



## **HISTORICAL RECORDS**

### **ADJUSTED EBITDA OF R\$ 2.5 BILLION AND NET INCOME OF R\$216.4 MILLION**

São Paulo, June 4, 2021 – Biosev, one of the world's largest sugarcane processor, announces its results for the fourth quarter of the 2020/21 crop.

### **2020/21 HIGHLIGHTS**

- ✓ Due to the improved operational performance, Net Income totaled R\$216.4 million compared to the loss of R\$1.5 billion in 2019/20 crop.
- ✓ Net Operating Result was an income of R\$1.6 billion in 2020/21 crop.
- ✓ Historical operational records for the period:
  - ✓ Consolidated agricultural yield (TCH) increased by 3.1% to 85.6 ton/ha in 2020/21 crop;
  - ✓ Product TRS totaled 141.7 kg ATR/ton, an increase of 9.6% compared to the previous crop;
  - ✓ Industrial efficiency increased by 2.1% to 1.031 in the period.
- ✓ Sugar mix was 52.7% in 2020/21 crop, due to its higher profitability in relation to ethanol, and 18 p.p. higher than 2019/20 crop. Anhydrous mix was 30.6%, 1.7 p.p. higher than 2019/20 crop.
- ✓ Total Product TRS was 3,765 thousand tons, 7.6% higher than 2019/20 crop, mainly due to the 1,897 thousand tons of sugar produced.
- ✓ Net Revenue ex-HACC/other products of R\$6.8 billion, 37.7% higher than 2019/20 crop.
- ✓ Adjusted EBITDA ex-resale/HACC totaled R\$2.5 billion, an increase of 40.1%, EBITDA per unit was R\$93.1 per ton, an increase of 42.8%; and EBITDA Margin was 45.3%, 2.6 p.p. higher than 2019/20 crop.
- ✓ EBITDA less CAPEX totaled R\$1.1 billion, 88.1% higher than 2019/20 crop.

\* The financial data presented is without IFRS16 effects.

#### **Conference Call in Portuguese with translation into English: June 7, 2021**

2:30 p.m. (Brasília - BRT) | 1:30 p.m. (NY - EST) | 6:30 p.m. (London - GMT)

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## 1. OPERATING PERFORMANCE

The following table presents key indicators for operating efficiency, productivity and production volumes, which are analyzed in this section:

Efficiency and Productivity	4Q21	4Q20	%	2020/21	2019/20	%
<b>Crushing ('000 tons)</b>	<b>756</b>	1,142	-33.9%	<b>26,540</b>	27,044	-1.9%
<b>TCH - Agricultural yield (ton/ha)</b>	<b>81.0</b>	74.6	8.6%	<b>85.6</b>	82.9	3.1%
<b>Product TRS (kg/ton)</b>	<b>116.7</b>	99.0	17.9%	<b>141.7</b>	129.2	9.6%
<b>Industrial Efficiency</b>	<b>1.019</b>	0.968	5.3%	<b>1.031</b>	1.010	2.1%

Production	4Q21	4Q20	%	2020/21	2019/20	%
<b>Sugar Mix (%)</b>	<b>22.5%</b>	13.2%	9.3 p.p.	<b>52.7%</b>	34.7%	18 p.p.
<b>Ethanol Mix (%)</b>	<b>77.5%</b>	86.8%	-9.3 p.p.	<b>47.3%</b>	65.3%	-18 p.p.
Anhydrous Mix (%)	2.3%	0.0%	2.3 p.p.	30.6%	28.9%	1.7 p.p.
<b>Production ('000 tons of Product TRS) <sup>1</sup></b>	<b>85</b>	104	-17.7%	<b>3,765</b>	3,500	7.6%
Sugar ('000 tons)	18	13	39.8%	1,897	1,163	63.0%
Ethanol ('000 m <sup>3</sup> )	39	54	-26.5%	1,049	1,346	-22.0%
<b>Cogeneration (GWh)</b>	<b>43.7</b>	30.7	42.6%	<b>843.8</b>	811.7	3.9%

<sup>1</sup> Considers the ratios of conversion of sugar and ethanol in the State of São Paulo, as disclosed in the Consecana Manual.

### 1.1. Crushing

The following table shows crushing volume on a consolidated basis and by cluster:

Efficiency	4Q21	4Q20	%	2020/21	2019/20	%
<b>Crushing ('000 tons)</b>	<b>756</b>	1,142	-33.9%	<b>26,540</b>	27,044	-1.9%
Own	729	1,013	-28.0%	15,731	16,781	-6.3%
Third Parties	27	129	-79.3%	10,809	10,264	5.3%
<b>Ribeirão Preto Norte Cluster</b>	<b>0</b>	64	-100.0%	<b>4,895</b>	5,077	-3.6%
<b>Ribeirão Preto Sul Cluster</b>	<b>0</b>	443	-100.0%	<b>14,631</b>	14,976	-2.3%
<b>Mato Grosso do Sul Cluster</b>	<b>756</b>	635	19.0%	<b>7,015</b>	6,992	0.3%

The Company reached total crushing volume of approximately 26.5 million tons in 2020/21 crop, a decrease of 1.9% compared to 2019/20 crop, mainly in the Ribeirão Preto Norte and Ribeirão Preto Sul Clusters. Such reduction resulted mainly from the postponement of the harvesting period in March 2021, considering that the drier weather conditions in the region impacted the sugarcane crop development. In the 4Q21, no crushing activities were carried out in the Ribeirão Preto Clusters.

At the Ribeirão Preto Norte Cluster, crushing volume was 4.9 million tons, 3.6% lower than the previous crop; at the Ribeirão Preto Sul Cluster, crushing volume was 14.6 million tons, 2.3% lower than the previous crop.

At the Mato Grosso do Sul Cluster, crushing volume was 7.0 million tons, 0.3% higher than the previous crop, due to the favorable climate conditions in the region.

### 1.2. Tons of Cane per Hectare (TCH)

The following table shows the evolution in TCH on a consolidated basis and by cluster:



Productivity	4Q21	4Q20	%	2020/21	2019/20	%
<b>TCH - Agricultural yield (ton/ha)</b>	<b>81.0</b>	74.6	8.6%	85.6	82.9	3.1%
<b>Ribeirão Preto Norte Cluster</b>	<b>0.0</b>	70.3	-100.0%	81.3	84.3	-3.6%
<b>Ribeirão Preto Sul Cluster</b>	<b>0.0</b>	86.4	-100.0%	89.5	85.9	4.3%
<b>Mato Grosso do Sul Cluster</b>	<b>81.0</b>	70.1	15.7%	81.3	76.9	5.7%

Cane yield measured by consolidated TCH reached 85.6 ton/ha, 3.1% higher than the previous crop, which is basically explained by the application of best agronomic practices in crop regeneration to the sugar plantations, in addition to the favorable weather conditions (rainy season) during the field development period (January to March/20) in the Ribeirão Preto Sul and Mato Grosso do Sul Clusters.

The 3.6% decrease in TCH at the Ribeirão Preto Norte Cluster resulted from the drier weather conditions during the plantation period in the region.

### 1.3. Product Total Recoverable Sugar (TRS)

The following table shows the evolution of Product TRS and by cluster:

Productivity	4Q21	4Q20	%	2020/21	2019/20	%
<b>Product TRS (Kg TRS/ton)</b>	<b>116.7</b>	99.0	17.9%	<b>141.7</b>	129.2	9.6%
<b>Ribeirão Preto Norte Cluster</b>	<b>0.0</b>	91.0	-100.0%	<b>147.6</b>	138.5	6.6%
<b>Ribeirão Preto Sul Cluster</b>	<b>0.0</b>	96.3	-100.0%	<b>143.9</b>	131.3	9.6%
<b>Mato Grosso do Sul Cluster</b>	<b>116.7</b>	101.7	14.7%	<b>132.8</b>	118.0	12.6%

Product TRS content was 141.7 kg TRS/ton in 2020/21 crop, historical record for the period, an increase of 9.6% compared to the previous crop, which reflects the continuous impacts of the evolution of the phytosanitary quality of the sugarcane crop, the quality of the harvesting processes, the intensive use of ripening agents and organic fertilization, among others, an improved operational performance and favorable (drier) weather conditions during the harvest, which favors concentration of sugar content.

Industrial efficiency reached 1.031 in 2020/21 crop, an increase of 2.1% compared to 2019/20 crop, historical record for the period. The results demonstrate the higher efficiency in converting cane into the final products of sugar and ethanol, as well as the lower losses in production processes due to investments in the industry and sugar mix. Industrial efficiency is calculated based on the volume of TRS produced by the mills.

Total production in tons of Product TRS was 3,765 thousand tons, an increase of 7.6% compared to the previous crop, mainly due to the evolution of the sugarcane crop and industrial efficiency gains.

Sugar mix was 52.7%, due to the higher allocation of TRS to sugar production, given the product's higher profitability in the period compared to ethanol, an increase of 18.0 p.p. compared to 2019/20 crop.

Ethanol mix was 47.3% in 2020/21 crop, as a result of company's commercial strategy, 18.0 p.p. lower than the previous crop. The anhydrous mix (over the total ethanol produced) was 30.6% in 2020/21 crop, 1.7 p.p. higher than 2019/20 crop, due to the strategy more focused on higher added value products.

### 1.4. Cogeneration

The following table presents productivity and cogeneration volume for sale:



Production	4Q21	4Q20	%	2020/21	2019/20	%
<b>Total Cogen (GWh)</b>	<b>43.7</b>	30.7	42.6%	<b>843.8</b>	811.7	3.9%
<b>Cogen for Sale (GWh)</b>	<b>43.7</b>	30.7	42.6%	<b>843.8</b>	811.7	3.9%
Ribeirão Preto Norte Cluster	0.0	1.7	-98.3%	107.6	103.6	3.9%
Ribeirão Preto Sul Cluster	7.8	9.9	-21.1%	383.8	390.0	-1.6%
Mato Grosso do Sul Cluster	35.9	19.0	88.4%	352.4	318.2	10.8%
<b>Cogen for Sale/Crushing (kWh/ton)</b>	<b>57.9</b>	27.2	112.4%	<b>35.0</b>	33.0	5.8%
Ribeirão Preto Norte Cluster	0.0	35.6	-100.0%	43.3	39.8	8.8%
Ribeirão Preto Sul Cluster	0.0	22.4	-100.0%	26.2	26.0	0.7%
Mato Grosso do Sul Cluster	47.5	30.0	58.4%	50.2	45.5	10.4%

The Company has cogeneration power plants at all its eight industrial sites and is energy self-sufficient during the harvesting period. Out of these units, seven produce surplus electricity for sale.

Total cogeneration for sale in 2020/21 crop increased by 3.9% compared to the previous crop and reached a volume of 843.8 GWh. The cogeneration for sale in the 4Q21 increased by 42.6% and reached a volume of 43.7 GWh. Despite of the decrease in crushing volume, the positive results reflected the industrial investments.

The productivity of cogeneration units measured in kWh of power sold per ton of cane crushed stood at 35.0 kWh/ton, an increase of 5.8% compared to the previous crop. In the 4Q21, the productivity of cogeneration increased by 112.4% compared to the same period of the previous crop and reached 57.9kWh/ton, mainly leveraged by the Mato Grosso do Sul Cluster.



## 2. ECONOMIC AND FINANCIAL PERFORMANCE

### 2.1. Net Revenue

In 2020/21 crop, net revenue excluding the non-cash effects from the hedge accounting of foreign currency-denominated debt (HACC) amounted to R\$10.4 billion, an increase of 53% compared to 2019/20 crop. The result is primarily explained by the growth in revenues from finished products resold and the revenues from export performance contracts associated with the rollover of foreign currency-denominated debt obligations, with these factors partially offset by the revenue from the Nordeste Cluster in the previous crop. Note that, excluding the revenue from the Nordeste Cluster in the previous crop to improve the comparison with the current crop, net revenue would be 53.1% higher than 2019/20 crop.

Excluding the effects from resale operations (of finished products, such as (i) sugar, ethanol and energy; and (ii) other commodities, which are required to comply with export performance contracts associated with obligations denominated in foreign currency), the Company's net revenue was R\$5.5 billion, an increase of 14.8% compared to 2020/21 crop. This significant increase resulted from the higher industrial efficiency in sugarcane conversion, increase in export sales and higher added value products, and increase in average prices during the harvesting period.

The following table presents a breakdown of net revenue ex-HACC:

Net Revenue ex-HACC (R\$ Thousand)	2020/21	2019/20	%
<b>Sugar</b>	<b>3,626,282</b>	1,530,531	136.9%
Domestic Market	288,241	199,097	44.8%
Export Market	3,338,041	1,331,434	150.7%
<b>Ethanol</b>	<b>2,645,772</b>	2,952,987	-10.4%
Domestic Market	1,445,856	2,426,564	-40.4%
Export Market	1,199,916	526,423	127.9%
<b>Energy</b>	<b>543,613</b>	464,508	17.0%
<b>Total</b>	<b>6,815,667</b>	4,948,026	37.7%
<b>Other Products</b>	<b>3,593,498</b>	1,856,261	93.6%
Bagasse, services and others	52,273	36,721	42.4%
Export performance contracts	3,541,225	1,819,540	94.6%
<b>Net Revenue ex-HACC</b>	<b>10,409,165</b>	6,804,287	53.0%

<sup>1</sup> 2019/20 crop includes amounts from the Nordeste Cluster.

Revenue from resale operations is detailed in the following table:

Resale operations (R\$ Thousand)	2020/21	2019/20	%
Sugar, ethanol and energy <sup>1</sup>	1,413,980	861,267	64.2%
Export performance contracts	3,541,225	1,819,540	94.6%
<b>Total</b>	<b>4,955,206</b>	2,680,807	84.8%

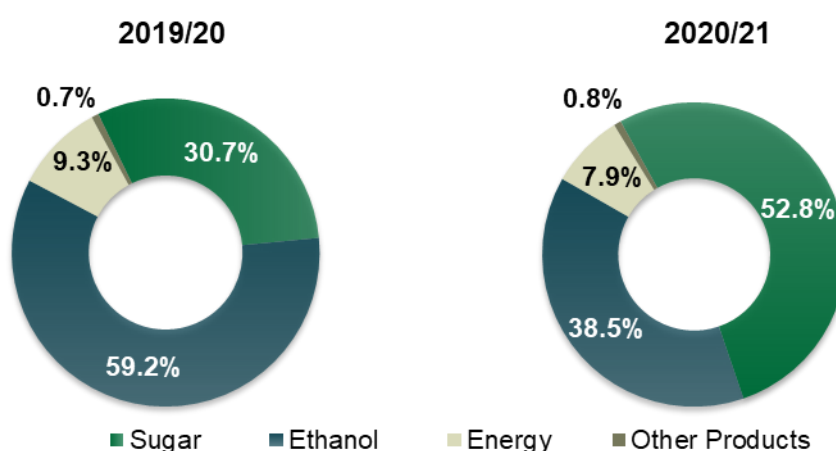
<sup>1</sup> Revenue from resales of sugar, ethanol and energy is accounted for in the lines corresponding to the respective products in the table of Net Revenue ex-HACC.

The following charts present a breakdown of net revenue ex-HACC, excluding the effects from hedge accounting and revenue from export performance contracts, by product and by market in the respective periods:

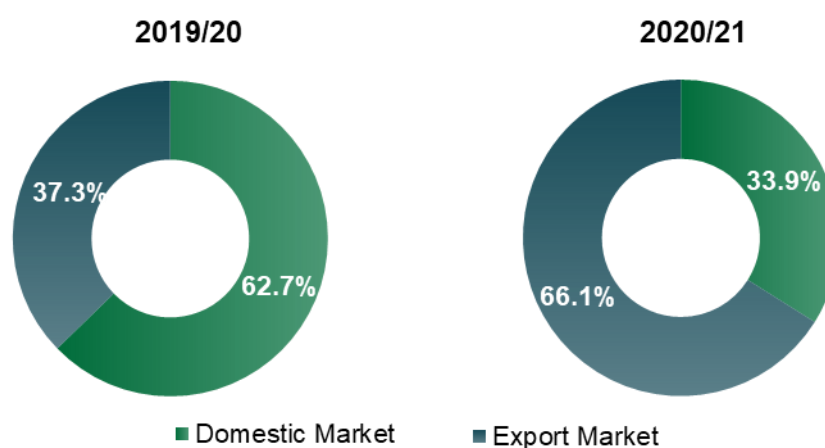




### Net Revenue ex-HACC/Export Performance by Product (%)



### Net Revenue ex-HACC/Export Performance by Market (%)



The following table presents the sugar and ethanol inventory balance variation in the respective periods:

Inventories - Variation	2020/21	2019/20	%
Sugar ('000 tons)	6	9	-39%
Ethanol ('000 m <sup>3</sup> )	24	33	-27%

#### 2.1.1. Sugar

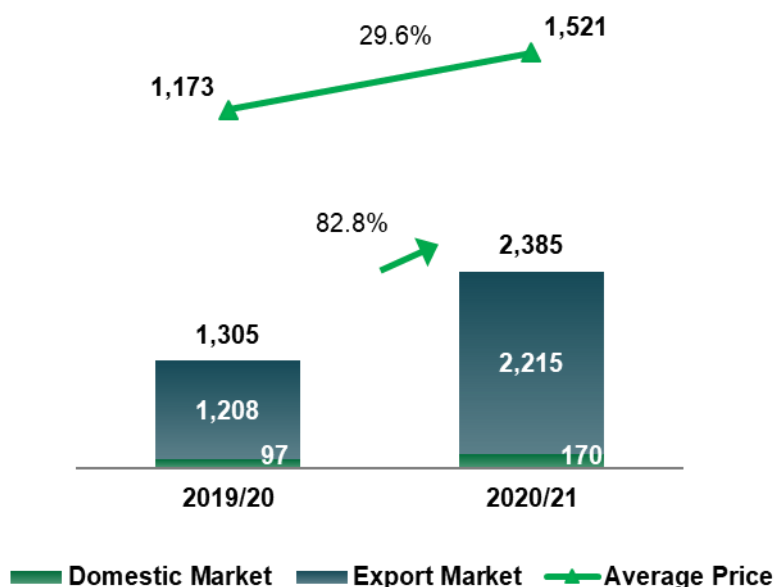
Net revenue from sugar sales excluding the non-cash effects from the hedge accounting of foreign currency-denominated debt (HACC) amounted to R\$3.6 billion, an increase of 136.9% higher than 2019/20 crop. This variation reflects the production mix, which prioritized sugar, given the product's higher profitability in the period compared to ethanol. In addition, the higher sugarcane conversion increased the sales volume. Finally, the foreign exchange depreciation increased the export sales, resulting in higher average prices compared to the previous crop.

The following chart presents a comparison of sugar volumes and average prices, excluding the non-cash



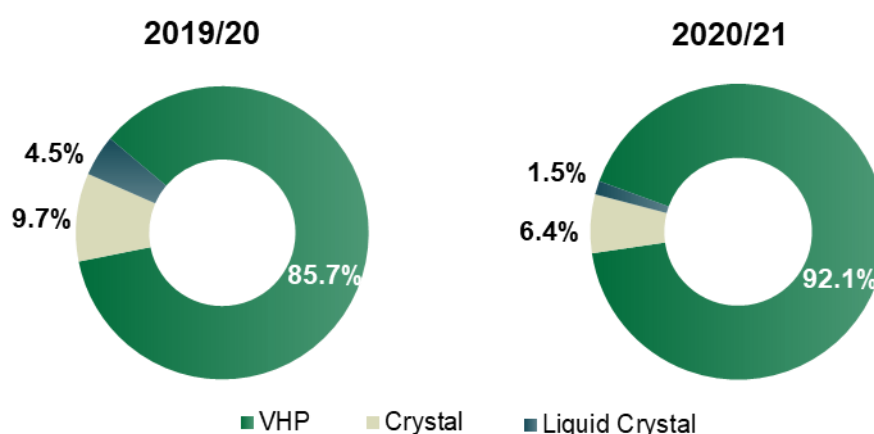
effects from the hedge accounting of foreign currency-denominated debt (HACC):

**Volume (thousand tons) and Average Price (R\$/ton)**



The following chart presents a breakdown by type of sugar, excluding the non-cash effects from the hedge accounting of foreign currency-denominated debt (HACC):

**Net Revenue ex-HACC  
by Sugar Type (%)**



**2.1.2. Ethanol**

Net revenue from ethanol sales excluding the non-cash effects from the hedge accounting of foreign currency-denominated debt (HACC) amounted to R\$2.6 billion, a decrease of 10.4% compared to 2019/20 crop, when the sales volume in the period decreased 23.7% due to a shift in the sugar mix.

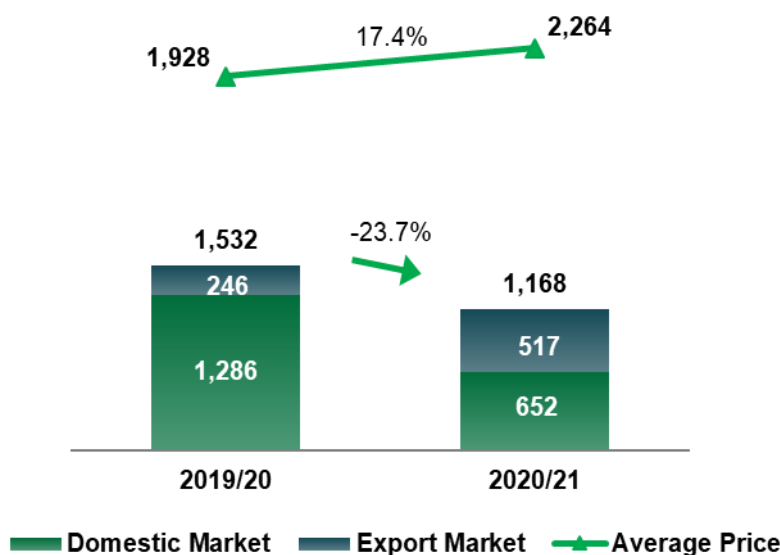
The price increased 17.4% when compared to the previous crop. The Company's strategy to optimize sales by prioritizing products and periods that capture higher value added reflected the ethanol competitiveness in the foreign market, improved by the depreciation in the Brazilian real against the U.S.



dollar, while the domestic market was impacted by the COVID-19 pandemic and decrease in ethanol sales.

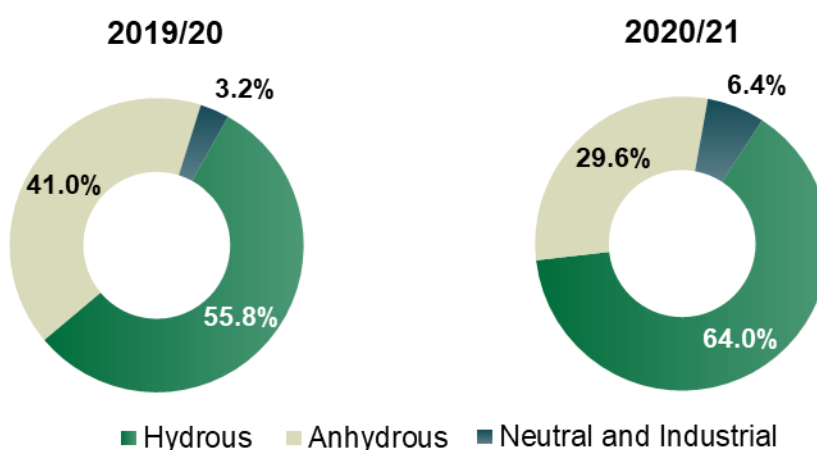
The following chart presents a comparison of ethanol sales volumes and average prices, excluding the non-cash effects from the hedge accounting of foreign currency-denominated debt (HACC):

***Volume (thousand m<sup>3</sup>) and Average Price (R\$/m<sup>3</sup>)***



The following chart presents a breakdown of revenue by type of ethanol, excluding the non-cash effects from the hedge accounting of foreign currency-denominated debt (HACC):

***Net Revenue ex-HACC  
by Ethanol Type (%)***



### 2.1.3. Energy

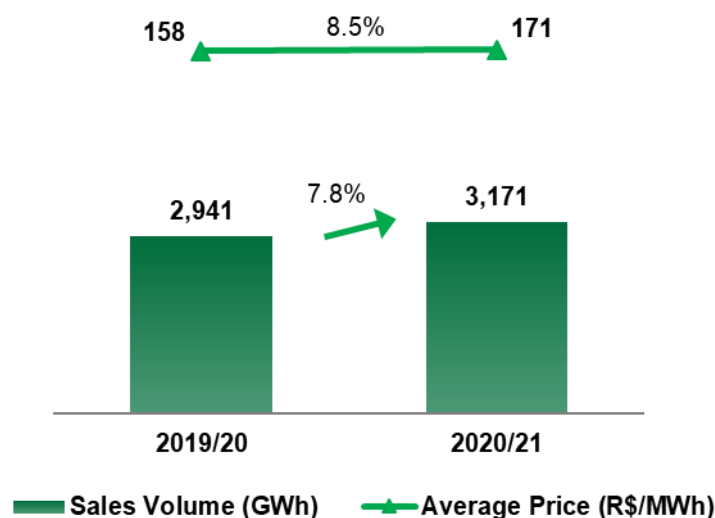
Net revenue from energy was R\$543.6 million, an increase of 17.0% compared to 2019/20 crop. This variation is mainly due to the higher sales volume and average sales prices in the periods.

The following chart presents a comparison of energy own sales volume and average own sales price.





### ***Sales Volume (GWh) and Average Sales Price (R\$/MWh) – Own***



#### **2.1.4. Other products**

The line item “Other products” records revenue from sales of raw bagasse, services and other items, in addition to revenue from the sale of commodities in the spot market to fulfill export contracts with the aim of settling debt obligations in foreign currency.

Revenue from the sale of other products totaled R\$3.6 billion, an increase of 93.6% compared to 2019/20 crop, mainly due to the growth in the above-referred export performance contracts associated with the rollover of foreign currency-denominated debt obligations.



## 2.2. Cost of Goods Sold (COGS)

The Company has continued to consistently deliver cost reductions, while consolidating initiatives to adjust structures and become more resilient in an environment of still highly challenging pricing.

In nominal terms, cash COGS ex-resale totaled R\$2.3 billion, an increase of 11.3% compared to 2019/20 crop, due to higher sales volumes and increase of 22% in the CONSECANA price index in the period, partially offset by the reductions in operating costs under the ongoing process to streamline costs and structures.

COGS per unit was R\$609 per ton, an increase of 5.5% compared to 2019/20 crop, mainly impacted by the leased land costs and sugarcane purchase.

The following tables present a breakdown of total COGS and cash COGS:

COGS and Cash COGS (R\$ Thousand) <sup>3</sup>	2020/21	2019/20	%
<b>Total COGS</b>	<b>(7,733,370)</b>	(5,838,031)	32.5%
<b>Non-cash items</b>	<b>(386,600)</b>	(1,167,256)	-66.9%
Depreciation and Amortization	(1,676,793)	(1,389,704)	20.7%
Gains (losses) to sell Biological Assets <sup>1</sup>	1,290,193	222,448	480.0%
<b>Cash COGS</b>	<b>(7,346,770)</b>	(4,670,775)	57.3%
Personnel	(472,697)	(472,046)	0.1%
Raw Materials <sup>2</sup>	(1,693,252)	(1,483,378)	14.1%
Inputs	(112,250)	(91,827)	22.2%
Resale goods	(5,068,571)	(2,623,524)	93.2%
Sugar, ethanol and energy	(1,511,216)	(823,159)	83.6%
Export performance contracts	(3,557,355)	(1,800,365)	97.6%
<b>Cash COGS ex-resale</b>	<b>(2,278,199)</b>	(2,047,251)	11.3%

<sup>1</sup> Gains (losses) from the fair value adjustment less estimated cost of sales of biological assets.

<sup>2</sup> Sugarcane, lease and HLT. <sup>3</sup> Excluding the effect from IFRS16.

Cash COGS ex-resale (R\$ Thousand) <sup>1</sup>	2020/21	2019/20	%
<b>Agricultural</b>	<b>(1,992,714)</b>	(1,786,415)	11.5%
HLT (own + 3rd party cane)	(580,737)	(623,105)	-6.8%
Land lease	(503,607)	(384,369)	31.0%
3rd party cane	(908,370)	(778,941)	16.6%
<b>Industrial</b>	<b>(254,400)</b>	(236,694)	7.5%
<b>Others</b>	<b>(31,085)</b>	(24,142)	28.8%
<b>Cash COGS ex-resale</b>	<b>(2,278,199)</b>	(2,047,251)	11.3%
TRS Product sold ex-resale ('000 tons)	3,738	3,543	5.5%
<b>Cash COGS ex-resale (R\$ Thousand)</b>	<b>(609)</b>	(578)	5.5%

<sup>1</sup> Excluding the effect from IFRS16.



## 2.3. Selling, General and Administrative (SG&A) Expenses

SG&A expenses totaled R\$580.4 million, 33.9% higher than 2019/20 crop.

Selling expenses totaled R\$321.6 million, an increase of 83.6% compared to 2019/20 crop, both due to the increase in sugar exports by virtue of the sales mix in the period and the increase in ethanol exports, which increased the logistics and port expenses.

General and administrative expenses totaled R\$258.8 million, 0.2% higher than 2019/20 crop, mainly due to the increase in overtime costs due to the increase in the number of shifts, considering that the Company has adopted social isolation policies in view of the COVID-19 pandemic, and the increase in accrued bonus, which was offset by the continuous optimization of operational and organizational structures.

Depreciation expenses recognized under SG&A expenses totaled R\$19.1 million in 2020/21 crop, slightly below the R\$21.5 million in 2019/20 crop.

The following table presents a comparison of cash SG&A expenses between periods:

SG&A Cash (R\$ Thousand) <sup>1</sup>	2020/21	2019/20	%
<b>Selling</b>	<b>(321,553)</b>	(175,117)	83.6%
Freight	(227,972)	(124,389)	83.3%
Shipping Charges	(72,976)	(38,947)	87.4%
Commissions, wharfage and other	(20,605)	(11,781)	74.9%
<b>G&amp;A</b>	<b>(258,831)</b>	(258,358)	0.2%
Personnel	(124,234)	(127,225)	-2.4%
Services	(114,645)	(104,326)	9.9%
Other	(19,952)	(26,807)	-25.6%
<b>SG&amp;A Cash</b>	<b>(580,384)</b>	(433,475)	33.9%

<sup>1</sup> Excluding the effect from IFRS16.



## 2.4. EBITDA

The following table presents a breakdown of Adjusted EBITDA ex-resale/HACC:

EBITDA Composition (R\$ Thousand) <sup>4</sup>	2020/21	2019/20	%
<b>Net Revenue</b>	<b>10,329,992</b>	6,538,086	58.0%
<b>Cash COGS</b>	<b>(7,346,770)</b>	(4,670,775)	57.3%
<b>Gross Profit (Cash)</b>	<b>2,983,222</b>	1,867,311	59.8%
SG&A (Cash)	(580,384)	(433,475)	33.9%
TEAG Profit/(Loss) <sup>1</sup>	(764)	(553)	38.2%
Other Operating Revenue/Expenses	(347,708)	70,753	-591.4%
Non-recurring items	223,281	49,633	349.9%
<b>Adjusted EBITDA</b>	<b>2,277,647</b>	1,553,669	46.6%
<b>Adjusted EBITDA Margin</b>	<b>22.0%</b>	23.8%	-1.8 p.p.
Resale effect <sup>2</sup>	113,365	(57,283)	-297.9%
HACC effect <sup>3</sup>	79,173	266,201	-70.3%
<b>EBITDA ex-resale/HACC</b>	<b>2,470,185</b>	1,762,587	40.1%
<b>EBITDA Margin ex-resale/HACC</b>	<b>45.3%</b>	42.7%	2.6 p.p.
Crushing ('000 tons)	26,540	27,044	-1.9%
<b>Adjusted EBITDA per unit (R\$/ton)</b>	<b>85.8</b>	57.4	49.4%
<b>EBITDA per unit ex-resale/HACC (R\$/ton)</b>	<b>93.1</b>	65.2	42.8%

<sup>1</sup> Equivalent to the share of 50% held in the Guarujá Sugar Terminal (TEAG). <sup>2</sup> Reverses the impacts of resale of sugar, ethanol, energy and export performance operations. <sup>3</sup> Reverses the non-cash effects from the hedge accounting of foreign currency-denominated debt. <sup>4</sup> Excluding the effect from IFRS16.

Adjusted EBITDA ex-resale/HACC totaled R\$2.5 billion, with EBITDA per unit of R\$93.1 per ton, both historical records for the period. EBITDA margin was 45.3%. These variations resulted from improved sugarcane quality and industrial efficiency, increase in sales of higher added value products, in addition to the increase in exports and better average prices, although offset by the increase in COGS, arising from the increase in Consecana price index and SG&A expenses.

The following table presents a reconciliation of Adjusted EBITDA with the profit or loss for the periods:

EBITDA Reconciliation (R\$ Thousand)	2020/21	2019/20	%
<b>NET INCOME</b>	<b>163,042</b>	(1,551,248)	-110.5%
Income Tax and Social Contribution	387,779	(461,819)	-184.0%
Financial result	1,177,939	2,377,584	-50.5%
Depreciation and Amortization	2,200,918	1,898,027	16.0%
<b>EBITDA CVM 527</b>	<b>3,929,678</b>	2,262,544	73.7%
Losses (gains) from selling Biological Assets <sup>1</sup>	(1,290,193)	(222,448)	480.0%
Amortization of Concession - TEAG	8,399	8,399	0.0%
Non-recurring items	223,281	49,633	349.9%
IFRS16 impacts	(593,518)	(544,459)	9.0%
<b>Adjusted EBITDA</b>	<b>2,277,647</b>	1,553,669	46.6%
<b>Adjusted EBITDA Margin</b>	<b>22.0%</b>	23.8%	-1.8 p.p.

<sup>1</sup> Losses (gains) from the fair value adjustment less estimated cost of sales of biological assets.



## 2.5. Hedge

The following table shows the aggregate position of our hedged sugar volumes and prices (via commodity and foreign exchange derivative contracts) as at March 31, 2021:

Hedge on 12/31/2020	20/21 Crop	21/22 Crop
<b>Sugar (#NY11)</b>		
Volume ('000 tons)	1,000	380
Average Price (cUS\$/lb)	13.24	14.10
<b>FX (US\$)</b>		
Amount (US\$ million)	290	118
Average Price (R\$/US\$)	4.995	5.963
<b>Hedged Price (cR\$/lb) w/o Pol.</b>	66.10	84.07
<b>Hedged Price (cR\$/lb) w/ Pol.</b>	68.25	87.60
<b>Exposure Hedged (%) - Net Consecana</b>	87.7%	54.4%

## 2.6. Financial Results

Excluding the effects from FX variation, the net financial result was an expense of R\$392.9 million, compared to an expense of R\$474.8 million in 2019/20 crop. The variation is mainly explained by the decrease in interest expenses, offset by the lower interest income from short-term investments, in addition to gains from settlement and marked-to-market positions in derivatives in the period.

Including FX variation, the net financial result was an expense of R\$966.4 million in 2020/21 crop, a 57.2% decrease compared to the previous crop.

PTAX in the period	2020/21	2019/20	%
Initial - on March 31	5.1987	3.8967	33.4%
Final - on March 31	5.6973	5.1987	9.6%
Variation %	9.6%	33.4%	-23.8 p.p.

The following table shows the changes in the financial income (expenses) between the periods:

Financial Result (R\$ Thousand) <sup>1</sup>	2020/21	2019/20	%
<b>Financial Result, net</b>	<b>(1,008,539)</b>	<b>(2,216,057)</b>	<b>-54.5%</b>
FX Variation	(664,145)	(1,785,809)	-62.8%
<b>Financial Result before FX</b>	<b>(344,394)</b>	<b>(430,248)</b>	<b>-20.0%</b>
Interest Expenses	(423,965)	(453,408)	-6.5%
Income from Short-term Investments	4,412	10,858	-59.4%
Derivative transactions	75,876	42,542	78.4%
Other Revenues/(Expenses)	(717)	(30,240)	-97.6%

<sup>1</sup> Excluding the effect from IFRS16.





## 2.7. Profit or Loss for the Period

Profit for the period totaled R\$216.4 million, compared to the loss of R\$1.5 billion in 2019/20 crop. Based on the abovementioned factors, the variation resulted mainly from the increase in net operating result and decrease in FX variation.



### 3. INVESTMENTS

The Company invested R\$1.4 billion in 2020/21 crop, an increase of 16.0% compared to 2019/20 crop. The variation reflects the strategy of making the agro industrial operation more productive, profitable and safer.

The investments were focused on the agricultural sector and are mainly non-recurring investments performed on an annual basis, relating to the increased plantation volume and cultivated area in the period compared to the past crop, impacted by the FX variation in the input costs and the non-recurring investments in industrial improvement in connection with the Company's strategy to optimize sales by prioritizing products that capture higher value added

The higher investments resulted from the increased plantation volume in view of the weather conditions (in March). The agricultural investments increased compared to the previous crop mainly due to the increase in agricultural inputs sold in US dollars. In addition to the agricultural investments, the Company also increased the industrial investments both based on the decision to expand the industrial capacity of neutral alcohol and the adequacy of the industrial procedures, in order to reduce the losses and stoppages during the year. The investments in 2020/21 crop were also directed to the adequacy of the work environment, under NR23 – Fire Protection, in addition to the improvements in the fire protection system.

Capex (R\$ Thousand)	2020/21	2019/20	%
<b>Expansion</b>	<b>36,280</b>	17,302	109.7%
<b>Operations</b>	<b>925,365</b>	768,039	20.5%
Industrial	163,643	101,114	61.8%
Agriculture	5,776	23,969	-75.9%
Planting	303,281	229,308	32.3%
Treatment	422,043	396,229	6.5%
Other	30,623	17,419	75.8%
<b>Intercrop deferred costs</b>	<b>397,545</b>	386,558	2.8%
<b>Total CAPEX</b>	<b>1,359,190</b>	1,171,899	16.0%

<sup>1</sup> 2019/20: ex-NE cluster for comparison purposes.



## 4. EBITDA LESS CAPEX

EBITDA less CAPEX is presented in the table below:

(R\$ Thousand) <sup>1</sup>	2020/21	2019/20	%
<b>EBITDA ex-resale/HACC</b>	<b>2,470,185</b>	1,762,587	40.1%
<b>CAPEX</b>	<b>1,359,190</b>	1,171,899	16.0%
<b>EBITDA ex-resale/HACC minus CAPEX</b>	<b>1,110,995</b>	590,687	88.1%

<sup>1</sup> Excluding the effect from IFRS16.



## 5. DEBT

The Company's gross debt totaled R\$7.6 billion as at March 31, 2021, an increase of 4.3% compared to March 31, 2020, mainly due to the effect from the 9.6% depreciation of the Brazilian real against the U.S. dollar on the dollar-denominated portion of its debt. Most part of the gross debt was advanced; therefore, the total debt will be basically paid in the short term, according to the repayment schedule below.

The balance of cash and short-term investments totaled R\$1.0 billion, out of which 60.3% was denominated in U.S. dollar. This variation reflects the Company's strategy to optimize sales by prioritizing products and periods that capture higher value added.

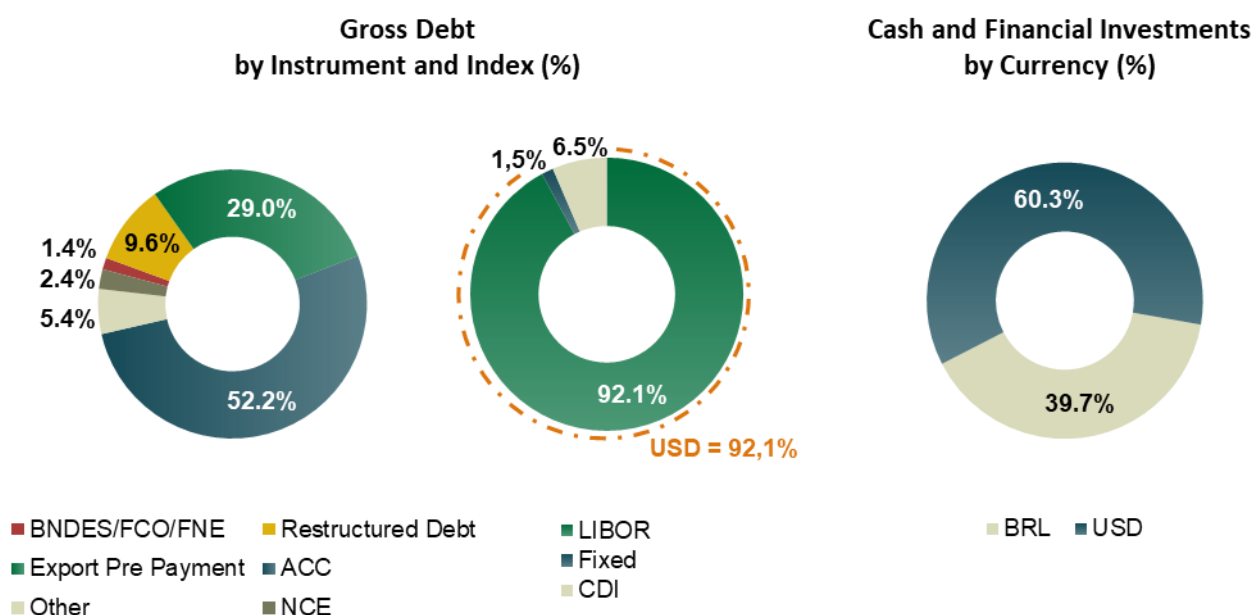
In view of the aforementioned factors, net debt totaled R\$6.6 billion, an increase of 8.7% compared to the position as at March 31, 2020.

The following table presents a breakdown of the debt position:

Debt (R\$ Million)	03/31/2021	03/31/2020	Var. %
<b>Gross Debt</b>	<b>(7,637)</b>	(7,321)	4.3%
Short Term	(7,562)	(499)	1415.9%
Long Term	(75)	(6,823)	-98.9%
<b>Cash and Short-term Investments</b>	<b>1,015</b>	1,227	-17.3%
<b>Net Debt</b>	<b>(6,622)</b>	(6,094)	8.7%
<b>Adjusted EBITDA LTM</b>	<b>2,619</b>	2,098	41.6%
<b>Net Debt/Adjusted EBITDA LTM</b>	<b>2.53x</b>	3.30x	-23.3%

<sup>1</sup> LTM: last twelve months

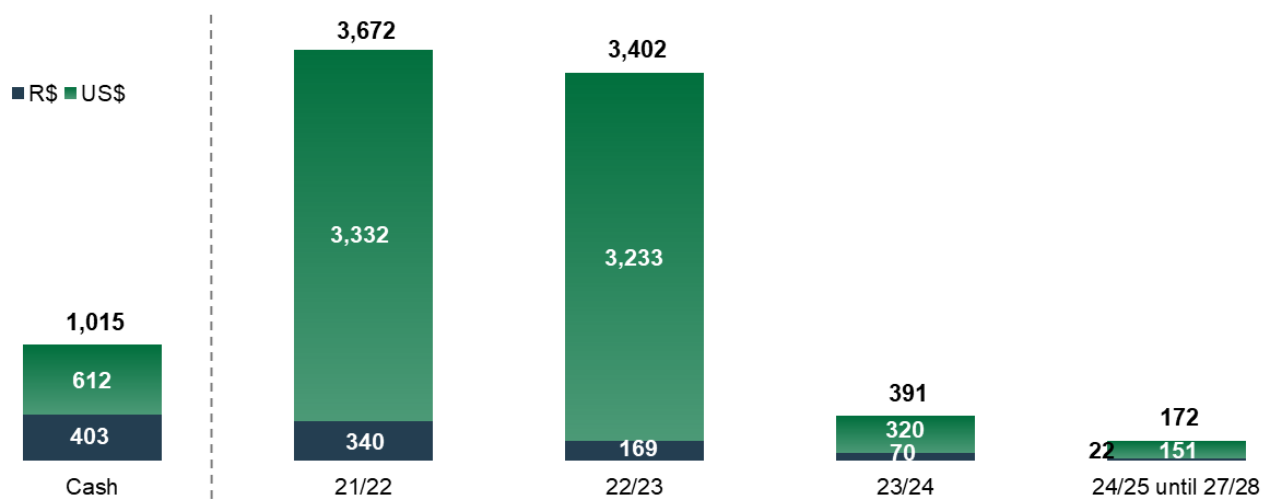
The following charts present a breakdown of debt by index and instrument as at March 31, 2021, as well as the cash position and short-term investments by currency:



The hedged position related to foreign currency indebtedness as at March 31, 2021 was USD514.9.



The following chart shows the cash position and debt amortization schedule:



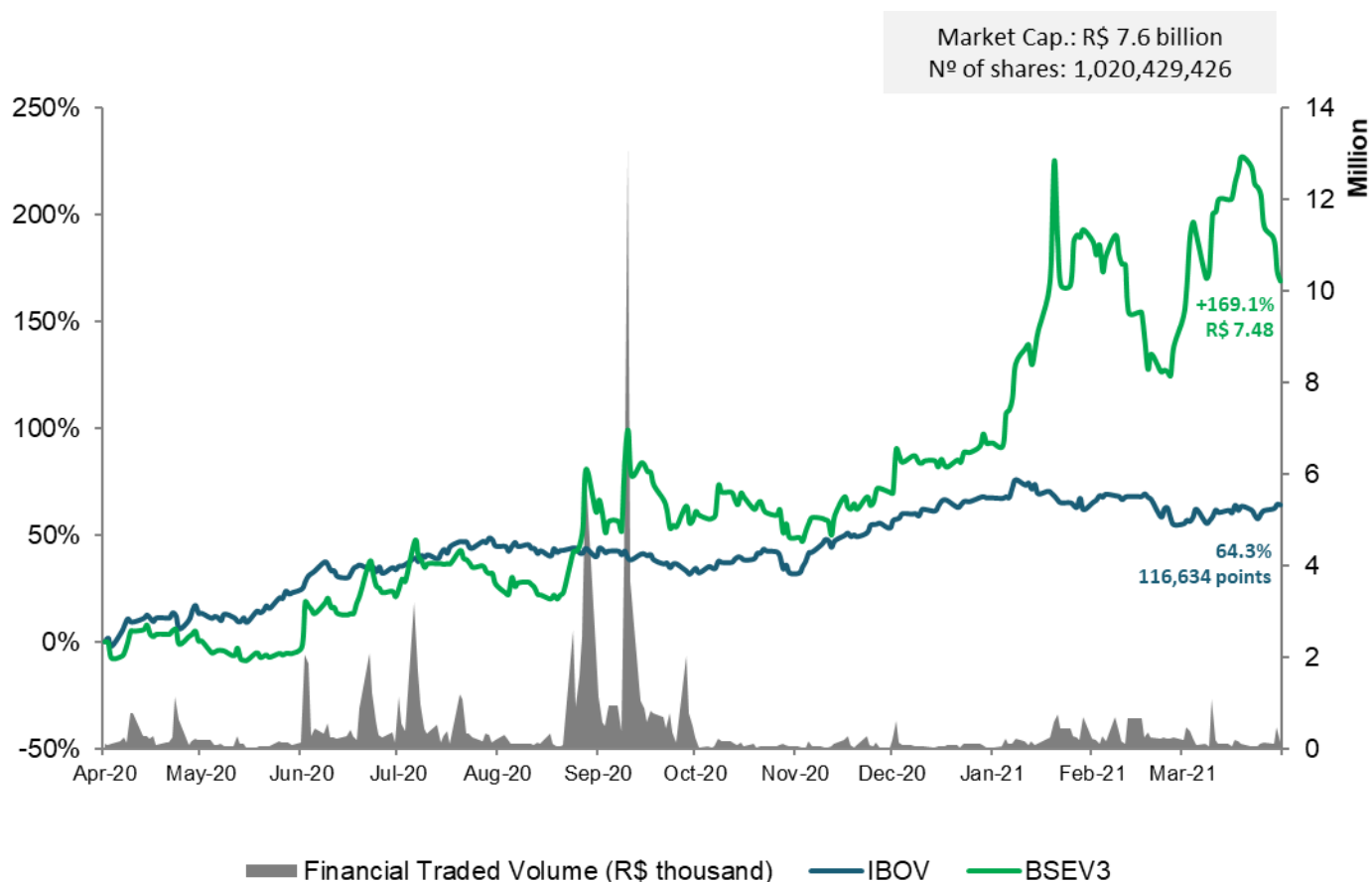




## 6. CAPITAL MARKETS

At the closing of 2020/21 crop, the Company's market capitalization totaled R\$7.6 billion. Its stock performance in the last 12 months compared to Ibovespa is shown below:

### *Performance BSEV3 versus IBOV*



Source: Bloomberg, March 31, 2021



## 7. APPENDICES

### 7.1. IFRS16

The IFRS 16/CPC 06 (R2) – Leases standard, adopted as of April 1, 2019, changed accounting for lease agreements and agricultural partnerships, which are now treated similarly to financing transactions related to the acquisition of right of use of assets, and payments for which, previously recorded as operating costs and expenses, are now recognized as depreciation or amortization and financial expenses.

Income Statement (R\$ Thousand)	Before IFRS16	IFRS16 effects	After IFRS16	Before IFRS16	IFRS16 effects	After IFRS16
	20/21			19/20		
<b>Gross Revenue</b>	<b>10,651,340</b>	-	<b>10,651,340</b>	<b>7,066,368</b>	-	<b>7,066,368</b>
Taxes and Sales Deductions	(321,348)	-	(321,348)	(528,282)	-	(528,282)
<b>Net Revenue</b>	<b>10,329,992</b>	-	<b>10,329,992</b>	<b>6,538,086</b>	-	<b>6,538,086</b>
COGS	(7,733,370)	88,252	(7,645,118)	(5,838,031)	57,396	(5,780,635)
Depreciation and Amortization	(1,676,793)	(502,886)	(2,179,679)	(1,389,704)	(484,770)	(1,874,474)
Raw Materials	(1,693,252)	588,583	(1,104,669)	(1,483,378)	537,022	(946,356)
Inputs	(112,250)	2,555	(109,695)	(91,827)	5,144	(86,683)
<b>GROSS PROFIT</b>	<b>2,596,622</b>	<b>88,252</b>	<b>2,684,874</b>	<b>700,055</b>	<b>57,396</b>	<b>757,451</b>
<b>OPERATING INCOME (EXPENSES)</b>	<b>(956,368)</b>	<b>254</b>	<b>(956,114)</b>	<b>(393,176)</b>	<b>242</b>	<b>(392,934)</b>
SG&A	(599,497)	254	(599,243)	(454,977)	242	(454,735)
Depreciation and Amortization	(21,239)	(2,126)	(19,113)	(21,502)	(2,051)	(23,553)
Others	(19,952)	(2,380)	(22,333)	(26,807)	2,293	(24,514)
Equity income/(loss) in subsidiaries	(9,163)	-	(9,163)	(8,952)	-	(8,952)
Other operating income (expenses)	(347,708)	-	(347,708)	70,753	-	70,753
<b>PROFIT (LOSS) BEFORE FINANCIAL RESULT</b>	<b>1,640,253</b>	<b>88,507</b>	<b>1,728,760</b>	<b>306,879</b>	<b>57,638</b>	<b>364,517</b>
Financial Result, net	(1,008,539)	(169,401)	(1,177,939)	(2,216,057)	(161,527)	(2,377,584)
Financial Revenue	22,382	-	22,382	33,385	-	33,385
Financial Expenses	(442,652)	(169,401)	(612,052)	(506,175)	(161,527)	(667,702)
Interest Expenses	(423,965)	(169,401)	(593,365)	(453,408)	(161,527)	(614,935)
Derivatives	75,876	-	75,876	42,542	-	42,542
FX Variation	(664,145)	-	(664,145)	(1,785,809)	-	(1,785,809)
<b>PROFIT (LOSS) BEFORE TAXES ON INCOME</b>	<b>631,715</b>	<b>(80,894)</b>	<b>550,821</b>	<b>(1,909,178)</b>	<b>(103,889)</b>	<b>(2,013,067)</b>
Income Tax and Social Contribution	(415,282)	27,503	(387,779)	426,497	35,322	461,819
<b>NET INCOME (LOSS)</b>	<b>216,433</b>	<b>(53,391)</b>	<b>163,042</b>	<b>(1,482,681)</b>	<b>(68,567)</b>	<b>(1,551,248)</b>



## 7.2. Statement of Profit and Loss for the Period/Year

Income Statement (R\$ Thousand)	2020/21	2019/20	%
Gross Revenue	10,651,340	7,066,368	50.7%
Taxes and Sales Deductions	(321,348)	(528,282)	-39.2%
<b>Net Revenue</b>	<b>10,329,992</b>	<b>6,538,086</b>	<b>58.0%</b>
COGS	(7,645,118)	(5,780,635)	32.3%
<b>GROSS PROFIT</b>	<b>2,684,874</b>	<b>757,451</b>	<b>254.5%</b>
<b>OPERATING INCOME (EXPENSES)</b>	<b>(956,114)</b>	<b>(392,934)</b>	<b>143.3%</b>
G&A	(277,690)	(279,618)	-0.7%
Selling	(321,553)	(175,117)	83.6%
Equity income/(loss) in subsidiaries	(9,163)	(8,952)	2.4%
Other operating income (expenses)	(347,708)	70,753	-591.4%
<b>PROFIT (LOSS) BEFORE FINANCIAL RESULT</b>	<b>1,728,760</b>	<b>364,517</b>	<b>374.3%</b>
Financial Result, net	(1,177,939)	(2,377,584)	-50.5%
Financial Revenue	22,382	33,385	-33.0%
Financial Expenses	(612,052)	(667,702)	-8.3%
Derivative	75,876	42,542	78.4%
FX Variation	(664,145)	(1,785,809)	-62.8%
<b>PROFIT (LOSS) BEFORE TAXES ON INCOME</b>	<b>550,821</b>	<b>(2,013,067)</b>	<b>-127.4%</b>
Income Tax and Social Contribution	(387,779)	461,819	-184.0%
<b>NET INCOME (LOSS)</b>	<b>163,042</b>	<b>(1,551,248)</b>	<b>-110.5%</b>



### 7.3. Balance Sheet – Assets

ASSETS (R\$ Thousand)	31/03/2021	03/31/2020	%
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	812,304	1,174,943	-30.9%
Short-term investments	169,303	52,245	224.1%
Derivative financial instruments	169,636	225,787	-24.9%
Accounts receivables	349,268	202,050	72.9%
Inventories	460,993	2,948,633	-84.4%
Biological Assets	1,598,906	663,908	140.8%
Recoverable taxes	68,944	158,777	-56.6%
Other receivables	71,767	88,170	-18.6%
Assets held for sale	-	45,165	-100.0%
<b>Total current assets</b>	<b>3,701,121</b>	<b>5,559,678</b>	<b>-33.4%</b>
<b>NON CURRENT ASSETS</b>			
Long-term investments	33,256	-	100.0%
Advances to suppliers	40,657	56,602	-28.2%
Escrow deposits	230,598	385,413	-40.2%
Recoverable taxes	147,166	57,529	155.8%
Deferred income tax and social contribution	488,486	872,971	-44.0%
Other receivables	388,303	320,012	21.3%
Right to use leasehold assets	2,186,598	1,577,379	38.6%
Investments	152,107	160,393	-5.2%
Property, plant and equipment	3,524,460	3,477,391	1.4%
Intangible assets	916,413	921,964	-0.6%
<b>Total non-current assets</b>	<b>8,138,563</b>	<b>7,885,539</b>	<b>3.2%</b>
<b>TOTAL ASSETS</b>	<b>11,839,684</b>	<b>13,445,217</b>	<b>-11.9%</b>



## 7.4. Balance Sheet – Liabilities and Equity

LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ Thousand)	31/03/2021	03/31/2020	%
<b>CURRENT LIABILITIES</b>			
Borrowings and financing	7,561,956	7,225,234	4.7%
Liabilities from leasing operations	488,415	498,932	-2.1%
Advance from domestic customers	81,827	28,128	190.9%
Advance from foreign customers	240	2,585,641	-100.0%
Accounts payables	761,772	798,903	-4.6%
Accrued payroll and related taxes	106,083	90,483	17.2%
Taxes payable	108,311	75,152	44.1%
Derivative financial instruments	221,574	586,843	-62.2%
Other payables	162,058	118,051	37.3%
<b>Total current liabilities</b>	<b>9,492,236</b>	<b>12,007,367</b>	<b>-20.9%</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings and financing	74,936	96,191	-22.1%
Liabilities from leasing operations	1,939,126	1,182,337	64.0%
Advance from foreign customers	675,794	626,116	7.9%
Accounts payables	4,741	5,965	-20.5%
Deferred income tax and social contribution	34,862	36,883	-5.5%
Derivative financial instruments	13,672	16,596	-17.6%
Provision for tax, labor, civil and environmental contingencies	277,474	294,668	-5.8%
Taxes payable	18,670	18,501	0.9%
Other payables	155,207	167,247	-7.2%
<b>Total non-current liabilities</b>	<b>3,194,482</b>	<b>2,444,504</b>	<b>30.7%</b>
<b>SHAREHOLDERS' EQUITY</b>			
Paid-in Capital	6,077,674	6,077,674	0.0%
Capital reserve	1,353,937	1,353,937	0.0%
Accumulated losses	(8,004,216)	(8,167,310)	-2.0%
Retained Earnings	-	-	100.0%
Other comprehensive income (loss)	(280,582)	(277,132)	1.2%
<b>Total equity attributable to shareholders</b>	<b>(853,187)</b>	<b>(1,012,831)</b>	<b>-15.8%</b>
Non-controlling interest	6,153	6,177	-0.4%
<b>Total equity</b>	<b>(847,034)</b>	<b>(1,006,654)</b>	<b>-15.9%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>11,839,684</b>	<b>13,445,217</b>	<b>-11.9%</b>





## 7.5. Statement of Cash Flows

Cash Flow (R\$ Thousand)	31/03/2021	03/31/2020	%
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
NET INCOME (LOSS)	163,042	(1,551,248)	-110.5%
Non-cash transactions	2,712,873	3,567,346	-24.0%
Depreciation and amortization	2,200,918	1,898,027	16.0%
Exchange, interest rate and commodities risk management	151,155	26,889	462.1%
Losses (gains) from selling Biological Assets <sup>1</sup>	(1,290,193)	(222,448)	480.0%
Interest, exchange rate changes and inflation adjustments, net	1,146,766	2,215,369	-48.2%
Losses/(gains) on hedge operations	(6,492)	17,160	-137.8%
Deferred Income tax and social contribution	384,671	(477,113)	-180.6%
Other non-cash transactions	126,048	109,462	15.2%
Decrease/(Increase) in assets	2,626,689	(2,707,780)	-197.0%
Increase/(Decrease) in liabilities	(3,030,163)	3,066,879	-198.8%
Interest paid on borrowings and financing	(378,800)	(483,198)	-21.6%
<b>Net cash provided by/(used in) operating activities</b>	<b>2,093,641</b>	<b>1,891,999</b>	<b>10.7%</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Decrease (increase) in short- and long-term investments	(149,426)	89,206	-267.5%
Increase in property, plant and equipment	(897,247)	(678,306)	32.3%
Additions to biological assets	(511,435)	(470,081)	8.8%
Increase in intangible assets	(1,286)	(10,747)	-88.0%
<b>Net cash provided by/(used in) investing activities</b>	<b>(1,560,271)</b>	<b>(1,069,359)</b>	<b>45.9%</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities	(587,234)	(521,309)	12.6%
Borrowings and financing	1,844,963	4,408,209	-58.1%
Payment of borrowings and financing	(2,153,738)	(4,723,709)	-54.4%
<b>Net cash provided by/(used in) financing activities</b>	<b>(896,009)</b>	<b>(836,809)</b>	<b>7.1%</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(362,639)</b>	<b>(14,169)</b>	<b>2459.4%</b>
Cash and cash equivalents at the beginning of the period	1,174,943	1,189,112	-1.2%
<b>Cash and cash equivalents at the end of the period</b>	<b>812,304</b>	<b>1,174,943</b>	<b>-30.9%</b>

<sup>1</sup> Losses (gains) from the fair value adjustment less estimated cost of sales of biological assets.