



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 September 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 September 30, 2024, the condensed combined statements of income and comprehensive income for the three and six-month period then ended, changes in net parent investment and cash flows for the six-month period then ended, and notes to the combined interim financial statements.

The FS's Management is responsible for the preparation and fair presentation of these condensed combined interim financial statements in accordance with and with IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB) and in accordance with Technical Pronouncement CPC 21 (R1) - Interim Statement. Our responsibility is to express a conclusion on these 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 combined 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 September 30, 2024 do not present fairly, in all material respects, the financial position, financial performance and cash flows of the Company in accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board - IASB and CPC 21 (R1) - Interim Statement.



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 IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board - IASB and in accordance with CPC 21 (R1) - Interim Statement, 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 interim 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 six-month period ended September 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, November 12, 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 September 30, 2024 and March 31, 2024

(In thousand of Reais)

Assets	Note	09/30/2024	03/31/2024	Liabilities	Note	09/30/2024	03/31/2024
Cash and cash equivalents	5	2,794,937	3,328,233	Trade payables	11	2,842,108	2,932,643
Restricted cash	6	540,428	1,246,927	Loans and borrowings	12	1,042,799	1,031,046
Trade and other receivables	7	407,398	380,830	Lease payables	14	60,672	45,104
Inventories	8	2,235,367	1,092,861	Advances from customers	13	178,690	237,101
Advances to suppliers	9	156,220	47,721	Income tax and social contribution payable	19.b	27,723	—
Recoverable taxes and contributions	19.a	78,064	83,634	Taxes and contributions payable	15.b	20,225	8,599
Recoverable taxes	15.a	501,762	507,993	Payroll and related changes		74,808	61,526
Prepaid expenses		88,004	52,566	Derivative financial instruments	18	7,029	1,837
Derivative financial instruments	18	32,666	3,666	Total current liabilities		4,254,054	4,317,856
Other assets		27,340	1,804				
Total current assets		6,862,186	6,746,235				
				Trade payables	11	64,683	18,200
Trade and other receivables	7	6,340	3,468	Loans and borrowings	12	9,227,227	8,959,869
Restricted cash	6	49,338	51,188	Lease payables	14	567,313	338,733
Advances to suppliers	9	55,538	91,935	Derivative financial instruments	18	17,211	63,876
Recoverable taxes	15.a	535,604	309,020	Deferred tax liabilities	19.c	—	209
Deferred tax assets	19.c	421,506	333,123	Provision for contingencies	16	3,715	538
Related parties loans	28	310,763	273,564	Total non-current liabilities		9,880,149	9,381,425
Judicial deposits	16	5,517	5,370				
Property, plant and equipment	10	5,712,331	5,489,832	Total liabilities		14,134,203	13,699,281
Intangible assets		39,571	31,542				
Total non-current assets		7,182,995	6,618,414	Net parent investment			
				Net parent investment	17	(89,022)	(334,632)
				Total net parent investment		(89,022)	(334,632)
Total assets		14,045,181	13,364,649	Total liabilities and net parent investment		14,045,181	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 six and three-month period ended September 30, 2024 and 2023

(In thousands of Reals)

	Note	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Net revenue	21	4,716,176	3,824,709	2,678,334	2,003,159
Cost of goods sold	22	(2,965,704)	(2,785,503)	(1,578,763)	(1,531,878)
Gross profit		1,750,472	1,039,206	1,099,571	471,281
Operational expenses					
Selling expenses	23	(652,845)	(528,209)	(371,905)	(307,806)
Expected credit losses	7	(601)	(123)	(596)	(71)
Administrative and general expenses	24	(141,173)	(93,049)	(70,077)	(51,292)
Other results	25	52,897	66,772	19,831	43,289
Profit before net financial expenses and taxes		1,008,750	484,597	676,824	155,401
Finance income		513,770	420,786	175,207	208,003
Finance expenses		(1,131,395)	(1,279,602)	(597,903)	(576,485)
Foreign exchange rate variations, net		(180,244)	56,343	52,063	(103,862)
Net finance expenses	26	(797,869)	(802,473)	(370,633)	(472,344)
Profit (loss) before income and social contribution taxes		210,881	(317,876)	306,191	(316,943)
Current income and social contribution taxes	19	(114,011)	10,361	(109,378)	10,361
Deferred income and social contribution taxes	19	73,920	167,401	17,962	132,464
Tax incentives on income tax	19	84,500	(5,715)	80,801	(5,715)
Net profit (loss) for the period		255,290	(145,829)	295,576	(179,833)

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

Condensed combined statements of comprehensive income

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

(In thousand of Reals)

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Net profit (loss) for the period	255,290	(145,829)	295,576	(179,833)
Items that may be reclassified to profit or loss				
Unrealized results of cash flow hedge and recognized in net parent investment	(32,762)	151,949	33,589	36,079
Deferred income and social contribution taxes	11,139	(51,663)	(11,425)	(12,267)
Cumulative translation adjustment - CTA	11,943	(2,447)	(971)	2,943
Total comprehensive income (loss)	245,610	(47,990)	316,769	(153,078)

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

Condensed combined statements of changes in net parent investment

For the six-month period ended September 30, 2024 and 2023

(In thousand of Reais)

	Note	Net parent investment
Balance at March 31, 2023		(334,632)
Net profit for the period		255,290
Items that will be reclassified to profit or loss		
Unrealized results of cash flow hedge and recognized in net parent investment		(32,762)
Deferred income and social contribution taxes		11,139
Cumulative translation adjustment - CTA		11,943
Total comprehensive income		245,610
Balance at September 30, 2024		(89,022)
Balance at March 31, 2023		736,756
Loss for the period		(145,829)
Items that will be reclassified to profit or loss		
Unrealized results of cash flow hedge and recognized in net parent investment		151,949
Deferred income and social contribution taxes		(51,663)
Cumulative translation adjustment - CTA		(2,447)
Total comprehensive income		(47,990)
Shareholders transactions		
Capital increase		47
Distribution of dividends	17.c	(645,384)
Balance at September 30, 2023		688,766

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

Condensed combined statements of cash flows - Indirect method

For the six-month period ended September 30, 2024 and 2023

(In thousands of Reais)

	Note	09/30/2024	09/30/2023
Cash flow from operating activities			
Net profit (loss) for the period		255,290	(145,829)
Adjustment for:			
Depreciation and amortization		142,578	111,266
Income from financial investments and restricted cash		(45,012)	(342,183)
Current and deferred income tax and social contribution	19	(44,409)	(172,047)
Foreign exchange rate (gains) or losses	26	180,244	(83,635)
Adjustment to fair value of derivatives	18	(88,527)	257,214
Adjustment to present value		72,062	65,926
Interest and amortization of transaction cost		785,014	811,653
Allowance of expected credit losses	7	601	123
Provision for contingencies		3,177	189
Result on the sale of assets		(183)	(11,135)
Changes in:			
Trade and other receivables		25,319	297,034
Trade receivables		—	16,516
Inventories		(1,129,652)	(1,790,208)
Recoverable taxes		(222,141)	(305,105)
Prepaid expenses		(35,438)	(54,115)
Judicial deposits	16	(147)	(728)
Other assets		(25,536)	30,071
Advances to suppliers	9	(72,102)	20,703
Trade payables		36,452	2,411,496
Advances from customers	13	(58,411)	501,774
Payroll and related charges		13,282	(20,934)
Taxes and contributions payable	15.b	9,501	2,758
Cash (used in) generated from operating activities		(198,038)	1,600,804
Interest payment on loans and borrowings	12	(567,692)	(492,577)
Interest payment on suppliers and other financial obligations		(114,063)	—
Interest redeemed from short-term investments		—	512,104
Net cash (used in) generated from operating activities		(879,793)	1,620,331
Cash flow from investing activities			
Acquisition of property, plant and equipment	29	(321,644)	(533,613)
Proceeds from sale of biological assets		—	142,030
Interest and charges paid over capitalized interest	10	—	(15,995)
Loans from related parties		—	26,458

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

	Note	09/30/2024	09/30/2023
Purchase of financial investments and increase in restricted cash	6	(254,195)	—
Redeemed financial investments and restricted cash	6	1,007,556	1,473,133
Net cash generated from investing activities		431,717	1,092,013
Cash flow from financing activities			
Loans received, net of transaction costs	12	418,646	2,408,825
Repayment of loans and borrowings	12	(542,163)	(3,720,180)
Dividends paid	17.c	—	(645,384)
Leases paid	14	(22,205)	(43,404)
Capital increase		—	47
Derivative financial instruments paid		(35,285)	(251,701)
Net cash used in financing activities		(181,007)	(2,251,797)
Foreign currency translation variation effect on cash and cash equivalents		95,787	(21,358)
(Decrease) increase in cash and cash equivalents		(533,296)	439,189
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		2,794,937	1,814,044

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

Condensed combined statements of added value

For the six-month period ended September 30, 2024 and 2023

(In thousands of Reais)

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023
Sales of goods, products and services	4,974,270	4,037,458
Other revenue	113,671	90,628
Loss on impairment of accounts receivable	(601)	(123)
Revenue	5,087,340	4,127,963
Inputs purchased from third parties	(3,464,854)	(3,183,204)
Costs of products, goods and services sold	(2,764,669)	(2,633,051)
Materials, energy, third party services and others	(700,368)	(561,288)
Gain on sale of assets and right	183	11,135
Gross added value	1,622,486	944,759
Depreciation and amortization	(142,578)	(111,266)
Net added value produced	1,479,908	833,493
Added value received in transfer	626,639	522,089
Finance income	626,639	522,089
Total added value to distribute	2,106,547	1,355,582
Distribution of added value	2,106,547	1,355,582
Employee	167,457	108,881
Direct remuneration	129,224	80,025
Benefits	31,943	23,208
Service Guarantee Fund	6,290	5,648
Taxes, fees and contributions	259,292	67,968
Federal taxes	130,357	(69,808)
State taxes	128,935	137,776
Remuneration of third-party capital	1,424,508	1,324,562
Interest	744,521	739,838
Other	679,987	584,724
Remuneration of equity	255,290	(145,829)
Net profit (loss) for the period	255,290	(145,829)

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

FS's financial information is bound to season variations due to the corn harvest period, as corn is the main raw material for its products. With its industrial units located in the state of Mato Grosso, FS source corn primarily from this region, know for producing second-harvest corn, or "*Safrinha*". The planting of "*Safrinha*" typically occurs between January and March, with the harvest period taking place between June and August.

Due to characteristics of the corn harvest, environmental aspects, and market financial constraints, the need for working capital may vary throughout the period, directly affecting inventory levels, advances to customers, loans and trade payables.

However, production and sales volumes are not affected by seasonality, as the corn purchase program is planned to support operations during both harvest and off-season cycles.

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 November 12, 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 September 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 September 30, 2024 and March 31, 2024 and the companies net profit (loss) for the period ended September 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 September 30, 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Net parent investment	Net profit (loss) of the period
FS Ltda. Consolidated (*)	4,260,703	7,456,279	2,998,469	8,197,710	520,803	237,768
FS S.A.	2,591,787	3,325,718	1,249,255	2,940,949	1,727,301	149,874
FS ECE	62,443	51	52,592	—	9,902	521
Eliminations	(52,747)	(3,599,053)	(46,262)	(1,258,510)	(2,347,028)	(132,873)
Combined	6,862,186	7,182,995	4,254,054	9,880,149	(89,022)	255,290

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	(57,660)
FS S.A.	1,567,153	3,004,173	1,403,682	1,590,217	1,577,427	(89,709)
FS ECE	89,201	318	80,137	—	9,382	—
Eliminations	(251,405)	(2,207,475)	(250,838)	(8,725)	(2,199,317)	1,540
Combined	6,746,235	6,618,414	4,317,856	9,381,425	(334,632)	(145,829)

(*) 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 period ended September 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

	09/30/2024	03/31/2024
Bank deposits and cash	1,059,453	1,055,701
Financial investments in bank deposit certificates ("CDB")	1,735,484	2,272,532
Total	2,794,937	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 September 30, 2024, the average annual return on these investments was 10.47% (10.50% for the period ended March 31, 2024) These instruments are available for immediate redemption.

As of September 30, 2024, the balance of cash and cash equivalents held in US dollars ("USD") amounts to USD 175,295 or R\$ 955,023 (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

	09/30/2024	03/31/2024
Investments collateralizing loans	589,766	1,298,115
Total	589,766	1,298,115
Current	540,428	1,246,927
Non-current	49,338	51,188

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

For the period ended September 30, 2024, and period ended March 31, 2024, the average annual return on these investments was 10.65% 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

	09/30/2024	03/31/2024
Trade receivables	398,896	376,700
Trade receivables - Related parties	15,788	7,943
Subtotal	414,684	384,643
(-) Allowance for expected credit losses	(946)	(345)
Total	413,738	384,298
Current	407,398	380,830
Non-current	6,340	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:

	09/30/2024	03/31/2024
Not overdue		
Up to 30 days	318,754	206,597
31 to 60 days	28,844	15,384
61 to 90 days	32,276	2,601
>90 days	20,623	141,829
Subtotal	400,497	366,411
Overdue		
Up to 30 days	10,003	16,787
31 to 60 days	3,887	25
61 to 90 days	61	31
91 to 180 days	236	699
Subtotal	14,187	17,542
Total	414,684	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	(601)
Balance as of September 30, 2024	(946)
Balance as of March 31, 2023	(5)
Provision for expected credit losses	(123)
Balance as of September 30, 2023	(128)

As of September 30, 2024 and March 31, 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

	09/30/2024	03/31/2024
Inventories held by third party	725,931	131,233
Raw material	1,131,260	645,608
Finished goods	141,956	97,164
Production inputs	85,432	84,861
Consumption material	115,910	104,786
Work-in-process inventory	31,761	29,209
Corn inventory for resale marketing	3,117	—
Total	2,235,367	1,092,861

Cost is determined by the weighted average costing method.

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

	09/30/2024	03/31/2024
Tons pledged	1,192,046	480,699
Amount pledged	869,854	289,330

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

	09/30/2024	03/31/2024
Raw material - Corn	611,958	38,951
Finished goods - Ethanol	112,382	91,920
Finished goods - DDGs	1,591	362
Total	725,931	131,233

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

	09/30/2024	03/31/2024
Tons of corn	875	41,071
Cubic meters of ethanol	67	41,821
Tons of animal nutrition	2	459

9. Advances to suppliers

	09/30/2024	03/31/2024
Advances to suppliers of inventories	167,103	102,332
Advances to related parties	1,324	29,924
Advances to other suppliers	43,331	7,400
Total	211,758	139,656
Current	156,220	47,721
Non current	55,538	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.

10. Property, plant and equipment

Cost of acquisition	03/31/2023	Additions	Disposals	Transfers	09/30/2023	03/31/2024	Additions	Disposals	Transfers ^(*)	09/30/2024
Land	151,094	—	—	33,115	184,209	184,193	—	—	(33,825)	150,368
Buildings	654,994	3,559	—	593,998	1,252,551	1,282,910	—	—	40,456	1,323,366
Machinery and equipment	1,426,375	7,010	(3,237)	840,706	2,270,854	2,410,139	2,544	(830)	102,135	2,513,988
Furniture and computers	24,040	1,128	—	8,572	33,740	33,945	1,490	(1,400)	2,219	36,254
Vehicles	1,891	—	—	500	2,391	2,710	23	—	(307)	2,426
Airplane	29,196	—	—	—	29,196	—	—	—	—	—
Installations	562,132	1,479	(1,450)	400,557	962,718	976,907	539	(13)	25,356	1,002,789
Construction in progress	2,351,616	446,355	(6)	(1,877,449)	920,516	843,326	131,904	(4,669)	(128,927)	841,634
Right of use	243,555	199,610	—	1	443,166	456,952	241,868	(15,218)	(3,045)	680,557
Total	5,444,893	659,141	(4,693)	—	6,099,341	6,191,082	378,368	(22,130)	4,062	6,551,382
Depreciation										
Buildings	(51,787)	(14,134)	—	—	(65,921)	(81,549)	(8,999)	—	(5,343)	(95,891)
Machinery and equipment	(253,740)	(55,038)	700	—	(308,078)	(362,567)	(59,301)	52	456	(421,360)
Furniture and computers	(8,699)	(1,943)	—	—	(10,642)	(12,717)	(2,515)	177	250	(14,805)
Vehicles	(819)	(231)	—	—	(1,050)	(1,288)	(226)	—	151	(1,363)
Airplane	(3,161)	(1,460)	—	—	(4,621)	—	—	—	—	—
Installations	(106,637)	(29,489)	219	—	(135,907)	(166,774)	(41,989)	—	4,657	(204,106)
Right of use	(25,530)	(23,382)	—	—	(48,912)	(76,355)	(34,551)	5,918	3,462	(101,526)
Total	(450,373)	(125,677)	919	—	(575,131)	(701,250)	(147,581)	6,147	3,633	(839,051)
Net property, plant and equipment	4,994,520	533,464	(3,774)	—	5,524,210	5,489,832	230,787	(15,983)	7,695	5,712,331

(*) Related to PIS, COFINS, and ICMS credits transferred to recoverable taxes

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 implementing improvements to the plant in Primavera do Leste, which are scheduled to be completed by December 2024.

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 September 30, 2024.

Capitalization of borrowing costs

For the period ended September 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 September 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.

	09/30/2024	03/31/2024
Raw material payables	2,712,018	2,601,828
Property, plant and equipment payables	75,235	234,098
Other payables	119,538	114,917
Total	2,906,791	2,950,843
Current	2,842,108	2,932,643
Non-current	64,683	18,200

The balance of trade payables with related parties as of September 30, 2024, are 188,844 (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.

	09/30/2024	03/31/2024
Trade payables	1,850,747	397,878
Reverse factoring	1,056,044	2,552,965
Total	2,906,791	2,950,843

As of September 30, 2024, the discount rates on reverse factoring averaged Interbank Deposit Certificate CDI+2.69% p.y. (CDI+2.17% p.y as of March 31, 2024) with an average maturity of 130 days, for both periods. 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:

	09/30/2024	03/31/2024
Not overdue		
Up to 30 days	3,368	758,232
31 to 60 days	103,744	466,835
61 to 180 days	37,294	1,185,623
>181 days	911,638	142,274
Total	1,056,044	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	09/30/2024	03/31/2024
Loans for investments	6.5% to 10%	USD	3,963,137	3,347,634
Loans for working capital	CDI + 2.56%	R\$	6,778,829	7,149,567
Total Loans			10,741,966	10,497,201
(-) Transaction cost			(471,940)	(506,286)
Total			10,270,026	9,990,915
Current			1,042,799	1,031,046
Non-current			9,227,227	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):

September 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 (*)	3,963,137	59,989	551,800	16,562	35,681	3,299,105
Loans for working capital (*)	6,778,829	1,092,764	950,455	694,466	503,419	3,537,724
Total	10,741,966	1,152,753	1,502,255	711,028	539,100	6,836,829

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	(691,209)
Proceeds	422,305
Payments of principal	(542,163)
Interest payment	(567,692)
Transaction cost	(3,659)
Items that do not affect cash flow	970,320
Provision for interest	630,373
Foreign exchange rate (gains) or losses (*)	178,411
Transaction cost (Amortization)	52,796
Foreign currency translation effect (**)	108,740
Balance as of September 30, 2024	10,270,026
Balance as of March 31, 2023	11,622,230
Items that affect cash flow	(1,686,877)
Proceeds	2,478,671
Payments of principal	(3,720,180)
Interest payment (capitalized)	15,995
Interest payment	(391,517)
Transaction cost	(69,846)
Items that do not affect cash flow	556,889
Provision for interest	660,971
Exchange variation (*)	(93,051)
Transaction cost (Amortization)	33,089
Foreign currency translation effect (**)	(44,120)
Balance as of September 30, 2023	10,492,242

(*) 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 September 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\$ 178,690 and R\$ 237,101 as of September 30, 2024 and March 31, 2024, respectively.

14. Lease payables

	Warehouse (i)	Wagons (ii)	Other (iii)	Total
Balance as of March 31, 2024	235,743	116,290	31,804	383,837
Addition	352,800	—	56,432	409,232
Contractual adjustment (iv)	5,082	—	80	5,162
(-) Adjustment to present value	(157,062)	—	(15,464)	(172,526)
Disposal	—	—	(10,331)	(10,331)
Provision for interest	26,066	6,416	2,334	34,816
Payment	(11,682)	(1,424)	(9,099)	(22,205)
Balance as of September 30, 2024	450,947	121,282	55,756	627,985
Current				60,672
Non current				567,313

	Warehouse (i)	Wagons (ii)	Other (iii)	Total
Balance as of March 31, 2023	95,482	98,579	22,366	216,427
Addition	289,875	48,738	17,009	355,622
Contractual adjustment (iv)	1,862	—	(178)	1,684
(-) Adjustment to present value	(136,033)	(18,711)	(2,952)	(157,696)
Provision for interest	10,724	7,905	1,807	20,436
Payment	(20,099)	(15,464)	(7,841)	(43,404)
Balance as of September 30, 2023	241,811	121,047	30,211	393,069
Current				41,294
Non-current				351,775

The balance of lease payables with related parties as of September 30, 2024 was R\$ 389,995 (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 (ii)	Other (iii)	Total
Balance as of March 31, 2024	234,334	114,621	31,642	380,597
Addition	195,738	—	40,968	236,706
Contractual adjustment (iv)	5,082	—	81	5,163
Disposal	—	—	(9,301)	(9,301)
Amortization	(20,865)	(6,309)	(7,377)	(34,551)
Balance as of September 30, 2024	414,289	108,312	56,013	578,614

	Warehouse (i)	Wagons (ii)	Other (iii)	Total
Balance as of March 31, 2023	98,083	96,962	22,980	218,025
Addition	154,363	30,028	13,971	198,362
Contractual adjustment (iv)	1,340	—	(92)	1,248
Amortization	(10,317)	(6,058)	(7,007)	(23,382)
Balance as of September 30, 2023	243,469	120,932	29,852	394,253

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

ii) Composition relating to wagon lease operations.

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

iv) Contractual adjustment according to the annual adjustment of open balances.

15. Taxes and contributions

a) Recoverable taxes

	09/30/2024	03/31/2024
PIS and COFINS	885,737	730,498
ICMS	44,914	29,472
IRRF	91,708	55,912
Other taxes and contributions	15,007	1,131
Total	1,037,366	817,013
Current	501,762	507,993
Non-current	535,604	309,020

b) Taxes and contributions payable

	09/30/2024	03/31/2024
ICMS	5,967	4,249
Retained tax of third parties (*)	1,200	2,397
ISS	933	744
PIS and Cofins	9,907	—
Other taxes	2,218	1,209
Total	20,225	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 September 30, 2024, FS had contingent liabilities whose cash outflow is considered probable in the amount of R\$ 3,715 (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 September 30, 2024, and March 31, 2024, FS had contingencies assessed as possible risk by legal advisors and Management in the amount of R\$ 91,774 and R\$ 40,647, respectively, for which no provision was recorded:

	09/30/2024	03/31/2024
Civil	40	191
Labor	198	2,730
Tax	91,536	37,726
Total	91,774	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\$ 5,517 (R\$ 5,370 as of March 31, 2024).

17. Net parent investment

Balance as of September 30, 2024	a. Capital	b. Tax incentive reserves	Equity instruments	Other comprehensive income	Accumulated losses	Net parent investment
FS Ltda. (i)	88,083	366,955	—	76,906	(11,140)	520,803
FS S.A. (ii)	4,500	—	1,807	—	(83,754)	1,727
FS ECE (iii)	10,000	—	—	—	(98)	9,902
Eliminations	(10,000)	—	(1,807)	(16,716)	(513,757)	(2,347)
Combined	92,583	366,955	—	60,190	(608,749)	(89,022)

Balance as of March 31, 2024	a. Capital	b. Tax incentive reserves	Equity instruments	Other comprehensive income	Accumulated profit or 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)	9,382
Eliminations	(10,000)	—	(1,806,555)	—	(382,763)	(2,199,318)
Combined	92,583	366,955	—	71,747	(865,917)	(334,632)

a. Capital

i. FS Ltda.

FS Ltda. subscribed and paid-in capital as of September 30, 2024 and March 31, 2024, are R\$ 88,083 and 88,083, respectively. As of September 30, 2024, of the total of 88,083,439 quotas, 83,380,928 are ordinary and 4,702,511 are preferred (of the 88,083,439 quotas, 83,380,928 are ordinary and 4,702,511 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	09/30/2024			03/31/2024		
		Subscribed capital	Paid in 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 September 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 September 30, 2024 and March 31, 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 September 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 September 30, 2024, FS Ltda. did not establish a tax incentive reserve as it did not record any taxable profit for the period, 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 September 30, 2024 the Company determined a SUDAM (Superintendência de Desenvolvimento da Amazônia) tax benefit in the amount of R\$ 22,558 to be recognized.

c. Dividends

i. FS Ltda.

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

Quota holder	% 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	47,351
Total as of September 30, 2023	100.00%	88,083	645,384

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	
		09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024
Financial assets measured at fair value													
Financial investments in bank deposit certificates ("CDB")	5	1,735,484	2,272,532	—	—	—	—	—	—	1,735,484	2,272,532	—	—
Total return swap (TRS)	6	589,766	1,298,115	—	—	—	—	—	—	589,766	1,298,115	—	—
Derivative financial instruments	18	32,665	33,038	—	—	46,487	—	—	—	79,152	33,038	79,152	33,038
Total		2,357,915	3,603,685	—	—	46,487	—	—	—	2,404,402	3,603,685	79,152	33,038
Financial assets not measured at fair value													
Bank deposits and cash	5	—	—	1,059,453	1,055,701	—	—	—	—	1,059,453	1,055,701	—	—
Related parties loans	28	—	—	310,763	273,564	—	—	—	—	310,763	273,564	—	—
Trade and other receivables	7	—	—	413,738	384,298	—	—	—	—	413,738	384,298	—	—
Other assets		—	—	27,340	1,804	—	—	—	—	27,340	1,804	—	—
Judicial deposits	16	—	—	5,517	5,370	—	—	—	—	5,517	5,370	—	—
Total		—	—	1,816,811	1,720,737	—	—	—	—	1,816,811	1,720,737	—	—
Financial liabilities measured at fair value													
Derivative financial instruments	18	24,240	2,110	—	—	—	63,603	—	—	24,240	65,713	24,240	65,713
Total		24,240	2,110	—	—	—	63,603	—	—	24,240	65,713	24,240	65,713
Financial liabilities not measured at fair value													
Trade payables	11	—	—	—	—	—	—	2,906,791	2,950,843	2,906,791	2,950,843	—	—
Loans and borrowings (*)	12	—	—	—	—	—	—	10,741,966	10,497,201	10,741,966	10,497,201	10,815,327	10,570,562
Lease payables	14	—	—	627,985	383,837	—	—	—	—	627,985	383,837	—	—
Total		—	—	627,985	383,837	—	—	13,648,757	13,448,044	14,276,742	13,831,881	10,815,327	10,570,562

(*) 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 September 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	09/30/2024	03/31/2024
Cash and cash equivalents	5	2,794,937	3,328,233
Restricted cash	6	589,766	1,298,115
Trade and other receivables	7	413,738	384,298
Related party loans	28	310,763	273,564
Derivative financial instruments	18	79,152	33,038
Other assets		27,339	1,804
Total		4,215,695	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	09/30/2024	03/31/2024
Trade payables	11	2,906,791	2,950,843
Loans and borrowings (*)	12	10,741,966	10,497,201
Lease payables	14	627,985	383,837
Derivative financial instruments	18	24,240	65,713
Total		14,300,982	13,897,594
Current		3,998,222	4,010,630
Non-current		9,830,820	9,380,678

(*) The amount does not include transaction costs.

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

September 30, 2024	Book value	Contractual Cash Flow	Until 12 months	1 to 2 years	Above 3 years
Trade payables	2,906,791	2,993,445	2,975,245	18,200	—
Loans and borrowings (*)	10,741,966	17,665,187	2,498,505	2,720,680	12,446,001
Lease payables	627,985	851,150	111,215	104,363	635,572
Derivative financial instruments	24,240	24,313	6,448	9,682	8,183
Total	14,300,982	19,951,092	5,198,499	2,444,684	12,307,909

March 31, 2024	Book value	Contractual Cash Flow	Until 12 months	1 to 2 years	Above 3 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	13,791,458
Lease payables	383,837	641,433	87,639	80,909	472,885
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	14,265,953

(*) The amount does not include transaction costs.

Price risk

Price risk arises from the potential fluctuation in market prices of corn and ethanol 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 September 30, 2024:

Derivatives	Purchased/ Sold	Market	Contract	Maturity	Currency	Notional	Fair value as of 09/30/2024
Term contract	Sold	B3	Corn	07/31/2025	BRL	33,058	4,371
Term contract	Purchased	B3	Corn	07/31/2025	BRL	33,058	3,197
Total Derivative Financial Instrument							7,568

Sensitivity analysis – commodity price risk

Based on corn price on September 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 September 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	4,371	4,371	5,464	6,557	3,278	2,186
Financial liabilities							
Forward contract	Corn	(3,197)	(3,197)	(3,996)	(4,796)	(2,398)	(1,599)
Total			1,174	1,468	1,762	881	587
Impact on profit or loss and on net parent investment				294	588	(294)	(587)

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.

Financial assets	Note	09/30/2024		03/31/2024	
		R\$	USD	R\$	USD
Cash and cash equivalents	5	955,023	175,295	1,025,883	205,333
Related parties' loans	28	310,763	57,041	273,564	54,754
Derivative financial instruments	18	1,798,456	330,107	1,498,860	300,000
Total financial assets		3,064,242	562,443	2,798,307	560,087
Financial liabilities					
Loans for investments (*)	12	(3,963,137)	(727,435)	(3,347,634)	(670,036)
Derivative financial instruments	18	(467,256)	(85,765)	(1,498,860)	(300,000)
Total financial liabilities		(4,430,393)	(813,200)	(4,846,494)	(970,036)
Net exposure		(1,366,151)	(250,757)	(2,048,187)	(409,949)

(*) 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 09/30/2024
Swap / Bond	USD x CDI	02/03/2023	02/15/2029	1,599	BRL	300,000	8,183

Type	Index	Acquisition Date	Maturity Date	Days remaining until maturity	Currency	Notional	Fair value at 03/31/2024
Swap / Bond	USD x CDI	12/08/2020	12/09/2025	1,827	USD	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 September 30, 2024, the balance recorded in other comprehensive income was R\$ 52,131, net of income tax and social contribution. A loss of R\$ 129 for the period ended September 30, 2024, related to the amount deemed ineffective was recognized in the statement of profit or loss (R\$ 5,168 for the period ended September 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	(32,763)
Deferred income and social contribution taxes	11,140
Balance as of September 30, 2024	52,131

Cash flow sensitivity analysis – foreign exchange risk

Based on US dollar exchange rate on September 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 September 30, 2024	Currency	Carrying amount	Exchange rate	Probable	Appreciation (R\$)		Depreciation (R\$)	
				(Level 1)	(Level 2)	(Level 3)	(Level 2)	(Level 3)
				In reais	25%	50%	25%	50%
Financial assets								
Cash and cash equivalents	USD	175,295	5.4481	955,025	1,193,781	1,432,537	716,269	477,512
Total return swap (TRS)	USD	—	5.4481	—	—	—	—	—
Loans to related parties	USD	57,041	5.4481	310,765	388,456	466,148	233,074	155,383
Derivative financial instruments	USD	330,107	5.4481	1,798,456	2,248,070	2,697,685	1,348,842	899,228
Financial liabilities								
Loans for investments*	USD	(727,435)	5.4481	(3,963,139)	(4,953,923)	(5,944,708)	(2,972,354)	(1,981,569)
Derivative financial instruments	USD	(85,765)	5.4481	(467,256)	(584,070)	(700,884)	(350,442)	(233,628)
Total				(1,366,149)	(1,707,686)	(2,049,223)	(1,024,612)	(683,074)
Impact on profit or loss and net parent investment					(341,537)	(683,074)	341,537	683,075

(*) 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 September 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 September 30, 2024, the profile of FS' financial instruments remunerated by variable interest is:

Financial instruments	Note	09/30/2024	03/31/2024
Financial investments in bank deposit certificates ("CDB")	5	1,735,484	2,272,532
Restricted cash	6	589,766	1,298,115
Loans for working capital (*) (**)	12	(6,778,829)	(7,149,567)
Total		(4,453,579)	(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 September 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 09/30/2024	Risk	Probable (Level 1)		Appreciation (R\$)		Depreciation (R\$)	
			%	Valor	(Level 2) 25%	(Level 3) 50%	(Level 2) 25%	(Level 3) 50%
Cash and cash equivalents	1,735.484	CDI	10.65	184,829	231,036	277,244	138,622	92,415
Restricted cash	589.766	CDI	10.65	62,810	78,513	94,215	47,108	31,405
Loans*	(6,778.829)	CDI	10.65	(721,945)	(902,431)	(1,082,918)	(541,459)	(360,973)
Total				(474,306)	(592,882)	(711,459)	(355,729)	(237,153)
Impact on profit or loss and net parent investment					(118,576)	(237,153)	118,577	237,153

(*) 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 September, 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 727,435 (R\$ 3,963,137) as of September 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 September 30, 2024 and March 31, 2024, including expiration dates, weighted average strike rates and fair value, are detailed below:

Type	Index	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 09/30/2024
Option	Corn	08/09/2024	11/19/2024	50	BRL	22,635	1,168
NDF	Corn	06/17/2024	01/15/2025	107	BRL	47,622	3,430
NDF	FX	04/26/2024	02/28/2025	151	USD	30,107	4,185
Swap	IPCA x CDI	09/15/2021	09/15/2025	350	BRL	300,000	16,309
Swap	USD x CDI	12/08/2020	12/09/2025	435	USD	300,000	46,487
Forward contract	Ethanol	01/10/2024	02/28/2025	151	BRL	66,112	2,908
Term contract	Corn	03/29/2024	11/30/2024	61	BRL	27,611	4,665
Total Derivative financial instruments (assets)							79,152

Type	Index	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 09/30/2024
Option	Corn	08/09/2024	11/19/2024	50	BRL	28,755	1,034
NDF	Live cattle futures	09/10/2024	12/30/2024	91	BRL	7,861	493
NDF	Corn	06/25/2024	09/15/2025	350	BRL	3,557	35
NDF	FX	05/31/2024	04/22/2025	204	USD	40,332	1,937
Swap	IPCA x CDI	02/03/2023	02/15/2029	1,599	BRL	300,000	8,183
Swap	USD x CDI	09/20/2024	09/18/2026	718	USD	45,433	9,028
Swap	PRÉ x CDI	08/16/2023	08/15/2025	319	BRL	200,000	1,738
Term contract	Ethanol	11/23/2023	02/28/2025	151	BRL	33,058	1,792
Total Derivative financial instruments (liabilities)							24,240

Current	7,029
Non- current	17,211

Type	Index	Acquisition Date	Expiration date ended	Days remaining until maturity	Currency	Notional	Fair value at 03/31/2024
NDF	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	USD	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
Current	3,666						
Non- current	29,372						

Type	Index	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
Current							1,837
Non-current							63,876

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 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Gain with derivative operations	26	206,767	20,817	14,888	13,623
Losses with derivative operations	26	(124,029)	(293,396)	(69,571)	(36,255)
Losses with derivative operations (resale corn)	22	5,789	15,365	(10,881)	(17,714)
Total		88,527	(257,214)	(65,564)	(40,346)

19. Income taxes and social contribution

a. Recoverable taxes and contributions

The income tax and social contribution recoverable balance as of September 30, 2024 and March 31, 2024, is 78,064 and R\$ 83,634, respectively.

b. Income tax and social contribution payable

	09/30/2024	03/31/2024
Income tax recoverable (IRPJ)	3	—
Income tax recoverable (CSLL)	28,654	—
Total	28,657	—

c. 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		Statement of profit or loss	
	09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024
Deferred income tax and social contribution								
Allowance for expected credit losses	322	119	—	—	—	—	203	41
Bonus provision	10,115	10,100	—	—	—	—	15	(7,560)
Trade payables provision	15,113	1,078	—	—	—	—	14,035	990
Capitalized loan interest	—	—	(57,359)	(67,245)	—	—	9,886	(37,285)
Transaction costs of loans	—	—	(102,252)	(114,158)	—	—	11,906	(11,625)
Fair value of derivative financial instruments	8,790	10,615	(27,899)	—	26,855	37,995	(40,864)	12,967
Right of use	143,348	130,504	—	—	—	—	12,843	139
Lease payables	—	—	(132,951)	(129,403)	—	—	(3,548)	—
Adjustment to present value	1,861	1,763	—	—	—	—	98	10,117
Adjustment to fair value - biological assets	6,509	3,294	—	—	—	—	3,215	—
Tax losses carryforwards	209,782	211,202	—	—	—	—	(1,420)	243,592
Tax depreciation adjustment	535,380	468,647	(389,798)	(361,399)	—	—	38,334	(43,685)
Unrealized results (**)	215,806	190,322	—	—	—	—	21,951	(2,406)
Others	17,365	5,422	(32,626)	(27,947)	—	—	7,266	2,116
Subtotal	1,164,391	1,033,066	(742,885)	(700,152)	26,855	37,995	73,920	167,401
Offsetting (*)	(742,885)	(699,943)	742,885	699,943	—	—	—	—
Total	421,506	333,123	—	(209)	26,855	37,995	73,920	167,401

(*) 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.

d. Effective rate reconciliation

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Effective rate reconciliation				
Profit (loss) before income and social contribution taxes	210,881	(317,876)	306,191	(316,943)
Nominal rate	34 %	34 %	34 %	34 %
Tax (expense) benefit at nominal rate	(71,700)	108,078	(104,105)	107,761
Adjustment of income and social contribution taxes				
Permanent exclusion - tax incentive - PRODEIC	65,197	19,156	50,102	6,908
Permanent exclusion - tax incentive - SUDAM	84,500	(5,715)	80,801	(5,715)
CBIOs	25,527	40,883	14,960	17,919
Tax incentive - (PAT)	2,005	—	2,005	—
Others	(61,120)	9,645	(54,378)	10,237
Income taxes and social contribution	44,409	172,047	(10,615)	137,110
Reconciliation with values presented in the statement profit or loss				
Current income tax and social contribution	(114,011)	10,361	(109,378)	10,361
Deferred income tax and social contribution	73,920	167,401	17,962	132,464
Tax incentives on income tax	84,500	(5,715)	80,801	(5,715)
Income tax and social contribution in the period	44,409	172,047	(10,615)	137,110
Effective (benefit) rate	21.0 %	(54.0)%	3.0 %	(43.0)%

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 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Anhydrous	1,501,180	1,374,022	857,470	679,123
Hydrous	1,326,084	841,796	693,262	419,654
Total ethanol segment	2,827,264	2,215,818	1,550,732	1,098,777
High protein	321,766	327,787	164,133	171,224
High fiber	162,474	182,855	85,103	89,838
Wet cake	108,367	117,647	55,206	58,094
Corn oil	177,587	127,648	99,465	66,649
Total animal nutrition segment	770,194	755,937	403,907	385,805
Energy	10,925	8,441	5,430	3,861
Steam	2,280	2,840	932	1,464
Total energy segment	13,205	11,281	6,362	5,325
Total net revenue from reportable segments of industrial activities (A)	3,610,663	2,983,036	1,961,001	1,489,907
Corn	289,764	326,465	216,915	211,507
Ethanol	184,639	1,782	137,326	1,782
Energy	13,421	11,281	8,566	7,901
Total net revenue from reportable marketing segment and activity (B)	487,824	339,528	362,807	221,190
Total net revenue from reportable segment (A+B)	4,098,487	3,322,564	2,323,808	1,711,097
Freight on sales (reclassification) (C) (1)	617,689	502,145	354,526	292,062
Total net revenue	4,716,176	3,824,709	2,678,334	2,003,159
Cost of goods sold (Industrial) (D)	(2,514,751)	(2,516,236)	(1,226,685)	(1,331,344)
Cost of goods sold (Marketing) (E)	(450,953)	(322,676)	(352,078)	(253,943)
Cost of goods sold	(2,965,704)	(2,838,912)	(1,578,763)	(1,585,287)
Gross profit (Industrial) (A+D)	1,095,912	466,191	734,316	157,954
Gross profit (Marketing) (B+E)	36,871	70,870	10,729	21,265
Freight on sales (reclassification) (C) (1)	617,689	502,145	354,526	292,062
Gross profit	1,750,472	1,039,206	1,099,571	471,281
Expenses (2)	(124,033)	(52,464)	(68,221)	(23,818)
Freight on sales (C) (1)	(617,689)	(502,145)	(354,526)	(292,062)
Total expenses	(741,722)	(554,609)	(422,747)	(315,880)
Net finance expenses	(797,869)	(802,473)	(370,633)	(472,344)
Profit (loss) before income and social contribution taxes	210,881	(317,876)	306,191	(316,943)

(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 September 30, 2024, the FS had customers that represented over than 10% of its gross revenue. The main five customers account for 53.0% of gross revenue, which two largest with percentages of 26.8% and 42.0% (53.6% of gross revenue, which two largest with percentages of 33.8% and 8.9% for the period ended September 30, 2023).

21. Net revenue

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Domestic market				
Ethanol	3,094,855	2,433,188	1,728,249	1,215,921
DDG	724,025	743,857	371,166	382,328
Corn oil	187,368	140,971	106,318	74,267
Energy	10,925	8,441	5,430	3,862
Corn marketing	117,868	481,920	39,796	315,204
Energy marketing	13,421	11,281	8,566	7,901
Ethanol marketing	198,325	2,211	145,684	2,211
Others	2,280	2,840	929	1,465
Total domestic market	4,349,067	3,824,709	2,406,138	2,003,159
Foreign market				
Ethanol	67,544	—	9,237	—
Corn oil	9,797	—	3,777	—
Corn marketing	281,719	—	255,385	—
Ethanol marketing	195	—	195	—
DDG	7,854	—	3,602	—
Total foreign market	367,109	—	272,196	—
Net revenue	4,716,176	3,824,709	2,678,334	2,003,159
Gross operating revenue				
	5,060,456	4,094,136	2,876,349	2,187,636
Deductions				
Sales tax	(258,094)	(212,749)	(130,205)	(139,779)
Return of sales and other deductions	(86,186)	(56,678)	(67,810)	(44,698)
Net revenue	4,716,176	3,824,709	2,678,334	2,003,159

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 September 30, 2024 and 2023:

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Corn	(1,863,318)	(2,013,839)	(887,870)	(1,047,380)
Biomass	(220,401)	(165,036)	(113,054)	(90,744)
Labor	(66,378)	(48,282)	(33,134)	(27,505)
Enzymes	(44,080)	(40,159)	(24,449)	(21,360)
Depreciation	(134,657)	(104,170)	(71,043)	(59,124)
Production	(61,343)	(38,561)	(32,419)	(22,538)
Chemicals products	(61,999)	(49,817)	(31,072)	(26,307)
Maintenance	(47,603)	(30,175)	(24,732)	(16,867)
Lab	(3,650)	(2,586)	(1,880)	(1,457)
Other	(11,322)	(24,220)	(7,032)	(18,671)
Cost of goods sold - production inputs	(2,514,751)	(2,516,845)	(1,226,685)	(1,331,953)
Corn marketing	(257,413)	(274,239)	(193,700)	(174,445)
Energy marketing	(16,522)	(8,072)	(11,237)	(6,054)
Ethanol marketing	(182,807)	(1,712)	(136,260)	(1,712)
Gain (losses) on derivatives	5,789	15,365	(10,881)	(17,714)
Cost of goods resold - production inputs	(450,953)	(268,658)	(352,078)	(199,925)
Total	(2,965,704)	(2,785,503)	(1,578,763)	(1,531,878)

23. Selling expenses

Selling expenses are presented as follows:

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Expenses with freight on sales	(617,689)	(502,145)	(354,526)	(292,062)
Personnel expenses	(26,307)	(20,044)	(13,119)	(12,353)
Expenses with contracted services	(1,508)	(2,517)	(590)	(1,737)
Travel expenses	(1,312)	(877)	(342)	(461)
Depreciation and amortization expenses	(1,429)	(981)	(894)	(512)
Other selling expenses	(4,600)	(1,645)	(2,434)	(681)
Total	(652,845)	(528,209)	(371,905)	(307,806)

24. Administrative and general expenses

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

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Personnel expenses	(74,772)	(40,555)	(35,511)	(21,725)
Expenses with contracted services	(35,024)	(27,204)	(19,238)	(15,804)
Depreciation and amortization expenses	(6,492)	(6,115)	(3,667)	(3,724)
Travel expenses	(4,861)	(5,835)	(2,380)	(2,957)
Expenses with taxes and fees	(1,060)	(757)	(792)	(430)
Office expenses	(4,950)	(3,189)	(2,481)	(2,068)
Other expenses	(14,014)	(9,394)	(6,008)	(4,584)
Total	(141,173)	(93,049)	(70,077)	(51,292)

25. Other results

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

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Other revenues				
Carbon credit (CBIOS)	66,910	72,703	39,213	38,676
Gain on the sale of assets and rights	183	11,135	183	11,031
Revenue from extemporaneous credit (*)	12,762	7,444	6,543	7,444
Other revenues	33,999	10,481	9,815	6,273
Total	113,854	101,763	55,754	63,424
Others expenses				
Tax reversals (**)	(45,610)	(27,265)	(29,387)	(16,928)
Bonus and donations	(1,015)	(743)	(520)	(135)
Disposals in inventory	—	—	—	—
Other expenses	(14,332)	(6,983)	(6,016)	(3,072)
Total	(60,957)	(34,991)	(35,923)	(20,135)
Other results	52,897	66,772	19,831	43,289

(*) The FS has been claiming in court the right to exclude ICMS from PIS and COFINS calculation basis for Ethanol sales operations. Supported by its legal advisors, the FS understands, that due to the final and unappealable decision by STF on the matter, the chances of success are probable, ensuring the right to recognition of this credit. The FS calculated the amount relating to this period based on the best estimate and available tax documents, and such amount involved is subject to adjustments to be made by Management in future periods.

(**) Balance presented refers to reversal of tax credits, with no expectation of realization. Of the amount of reversal of tax credits recorded in the period, the most significant refers to ICMS, in the amount of R\$40,997, of which R\$29,297 refers to FS Ltda and R\$11,700 refers to FS I. FS, when purchasing raw materials, takes the appropriate tax credit, however, when it makes sales to customers exempt from ICMS taxation, it records the reversal of these tax credits, since it will not be viable to realize them.

26. Net financial income (expenses)

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Finance income				
Interest related to financial investments	189,830	342,183	69,580	167,148
Discounts obtained	11,405	6,400	4,053	1,822
Adjustment to present value - trade receivables	40,121	36,758	21,193	15,036
Gain with derivative operations	206,767	20,817	14,888	13,623
Interest income	65,647	14,628	65,493	10,374
Total income	513,770	420,786	175,207	208,003
Finance expenses				
Interest expense on loans	(630,373)	(682,115)	(297,537)	(346,698)
Reverse factoring interest	(82,261)	(57,723)	(17,762)	(41,296)
Adjustment to present value - trade payables	(77,367)	(82,249)	(66,843)	(85,723)
Adjustment to present value - lease payables	(34,816)	(20,435)	(22,239)	(4,450)
Interest on advance receivables	(31,887)	(59,870)	(16,692)	(22,203)
Bank fees	(64,392)	(826)	(33,783)	(388)
Financial taxes	(7)	(1,505)	(418)	(230)
Losses with derivative operations	(124,029)	(293,396)	(69,571)	(36,255)
Other finance expenses	(86,263)	(81,483)	(73,058)	(39,242)
Total expenses	(1,131,395)	(1,279,602)	(597,903)	(576,485)
Foreign exchange rate variation				
Income foreign exchange rate variation	112,869	101,303	110,883	(62,859)
Expense foreign exchange rate variation	(293,113)	(44,960)	(58,820)	(41,003)
Total foreign exchange rate variation	(180,244)	56,343	52,063	(103,862)
Net finance expenses	(797,869)	(802,473)	(370,633)	(472,344)

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 September 30, 2024 and 2023, is composed by to the following breakdown:

	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Net exchange variations of trade payables				
Foreign exchange rate variation of trade payables - realized	(1,833)	(9,416)	928	(6,489)
Total	(1,833)	(9,416)	928	(6,489)
Net exchange variations of loans				
Foreign exchange rate variation on loan unrealized	2,476	(2,467)	232,022	(166,167)
Foreign exchange rate variation on loan realized	—	95,518	—	96,086
Provision for exchange rate variation on loans with related parties	(180,887)	(9,998)	(180,887)	(9,998)
Realized exchange rate variation on loans with related parties	—	(17,294)	—	(17,294)
Total	(178,411)	65,759	51,135	(97,373)
Net foreign exchange variation	(180,244)	56,343	52,063	(103,862)

27. Commitments

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

Sale				
Product	Unit	Quantity	Price	Maturity
Ethanol	m ³	1,764,085	Current market prices	October, 2024
Steam	ton.	40,613	R\$ 123.74	March, 2025
DDG	ton	1,551,798	R\$ 469.90	March, 2026
Oil	ton	20,009	R\$ 3,545.10	October, 2024
Energy	MWh	372,461	R\$ 143.20	December, 2025

Purchase				
Product	Unit	Quantity	Price	Maturity
Energy	MWh	136,565	R\$ 159.52	December, 2025
Corn	ton.	2,349,203	R\$ 43.20 per bag	August, 2025
Corn marketing	ton.	55,720	R\$ 40.76 per bag	October, 2024
Eucalyptus	Stere meter	3,019	R\$ 51.59	September, 2038
Purchase of equipment and services	—	—	R\$ 6,121	—

28. Related parties

a. Ultimate parent

For the period ended September 30, 2024 and March 31, 2024, 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 September 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 09/30/2024	04/01/2023 to 09/30/2023	07/01/2024 to 09/30/2024	07/01/2023 to 09/30/2023
Short term benefit	8,580	9,120	4,511	5,137

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 period:

	Note	Other related parties		Indirect quotaholder		Direct quotaholder		Total	
		09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024	09/30/2024	03/31/2024
Trade and other receivables	7	9,092	3,508	6,696	6,940		—	15,788	10,448
Related party loans (i)	12		—	54,088	47,613	256,675	225,951	310,763	273,564
Advances to suppliers	9	1,324	7,143	—	22,781		—	1,324	29,924
Right of use	14	286,631	104,818	84,933	88,883		—	371,564	193,701
Total assets		297,047	115,469	145,717	166,217	256,675	225,951	699,439	507,637
Trade Payables (ii)	11	19,587	4,213	169,257	303,623	—	—	188,844	307,836
Lease payables (iii)	14	299,356	104,379	90,639	94,915	—	—	389,995	199,294
Advance from customers	13	2,413	—	629	1,076	—	—	3,042	1,076
Total liabilities		321,356	108,592	260,525	399,614	—	—	581,881	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 54,754 (R\$ 273,564) 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) of products and services from related parties are listed below:

Sales of products and services	Other related parties		Direct quotaholder		Total	
	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023
Ethanol anhydrous	6,260	1,566	—	—	6,260	1,566
Ethanol hydrous	2,513	500	2,383	—	4,896	500
Revenue from sale of farms and biomass	4,101	—	—	—	4,101	—
Biomass	—	210	—	—	—	210
Corn	16,766	15,895	—	—	16,766	15,895
Corn oil	11	27,830	11,550	—	11,561	27,830
High fiber	39	—	552	—	591	—
Gold	—	1,795	—	—	—	1,795
Wet cake	12	7,319	3,742	—	3,754	7,319
Essential	—	1,268	—	—	—	1,268
High protein	43,478	—	1,014	—	44,492	—
Steam	—	3,130	1,485	—	1,485	3,130
Others	7,948	1,126	—	—	7,948	1,126
Total	81,128	60,639	20,726	—	101,854	60,639

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

Purchase of products and services	Other related parties		Direct quotaholder		Total	
	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023
Corn	—	333,300	325,982	377	325,982	333,677
Biomass	44,347	19,675	—	—	44,347	19,675
Warehouse leasing	—	15,204	4,351	—	4,351	15,204
Wet cake	—	—	24	—	24	—
Corn oil	—	1,284	—	—	—	1,284
Others	6,853	1,361	—	—	6,853	1,361
Total	51,238	370,824	330,357	377	381,595	371,201

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 September 30, 2024 and March 31, 2024, the total amount of guarantees was:

	09/30/2024	03/31/2024
FS Florestal S.A.	661,739	1,048,337
FS Infraestrutura S.A.	333,366	198,754
Total	995,105	1,247,091

Of the total of guarantees, R\$ 520,813 refers to financial investments that is disclosed as restricted cash, see note 6.

29. Statements of cash flows

For the period ended September 30, 2024 and 2023, property, plant and equipment were acquired at a total net cash outflow of R\$ 321,644 and R\$ 533,613, respectively.

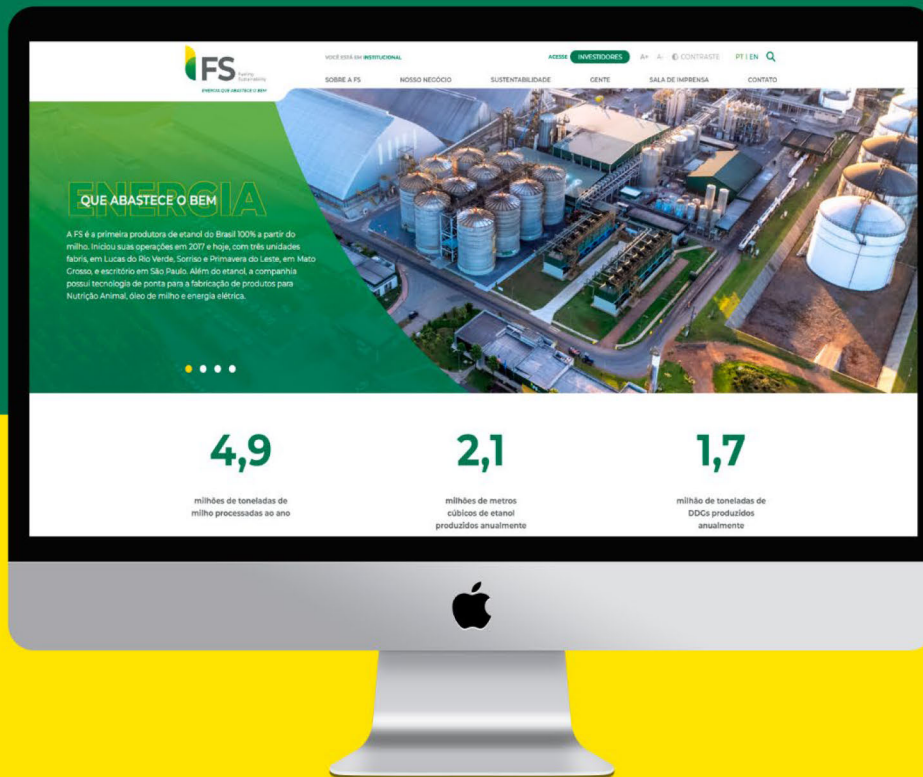
	Note	04/01/2024 to 09/30/2024	04/01/2023 to 09/30/2023
Cost of acquisition of property, plant and equipment	10	394,318	659,141
Movement of trade payables	11	158,863	89,631
Capitalization of borrowing costs		—	(15,995)
Right of use		(241,868)	(199,610)
Others		10,331	446
Net acquisition of property, plant and equipment		321,644	533,613

30. Subsequent events

30.1. Repurchase of Agribusiness Receivables Certificate (CRA)

Between October 22, 2024 and November 12, 2024, FS repurchased R\$ 150,584 of CRA's issued in the Brazillian Capital Markets at an average discount of 5.2% compared to issuance.

* * *



fsfuelingsustainability

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FS – Sorriso (MT)

BR-163, km 768 / CEP 78890-000

FS - Primavera do Leste

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

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