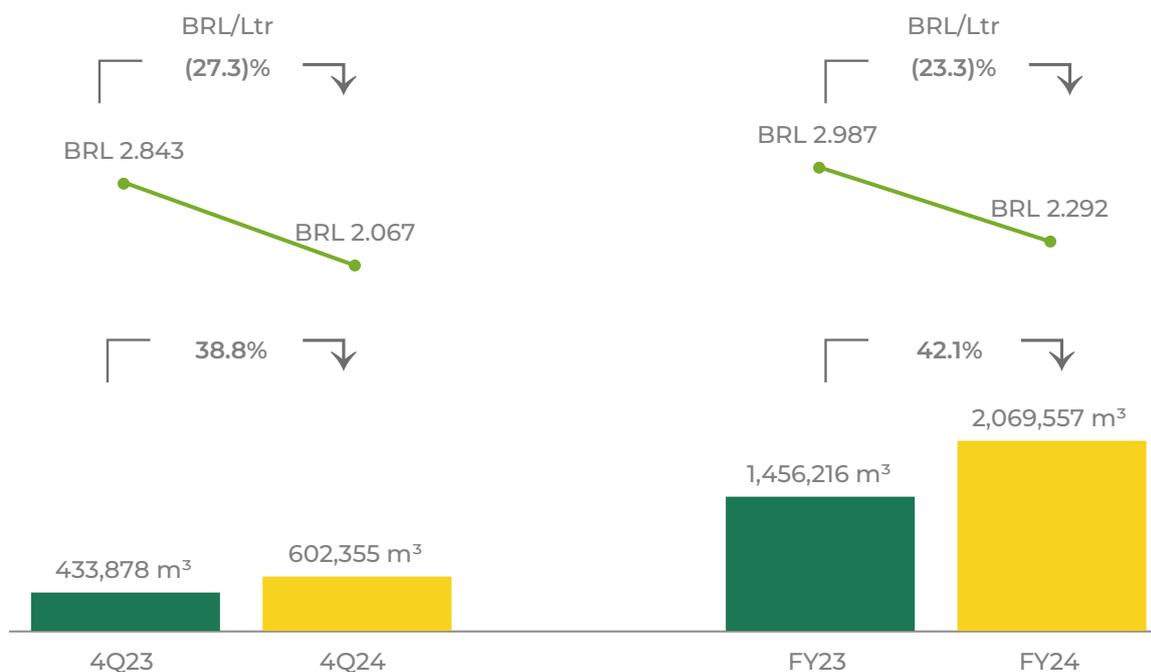
Total net revenue from segments (c)



Total net revenue from industrial segments (a)

In 4Q24, net revenue from industrial segments totaled BRL 1,616.0 million, 0.9% higher than 4Q23, and in FY24 totaled BRL 6,269.2 million, 7.4% higher than FY23, mainly driven by an increase in production capacity due to the start-up of PDL Plant and higher volumes of ethanol sold, partially offset by lower ethanol and animal nutrition net sales prices. Details for the industrial segments are presented on following pages.

Ethanol Segment



(in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Ethanol segment	1,233,488	1,245,347	1.0%	4,349,804	4,743,996	9.1%
Anhydrous ethanol	764,486	538,011	(29.6)%	2,504,262	2,540,297	1.4%
Hydrous ethanol	469,002	707,336	50.8%	1,845,542	2,203,699	19.4%
% volume anhydrous sold	59.5%	40.7%	(18.8) p.p.	55.4%	50.3%	(5.2) p.p.

Net revenue from the ethanol segment totaled BRL 1,245.3 million in 4Q24, 1.0% higher than 4Q23, and BRL 4,744.0 million in FY24, 9.1% higher than FY23.

The average net sales price of ethanol in 4Q24 was BRL 2.067/liter, 27.3% lower than 4Q23, while the average ESALQ hydrous net price in 4Q24 was BRL 2.046/liter, 24.3% lower than 4Q23, mainly driven by the reduction of ethanol pump parity versus gasoline. FS' ethanol net sales price was BRL 0.027/liter higher than ESALQ hydrous in the 4Q24.

In FY24 the average net sales price of ethanol was BRL 2.292/liter, 23.3% lower than FY23, while the average ESALQ hydrous net price in FY24 was BRL 2.259/liter, 21.4% lower than FY23, also reflecting the reduction of ethanol pump parity versus gasoline. FS' ethanol net sales price was BRL 0.035/liter higher than ESALQ hydrous in the FY24.

Ethanol CIF sales reached 82.7% in 4Q24 (+0.6 p.p. versus 4Q23) and 83.2% in FY24 (+1.8 p.p. versus FY23).



Animal Nutrition Segment

(in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Animal nutrition segment (a)	362,109	364,944	0.8%	1,467,633	1,500,609	2.2%
DDG High-protein	165,458	167,537	1.3%	623,251	663,924	6.5%
DDG High-fiber	86,991	72,745	(16.4)%	354,234	331,172	(6.5)%
DDG Wetcake	39,375	43,654	10.9%	194,105	209,940	8.2%
Total DDGs	291,824	283,936	(2.7)%	1,171,590	1,205,036	2.9%
Corn Oil	70,285	81,008	15.3%	296,043	295,573	(0.2)%
P&L corn marketing (b)	1,835	4,934	168.9%	55,357	88,127	59.2%
Net revenue - corn marketing	69,880	30,583	(56.2)%	935,251	580,466	(37.9)%
Production cost - corn marketing	(68,045)	(25,649)	(62.3)%	(879,894)	(492,339)	(44.0)%
Production cost - corn (c)	984,121	1,160,848	18.0%	3,264,866	4,438,239	35.9%
Coverage ratio (d) = (a + b) / (c)	37.0%	31.9%	(5.1) p.p.	46.6%	35.8%	(10.9) p.p.

Net revenue from the animal nutrition segment totaled BRL 364.9 million in 4Q24, 0.8% higher than 4Q23, and BRL 1,500.6 million in FY24, 2.2% higher than FY23, mainly driven by increased volumes after the start-up of PDL Plant, offset by price decreases due lower prices of substitute products (corn and soybean).

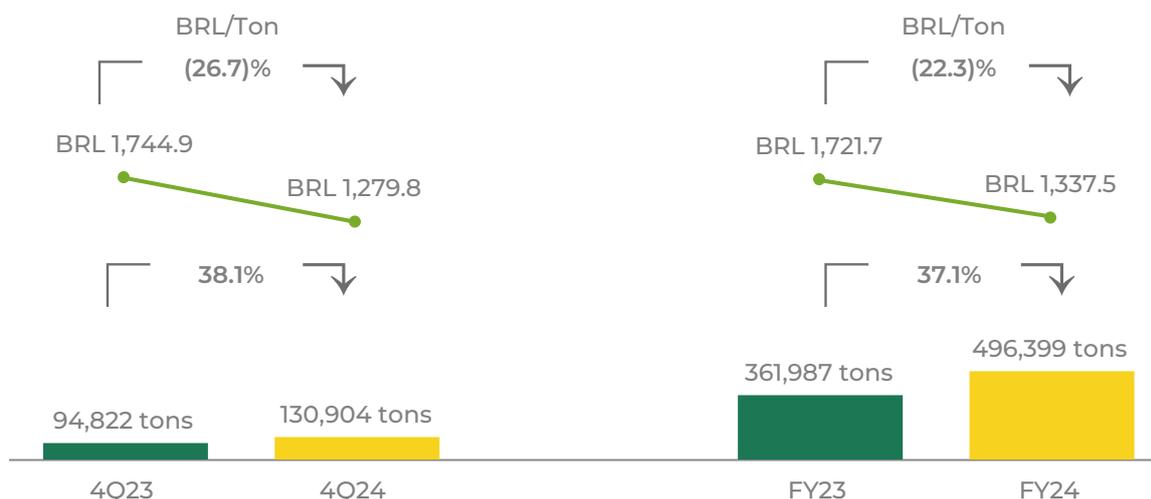
Net revenue from **High Protein DDG** totaled BRL 167.5 million in 4Q24, 1.3% higher than 4Q23, and BRL 664 million in FY24, 6.5% higher than FY23. The net sales price of High Protein DDG in 4Q24 was BRL 1,279.8/ton, 26.7% lower than 4Q23, and in FY24 was BRL 1,337.5/ton, 22.3% lower than FY23.

Net revenue from **High Fiber DDG** totaled BRL 72.7 million in 4Q24, 16.4% lower than 4Q23, and BRL 331.2 million in FY24, 6.5% lower than FY23. The net sales price of High Fiber DDG in 4Q24 was BRL 683.7/ton, 37.7% lower than 4Q23, and in FY24 was BRL 837.9/ton, 24.9% lower than FY23.

Net revenue from **Wetcake DDG** totaled BRL 43.7 million in 4Q24, 10.9% higher than 4Q23, and BRL 209.9 million in FY24, 8.2% higher than FY23. The net sales price of Wetcake in 4Q24 was BRL 256.2/ton, 24.8% lower than 4Q23, and in FY24 was BRL 288.9/ton, 18.9% lower than FY23.

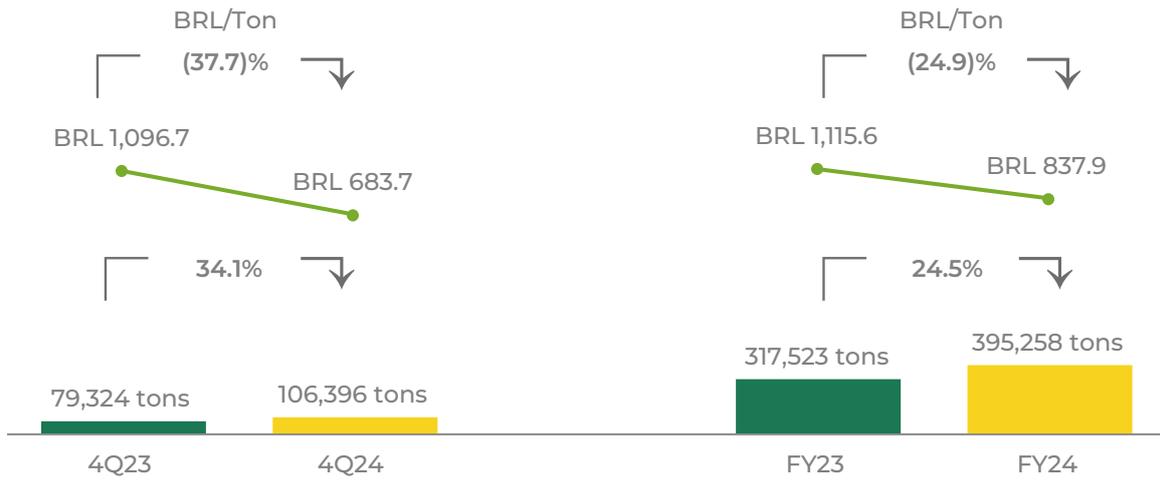
Net revenue from **Corn Oil** totaled BRL 81.0 million in 4Q24, 15.3% higher than 4Q23, and BRL 295.6 million in FY24, 0.2% lower than FY23. The net sales price of corn oil in 4Q24 was BRL 3,475.3/ton, 32.7% lower than 4Q23, and in FY24 was BRL 3,737.1/ton, 37.0% lower than FY23.

High Protein DDG FS Essential™

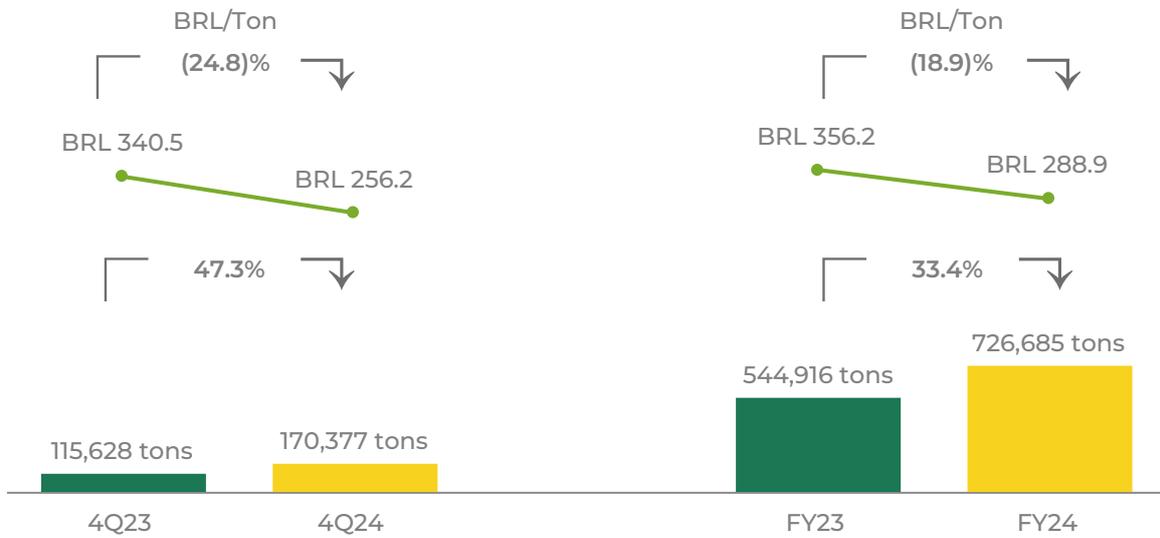




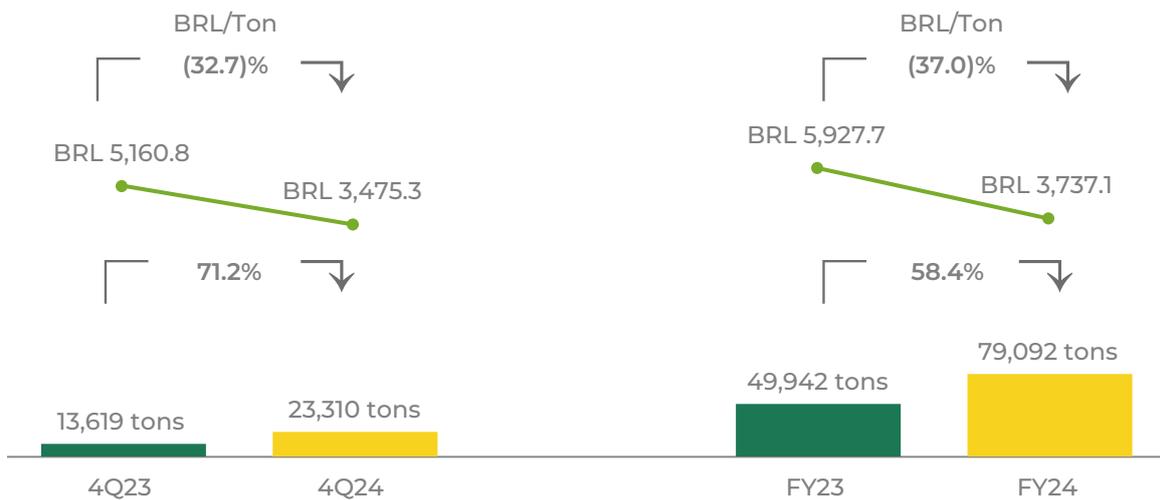
High Fiber DDG FS Ouro™



Wetcake FS Úmido™



Corn Oil FS Vital™

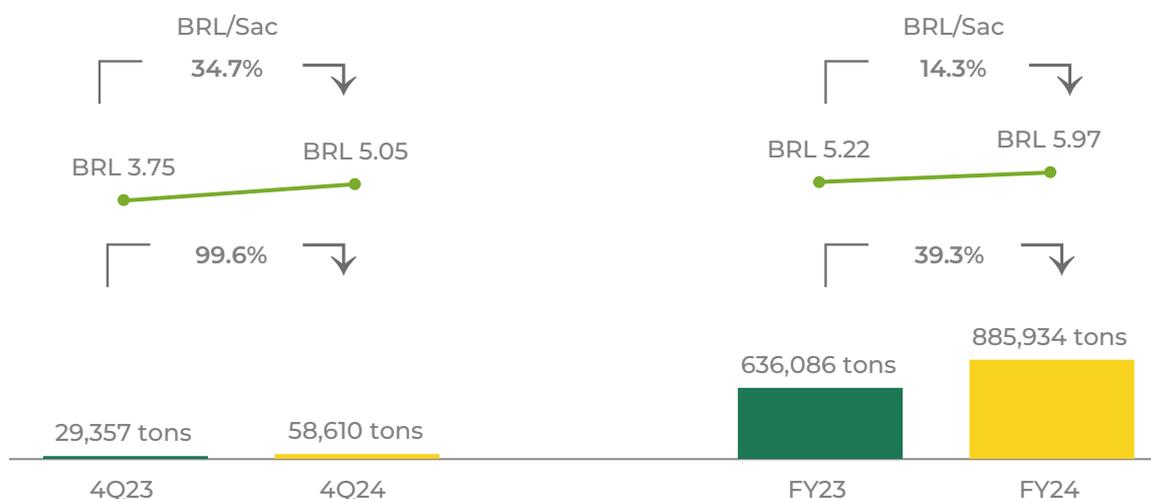




Total net revenue from marketing segments (b)

In 4Q24, net revenue from marketing segments totaled BRL 88.6 million, 14.6% higher than 4Q23, mainly driven by net revenue from ethanol commercialization, that more than offset the lower net revenue from corn marketing and energy resale. In the fiscal year, net revenue from marketing segments totaled BRL 708.1 million, 26.4% lower than FY23, mainly driven by lower net revenue from corn marketing, partially offset by net revenue from ethanol commercialization.

Corn Marketing



(in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Net revenue corn marketing (a)	69,880	30,583	(56.2)%	935,251	580,466	(37.9)%
Cost of goods resold corn marketing w/out MTM (b)	(65,183)	(24,999)	(61.6)%	(859,199)	(491,840)	(42.8)%
P&L corn marketing (w/out MTM) (c) = (a) + (b)	4,697	5,584	18.9%	76,052	88,626	16.5%
Volume corn marketing invoiced (tons) (d)	60,662	39,721	(34.5)%	786,507	859,534	9.3%
Spread per sac invoiced (BRL/sac) (e) = (c) / (d)	4.65	8.43	81.6%	5.80	6.19	6.6%
P&L MTM contracted volumes (f)	(2,862)	(650)	(77.3)%	(20,695)	(499)	(97.6)%
Volume of corn marketing contracted ¹ (tons) (g)	(31,305)	18,889	n.m.	(150,421)	26,400	n.m.
Cost of goods resold total (h) = (b) + (f)	(68,045)	(25,649)	(62.3)%	(879,894)	(492,339)	(44.0)%
P&L corn marketing total (i) = (a) + (h)	1,835	4,934	168.9%	55,357	88,127	59.2%
Total volume (j) = (d) + (g)	29,357	58,610	99.6%	636,086	885,934	39.3%
Spread per sac (BRL/sac) (k) = (i) / (j)	3.75	5.05	34.7%	5.22	5.97	14.3%

¹ This volume represents the total contracted at the period, that by accounting rules, must be marked-to-market (MTM) and recognized at the period it is contracted. According to FS' accounting policy, the open positions of contracted corn marketing operations are marked to market. Therefore, the results of these operations are recognized during the marketing period and reversed upon the execution (invoiced). This may result in negative values in the 'Mark to Market' line when the executed contract values are higher than those of new contracts.

Net revenue from Corn Marketing totaled BRL 30.6 million in 4Q24, 56.2% lower than 4Q23, and BRL 580.5 million in FY24, 37.9% lower than FY23, mainly due to lower corn marketing prices. The spread per sac of Corn Marketing in 4Q24, was BRL 8.43 per sac, 81.6% higher than 4Q23, mainly due higher P&L result of lower cost of goods resold. In the fiscal year, the spread per sac of Corn Marketing was BRL 6.19 per sac, 6.6% higher than FY23, mainly due higher P&L result of lower cost of goods resold, partially compensated by increase in volume invoiced.

By marking to market the open positions, despite lower net revenues, the higher volumes contracted and lower cost of goods resold improved the total result, delivering an increase of 34.7% on the spread per sac in 4Q24 compared to 4Q23 and delivering an increase of 14.3% on the spread per sac in FY24 compared to FY23.

TOTAL COST

Cost of industrial product sold (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Net revenue from industrial segments (a)	1,600,993	1,616,019	0.9%	5,837,410	6,269,189	7.4%
Variable cost (b)	(1,200,704)	(1,393,886)	16.1%	(3,769,385)	(5,106,383)	35.5%
Cost of corn crushed	(984,121)	(1,160,848)	18.0%	(3,264,866)	(4,438,239)	35.9%
Inventory adjustment	(93,017)	(53,519)	(42.5)%	(93,017)	(53,519)	(42.5)%
Biomass costs	(85,198)	(123,493)	44.9%	(265,403)	(411,762)	55.1%
Chemicals and enzymes	(38,368)	(56,026)	46.0%	(146,099)	(202,863)	38.9%
Fixed cost (c)	(107,059)	(162,653)	51.9%	(354,494)	(538,304)	51.9%
Maintenance	(15,977)	(24,817)	55.3%	(58,319)	(79,854)	36.9%
Labor	(26,132)	(32,327)	23.7%	(84,265)	(111,140)	31.9%
Depreciation	(40,525)	(66,220)	63.4%	(137,405)	(240,163)	74.8%
Other production costs	(24,425)	(39,289)	60.9%	(74,505)	(107,147)	43.8%
Cost of industrial product sold (d) = (b) + (c)	(1,307,763)	(1,556,539)	19.0%	(4,123,879)	(5,644,687)	36.9%
Gross profit of industrial segment (e) = (a) + (d)	293,230	59,480	(79.7)%	1,713,531	624,502	(63.6)%
Gross margin of industrial segment (f) = (e) / (a)	18.3%	3.7%	(14.6) p.p.	29.4%	10.0%	(19.4) p.p.
Corn Crushed cost - in BRL per sac	63.96	53.14	(16.9)%	59.43	56.34	(5.2)%
Biomass cost - in BRL per m ³	101.85	111.69	9.7%	93.14	103.24	10.9%

Cost of industrial product sold (d)

In 4Q24, the total cost of industrial product sold (d) was BRL 1,556.5 million, 19.0% higher than 4Q23, and was BRL 5,644.7 million in FY24, 36.9% higher than FY23. The main reasons for the variation were:

- i. Corn cost: total cost of BRL 1,160.8 million in 4Q24, 18.0% higher than 4Q23, and BRL 4,438.2 million in FY24, 35.9% higher than FY23, mainly driven by (a) the increase in the volume of ethanol sold in the period; and (b) partially offset by the decrease in commodity price, resulting in an average cost of BRL 53.14/sac in 4Q24 (-16.9% versus 4Q23) and BRL 56.34/sac in FY24 (-5.2% versus FY23);
- ii. Inventory adjustment: we opened this line to separate the effective cost of corn and the adjustment of corn inventory due losses on transportation and storage. Total cost of BRL 53.5 million in FY24, 42.5% lower than FY23, mainly driven by operational improvements;
- iii. Biomass costs: total cost of BRL 123.5 million in 4Q24, 44.9% higher than 4Q23, and BRL 411.8 million in FY24, 55.1% higher than FY23, mainly driven by (a) the increase in volume of ethanol sold; and (b) the increase in biomass average cost of BRL 111.69/m³ in 4Q24 (+9.7% versus 4Q23) and BRL 103.24/sac in FY24 (+10.9% versus FY23);
- iv. Chemicals and enzymes: total cost of BRL 56.0 million in 4Q24, 46.0% higher than 4Q23, and BRL 202.9 million in FY24, 38.9% higher than FY23, mainly driven by (a) the increase in volume of ethanol sold; and (b) partially offset by the decrease in price of enzymes;
- v. Maintenance: total cost of BRL 24.8 million in 4Q24, 55.3% higher than 4Q23, and BRL 79.9 million in FY24, 36.9% than FY23, mainly driven by (a) the increase in volume of ethanol sold, especially due to start-up of PDL Plant operations; and (b) the operational improvements in LRV and SRS plants.
- vi. Depreciation: total cost of BRL 66.2 million in 4Q24, 63.4% higher than 4Q23, and BRL 240.2 million in FY24, 74.8% higher than FY23, mainly due to (a) start-up of PDL Plant; (b) the increase in volume of ethanol sold; and (c) amortization of rights of use assets for our warehouses and wagons leases.

Our gross margin of industrial segments decreased 14.6 p.p. in the quarter, from 18.3% to 3.7%, and decreased 19.4 p.p. in the year, from 29.4% to 10.0%. The main reasons for the decrease in margins are

related to lower crush spread, driven by (i) lower ethanol prices (-27.3% versus 4Q23 and -23.3% versus FY23); (ii) lower animal nutrition coverage ratio (31.9% versus 37.0% in 4Q23 and 35.8% versus 46.6% in FY23); (iii) higher biomass price (+9.7% versus 4Q23 and +10.9% versus FY23); and (iv) higher depreciation (+63.4% versus 4Q23 and +74.8% versus FY23).

Cost of marketing goods sold (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Net revenue from marketing segments (g)	77,291	88,551	14.6%	962,044	708,145	(26.4)%
Cost of marketing goods sold (h)	(70,428)	(81,278)	15.4%	(876,922)	(613,232)	(30.1)%
Cost of goods sold (Corn)	(65,183)	(24,999)	(61.6)%	(859,199)	(491,840)	(42.8)%
Cost of goods sold (Ethanol)	—	(52,529)	n.m.	—	(104,218)	n.m.
Cost of goods sold (Energy)	(5,245)	(3,750)	(28.5)%	(17,723)	(17,174)	(3.1)%
Gross profit of marketing segments (i) = (g) + (h)	6,863	7,273	6.0%	85,122	94,913	11.5%
Gross margin of marketing segments (j) = (i) / (g)	8.9 %	8.2 %	(0.7) p.p.	8.8 %	13.4 %	4.6 p.p.
P&L MTM corn marketing contracted volumes (k)	(2,862)	(650)	(77.3)%	(20,695)	(499)	(97.6)%
Gross profit of marketing segments w/MTM (l) = (i) + (k)	4,001	6,623	65.5%	64,427	94,414	46.5%

Cost of marketing goods sold (h)

In 4Q24, the cost of goods sold (h) was BRL 81.3 million, 15.4% higher than 4Q23, and in FY24, the cost of goods sold (h) was BRL 613.2 million, 30.1% lower than FY23, mostly related to the increase of ethanol marketing cost, partially offset by the decrease in costs of goods sold of corn and energy.

Our gross margin of marketing segments decreased 0.7 p.p. in the quarter, from 8.9% to 8.2%, and increase 4.6 p.p. in the year, from 8.8% to 13.4%.

Total Cost (in BRL thousands)	4Q23	4Q24	2Q24 vs 2Q23	FY23	FY24	FY24 vs FY23
Net revenue from industrial segments (a)	1,600,993	1,616,019	0.9%	5,837,410	6,269,189	7.4%
Net revenue from marketing segments (g)	77,291	88,551	14.6%	962,044	708,145	(26.4)%
Reclassification - Freight on sales (total) (m)	187,722	265,737	41.6%	751,052	1,094,716	45.8%
Net revenue (n) = (a) + (g) + (m)	1,866,005	1,970,307	5.6%	7,550,506	8,072,050	6.9%
Cost of industrial product sold (d)	(1,307,763)	(1,556,539)	19.0%	(4,123,879)	(5,644,687)	36.9%
Cost of marketing goods sold (h)	(70,428)	(81,278)	15.4%	(876,922)	(613,232)	(30.1)%
P&L MTM corn marketing contracted volumes (k)	(2,862)	(650)	(77.3)%	(20,695)	(499)	(97.6)%
Total cost (o) = (d) + (h) + (k)	(1,381,053)	(1,638,467)	18.6%	(5,021,496)	(6,258,418)	24.6%
Gross profit (p) = (n) + (o)	484,952	331,840	(31.6)%	2,529,010	1,813,632	(28.3)%
Gross margin (q) = (p) / (n)	26.0%	16.8%	(9.1) p.p.	33.5%	22.5%	(11.0) p.p.



Total cost (o)



Our total gross margin decrease 9.1 p.p. in the quarter, from 26.0% to 16.8%, and decrease 11.0 p.p. in the fiscal year, from 33.5% to 22.5%.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A expenses (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Expenses with freight	(187,721)	(265,737)	41.6%	(751,052)	(1,094,716)	45.8%
Other SG&A (d) = (a) + (b) + (c)	148,545	(59,799)	n.m.	466,128	(126,602)	n.m.
Other selling expenses (a)	(12,557)	(14,764)	17.6%	(43,819)	(53,360)	21.8%
General and administrative expenses (b)	(47,851)	(63,287)	32.3%	(164,216)	(213,366)	29.9%
Other results (c)	208,953	18,252	(91.3)%	674,163	140,124	(79.2)%
Total income / (expenses)	(39,176)	(325,536)	n.m.	(284,924)	(1,221,318)	n.m.
% net revenue	(2.1)%	(16.5)%	(14.4) p.p.	(3.8)%	(15.1)%	(11.4) p.p.

Selling, general and administrative expenses and other results

In 4Q24, selling, administrative and general expenses, and other results totaled an expense of BRL 325.5 million, representing 16.5% of net revenue for the period. In FY24, expenses totaled BRL 1,221.3 million, representing 15.1% of net revenue for the period. The main highlights were:

- i. Expenses with freight: BRL 265.7 million in 4Q24, an increase of 41.6% above 4Q23, and BRL 1,094.7 million in FY24, an increase of 45.8% above FY23, mainly due the increase in the total volume of ethanol sold (+38.8% versus 4Q23, and +42.1% versus FY23), and increase in export sales.
- ii. Other SG&A (Other selling, administrative and general expenses, and other results): these three items total an expense of BRL 59.8 million in 4Q24 versus an income of BRL 148.5 million in 4Q23, and an expense of BRL 126.6 million in FY24 versus an income of BRL 466.1 million in FY23. The main reasons for the variation were:
 - a. Other selling expenses: total cost of BRL 14.8 million in 4Q24, 17.6% higher than 4Q23, and BRL 53.4 million in FY24, 21.8% higher than FY23, driven by higher costs of labor due wage increases and higher headcount related to our commercial team structure;
 - b. General and administrative expenses: total expense of BRL 63.3 million in 4Q24, 32.3% higher than 4Q23, and BRL 213.4 million in FY24 29.9% higher than FY23, driven by the higher expenses with contracted services and labor expenses;
 - c. Other results: total income of BRL 18.3 million in 4Q24, 91.3% lower than 4Q23, driven by BRL 156.3 million lower than 4Q23 result of the non-recurring gain on the sale of biological assets that happened in 4Q23. Total income of BRL 140.1 million in FY24, 79.2% lower than FY23, driven by (i) BRL 387.3 million lower than FY23 result of the non-recurring gain on the sale of biological assets that happened in FY23; and (ii) BRL 91.7 million lower than FY23 result of the tax credit (Decree No. 201/2022) that happened in FY23.

NET FINANCE RESULTS

Net finance results (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Finance income	150,240	130,878	(12.9)%	703,278	627,404	(10.8)%
Finance expenses	(341,085)	(478,367)	40.2%	(1,350,942)	(1,827,729)	35.3%
Foreign exchange rate variation	87,285	(66,010)	n.m.	(206,706)	74,009	n.m.
Realized	1,018	6,086	n.m.	(3,595)	104,364	n.m.
Unrealized	86,267	(72,096)	n.m.	(203,111)	(30,355)	(85.1)%
Derivative	(155,369)	18,521	n.m.	(201,812)	(308,409)	52.8%
Realized	(7,520)	(32,055)	n.m.	(529,482)	(515,563)	(2.6)%
Unrealized	(147,850)	50,576	n.m.	327,669	207,154	(36.8)%
Adjustment to present value	(13,879)	(7,972)	(42.6)%	(95,900)	(88,254)	(8.0)%
Net finance results	(272,808)	(402,950)	47.7%	(1,152,082)	(1,522,979)	32.2%

Net finance results

In 4Q24, we recognized an expense of BRL 403.0 million in net finance results versus an expense of BRL 272.8 million in 4Q23. In FY24, we recognized an expense of BRL 1,523.0 million in net finance results versus an expense of BRL 1,152.1 million, in FY23. The main highlights were:

- i. Finance income: the quarter resulted in BRL 130.9 million, 12.9% lower than 4Q23, and the fiscal year resulted in BRL 627.4 million, 10.8% lower than FY23, that despite the increase of cash invested, the decrease of interest rates (CDI) has driven finance income to lower levels.
- ii. Finance expenses: the quarter resulted in BRL 478.4 million, 40.2% higher than 4Q23, and the fiscal year resulted in BRL 1,827.7 million, 35.3% higher than FY23, mainly due to (a) the exercise of liability management; and (b) the reverse factoring operations.
- iii. Foreign exchange variation on the Company's USD denominated debt: in the quarter, it was recognized a loss of BRL 66.0 million, reflecting the impact of the depreciation of 3.2% of BRL against the USD in the 4Q24 (BRL/USD 4.8413 as of December 31st, 2023 to BRL/USD 4.9962 as of March 31st, 2024), of which BRL 6.1 million is recognized as realized gain and BRL 72.1 million is reflected in unrealized gain, compared to the appreciation of 2.6% of BRL against the USD in the 4Q23 (BRL/USD 5.2177 as of December 31st, 2022 to BRL/USD 5.0804 as of March 31st, 2023). In the fiscal year, it was recognized a gain of BRL 74.0 million, reflecting the impact of the appreciation of 1.7% of BRL against the USD in the FY24 (BRL/USD 5.0804 as of March 31st, 2023 to BRL/USD 4.9962 as of March 31st, 2024), of which BRL 104.4 million is recognized as realized gain and BRL 30.4 million is reflected in unrealized gain, compared to the depreciation of 7.2% of BRL against the USD in the FY23 (BRL/USD 4.7378 as of March 31st, 2022 to BRL/USD 5.0804 as of March 31st, 2023).
- iv. Derivatives: the quarter resulted in a gain of BRL 18.5 million in 4Q24 versus a loss of BRL 155.4 million in 4Q23. The fiscal year resulted in a loss of BRL 308.4 million in FY24 versus a loss of BRL 201.8 million in FY23. The main reasons for the variation were:
 - a. Derivative realized: the quarter resulted in a loss of BRL 32.1 million, mainly related to the unwind of the NCE swap (USD x CDI) and small volume of commodity hedges. The fiscal year resulted in a loss of BRL 515.6 million, mainly related to the payment of interest from swap Bond notes, and the payment of hedge of interest rate in IPCA.
 - b. Derivative unrealized: the quarter resulted in a gain of BRL 50.6 million, mainly related to the accrual variation on the hedge accounting position and the unwind of the NCE swap position and small volumes of commodity. The fiscal year resulted in a gain of BRL 207.2 million, mainly related to settlement of bond interest swap and the hedge accounting variation with straight line.

- v. Adjustment to present value: the quarter resulted in BRL 8.0 million, 42.6% higher than 4Q23, mainly due to (a) the increase in finance income from trade receivables, having started adjustment to present value calculations for ethanol sales, in addition to increase in adjustment to present value calculations for animal nutrition; (b) the decrease in finance expenses derived from lengthening of payment terms of corn contracts; (c) partially offset by the increase of finance expenses with payment terms of lease obligations most related to wagons and warehouse leases. The fiscal year resulted in BRL 88.3 million, 8.0% lower than FY23, mainly due to (a) the increase in finance income from trade receivables reflecting the increase in volume sold; (b) partially offset by the increase in finance expenses with payment terms of lease obligations most related to PDL Plant warehouse.

NET PROFIT (LOSS)

Net profit (loss) (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Profit (loss) before income and social contribution taxes (a)	173,078	(396,986)	<i>n.m.</i>	1,092,114	(931,005)	<i>n.m.</i>
<i>Nominal rate</i>	34.0%	34.0%	0.0 p.p.	34.0%	34.0%	0.0 p.p.
Tax expense at nominal rate (b)	(58,847)	134,975	<i>n.m.</i>	(371,319)	316,542	<i>n.m.</i>
Adjustment of income and social contribution taxes (c)	25,708	33,266	29.4%	97,934	130,449	33.2%
Tax and social contribution before tax incentive (d) = (b) + (c)	(33,139)	168,241	<i>n.m.</i>	(273,385)	446,991	<i>n.m.</i>
Current tax	(78,791)	—	<i>n.m.</i>	(285,557)	10,727	<i>n.m.</i>
Deferred tax	45,652	168,242	268.5%	12,172	436,264	<i>n.m.</i>
Tax incentives (e)	27,389	—	<i>n.m.</i>	58,682	(5,286)	<i>n.m.</i>
Income tax and social contribution (f) = (d) + (e)	(5,750)	168,242	<i>n.m.</i>	(214,703)	441,705	<i>n.m.</i>
<i>Effective tax rate</i>	3.3%	42.4%	<i>n.m.</i>	19.7%	47.4%	1.4 p.p.
Net profit (loss) (g) = (a) + (f)	167,329	(228,744)	<i>n.m.</i>	877,411	(489,300)	<i>n.m.</i>

Tax and social contribution (f)¹

In 4Q24 we recognized an income of BRL 168.2 million in income tax and social contributions (f), versus an expense of BRL 5.7 million in 4Q23, due positive tax expense at nominal rate (b) and positive tax and social contribution (d) effect of increase in deferred tax, partially offset by loss before taxes (a) that zeroed current tax and tax incentives (e).

In FY24 we recognized an income of BRL 441.7 million in income tax and social contributions (f), versus an expense of BRL 214.7 million in FY23, explained by the same impact that affected the results of 4Q24, also reflecting an adjustment from the previous year.

Net profit (loss) of the period (g)

In 4Q24, FS recorded a net loss of BRL 228.7 million compared to a net profit of BRL 167.3 million in 4Q23. In FY24, we had a net loss of BRL 489.3 million compared to a net profit of BRL 877.4 million in FY23. The main reasons for the variation were:

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

¹ FS has a tax incentive for operating in the SUDAM area, which results in a 75% reduction in income tax on the operations for a period of 10 years and renewed in each expansion project. The maturities of SUDAM tax incentive of LRV Plant, SRS Plant and PDL Plant are 2029, 2031 and 2032 respectively. This benefit will occur when there are taxable profits in the calculation period.



Ownership structure

FS Ltda. quotaholders are Summit Brazil Renewables I LLC ("Summit") with 70.69%, minority shareholders with 25.20%, and management with 4.11%.

FS S.A. shareholders are SBR Group represented by FS Fundo de Investimento em Participações Multiestratégia Investimento no Exterior ("FIP Summit") controlled by Summit with 70.80%, minority shareholders with 25.09% and management with 4.11%.

Both companies (FS Ltda. and FS S.A.) have the same shareholders and controlling group. Summit, the controlling group at FS Ltda., is represented by the FIP Summit at FS S.A., and the shareholders of Tapajós are represented partly by FIP Amerra and partly by individual investors joining the group of "minority shareholders".

Dividends and Tax Distributions

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

In 4Q24 the Company did not distribute any dividends.

RECONCILIATION OF EBITDA, EBIT AND EBITDA minus MAINTENANCE CAPEX

Reconciliation of EBITDA <i>(in BRL thousands)</i>	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Net revenue	1,866,005	1,970,307	5.6%	7,550,506	8,072,050	6.9%
Net profit/(loss)	167,329	(228,744)	<i>n.m.</i>	877,411	(489,300)	<i>n.m.</i>
(+) Finance costs	314,751	508,483	61.6%	2,023,712	2,530,953	25.1%
(-) Finance income	45,342	(171,543)	<i>n.m.</i>	(1,078,336)	(933,965)	(13.4)%
(+) Foreign exchange rate variations, net	(87,285)	66,010	<i>n.m.</i>	206,706	(74,009)	<i>n.m.</i>
(+) Income tax and social contribution	5,750	(168,242)	<i>n.m.</i>	214,703	(441,705)	<i>n.m.</i>
EBIT	445,886	5,964	(98.7)%	2,244,196	591,974	(73.6)%
<i>EBIT Margin</i>	23.9%	0.3%	(23.6) p.p.	29.7 %	7.3 %	(22.4) p.p.
(+) Depreciation and amortization	43,278	69,728	61.1%	147,901	254,218	71.9%
EBITDA	489,164	75,692	(84.5)%	2,392,097	846,192	(64.6)%
<i>EBITDA Margin</i>	26.2%	3.8%	(22.4) p.p.	31.7 %	10.5 %	(21.2) p.p.
(-) Maintenance Capex	6,137	6,135	0.0%	17,314	20,087	16.0%
EBITDA Minus Maintenance Capex	483,027	69,557	(85.6)%	2,374,783	826,105	(65.2)%

CAPEX

CAPEX ¹ (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
PPE - beginning of period (a)	4,521,471	5,557,916	22.9%	3,329,098	4,994,520	50.0%
Capex: (e) = (b) + (c) + (d)	682,127	(745)	n.m.	2,151,959	780,087	(63.7)%
Growth capex ² (b)	674,456	(6,880)	n.m.	2,099,422	760,000	(63.8)%
Maintenance capex ³ (c)	6,137	6,135	0.0%	17,314	20,087	16.0%
Biological assets capex (d)	1,534	—	n.m.	35,223	—	n.m.
Depreciation (f)	(38,056)	(67,339)	76.9%	(140,037)	(250,877)	79.2%
Assets sale and disposals (g)	(171,022)	—	n.m.	(346,500)	(33,898)	(90.2)%
PPE - end of period (h) = (a) + (e) + (f) + (g)	4,994,520	5,489,832	9.9%	4,994,520	5,489,832	9.9%

¹ Includes acquisitions and transfers.

² Growth Capex is calculated as the sum of additions 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 and Right of use.

³ Maintenance Capex is calculated as the sum of additions 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, Airplane and Installations.

Capex (e) was materially zero in 4Q24, a decrease of BRL 682.9 million versus 4Q23, and BRL 780.1 million, in the FY24, a decrease of BRL 1,371.9 versus FY23, mainly explained by the reduction of amount spent with the construction of the PDL Plant and a reclassification adjustment.

Depreciation (f) totaled BRL 67.3 million in 4Q24, a decrease of 76.9% versus 4Q23, and BRL 250.9 million, in the FY24, a decrease of 79.2% versus FY23, mainly explained by the start-up of PDL Plant and amortization of rights of use lease assets for our warehouses and wagons leases.

The Company expects to have a BRL 492.2 million in capex in next fiscal year (FY25), comprised of: (i) BRL 439.6 million in growth capex, mostly related to additional investments in PDL Plant and improvements in SRS Plant; and (ii) BRL 50.8 million in maintenance capex.

NET DEBT EVOLUTION

Net Debt (in BRL thousands)	1Q24	2Q24	3Q24	4Q24	4Q24 LTM
Net Debt BoP	4,842,117	5,034,357	4,945,789	5,185,439	4,842,117
EBITDA	377,102	218,761	174,637	75,692	846,192
Working Capital	1,117,724	(8,462)	294,570	357,373	1,761,205
Income Taxes paid	—	—	—	—	—
Cash Flow From Operations	1,494,826	210,299	469,207	433,065	2,607,397
Cash Capex	(332,648)	(58,935)	(197,864)	(148,882)	(738,329)
Cash Flow From Operations Minus Capex	1,162,178	151,364	271,343	284,183	1,869,068
Cash Flow From Financing Activities	(1,354,418)	(62,796)	(510,993)	(463,311)	(2,391,518)
Net Interest	(112,416)	(187,133)	(322,785)	(384,723)	(1,007,057)
Provision for Interest	(309,947)	(501,706)	(440,274)	(536,229)	(1,788,156)
Interest received	197,531	314,573	117,489	151,506	781,099
Impact from FX, Derivatives and Others	(596,618)	124,337	(161,730)	(84,541)	(718,552)
Dividends Paid / Tax Distribution	(645,384)	—	(20,525)	—	(665,909)
Net Debt EoP (a)	5,034,357	4,945,789	5,185,439	5,364,567	5,364,567
Change in Net Debt	192,240	(88,568)	239,650	179,128	522,450
Raw material inventories ¹ (b)	686,799	1,585,470	1,513,967	530,369	530,369
Finished goods inventories ² (c)	245,228	317,339	171,332	184,133	184,133
Readily Marketable Inventories - RMI (d) = (b) + (c)	932,027	1,902,810	1,685,298	714,502	714,502
Net Debt EoP adjusted by RMI (e) = (a) - (d)	4,102,330	3,042,979	3,500,141	4,650,065	4,650,065

¹ Corn inventories position at market value.

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

In 4Q24, net debt at the end of period totaled BRL 5,364.6 million, an increase of BRL 179.1 million compared to the net debt in the beginning of the quarter, mainly related to (i) negative cash flow from financing activities; (ii) cash capex disbursement (cash basis); and (iii) lower cash flow generated from operational activities.

Cash flow from operations was positive in BRL 433.1 million in 4Q24, mainly driven by lower EBITDA generated at the period compensated by positive working capital cash flow.

In 4Q24, cash capex (cash basis) totaled BRL 148.9 million. The capex previously presented in "property, plant and equipment" (accrual basis) was BRL 0.7 million, lower than the cash basis due the payments of capex accrued.

Our RMI (Readily Marketable Inventories), which accounts for the seasonality of our inventory levels, decreased by BRL 970.8 million in comparison to the previous quarter. Net debt adjusted by RMI was BRL 4,650.1 million.

In the last twelve months, cash flow from operations was a positive BRL 2,607.4 million a conversion of 308.1% of the EBITDA accumulated in the period.

INDEBTEDNESS

Indebtedness (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23
Senior Secured Green Notes (Bond) and CPRF 1,2	3,107,827	3,194,882	2.8%
Certificate of Agribusiness or Real Estate Receivables (CRA/CRI)	2,046,623	4,858,564	137.4%
Other working capital lines	1,744,995	1,937,469	11.0%
Gross debt	6,899,445	9,990,915	44.8%
Total cash ³	2,057,328	4,626,348	124.9%
Net debt	4,842,117	5,364,567	10.8%
EBITDA (LTM)	2,392,098	846,192	(64.6)%
Net debt / EBITDA (LTM)	2.02 x	6.34 x	4.32 x
Readily Marketable Inventories - RMI	831,579	714,502	(14.1)%
Net debt adjusted by RMI	4,010,538	4,650,065	15.9%
Net debt adjusted by RMI / EBITDA (LTM)	1.68 x	5.50 x	3.82 x
EBITDA adjusted by PDL Plant (LTM) ⁴	2,392,098	886,172	(63.0)%
Net debt adjusted by RMI / EBITDA adjusted by PDL (LTM)	1.68 x	5.25 x	3.57 x

¹ Initial issue of USD 680.0 million Senior Secured Green Notes due in 2025 ("FS Bond 2025") by the subsidiary FS Luxembourg s.à.r.l., ("FS Lux"). Balance on July 22nd, 2024 of BRL 101.3 million. Initial issue of USD 500.0 million Senior Secured Green Notes due in 2031 ("FS Bond 2031") also by the subsidiary FS Luxembourg s.à.r.l., ("FS Lux"). Balance on July 22nd, 2024 of BRL 500.0 million.

² Issuance of USD 594.2 million of CPRF (Cédula de Produtor Rural Financeira) by FS, in connection with the Bond issued. No current balance position.

³ Includes cash and cash equivalents, financial investments, and restricted cash (short-term and long-term).

⁴ EBITDA adjusted by the annualized EBITDA of the PDL Plant (calculated based on the average EBITDA of the PDL Plant in 2Q24, 3Q24 and 4Q24, divided by three multiplied by four and added to the EBITDA for the year of the LRV plant and SRS plant).

At the end of 4Q24, total gross debt reached BRL 9,990.9 million and total cash closed at BRL 4,626.3 million, resulting in a net debt of BRL 5,364.6 million, 10.8% higher than 4Q23. The increase in gross debt was mainly driven by the additional issuances of CRAs and other working capital lines made through the year, partially offset by the exercise of liability management of the Company. Net leverage (net debt/EBITDA) increased by 4.32x when compared to 4Q23, reaching 6.34x, a result of the increase in the net debt of the company and lower EBITDA.

The adjusted net leverage considers (i) the RMI ("Readily Marketable Inventories" from ethanol and corn) value reducing the net debt and (ii) PDL Plant EBITDA annualized increasing the LTM EBITDA. With these adjustments in net debt and EBITDA, our adjusted net leverage reached 5.25x at the end of 4Q24.

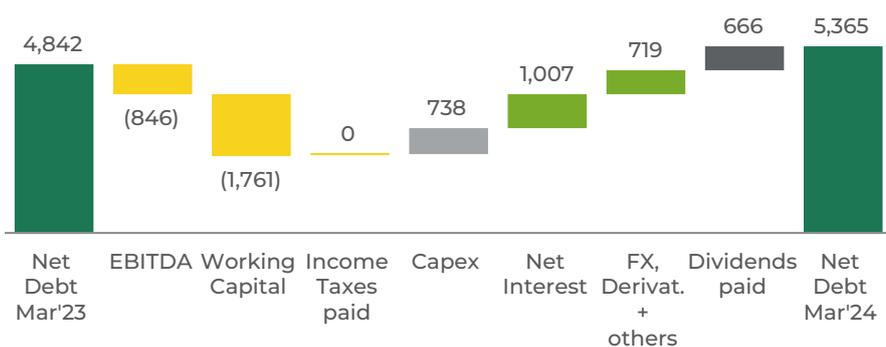
Throughout the year, the Company improved its access to funding lines and performed an exercise of liability management by substituting shorter and expensive lines by longer and cheaper ones. Also, all the lines issued and refinanced at the local or international market (except BNDES line) were all unsecured. In FY24 FS (i) issued more than **BRL 3.0 billion in CRA lines** with at least 6.5-year maturity; (ii) made the disbursement of the **first transaction of BRL 102.9 million with FINEP**, with 12-year maturity; and (iii) made the disbursement of its **first direct funds from BNDES** in total amount of **BRL 359.2 million**, from a total credit line of BRL 1.0 billion approved in favor of the Company, with total term of 16 years.

Also, FS carried out the liability management of the 2025 Green Bond through a refinancing exercise by (i) **repurchases at the open market** of the 2025 Green Bond (issued by FS Lux) made through the year in total amount of **BRL 184.9 million**, (ii) the conclusion of a **Tender Offer in May 2023** with an acceptance of **USD 78.3 million**; (iii) the issuance of a **new Green Bond**, in total amount of **BRL 500.0 million**, unsecured, with 7-year extending the maturity to 2031; and (iv) the conclusion of a **Tender Offer in February 2024** with an acceptance of **USD 315.5 million and release of the guarantees** from LRV Plant and SRS Plants. As of July 22nd, 2024, the remaining outstanding principal of 2025 FS Green Bond was reduced to **USD 101.3 million**, and the outstanding principal of 2031 FS Green Bond remains **USD 500.0 million**.

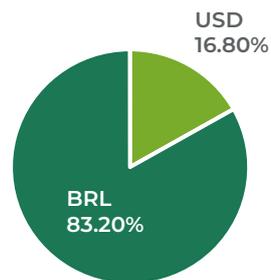
In the 3Q24, the Company also concluded the unwind of the TRS structure that duplicated the debt and financial investment of the Company, reducing the gross debt and cash position, equalizing to the balance sheet.



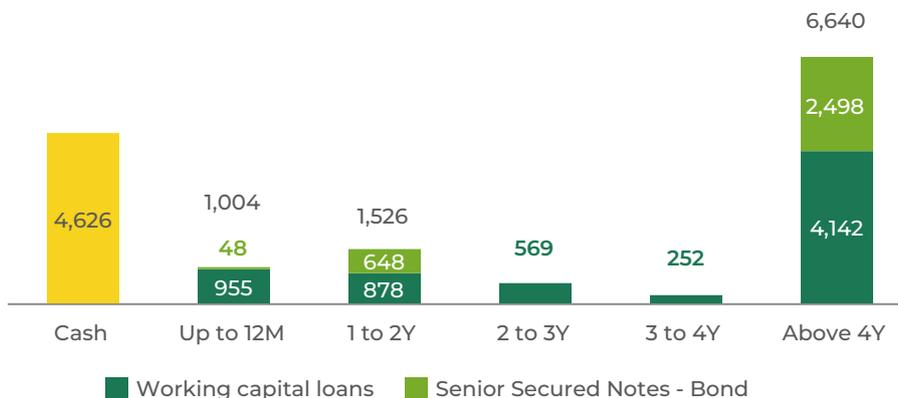
Net debt (BRL million)



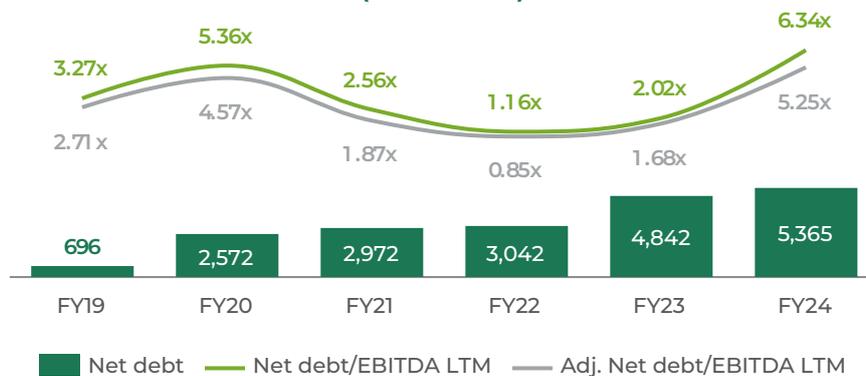
Gross debt by currency (%)



Debt amortization schedule (BRL million)



Net debt/EBITDA LTM (BRL millions)





CONTROLLED COMPANIES

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

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

ABOUT FS

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

LEGAL NOTICE

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

STATEMENT OF INCOME

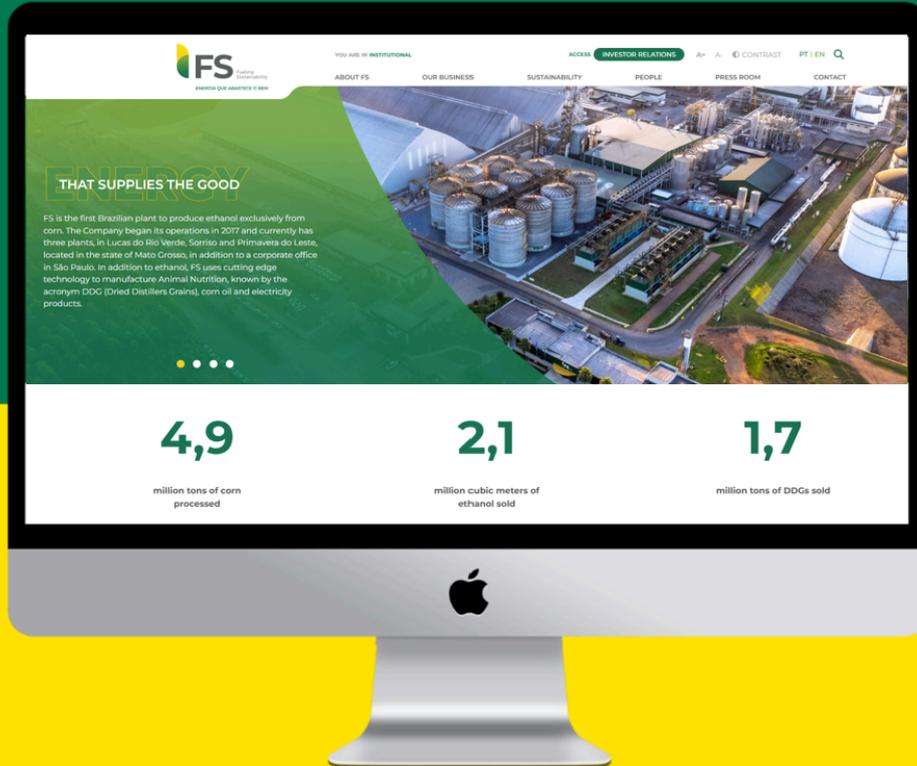
Statement of income (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Segment - Ethanol	1,233,488	1,245,347	1.0%	4,349,804	4,743,996	9.1%
Segment - Animal nutrition	362,109	364,944	0.8%	1,467,633	1,500,609	2.2%
Segment - Energy co-generation	5,396	5,728	6.2%	19,973	24,584	23.1%
Total revenue from industrial segments	1,600,993	1,616,019	0.9%	5,837,410	6,269,189	7.4%
Segment - Corn marketing	69,880	30,583	(56.2)%	935,251	580,466	(37.9)%
Segment - Ethanol marketing	—	52,616	n.m.	—	105,032	n.m.
Segment - Energy resale	7,411	5,352	(27.8)%	26,793	22,647	(15.5)%
Total revenue from marketing segments	77,291	88,551	14.6%	962,044	708,145	(26.4)%
Reclassification - Freight on sales	187,722	265,737	41.6%	751,052	1,094,716	45.8%
Net revenue	1,866,005	1,970,307	5.6%	7,550,506	8,072,050	6.9%
Total cost	(1,381,053)	(1,638,467)	18.6%	(5,021,496)	(6,258,418)	24.6%
Gross profit	484,952	331,840	(31.6)%	2,529,010	1,813,632	(28.3)%
<i>Gross margin</i>	26.0%	16.8%	(9.1) p.p.	33.5%	22.5%	(11.0) p.p.
Selling, general & administrative expense	(39,066)	(325,876)	n.m.	(284,814)	(1,221,658)	n.m.
EBIT	445,886	5,964	(98.7)%	2,244,196	591,974	(73.6)%
<i>EBIT margin</i>	23.9%	0.3%	(23.6) p.p.	29.7%	7.3%	(22.4) p.p.
Depreciation and amortization	43,278	69,728	61.1%	147,901	254,218	71.9%
EBITDA	489,164	75,692	(84.5)%	2,392,097	846,192	(64.6)%
<i>EBITDA margin</i>	26.2%	3.8%	(22.4) p.p.	31.7%	10.5%	(21.2) p.p.
Net finance costs	(272,808)	(402,950)	47.7%	(1,152,082)	(1,522,979)	32.2%
Profit / (loss) before tax	173,078	(396,986)	n.m.	1,092,114	(931,005)	n.m.
Tax	(5,750)	168,242	n.m.	(214,703)	441,705	n.m.
Net profit / (loss) for the period	167,329	(228,744)	n.m.	877,411	(489,300)	n.m.
<i>Net margin</i>	9.0%	(11.6)%	(20.6) p.p.	11.6%	(6.1)%	(17.7) p.p.

STATEMENTS OF FINANCIAL POSITION

Statements of financial position (in BRL thousands)	4Q23	4Q24	4Q24 vs 4Q23	FY23	FY24	FY24 vs FY23
Cash and cash equivalents	1,374,855	3,328,233	142.1%	1,374,855	3,328,233	142.1%
Financial investments	3,109,084	—	n.m.	3,109,084	—	n.m.
Restricted cash	2,256,928	1,246,927	(44.8)%	2,256,928	1,246,927	(44.8)%
Trade and other receivables	437,749	380,830	(13.0)%	437,749	380,830	(13.0)%
Trade receivables with related parties	—	—	n.m.	—	—	n.m.
Inventories	1,067,026	1,092,861	2.4%	1,067,026	1,092,861	2.4%
Advances to suppliers	53,143	47,721	(10.2)%	53,143	47,721	(10.2)%
Recoverable taxes	383,452	591,627	54.3%	383,452	591,627	54.3%
Prepaid expenses	40,915	52,566	28.5%	40,915	52,566	28.5%
Biological assets	984	—	n.m.	984	—	n.m.
Derivative financial instruments	40,478	3,666	(90.9)%	40,478	3,666	(90.9)%
Other credits	36,466	1,804	(95.1)%	36,466	1,804	(95.1)%
Total current assets	8,801,080	6,746,235	(23.3)%	8,801,080	6,746,235	(23.3)%
Trade and other receivables	—	3,468	n.m.	—	3,468	n.m.
Restricted cash	39,246	51,188	30.4%	39,246	51,188	30.4%
Advances to suppliers	49,603	91,935	85.3%	49,603	91,935	85.3%
Recoverable taxes	245,805	309,020	25.7%	245,805	309,020	25.7%
Derivative financial instruments	—	29,372	n.m.	—	29,372	n.m.
Deferred taxes assets	—	333,123	n.m.	—	333,123	n.m.
Related parties loans	288,452	273,564	(5.2)%	288,452	273,564	(5.2)%
Judicial deposits	4,177	5,370	28.6%	4,177	5,370	28.6%
Total long-term assets	627,283	1,097,040	74.9%	627,283	1,097,040	74.9%
Property, plant and equipment	4,994,520	5,489,832	9.9%	4,994,520	5,489,832	9.9%
Intangible assets	19,752	31,542	59.7%	19,752	31,542	59.7%
Total non-current assets	5,641,555	6,618,414	17.3%	5,641,555	6,618,414	17.3%
Total Assets	14,442,635	13,364,649	(7.5)%	14,442,635	13,364,649	(7.5)%
Trade payables	1,198,945	2,932,643	144.6%	1,198,945	2,932,643	144.6%
Loans and borrowings	4,271,074	1,031,046	(75.9)%	4,271,074	1,031,046	(75.9)%
Advances from customers	40,308	237,101	n.m.	40,308	237,101	n.m.
Lease payables	26,965	45,104	67.3%	26,965	45,104	67.3%
Income tax and social contribution payable	59,816	—	n.m.	59,816	—	n.m.
Taxes and contributions payable	14,964	8,599	(42.5)%	14,964	8,599	(42.5)%
Payroll and related changes	67,041	61,526	(8.2)%	67,041	61,526	(8.2)%
Derivative financial instruments	407,908	1,837	(99.5)%	407,908	1,837	(99.5)%
Total current liabilities	6,087,021	4,317,856	(29.1)%	6,087,021	4,317,856	(29.1)%
Trade payables	18,795	18,200	(3.2)%	18,795	18,200	(3.2)%
Loans and borrowings	7,351,156	8,959,869	21.9%	7,351,156	8,959,869	21.9%
Lease payables	189,462	338,733	78.8%	189,462	338,733	78.8%
Derivative financial instruments	—	63,876	n.m.	—	63,876	n.m.
Deferred tax liabilities	59,445	209	(99.6)%	59,445	209	(99.6)%
Provision for contingencies	—	538	n.m.	—	538	n.m.
Total non-current liabilities	7,618,858	9,381,425	23.1%	7,618,858	9,381,425	23.1%
Net parent investment	736,756	(334,632)	n.m.	736,756	(334,632)	n.m.
Total equity	736,756	(334,632)	n.m.	736,756	(334,632)	n.m.
Total liabilities and equity	14,442,635	13,364,649	(7.5)%	14,442,635	13,364,649	(7.5)%

STATEMENTS OF CASH FLOW

Statement of cash flow (in BRL thousands)	FY23	FY24	FY24 vs FY23
Net profit/ (loss) for the period	877,411	(489,300)	n.m.
Adjustment for:			
Depreciation and amortization	147,901	254,218	71.9%
Income from financial investments and restricted cash	(776,539)	(598,046)	(23.0)%
Current and deferred income tax and social contribution	214,772	(441,705)	n.m.
Foreign exchange rate (gains) or losses	203,105	(192,996)	n.m.
Adjustment to fair value of derivatives	230,284	307,533	33.5%
Adjustments to present value - biological assets	4,420	—	n.m.
Adjustments to present value	(83,899)	88,254	n.m.
Allowance of expected credit losses	(110)	340	n.m.
Provision for contingencies	—	538	n.m.
Results on the sale of assets	(407,379)	(20,124)	(95.1)%
Changes in:			
Trade and other receivables	(18,548)	28,884	n.m.
Trade receivables	—	—	n.m.
Inventories	(272,820)	(9,573)	(96.5)%
Recoverables taxes	(368,305)	(325,764)	(11.6)%
Prepaid expenses	(16,075)	(11,651)	(27.5)%
Judicial deposits	(405)	(1,193)	194.6%
Other assets	(28,032)	44,590	n.m.
Advances to suppliers	2,172	(36,910)	n.m.
Trade payables	443,496	1,887,909	n.m.
Advance from customers	13,341	196,793	n.m.
Payroll and related charges	19,371	(5,515)	n.m.
Taxes and contributions payable	(241,521)	(6,365)	(97.4)%
Other payables	(14,604)	—	n.m.
Interest payment on loans and borrowings	(630,474)	(1,186,174)	88.1%
Interest payment on suppliers and other financial obligations	(197,317)	(350,903)	77.8%
Net cash from operation (used in) activities (a)	320,777	1,702,095	n.m.
Cash flow from investing activities			
Acquisition of property, plant and equipment	(1,243,126)	(854,514)	(31.3)%
Proceeds from sale of property, plant and equipment	2,797	—	n.m.
Proceeds from sale of biological assets	574,575	142,030	(75.3)%
Interest and charges received (paid) over capitalized loans	21,621	(15,995)	n.m.
Purchase of financial investments and increase in restricted cash	(1,895,651)	(1,258,023)	(33.6)%
Related parties loans	—	—	n.m.
Net cash used in investing activities (b)	(2,032,514)	3,169,766	n.m.
Cash flow from financing activities			
Loans received, net of transaction costs	4,199,271	7,530,453	79.3%
Repayment of loans and borrowings	(1,589,516)	(9,159,939)	n.m.
Dividends paid	(712,900)	(665,909)	(6.6)%
Lease paid	(22,418)	(96,727)	n.m.
Capital increase	4,731	46	(99.0)%
Derivative financial instruments paid	(529,481)	(519,092)	(2.0)%
Net cash from financing activities (c)	1,349,687	(2,911,168)	n.m.
Foreign currency translation adjustment	17,710	(7,314)	n.m.
Increase in cash and cash equivalents (d) = (a) + (b) + (c)	(344,340)	1,953,379	n.m.
Cash and cash equivalents at the beginning of the period	1,719,194	1,374,854	(20.0)%
Cash and cash equivalents at the end of the period	1,374,854	3,328,233	142.1%



[fsfuelingsustainability](https://www.fsfuelingsustainability.com)

FS | Lucas do Rio Verde (MT)

*Estrada A-01, a 900 m do km 7 da Av. das Indústrias, s/n - Distrito Industrial | Senador Atílio Fontana
CEP 78455-000 | Caixa Postal 297*

FS | Sorriso (MT)

BR-163, km 768 / CEP 78890-000

FS | Primavera do Leste (MT)

Rodovia MT 130, S/N, km 25, Zona Rural, CEP 78850-000

FS | Escritório (SP)

*Av. Brg. Faria Lima, 1355 – 16o and. Edifício Condomínio Faria Lima, Jardim Paulistano
São Paulo – SP, CEP 01452-002*