

J 1Q25 Earnings Release

Jalles reports increased productivity, totaling 91.0 TCH with 38.4% of the crop completed

Goianésia, August 13, 2024 — JALLES MACHADO S.A. (B3: JALL3, “Jalles”, “Company”), the world's largest exporter of organic sugar, and one of the largest producers of sugar and ethanol in Brazil's Midwest region, today announced its results for the first quarter of the 2024/2025 crop year (1Q25). The Parent Company's and the Consolidated interim accounting information has been prepared and presented in accordance with the technical pronouncements CPC 21 (R1) - Interim Financial Statements, as well as the International Financial Reporting Standard IAS 34 (IFRS) - Interim Financial Report, issued by the International Accounting Standards Board (IASB), as well as for the presentation of such information in a manner consistent with the standards laid down by the Brazilian Securities and Exchange Commission (CVM).

Highlights for the period



Increase in agricultural productivity, with a 4.7% growth in tons of sugarcane per hectare compared to the previous year



Sugar hedge of 84.5% and 33.0% of the total volume available for the 2025/26 and 2026/27 crops, and average prices of R\$ 2,428 and R\$ 2,384, respectively



Better ethanol prices when compared to 4Q24, from R\$ 2.4 to R\$ 2.8



Adjusted EBITDA amounted to R\$ 243.9 million, maintaining the 60.8% margin, even with a lower sales volume



Strategy of stock-piling ethanol for the next few quarters, given the trend for appreciation and increased parity with gasoline

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August 14, 2024

3:00pm (Brasília) – 2:00pm (US EDT)

Connection by video:

[Zoom](#)

Connection by phone:

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Access code: 566550

Webinar: 835 1422 2978

Access code: 440182

JALL3

Latest price: R\$ 6.90

No. shares: 303,541,864

Market cap.: R\$ 2.09 Bn

Free-Float: 31.7%

52w high: R\$ 9.23

52w low: R\$ 6.24

Jalles Machado S.A.

Earnings Release
Period ended June 30, 2024 (1Q25)

Board of Directors

Oscar Bernardes
Chairman and Independent Member

Alexandre Mendonça de Barros
Vice-Chairman and Independent Member

Plínio Nastari
Executive Member

Otávio Lage de Siqueira Filho
Member

Silvia Regina de Siqueira
Member

Clóvis Ferreira de Moraes
Member

Gibrail Kanjo Esber Brahin Filho
Member

Fiscal Council

Elvio Franklin Gajardoni Rodrigues
President and Independent Active Member

Paulo Alves Pinto
Independent Alternate Member

Cláudio Oliveira da Silva
Independent Active Member

Marcos Antonio Lebre Rizzotti
Independent Active Member

Luiz Fernando Ferraz de Rezende
Independent Active Member

Edgard Massao Raffaelli
Independent Active Member

Executive Board

Otávio Lage de Siqueira Filho
Chief Executive Officer

Rodrigo Penna de Siqueira
Chief Financial Officer

Henrique Penna de Siqueira
Commercial Officer

Joel Soares Alves da Silva
Operations Officer

Auditing

KPMG Auditores Independentes Ltda.

Caption:

UJM – Jalles Machado Plant

UOL – Otávio Lage Plant

USV – Santa Vitória Plant

1Q25 – Quarter ended June 30, 2024 (2024/25 Crop)

1Q24 – Quarter ended June 30, 2023 (2023/24 Crop)

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Explanatory Notes

This Earnings Release presents data that take into account Consolidated financials. The following definitions apply:

- **USV:** Consolidated operations between the Santa Vitória Plant and Jalles Bioenergia;
- **1Q25 Consolidated:** Data referring to the months of April to June 2024, for the Jalles Machado, Otávio Lage and Santa Vitória Plants;
- **1Q24 Consolidated:** Data referring to the months of April to June 2023, for the Jalles Machado, Otávio Lage and Santa Vitória Plants.

Main Indicators

Agricultural Operating Indicators

Operational KPIs	Consolidated		Δ%
	1Q25	1Q24	
Harvested area ('000 ha)	34.7	34.7	0.0%
Planted Expansion area ('000 ha)	0.8	1.9	-55.9%
Planted Renovation area ('000 ha)	5.9	6.8	-13.1%
Sugarcane crushing ('000 t.)	3,160.1	3,019.4	4.7%
Jalles Machado	1,202.0	1,210.1	-0.7%
Otávio Lage	1,084.8	966.5	12.2%
Santa Vitória	873.3	842.8	3.6%
Santa Vitória (third parties)	24.8	-	n/d
Productivity - TCH (t./ha)	91.0	87.0	4.7%
Jalles Machado	106.3	94.1	13.0%
Otávio Lage	94.5	87.6	7.8%
Santa Vitória	73.3	77.9	-6.0%
TRS Average (kg/ton)	121.1	125.9	-3.8%
Jalles Machado	120.0	120.7	-0.6%
Otávio Lage	111.7	119.9	-6.8%
Santa Vitória	137.7	140.3	-1.9%
TRS Production ('000 t.)	385.6	380.2	1.4%
Jalles Machado	144.2	146.0	-1.3%
Otávio Lage	121.2	115.9	4.6%
Santa Vitória	120.2	118.2	1.7%
Total TRS per Hectare - TTH ('000 t/ha)	11.1	11.0	1.4%
Jalles Machado	4.2	4.2	-1.3%
Otávio Lage	3.5	3.3	4.6%
Santa Vitória	3.5	3.4	1.7%
Average sugar cane age (years)	2.7	3.3	-18.0%
Jalles Machado	2.8	3.0	-5.3%
Otávio Lage	2.9	3.9	-25.8%
Santa Vitória	2.4	3.0	-20.7%

Industrial Operating Indicators

Industrial Operating Indicators	Consolidated		Δ%
	1Q25	1Q24	
Production Mix			
Ethanol	63.4%	64.5%	-1.0 p.p.
Ethanol Anhydrous	15.9%	15.5%	0.4 p.p.
Ethanol Hydr.	47.6%	49.0%	-1.4 p.p.
Ethanol Hydr. - Jalles Machado	0.0%	0.0%	-0.0 p.p.
Ethanol Hydr. - Otávio Lage	16.4%	17.8%	-1.4 p.p.
Ethanol Hydr. - Santa Vitória	31.2%	31.1%	0.1 p.p.
Ethanol Hydr. Organic	0.0%	0.0%	0.0 p.p.
Sugar	36.6%	35.5%	1.0 p.p.
Sugar VHP	4.3%	1.5%	2.8 p.p.
Sugar Cristal	26.4%	25.7%	0.7 p.p.
Sugar Organic	5.9%	8.3%	-2.5 p.p.
Production Volume			
Ethanol ('000 m³)	144.4	144.7	-0.2%
Ethanol Anhydrous ('000 m³)	35.0	33.7	3.8%
Ethanol Hydr. - Jalles Machado ('000 m³)	0.0	0.0	n/d
Ethanol Hydr. - Otávio Lage ('000 m³)	37.7	40.5	-6.8%
Ethanol Hydr. Santa Vitória ('000 m³)	71.7	70.5	1.7%
Ethanol Organic ('000 m³)	-	-	n/d
Sugar ('000 t.)	134.4	128.8	4.4%
Cristal ('000 t.)	96.9	93.2	4.0%
VHP ('000 t.)	16.0	5.5	189.0%
Organic ('000 t.)	21.5	30.1	n/d
Yeast ('000 t.)	0.9	1.2	-28.0%
Sanitizers ('000 cases)	190.6	232.6	-18.0%

Financial Indicators

Highlights	Consolidated		Δ%
	1Q25	1Q24	
<i>R\$ m illions</i>			
Gross Revenue	466.2	499.7	-6.7%
Net Revenue	401.3	445.1	-9.8%
Change in Biological Asset	78.3	(14.1)	-654.6%
COGS	(308.4)	(317.1)	-2.7%
Gross Profit	171.1	113.9	50.3%
<i>Gross Margin</i>	42.6%	25.6%	17.1
SG&A	(79.1)	(59.8)	32.3%
Assets in subsidiaries	4.9	4.4	12.1%
Other Oper. Rev. (Exp.) and Allowance for credit losses	53.5	12.0	344.5%
EBIT	150.5	70.5	113.4%
<i>Margin EBIT</i>	37.5%	15.8%	21.7 pp.
EBIT Adjusted**	67.3	80.2	-16.1%
<i>Margin EBIT Adjusted</i>	16.8%	18.0%	-1.3 pp.
EBITDA	327.1	261.7	25.0%
<i>EBITDA Margin</i>	81.5%	58.8%	22.7 pp.
EBITDA Adjusted**	243.9	271.4	-10.1%
<i>Margin EBITDA Adjusted</i>	60.8%	61.0%	-0.2 pp.
Financial Results	(185.3)	(1.6)	11208.1%
<i>Hedge (MTM e Liquidation)</i>	(106.6)	22.3	-577.4%
Net Income	(2.4)	49.5	-104.8%
<i>Net Margin</i>	-0.6%	11.4%	-11.7 pp.
EBITDA LTM	1,207.3	1,107.3	9.0%
Net Debt	1,682.6	1,239.3	35.8%
Net Debt/Adjusted EBITDA	1.4	1.1	24.5%
Capex (ex-Culturalcane)	166.7	145.6	14.4%

EBITDA (earnings before interest, taxes, depreciation and amortization) does not constitute a financial performance indicator under BR GAAP, International Accounting Standards (IFRS), and should not be considered individually as a measure of operational performance, or as an alternative to operating cash flow as a measure of liquidity. This indicator is a management metric, presented in such a way as to provide further information on operating cash flow generation.

Message from Management

We are pleased to present the results for the first quarter of the 2024/25 crop, marking a period of achievements and challenges for Jalles. Within a scenario of recovery in the sugar and ethanol market, our efforts to enhance operational and marketing efficiency are reflected in the results achieved now and in the quarters to come.

Following a challenging 2023/24 crop, with low ethanol parity with gasoline and weak initial demand, the 2024/25 crop started with a promising outlook. We saw higher ethanol prices, driven by resilient and heated demand from the start. This scenario is further strengthened by the recent adjustment in gasoline prices by Petrobras, which could improve ethanol margins in the coming quarters. We believe that the balance between supply and demand should continue to support our efforts to ensure profitability and sustainable growth.

Regarding the sugar market, the resilience of prices between 18 and 20 cents per pound has benefited our hedging strategy for future crops, because even though current prices are not close to historical highs, they are still well above the average for the last 10 years. Nevertheless, the devaluation of the Real in June, due to political issues in Brazil, and speculation concerning the global sugar market caused an unexpected negative mark-to-market (MTM) adjustment in the quarter. Fortunately, we have already seen a normalization of these effects in July 2024.

On account of the favorable weather conditions in the state of Goiás for the formation of the sugarcane plantations for the 2024/25 crop, coupled with the advanced management and technology of our sugarcane plantations, Jalles recorded an increase in productivity, in contrast to the national downward trend. We closed the quarter with a crushing volume of 3,160,100 tons of sugarcane and a TCH of 91.0, up by 4.7% in both cases over the same period last year.

During the first quarter of the 2024/25 crop, we faced challenging weather conditions, with rains in March and April that impacted the purity of the cane. The increased humidity resulted in a lower "field TRS" rate, limiting our sugar production mix right at the start of the crop. However, there is a positive aspect to this initial humidity: as the crop progresses, we expect the sugarcane to withstand the dry period better, maintaining its productivity and quality for the production of crystal sugar, a favorable scenario for Jalles. The production of hydrous and anhydrous ethanol continues to be very positive this quarter, but we would highlight the increase in the sugar mix, even without the operation of the VHP sugar mill at the Santa Vitória Plant (USV).

The installed capacity of the Otávio Lage Plant (UOL) has reached 60% sugar mix, and we have been making adjustments to performance in order to optimize production at the start of the crop to reach this potential mix. These adjustments were expected, considering that the expansion works were completed during the off-season. UOL recorded growth of approximately 10% in daily sugarcane crushing, and has been gradually improving efficiency in crystal sugar production each month.

The Jalles Machado Plant (UJM) started the crop with high productivity per hectare (TCH), a positive aspect that demonstrates the ongoing improvements in performance, without significant expansions as was the case at UOL. USV has also taken an important step by starting up its VHP sugar factory, a watershed for the plant, which had previously produced only hydrous ethanol. This investment has given USV greater resilience in the face of different market scenarios, as a result of the new production mix.

Also at USV, we have implemented the agro-industrial control tower, which is already in operation, integrating agricultural and industrial operations to ensure better controls. Furthermore, we have increased the number of trailers

to 11 axles, reducing the cost of sugarcane due to this greater efficiency in production logistics. We have also started investing in pivots for irrigation on 700 hectares, geared towards producing high-yielding sugarcane with our own energy. The challenge at USV is still to gradually increase agricultural productivity, in line with our guidance for the 2026/27 crop year.

In operational terms, Jalles expects greater agricultural and industrial efficiency, with better prices than in the last crop season and controlled costs. This set of factors points to a promising crop. The performance of our plants has been aligned with our planning and guidance, with UOL and UJM standing out, as they exceeded the national average in terms of productivity. According to the Sugarcane Technology Center (CTC), the average productivity in the Center-South of Brazil was 89.0 TCH, Goiás reached 93.2 TCH, and São Paulo 89.7 TCH, whereas our plants have continued to outperform these indicators.

The growing demand for hydrous ethanol since the start of the crop, driven by a lower parity with gasoline in previous months, suggests a potential deficit in the Brazilian biofuels market during the off-season. This situation opens a window of opportunity for increased parity and probably better margins, which enables Jalles to position itself strategically. Thus, we are keeping a larger stockpile of hydrous and anhydrous ethanol for the off-season, as shown in this release, and using our tankage capacity for arbitrage.

We would like to point out that we will be selling a lower volume of ethanol throughout the crop, due to the start of VHP sugar production at the Santa Vitória Plant (USV). A significant part of this plant's TRS will be used to produce sugar, to the detriment of hydrous ethanol. The production of VHP sugar is undergoing a process of optimization, with the cargo already destined for the port for shipment. Freight costs have already been accounted for in expenses, but billing will only be recognized at the time of shipment. Consequently, VHP inventories are higher, according to the statements in this earnings release, although they refer to the formation of stocks at the port.

As for organic sugar, negotiations with distributors resulted in occasional delays in shipments, which impacted exports of this product during the period.

In addition, we adopted a policy of full commercialization of our CBIOS, considering the uncertainty regarding the continuity of the RenovaBio program, which has been a point of concern in recent months. This decision reflects our proactive approach to mitigating external risks to our business.

Finally, sales of energy by Jalles Bioenergia, which is attached to USV, benefited from the greater availability of sugarcane for bioenergy generation, which reinforces our ability to efficiently exploit natural resources and contribute to the country's sustainable energy matrix.

In short, despite the challenges, Jalles' performance this quarter reaffirms our ability to adapt and grow. We remain focused on expanding our operations to capture market opportunities, ensuring solid and sustainable results.

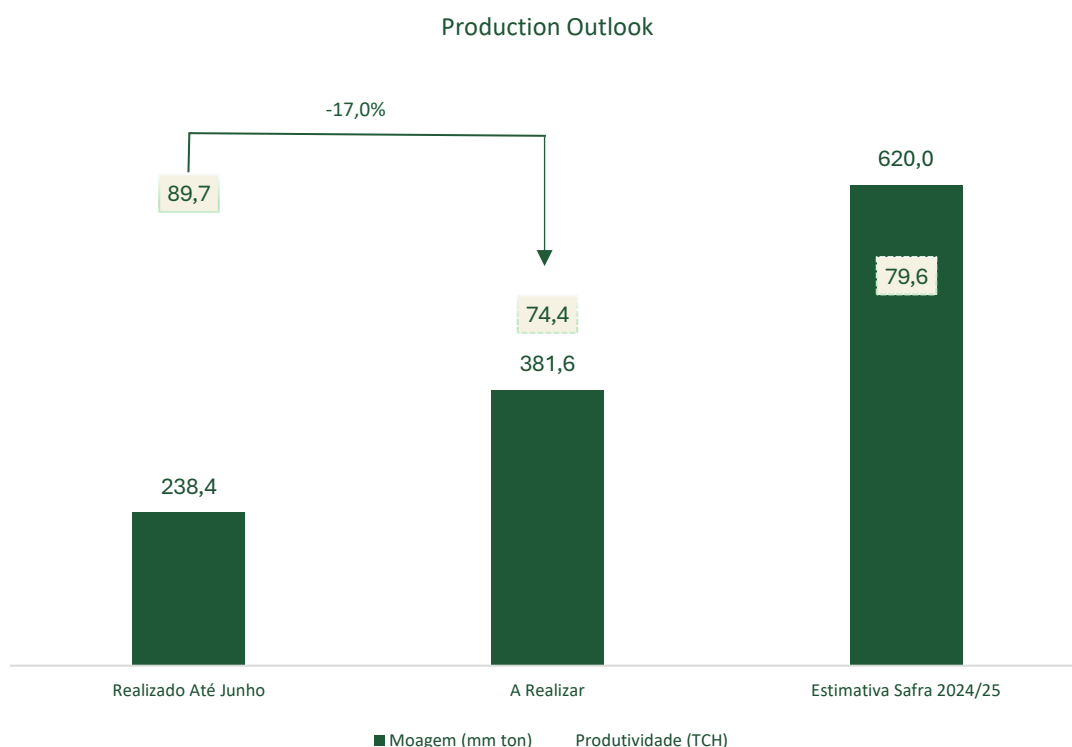
Market Overview

Sugarcane crushing

The 2024/25 crop began with prospects for a drop in productivity by approximately 10%, due to the low rainfall recorded since the end of the previous cycle (2023/24). The lower productivity should be partially offset by an increase in the cutting area, generating a total sugarcane production of more than 600 million tons.

The first three months of the crop, however, saw a moderate reduction in productivity and strong growth in the cut area, due to the low incidence of rainfall in the Center-South region, which allowed mills to accelerate their cutting pace. Total sugarcane production up to the end of July was 238 million tons (+13% YoY). Accumulated agricultural productivity in the period was 89.7 tons of cane per hectare (-2.7% YoY).

Over the next few months, however, the sector is likely to record further declines in TCH levels, and should end the crop with cumulative productivity of around 80 tons of cane per hectare.



Source: UNICA; FG/A

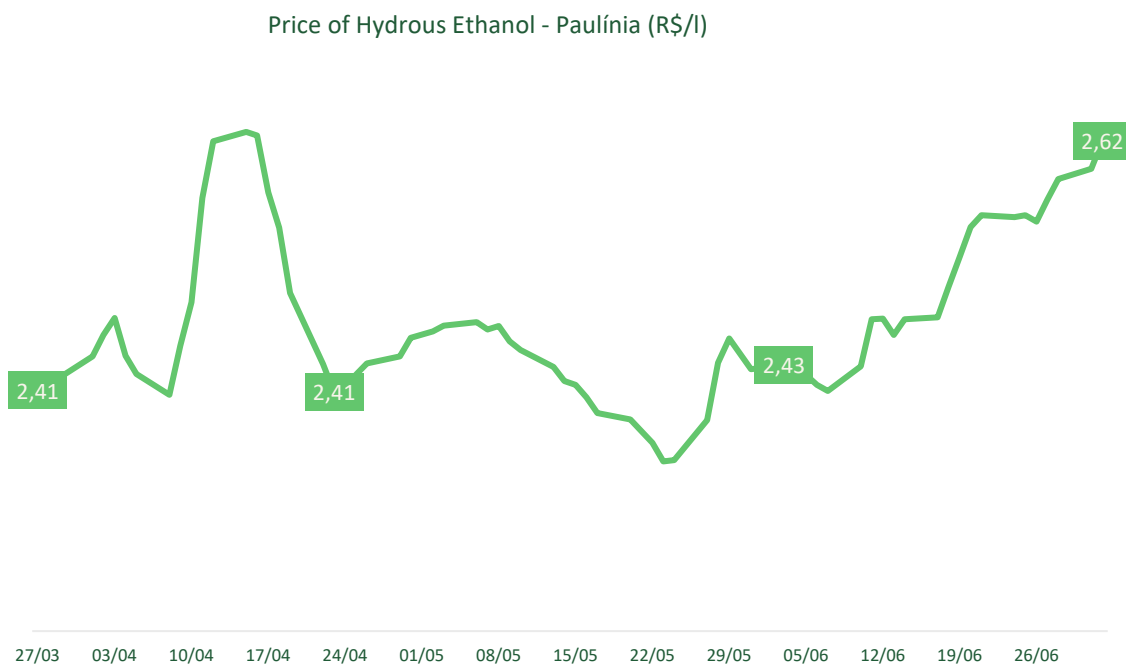
Furthermore, even with lower sugarcane availability in the current cycle, sugar crushing volumes were expected to be similar to those of the 2023/24 crop, when 42.4 million tons of sugar were produced, given the increase in the production capacity in recent crops.

However, the sugar mix recorded up to the end of June was 48.7%, just 0.9 p.p. higher than in the previous crop, reflecting a potential delay in the completion of the capacity expansion.

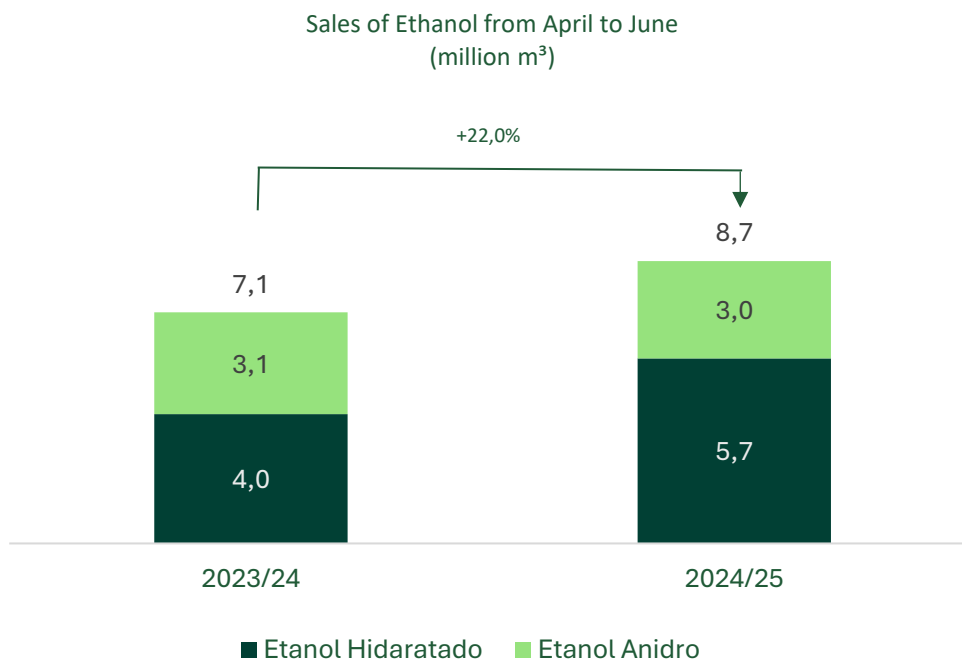
Ethanol

During the first three months of the crop, the sector recorded a high sales volume of ethanol. In the period, 8.7 million m³ of ethanol were sold, up by 22% from the previous cycle. Out of this amount, 5.7 million m³ comprised hydrous ethanol (+43% year-over-year).

With the higher pace of sales and the prospect for a lower crop in terms of production, hydrous ethanol prices reacted in a positive way. Since the start of the crop, prices have risen by 9%, from approximately 2.41 R\$/liter (net price to the producer), to an average of 2.62 R\$/liter.



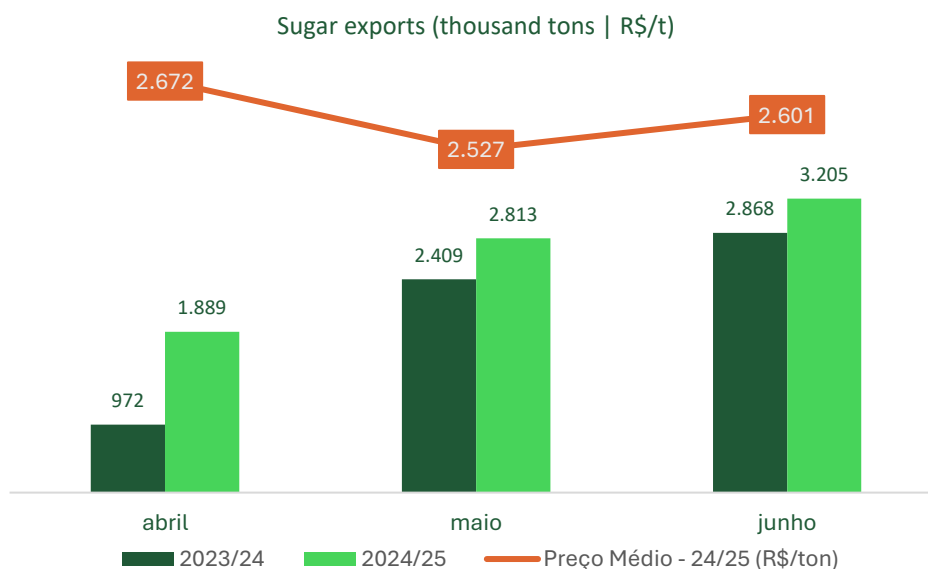
Source: Esalq



Source: UNICA

Sugar - General Overview

The 2023/24 crop (October-September cycle) is expected to show a deficit of 2.9 million tons in the global sugar balance, according to data from the International Sugar Organization (ISO). The price of the commodity has been sustained due to the appreciation in the US dollar rate, even with Brazilian exports at record levels.



Source: Secex

Sugarcane Crushing

Operational Performance

Operational KPIs	Consolidated		Δ%
	1Q25	1Q24	
Harvested area ('000 ha)	34.7	34.7	0.0%
Planted Expansion area ('000 ha)	0.8	1.9	-55.9%
Planted Renovation area ('000 ha)	5.9	6.8	-13.1%
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Jalles Machado	1,202.0	1,210.1	-0.7%
Otávio Lage	1,084.8	966.5	12.2%
Santa Vitória	873.3	842.8	3.6%
Santa Vitória (third parties)	24.8	-	n/d
Productivity - TCH (t./ha)	91.0	87.0	4.7%
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Jalles Machado	144.2	146.0	-1.3%
Otávio Lage	121.2	115.9	4.6%
Santa Vitória	120.2	118.2	1.7%
Total TRS per Hectare - TTH ('000 t/ha)	11.1	11.0	1.4%
Jalles Machado	4.2	4.2	-1.3%
Otávio Lage	3.5	3.3	4.6%
Santa Vitória	3.5	3.4	1.7%
Average sugar cane age (years)	2.7	3.3	-18.0%
Jalles Machado	2.8	3.0	-5.3%
Otávio Lage	2.9	3.9	-25.8%
Santa Vitória	2.4	3.0	-20.7%

The Company closed the first quarter of the 2024/25 crop with a total crushing of 3,160,100 tons of sugarcane, representing a 4.7% growth when compared to 1Q24. This increase can be explained by the higher production expected for this crop, given the expansion of the sugarcane plantation carried out in the previous crop. Moreover, sugarcane crushing at the USV has seen an increase in the efficiency of the diffuser, making it possible to crush more sugarcane per hour.

Nonetheless, given the imminent inauguration of USV's VHP sugar mill in June, the Company has reduced the crushing rate so that, as of July, it could once again speed up cane processing in order to maximize sugar production. This will make it possible to make better use of the sugarcane juice, allocating a larger portion to the production of VHP sugar, which is a product that yields a higher margin than hydrous ethanol.

Also of note was the performance of UOL, which recorded a 12.2% increase in crushing during the period, due to the greater volume of sugarcane available, resulting from the IPO's brownfield investments.

Expansion planting amounted to 800 hectares, compared to 1,900 hectares in 1Q24. This area is due to the conclusion of the expansion cycle to reach 9.0 million tons of crushing. Renewal plantings amounted to 5.900 hectares, down by 13.1% from the first quarter of 2023/24, due to a normalization of the renewal activity in this crop compared to the previous crop, which benefited from early renewal at UOL in the first quarter.

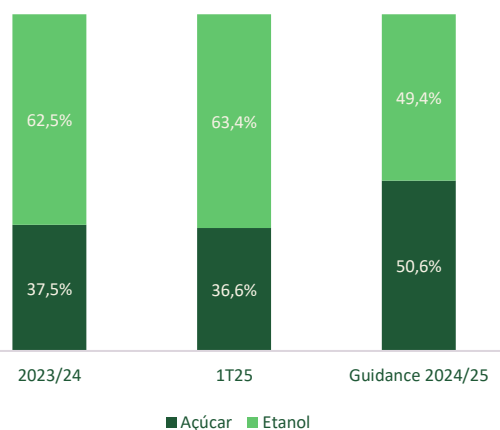
The harvested area remained at 34,700 hectares, the same as in 1Q24. Although the harvested area was the same, there was an increase in crushing, meaning there was a gain in productivity. The Company's TCH reached 91.0 in the quarter, representing a 4.7% increase, with special mention to the Jalles Machado Plant, which recorded a 13.0% increase in productivity.

In 1Q25, UOL posted a 7.8% increase in TCH, when compared to the first quarter of the 2023/24 crop. In 1Q24, the plant went through an early renewal, which led to low productivity, but in 1Q25, it has returned to the average. Although the plants in Goiás are close to each other, UJM has benefited more from weather conditions in the period. At USV, in the state of Minas Gerais, productivity was lower due to the absence of the climatic bonus seen in the first quarter of the 2023/24 crop, as the El Niño effect delayed the rainfall in the region between late 2023 and early 2024. In view of this climatic factor, Jalles reiterates that the estimates contained in its guidance have already taken this scenario into account.

Production

Production thousand	Consolidated		Δ%
	1Q25	1Q24	
TRS Average (kg/ton)	121.1	125.9	-3.8%
Jalles Machado	120.0	120.7	-0.6%
Otávio Lage	111.7	119.9	-6.8%
Santa Vitória	137.7	140.3	-1.9%
TRS Production ('000 t.)	385.6	380.2	1.4%
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Total TRS per Hectare - TTH ('000 t/ha)	11.1	11.0	1.4%
Average sugar cane age (years)	2.7	3.3	-18.0%
Jalles Machado	2.8	3.0	-5.3%
Otávio Lage	2.9	3.9	-25.8%
Santa Vitória	2.4	3.0	-20.7%
Production Volume			
Ethanol ('000 m³)	144.4	144.7	-0.2%
Ethanol Anhydrous ('000 m³)	35.0	33.7	3.8%
Ethanol Hydr. - Jalles Machado ('000)	0.0	0.0	n/d
Ethanol Hydr. - Otávio Lage ('000 m³)	37.7	40.5	-6.8%
Ethanol Hydr. Santa Vitória ('000 m³)	71.7	n/d	n/d
Ethanol Organic ('000 m³)	-	-	n/d
Sugar ('000 t.)	134.4	128.8	4.4%
Cristal ('000 t.)	96.9	93.2	4.0%
VHP ('000 t.)	16.0	5.5	189.0%
Organic ('000 t.)	21.5	30.1	n/d
Yeast ('000 t.)	0.9		-28.0%
Sanitizers ('000 cases)	190.6		-18.0%
Production Mix			
Ethanol	63.4%	64.5%	-1.0 p.p.
Ethanol Anhydrous	15.9%	15.5%	0.4 p.p.
Ethanol Hydr.	47.6%	49.0%	-1.4 p.p.
Ethanol Hydr. - Jalles Machado	0.0%	0.0%	-0.0 p.p.
Ethanol Hydr. - Otávio Lage	16.4%	17.8%	-1.4 p.p.
Ethanol Hydr. - Santa Vitória	31.2%	31.1%	0.1 p.p.
Ethanol Hydr. Organic	0.0%	0.0%	0.0 p.p.
Sugar	36.6%	35.5%	1.0 p.p.
Sugar VHP	4.3%	1.5%	2.8 p.p.
Sugar Cristal	26.4%	25.7%	0.7 p.p.
Sugar Organic	5.9%	8.3%	-2.5 p.p.

Production Mix - Sugar x Ethanol (%)



In the first quarter of the 2024/25 crop, the production mix stood at 36.6% sugar and 63.4% ethanol, compared to 35.5% and 64.5%, respectively, in 1Q24. On account of the greater crushing capacity at UOL, expectations were for a higher sugar mix, especially for the Cristal type, but the amount of rain that fell in March and April did not contribute to this scenario, as the sugarcane contained a lower concentration of ATR in the field and was less pure, which hampers the production of white crystal sugar. However, even with the context jeopardizing the ideal production of crystal sugar, in

the comparison between 1Q24 and 1Q25, Jalles managed to increase its sugar mix by 1.0 p.p., with VHP production reaching 2.8 p.p. in the period.

With sugar production at USV, a recovery to a more sugar-based mix is expected during the second and third quarters of the 2024/25 crop. The forecasts for TCH have been exceeded at UJM, where the guidance for 2024/25 indicated 95.5, but Jalles has achieved 106.3. However, there is a trend towards lower productivity for the next quarter, due to a higher percentage of first cut sugarcane (plant cane), an age that yields high productivity.

Despite an average TRS 3.8% lower in the quarter (due to the rainfall at the start of the crop), Jalles has managed to maintain the total TRS per hectare, which came in 1.4% higher than in 1Q24, as a result of the increase in productivity per area, thus offsetting this loss.

Due to the renewal of low-yielding areas with an older age in the first quarter of the 2023/24 crop at both UOL and USV, as well as the expansion of the sugarcane plantations at these units, the average age of the sugarcane plantations has been reduced. Consequently, in addition to an 18.0% lower age, there was a higher TCH in this period.

Sales

Commercialization ('000)	Consolidated		Δ%
	1Q25	1Q24	
TRS Sold ('000 t.)	196.1	200.9	-2.4%
TRS Sold / TR Production	50.9%	52.8%	-2.0p.p.
Ethanol ('000 m³)	68.5	63.6	7.7%
Anhydrous	17.7	19.6	-9.9%
Hydr./Organic	21.9	8.7	151.2%
Hydr. Santa Vitória	28.9	35.2	-18.0%
Sugar ('000 t.)	76.3	88.6	-13.8%
VHP Sugar	2.8	7.1	-60.5%
White Sugar	59.8	65.8	-9.1%
Organic Sugar	13.7	15.7	-12.6%
CBIOS ('000)	165.9	80.0	107.3%
Sanitizers ('000 cases)	186.6	240.5	-22.4%
Yeast ('000 t.)	0.5	0.9	-45.4%
Energy (GWh)	104.3	93.3	11.9%

A total of 196,100 tons of ATR were sold in the period, 2.4% less than the 200,900 tons sold in 1Q24. The reason for the drop in ATR sales is the fall in sugar sales in the period, with emphasis on exports of VHP and organic sugar. Sales of VHP sugar tend to be normalized in the next quarter, as shipments have been made to the port, which had not yet been invoiced/shipped by June 30, 2024, thus excluding their accounting in this period. Organic sugar, on the other hand, fell due to the delay in shipments during the annual contract renegotiation period with a distributor in the United States.

As regards total sugar, there was a 13.8% drop compared to the first quarter of the 2023/24 crop, most notably in VHP sugar, which fell by 60.5% due to lower exports. The factor behind the decrease in sugar sales was the lower production in April, driven by the quality of the sugarcane (lower ATR in the field and lower purity in the juice), leading to a delay in sales, although this should be recovered in the upcoming quarters.

Ethanol increased by 7.7%, with a special mention for UOL's hydrous ethanol, which rose by 151.2% in the period. This increase in the volume of ethanol sales is chiefly explained by the carryover in the billing of ethanol from March 2024, and by the greater demand for the biofuel compared to the same period in the previous crop. The crop season in the

Center-South began with growing demand for ethanol in the Otto cycle, which has caused the price per liter to rise when compared to the preceding periods.

On the other hand, there was a significant increase in the sale of CBIOS, totaling 107.3% more than in the same period of the previous year. The Company's strategy for this year/crop has been not to keep inventories of CBIO owing to uncertainty about the continuity of the Renovabio program (already detailed in the Message from Management). There has also been an 11.9% increase in energy exported, which is a consequence of the higher volume of sugarcane crushed at USV.

Inventories

Inventories	Consolidated		Δ%
	R\$ millions		
	1Q25	1Q24	
Ethanol	243.6	239.1	1.9%
Hydr. e Organic	63.2	86.4	-26.8%
Anhydrous	66.7	34.9	91.2%
Hydr. Santa Vitória	113.6	117.8	-3.5%
Sugar	144.6	106.2	36.2%
White	51.8	40.5	27.9%
VHP	46.1	12.3	275.9%
Organic	46.7	53.4	-12.6%
Sanitizers	1.1	1.1	-7.6%
Yeast	1.2	0.3	283.7%
Other	0.6	1.5	-60.6%
CBIO	1.2	24.7	-95.2%
Stock in warehouse	97.4	99.2	-1.8%
Total	490.8	472.1	4.0%

Inventories ('000 t. '000 thousand)	Consolidated		Δ%
	1Q25	1Q24	
ATR ('000 t.)	285.5	236.9	20.5%
Ethanol ('000 m³)	105.9	92.3	14.7%
Hydr. e Organic ('000 m³)	26.8	37.4	-28.4%
Anhydrous ('000 m³)	29.4	15.1	94.1%
Hydr. Santa Vitória ('000 t.)	49.7	39.7	25.1%
Sugar ('000 t.)	101.0	77.3	30.7%
White ('000 t.)	37.1	28.6	29.8%
VHP ('000 t.)	31.9	9.1	249.1%
Organic ('000 t.)	32.0	39.6	-19.1%
Sanitizers ('000 cases)	32.6	33.7	-3.3%

For the current crop, Jalles has been analyzing the ethanol market in order to maximize its return and make the best use of its ethanol storage capacity. As demand was already high at the beginning of the crop, a window of opportunity opened up for a trend towards better average prices for ethanol.

At the close of the quarter, TRS inventories rose by 20.5% to 285,500 tons, compared to 263,900 tons in 1Q24. Ethanol increased by 14.7%, in particular anhydrous ethanol, which grew by 94.1% in the period, reinforcing Jalles' strategic position of selling more ethanol in the off-season, and the trend of hydrous ethanol gaining parity with gasoline. The same strategy was followed for hydrous ethanol, in addition to a lower production expected at USV due to the higher sugar mix. The significant reduction in hydrous ethanol inventories at UOL stems from the sales of inventories from the previous crop.

Sugar rose by 30.7% in the quarter, with a significant increase of 249.1% for VHP sugar. This increase in inventories is due to the weather conditions at the beginning of the crop, which led to greater production of this type of sugar, combined with the formation of inventories for exports (inventories will be written off when the cargo is actually invoiced for shipment to the port). There was a drop in inventories of organic sugar, given the more intense production that will take place in the next quarter of the year. Inventories of products in warehouses, which comprise agricultural inputs, materials for cars and equipment, and materials for maintenance, totaled R\$ 97.4 million, versus R\$ 99.2 million in 1Q24.

Economic and Financial Performance

Gross Operating Revenues | Net Revenues

Gross Revenue Composition R\$ millions	Consolidated		Δ%
	1Q25	1Q24	
Foreign Market	50.8	62.3	-18.5%
White Sugar	3.0	-	n/d
VHP Sugar	6.4	19.4	-67.0%
Organic Sugar	41.4	42.9	-3.5%
Domestic Market	415.4	437.4	-5.0%
Ethanol Anhydrous	48.9	59.9	-18.5%
Ethanol Hydr.	56.9	21.3	166.9%
Ethanol Hydr. Santa Vitória	77.2	100.5	-23.2%
Ethanol Organic	6.8	8.0	-15.7%
White Sugar	155.6	182.2	-14.6%
VHP Sugar	1.1	-	n/d
Organic Sugar	11.0	8.2	33.8%
Sanitizers	8.7	12.8	-31.9%
Energy	26.8	23.9	12.0%
CBDS	16.6	10.4	59.6%
Yeast	1.4	3.2	-58.0%
Others	4.6	6.9	-33.7%
Total	466.2	499.7	-6.7%

Gross operating revenues amounted to R\$ 466.2 million for the quarter, down by 6.7% from 1Q24. In the exports market, Jalles recorded an 18.5% drop compared to 1Q24. Among the factors that contributed to this result was a 67.0% drop in VHP sugar exports. This drop in VHP sales is related to the low volume of production in the period, which began to be reinstated at the end of June, after the start of operations at the USV sugar factory.

During this period, the Company exported crystal sugar, amounting to R\$ 3.0 million. Sales to the foreign market were due to a window for exports that opened up in the quarter. Jalles has strategically decided to sell the product abroad, due to the positive margins, even though logistics costs are higher than in other states.

In the domestic market, there was a 5.0% drop in relation to 1Q24. Despite the slight drop in the period, sales of organic sugar in the domestic market were noteworthy, due to the intensification of retail sales, as a result of the 33.8% increase in sales in 1Q25. Crystal sugar showed a 14.6% lower performance due to the lower quality of sugarcane juice at the

start of the crop, so there was lower production in the period, mainly impacting crystal sugar, which led to lower sales volumes.

Also noteworthy in the quarter was the sharp rise in UOL's hydrous ethanol revenues, up by 166.9% to R\$ 56.9 million, versus R\$ 21.3 million in 1Q24. This increase relates to the higher volume of sales in 1Q25, as can be seen in the Sales section, since the stock of ethanol that was carried over from the previous crop was sold. Jalles is therefore pursuing a strategy of taking advantage of the growing demand for ethanol at the start of the crop, in view of the fact that this was not the case in the first quarter of the previous crop year. There was a lower volume of anhydrous ethanol sold in the first quarter, 18.5% less than in 1Q24, due to the low demand for gasoline at the start of the crop, given that the Otto cycle mix is more ethanol-oriented this season compared to the previous crop.

Hydrous ethanol produced at Santa Vitória fell by 23.2% compared to 1Q24. The factors affecting this performance were storage strategies, aimed at selling more in the off-season. Jalles also used the storage strategy in order to sell at better prices. Furthermore, the Company pursued a more sugar-intensive mix, with sugar production starting at USV, and as a result there was less ethanol production.

In relation to CBIO, there was a 59.6% increase in sales, from R\$ 10.4 million to R\$ 16.6 million in the period. This increase in sales stemmed from the strategy of not stockpiling, as there was no foreseeable scenario of rising CBIO prices.

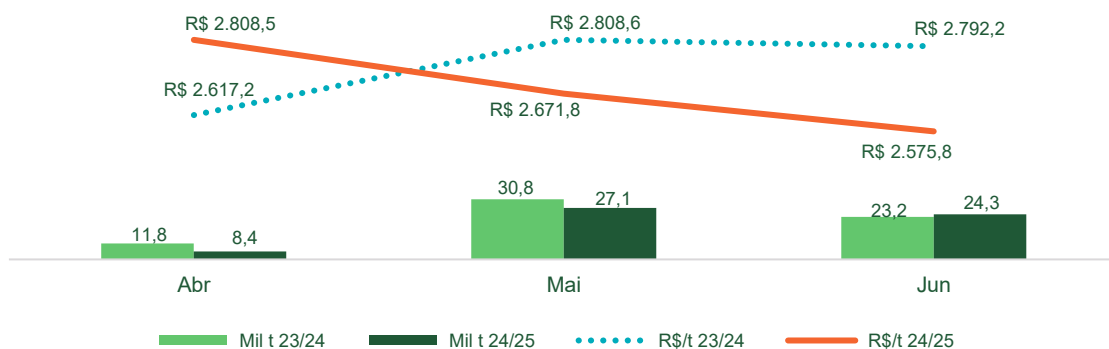
There has also been a drop in the sales of sanitizers, reflecting ANVISA'S Directive RDC 691/2022, which determined the end of sales of 70% alcohol in supermarkets as of December 31, 2023. The sale of remaining inventories was authorized as late as April 29, 2024, leading to a reduction in sales of sanitizers for the whole sector, not just Jalles.

Average Price for the Period

Average Gross Price Reais - R\$	Consolidated		Δ%
	1Q25	1Q24	
Sugar (VHP, White and Organic) R\$/t.	2.863,0	2.852,8	0,4%
Anhydrous Ethanol (R\$/L)	2,8	3,1	-9,5%
Hydrous Ethanol (R\$/L)	2,8	3,0	-6,2%
Sanitizers	46,6	53,1	-12,3%
CBIO (R\$/CBIO)	100,2	130,1	-23,0%

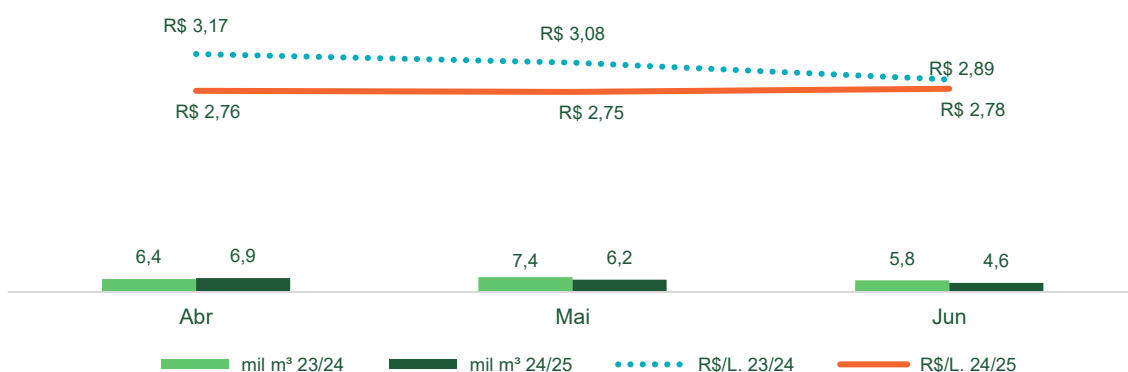
The average price of the total sugar sold (VHP, Cristal and Organic) stood at R\$ 2,863.0/t in 1Q25, up by 0.4% when compared to R\$ 2,852.8/t in 1Q24.

Crystal Sugar - '000 t x R\$/t - 2023/24 and 2024/25

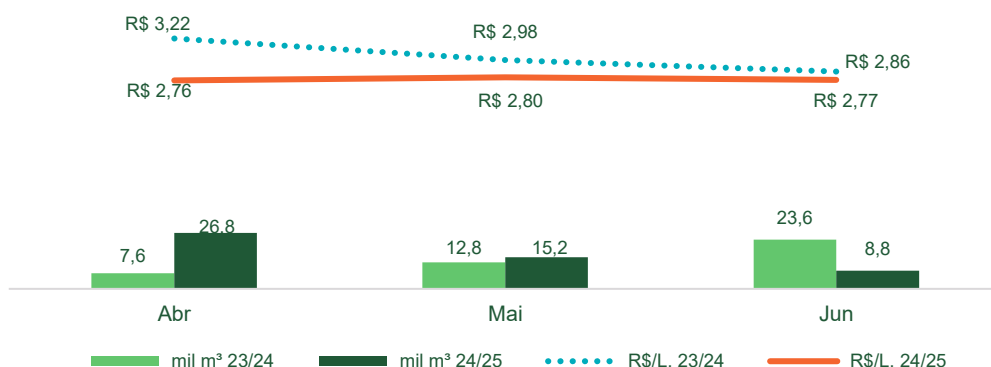


Sugar prices declined during the quarter, in particular in comparison with 1Q24. This was mainly due to the fact that the price level for the previous crop was at an all-time high, settling at lower levels during this crop. Therefore, there was a lower revenue per unit for crystal sugar in the current period. Nevertheless, Jalles has been able to balance this scenario due to hedging operations.

Anhydrous Ethanol - '000 m³ x R\$/l - 2023/24 vs. 2024/25

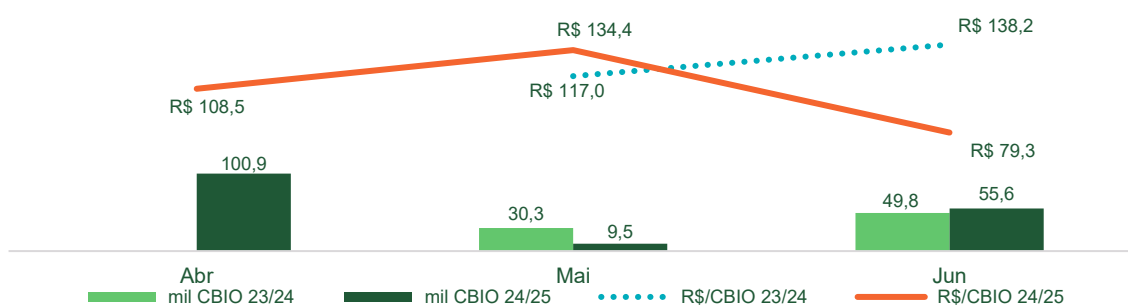


Hydrous Ethanol - '000 m³ x R\$/l - 2023/24 vs 2024/25



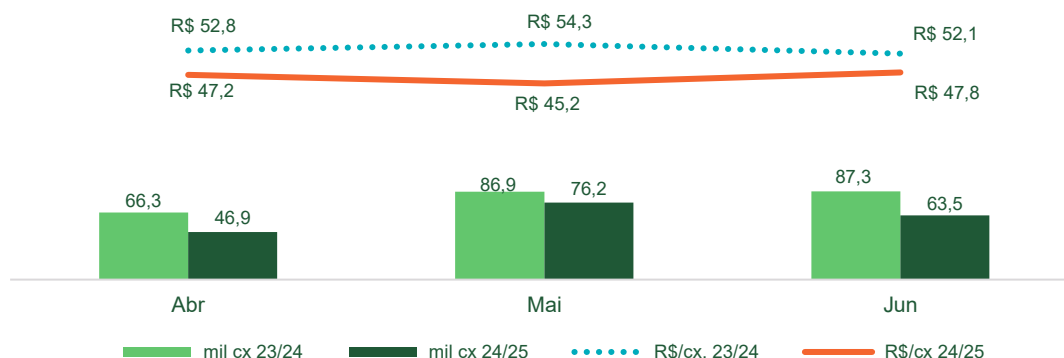
Despite lower prices year-over-year, hydrous ethanol has been showing a recovery in relation to gasoline, when compared to the end of 2023 and the beginning of 2024. The start of the crop year with higher demand tends to make it more likely that margins will recover during the crop. The current scenario is likely to cause the Company to be less involved in the market during the crop season, and to accelerate more during the off-season. The impact of Petrobras' increase in the price of gasoline has not yet been taken into account in the period covered by this release. This effect will be observed and analyzed in the 2Q25 release.

CBIO Volume (thousand CBIO) and Average Price (R\$/CBIO) - 2023/24 vs 2024/25



In 1Q25, there was an acceleration in CBIO sales due to the Company's strategy to bring inventories to zero, given the legal uncertainty surrounding Renovabio. Another major factor is the high share of ethanol in the otto cycle, and there is a downward trend in CBIO prices for the future, due to lower demand for the certificate compared to the previous year.

Commercialization of Sanitizing Products R\$/cx x Thousand - 2023/24 vs 2024/25



Sales of sanitizers have remained low since the last crop year. In addition to lower demand and lower prices, Jalles has obtained better margins selling other types of ethanol, given the price of sanitizers on the domestic market.

Selling, General and Administrative Expenses

Sales, General and Administrative Expenses (R\$ millions)	Consolidated		Δ%
	1Q25	1Q24	
SG&A	79.1	59.8	32.3%
G.A. Expenses	37.7	28.8	31.0%
Employes	14.8	12.8	15.3%
Others	15.7	11.4	37.7%
Tax	7.1	4.5	58.3%
Anticipate Produce	0.9	0.5	70.0%
Protege	3.6	3.3	7.9%
Tax expenses	2.6	0.6	322.6%
Sales Expenses	41.4	31.0	n/d
Comissions	2.4	2.2	8.2%
Freight	19.2	11.3	70.4%
Others	19.8	17.6	13.0%

In the first quarter of the 2024/25 crop, the Company's SG&A amounted to R\$ 79.1 million, which represents a 32.5% increase in relation to 1Q24. This growth can be mainly explained by the 31.4% increase in general and administrative expenses, driven by an increase of R\$ 0.9 million in salaries and wages. Moreover, in 1Q24, extraordinary PIS/COFINS credits amounting to R\$ 2.4 million were recorded, reflecting a non-recurring effect in the period. Another factor that contributed to the rise in SG&A in 1Q25 was the levying of income tax in the amount of R\$ 1.0 million, due to the growth

in C BIO sales, as well as an increase of R\$ 0.6 million related to self-regulation installments and other non-recurring effects.

Selling expenses rose by 33.5%, with particular emphasis on the growth in freight expenses, which rose by 70.4% in the period, due to the transport of VHP and Cristal sugar to the port, and the revenues from these sales to exports markets will only be recognized in the next quarter.

Other Operating Income (Expenses)

Other Operating Income (Expense) (R\$ millions)	Consolidated		Δ%
	1Q25	1Q24	
Tax breaks	26.6	11.8	125.9%
Produzir Discount	9.1	5.3	70.0%
Fomentar Discount	9.8	-	n/d
Credit Granted on Anhydrous Ethanol	7.8	6.4	20.8%
Others	27.2	0.3	8966.7%
Sinister	-	0.4	n/d
Disposal of Fixed Assets	2.8	0.3	934.3%
Evaluation of Decarbonization Credits	13.0	9.2	40.7%
Other Operating Income	16.0	2.8	476.4%
(-) Other expenses	(1.9)	(12.0)	-83.8%
(-) Cost of Write-off of Disposed Assets	(2.6)	(0.4)	519.0%
Other Operating Income	53.8	12.1	345.5%

At the close of the quarter, the Company registered R\$ 53.8 million in Other Operating Income (Expenses), up from R\$ 12.1 million in 1Q24. There was a significant increase of 125.9% in tax incentives, which contributed to the rise in income. Of particular note was the 70.0% growth in the "Desconto Produzir", and R\$ 9.8 million in "Deságio a Fomentar (Goodwill to Foster)". The higher income from incentives is directly related to higher sales of hydrous ethanol.

Other operating income that contributed to the result for the period was the reversal of the CCEE energy fine in the amount of R\$ 10.5 million (causing a change of R\$ 21.0 million), R\$ 4.0 million in the effects of self-regularization, which is a program that encouraged taxpayers to settle tax debts, avoiding assessments and litigation, which will be detailed in the Financial Result section. Lastly, R\$ 7.0 million was added to the recognition of CBIOS inventories at USV. Moreover, there was an 83.8% reduction in Other Expenses at the close of the quarter.

Adjusted EBIT

EBIT	Consolidated		Δ%
	1Q25	1Q24	
<i>R\$ millions</i>			
Net Revenue	401.3	445.1	-9.8%
Change in Biological Asset	78.3	(14.1)	654.6%
COGS	(308.4)	(317.1)	-2.7%
SG&A	(79.1)	(59.8)	32.3%
Provision for losses	(0.3)	(0.0)	1626.3%
Other Revenue (Expense)	53.8	12.1	346.5%
Assets in subsidiaries	4.9	4.4	12.1%
EBIT	150.5	70.5	113.4%
<i>Margin EBIT</i>	<i>37.5%</i>	<i>15.8%</i>	<i>21.7p.p.</i>
(-) Results of Assets in subsidiari	4.9	4.4	12.1%
(-) Change in Biological Asset	78.3	(14.1)	654.6%
Adjusted EBIT	67.3	80.2	-16.1%
<i>EBIT Adjusted Margin</i>	<i>16.8%</i>	<i>18.0%</i>	<i>-1.3p.p.</i>

Adjusted EBIT (adjustment made by excluding Earnings from Equity Investments, Change in Biological Assets and Impairment) amounted to R\$ 68.7 million in 1Q25, down by 14.4% from the same period in the 2023/24 crop, with an Adjusted EBIT margin of 17.1%, representing a 0.9 p.p. decline, as a consequence of lower sales volumes, particularly in the exports market, as well as higher SG&A, as explained in the section relating to this indicator. Another point is that although EBIT increased in value and margin, the adjustment for the Change in Biological Assets, which was positive this quarter, had been favorable to the adjustment in 1Q24, increasing the difference in Adjusted EBIT.

However, the impact from the sale of ethanol (which related to the carryover from the previous crop, which involved higher costs and lower margins), led to a negative impact on both EBIT and EBITDA.

Adjusted EBITDA

EBITDA	Consolidated		Δ%
	1Q25	1Q24	
<i>R\$ millions</i>			
Net Profit	(2.4)	49.5	-104.8%
(-) Taxes	32.4	(19.4)	-267.2%
(-) Financial Results	(185.3)	(1.6)	11213.6%
(+) Depreciation and amortization	176.6	191.2	-7.6%
EBITDA	327.1	261.7	25.0%
<i>EBITDA Margin</i>	<i>81.5%</i>	<i>58.8%</i>	<i>38.6p.p.</i>
(-)Assets in subsidiaries results	4.9	4.4	12.1%
(-) Change in Biological Asset	78.3	(14.1)	-654.6%
EBITDA Adjusted	243.9	271.4	-10.1%
<i>Adjusted EBITDA Margin</i>	<i>60.8%</i>	<i>61.0%</i>	<i>-0.2p.p.</i>
(-) Recurring Capex*	279.0	267.4	4.3%
EBITDA Ex Recurring Capex	(35.1)	4.0	-983.1%
<i>Margin EBITDA Ex Recurring Capex</i>	<i>-8.7%</i>	<i>0.9%</i>	<i>-9.6p.p.</i>

The Company excludes the amounts relating to the Fair Value of Biological Assets, Earnings from Equity Investments from the calculation of this indicator, and also makes a subsequent adjustment by removing the amount of Recurring Capex (Recurring Capex: Cultivation treatments, renewal planting, off-season maintenance and agricultural partnership), as it considers that this way the indicator will provide a better assessment of actual operating cash generation.

At the end of the period, adjusted EBITDA totaled R\$ 245.3 million, with a 61.1% margin. This figure represented a 9.6% decrease in relation to the R\$ 271.4 million recorded in 1Q24. The drop in adjusted EBITDA can mainly be explained by the lower-than-expected performance of Net Income, which was impacted by the lower average prices of both ethanol and sugar, as well as the decline in sales of organic sugar during the quarter, in addition to a rise in sales of ethanol, related to the carrying-over of inventories from the previous crop, as explained in the EBIT section.

Accounting EBITDA came to R\$ 328.6 million, 25.5% higher than in the same period of the previous crop. This increase stemmed from the exclusion of the effects from the Financial Result, which was lower, considering the devaluation of the Real and the one-off appreciation of sugar in the week when the accounts were closed for this quarter, which led to a negative MTM (an effect to be explained in the topic on the Financial Result).

Finally, EBITDA - Recurring Capex was a negative R\$ 33.8 million, driven by the increase in Recurring Capex in the 'Crop Treatment and Off-Season Maintenance' account, despite the decrease in the Preparation and Planting account.

EBITDA (earnings before interest, taxes, depreciation and amortization) does not constitute a financial performance indicator under BR GAAP, International Accounting Standards (IFRS), and should not be considered individually as a measure of operational performance, or as an alternative to operating cash flow as a measure of liquidity. This indicator is a management metric, presented in such a way as to provide further information on operating cash flow generation.

Cost of Goods Sold

Production Cost <i>Visão Contábil</i>	R\$ millions			R\$/m ³ Ethanol Equivalent			R\$/t Sugar Equivalent			c/lb		
	Consolidated		Δ%	Consolidated		Δ%	Consolidated		Δ%	Consolidated		Δ%
(R\$ millions/unit)	1Q25	1Q24		1Q25	1Q24		1Q25	1Q24		1Q25	1Q24	
Agricultural Cost	450.5	448.3	0.5%	1,873.4	1,950.0	-3.9%	1,247.8	1,298.6	-3.9%	11.0	11.0	0.5%
Amortization of Cultural Treatment	135.0	160.6	-16.0%	561.4	698.5	-19.6%	373.9	465.2	-19.6%	3.3	3.9	-16.0%
Sugarcane Exhaust	75.8	75.0	1.1%	315.4	326.1	-3.3%	210.1	217.2	-3.3%	1.9	1.8	1.1%
Agricultural Partnership	81.1	80.1	1.3%	337.5	348.3	-3.1%	224.8	232.0	-3.1%	2.0	2.0	1.3%
CTT	158.5	132.7	19.5%	659.2	577.0	14.2%	439.1	384.3	14.3%	3.9	3.2	19.4%
Royalties	-	-	n/d	-	-	n/d	-	-	n/d	-	-	n/d
Industrial Cost	101.6	139.7	-27.2%	422.7	607.4	-30.4%	281.5	404.5	-30.4%	2.5	3.4	-27.2%
Total	552.1	588.0	-6.1%	2,296.1	2,557.4	-10.2%	1,529.3	1,703.0	-10.2%	13.5	14.4	-6.1%

Production costs in 1Q25 amounted to R\$ 552.1 million, down by 6.1% year-over-year. This result also applies to ethanol and sugar equivalents, which fell by 10.2% in the period.

Jalles is more efficient in most of its agricultural costs, when analyzing production in ethanol and sugar equivalent. This mainly stems from cheaper treatments. The highlight for the period is the industrial cost, which saw part of its reduction deriving from greater efficiency, although the most significant part of this reduction comes from the adjustment of USV's depreciation, which underwent a process of restating its assets, especially industrial items, resulting in lengthened depreciation.

Cash COGS

Cost of Goods Sold <i>Caixa Vision</i>	R\$ millions			/m³ Ethanol Equivalent Comercializ			R\$/t Sugar Equivalent Comercializ			c/lb Comercializ		
	Consolidated		Δ%	Consolidated		Δ%	Consolidated		Δ%	Consolidated		Δ%
	1Q25	1Q24		1Q25	1Q24		1Q25	1Q24		1Q25	1Q24	
(R\$ millions/unit)												
% TRS Comercialized/Produced	50.9%	52.8%	-2.0p.p.									
Accounting COGS adjusted	307.0	317.1	-3.2%	2,576.5	2,590.8	-0.5%	1,715.3	1,721.7	-0.4%	15.2	14.6	4.1%
(-) Depreciation/Amortization/Exha	(142.9)	(157.6)	-9.3%	(1,199.2)	(1,288.0)	-6.9%	(798.4)	(855.9)	-6.7%	(7.1)	(7.2)	-2.5%
COGS ex expenses Current harvest	164.1	159.4	2.9%	1,377.3	1,302.8	5.7%	916.9	865.8	5.9%	8.1	7.3	10.7%
(+) Cultural Treatments (plant + c	111.2	99.3	12.0%	933.7	811.4	15.1%	621.6	539.3	15.3%	5.5	4.6	20.5%
(+) Preparation + Planting	70.4	74.4	-5.3%	591.2	608.0	-2.8%	393.6	404.0	-2.6%	3.5	3.4	1.8%
(+) Maintenance Renewal	18.1	8.5	112.6%	151.9	69.6	118.4%	101.1	46.2	118.7%	0.9	0.4	128.7%
COGS ex SG&A	363.9	341.7	6.5%	3,054.1	2,791.8	9.4%	2,033.2	1,855.3	9.6%	18.0	15.7	14.6%
(+) SG&A	76.1	57.1	33.2%	638.8	466.9	36.8%	425.3	310.3	37.1%	3.8	2.6	43.3%
(+) Sales Expenses	41.4	31.0	33.5%	347.4	253.4	37.1%	231.3	168.4	37.4%	2.0	1.4	43.6%
(+) General and administrative	37.7	28.8	31.0%	316.5	235.3	34.5%	210.7	156.3	34.7%	1.9	1.3	40.9%
(-) Depreciation	(3.0)	(2.7)	12.4%	(25.1)	(21.7)	15.5%	(16.7)	(14.4)	15.7%	(0.1)	(0.1)	20.9%
Cash COGS	440.0	398.8	10.3%	3,692.9	3,258.7	13.3%	2,458.4	2,165.6	13.5%	21.7	18.3	18.7%

Cash COGS, by its nature, represents COGS excluding the effects of depreciation, depletion and amortization of the sugarcane plantation, and is added to the current values for 1Q25. However, this methodology has a mismatch in relation to the treatment activities, renovation and planting, which involve various factors that can be accelerated or delayed depending on the agricultural management strategy.

A most appropriate analysis of cash COGS shall be in the 12M25 period, particularly as there is a greater formation of inventories in this quarter than in 1Q24, hindering a complete analysis.

Net income | Cash Earnings

Cash Earnings	Consolidated		Δ%
	1Q25	1Q24	
<i>R\$ millions</i>			
Net Profit	(2.4)	49.5	-104.8%
Change in Biological Asset	(78.3)	14.1	-654.8%
IFRS 16 effect (COGS e Finance expenses)	12.3	6.8	81.2%
Provision for losses	0.3	0.0	n/d
MTM and exchange variation (non cash)	132.6	(84.7)	256.5%
Taxes (non cash)	(73.4)	17.9	-509.5%
Advantage Purchase Gain	-	-	n/d
Cash Earnings	(8.9)	3.6	-347.6%

The Company also presents, for the purpose of analysis, the "cash earnings" account, which excludes the non-cash variations from the Income Statement, namely: (i) adjustment to the fair value of biological assets; (ii) IFRS16 effects on COGS and on the financial result; (iii) estimated allowance for doubtful accounts; (iv) exchange rate variation and non-cash/MTM hedge operations; and (v) accounting Income Tax/CSSL

In 1Q25, the Company posted an accounting net loss of R\$ 2.4 million, versus a net loss of R\$ 49.5 million in 1Q24, due to lower Revenues resulting from the lower volume of sugar sold, lower ethanol prices in the period, and a marketing mix more focused on ethanol (carryover from the previous crop), which is subject to lower margins.

As a result of the start of operations at the USV's VHP sugar mill, it is expected that there will be more sugar sales in the coming periods, with better margins compared to ethanol. Due to the price fixing (hedge strategy) carried out in the previous crop and a trend towards higher average prices for hydrous ethanol, the scenario for the coming quarters looks more favorable, with a gain in parity and unit price, due to the price adjustment for gasoline by Petrobras.

Cash Earnings closed the quarter at a R\$ 7.5 million loss, versus the a R\$ 3.6 million loss in 1Q24. This drop can be explained by the lower Net Income and the impact from non-cash items, which were substantial in the period.

Financial Result

Net Financial Results R\$ m millions	Consolidated		Δ%
	1Q25	1Q24	
Financial Revenue	45,9	34,2	34,2%
Financial Expenses	(95,3)	(63,8)	49,3%
Financial Results (w/ without exchange variation)	(49,4)	(29,6)	66,9%
Financial Revenue (Expense) (FRS 16)	(1,9)	0,4	4567,0%
Financial Results before exchange variation and hedge	(69,3)	(30,0)	131,0%
Active exchange variation	4,0	13,6	-70,5%
Passive exchange variation	(13,4)	(7,5)	77,5%
Total exchange variation	(9,4)	6,0	-255,4%
Hedge (Liquidation)	18,6	(67,5)	-132,3%
Hedge (MTM)	(125,2)	79,9	256,8%
Hedge	(106,6)	22,3	577,4%
Net Financial Results	(185,3)	(1,6)	-11208,1%

At the close of 1Q25, Net Financial Expenses totaled R\$ 186.7 million, versus net expenses of R\$ 1.6 million in 1Q24. This outcome was the result of a sum of factors, such as the new issue of debentures carried out in the quarter, and the adjustment to present value of the "Fomentar" tax incentive, which had an adverse effect, as well as the financial expense which was increased by R\$ 2 million, due to the impacts of the Autoregulation.

On April 1, 2024, the Parent Company joined the Incentive Self-regularization program. The program granted special conditions for the regularization of taxes managed by the Federal Revenue Department, with a 100% discount on interests on arrears, and no fines on arrears or default fines. In adhering to the program, the Company included the balance of R\$ 48.8 million, relating to the incentivized accelerated depreciation of sugarcane plantations, excluded from the calculation basis of Income Tax and Social Contribution in the fiscal years 2020 to 2023, as it believes that this issue is controversial in the tax sphere and, as it is a temporary adjustment in the calculation of income tax, it represents an unnecessary risk for the time being.

Since the Incentive Self-Regulation program permitted the settlement of 50% of the amount, using credits from the Company's own Tax Losses and Negative Basis and its direct and indirect subsidiaries, along with the installment payment of the remaining balance over 48 months, Jalles used up R\$ 20.2 million in Tax Losses and Negative Basis from Jalles Bioenergia, as well as R\$ 4.1 million from Santa Vitória Açúcar e Álcool, leaving R\$ 24.3 million in installments over 48 months.

There was an adverse effect on the Exchange Variation, specifically on the MTM Hedge account. The price of sugar rose in June, given the international movements of sellers, buyers and speculators with the forecast for the 2024/25 crop. However, the effect of the devaluation of the Real against the Dollar in the last few weeks of June raised the price of sugar in Reais, increasing the difference between the Company's fixing and the market price. However, it should be noted that for the month of July 2024, this situation has already been reversed with the appreciation of the Real, coupled with the declining prices of NY#11 sugar contracts on the Stock Exchange.

CAPEX

Capex <i>R\$ millions</i>	Consolidated		Δ%
	1Q25	1Q24	
Recurring Capex	88.5	82.9	6.8%
Renewal Planting	70.4	74.4	-5.3%
Off Season Maint.	18.1	8.5	112.6%
Capex Expansion	60.5	44.1	37.4%
Expansion IPO	7.9	25.2	-68.6%
VHP Sugar Factory - USV	43.8	-	n/d
Expansion Planting	8.9	18.9	-52.6%
Expansion/Imp. Capex	17.6	18.7	-5.7%
Industry	8.2	4.8	71.7%
Agricultural	5.3	11.2	-52.3%
Others	4.1	2.7	51.0%
Total Capex ex Cultural Cane Conso.	166.7	145.6	14.4%
Cultural Cane Total	113.6	104.0	9.2%
Cultural cane processes - expansi	2.4	4.7	-49.7%
Cultural cane processes - renovat	111.2	99.3	12.0%
Capex + Cultural cane processes	280.3	249.6	12.3%

At the close of the first quarter of the 2024/25 crop, Jalles recorded a 14.4% increase in Capex, excluding crop management, compared to the same period for the 2023/24 crop. This growth mainly stems from the 37.4% increase in expansion Capex, justified by the USV's VHP Sugar Mill, which totaled R\$ 43.8 million in this quarter.

Recurring Capex rose by 112.6% in off-season maintenance, driven by the investment in industrial expansion at the Otávio Lage Plant, plus inflation.

In Expansion Capex, we observed a 68.6% reduction in Expansion IPO, as the Company is completing the last investments in Brownfield expansion at UJM and UOL. Expansion Planting fell by 52.6% year-over-year in 1Q24, as discussed in the Operating Performance section, reflecting the completion of the expansion cycle to reach 9.0 million tons of crushing.

Expansion and Improvement Capex has grown by 71.7% in the industry, as a result of the improvements made at the Santa Vitória Plant.

Cultivation treatments increased by 9.2% in the period, totaling R\$ 113.6 million, versus R\$ 104.0 million in 1Q24. Of particular note were renovation and ratoon treatments, which rose by 12.0% in the quarter, from R\$ 99.3 million to R\$ 111.2 million in 1Q25.

The Company posted Capex of R\$ 166.7 million, not including crop management, and Total Capex of R\$ 280.3 million at the close of the period.

Hedge Position

Harvest	Fixed Volume (t)	Avg. Price (R\$/t)	White Sugar Equiv. (R\$/t) ¹	Hydr.Ethanol Equiv. (R\$/m ³)	Sugar production capacity (Ex organic sugar) (t)	Hedge by production capacity (%)	Hedge by available volum ² (%)
2024/25	282,767	2,528	2,907	3,739	512,193	55.2%	64.9%
2025/26	377,056	2,428	2,792	3,576	525,217	71.8%	84.5%
2026/27	153,881	2,384	2,742	3,504	549,356	28.0%	33.0%

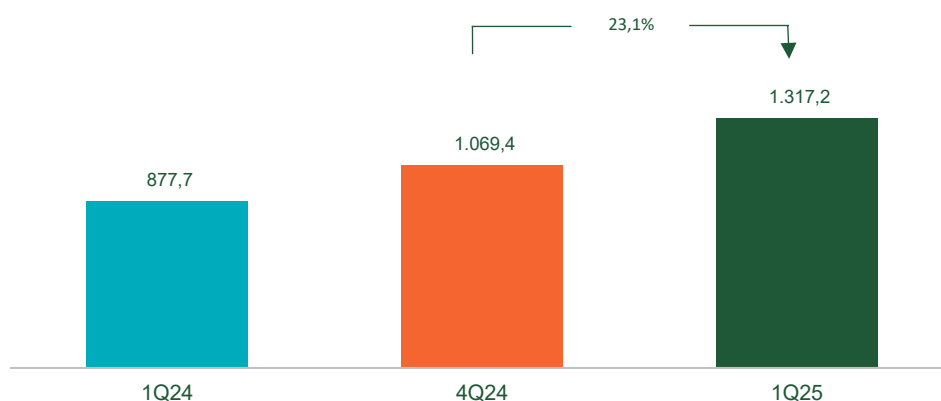
¹Available volume based on production capacity for sugar for 2024/25 crop

During this period, the hedge position for the 2024/25 crop was dismantled, and new positions were opened for the 2026/27 crop. Commodity prices are expected to decline in the coming crops, as they have been historically high for sugar. However, it is important to note that the Company's hedging policy aims to capture prices above the historical average, after adjusting for inflation. In addition, the Company adopts a gradual approach to increasing the hedge position, when commodity prices are significantly above the historical average. In other words, the greater the discrepancy between prices and the average, the greater the possibility of hedging.

Cash

On June 30, 2024, Jalles' cash and cash equivalents amounted to R\$1,317.2 million. This amount is equivalent to 6.1 times the short-term debt, ensuring high liquidity and the ability to meet the Company's capital needs. Cash and cash equivalents rose by 23.1% quarter-over-quarter, as a result of the issue of debentures.

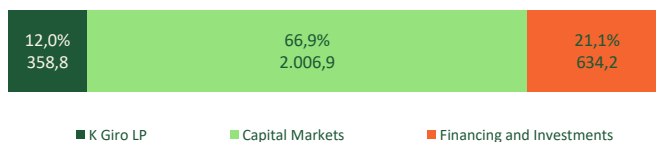
Cash and cash equivalents (R\$ million)



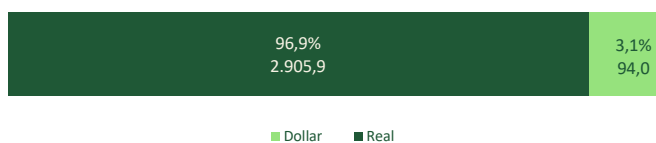
Debt

Debt (R\$ million)	Consolidated		Δ%
	1Q25	1Q24	
Cash and cash equivalents	1,317.1	877.7	50.1%
Average Term (years)	5.4	5.1	5.9%
Debt by Currency			
Real	2,905.7	1,967.1	47.7%
Dollar (R\$ millions)	94.0	149.9	-37.3%
Debt by Modality			
Working Capital	358.8	326.2	10.0%
Capital Market	2,006.9	1,241.7	61.6%
Financing and Investments	634.2	549.1	15.5%
Debt by indexer			
CDI	11.8%	15.9%	-0.3 p.p.
IPCA	75.6%	65.5%	0.1 p.p.
LIBOR	1.3%	4.8%	-2.7 p.p.
TLP	3.0%	5.4%	-0.8 p.p.
SELIC	0.6%	1.1%	-0.8 p.p.
PRÉ	9.5%	7.4%	0.2 p.p.
Debt by post swap indexer			
CDI	86.2%		
IPCA	11.1%		
TLP	3.0%		
LIBOR	0.7%		
PRÉ	0.2%		
SELIC	0.6%		
Debt by Term			
Short Term	214.9	214.6	0.1%
Long Term	2,784.8	1,902.4	46.4%
Gross Debt	2,999.7	2,117.0	41.7%
Cash and Equivalents	1,317.1	877.7	50.1%
Net Debt	1,682.6	1,239.3	35.8%
Net Debt/EBITDA LTM	1.4	1.1	24.5%

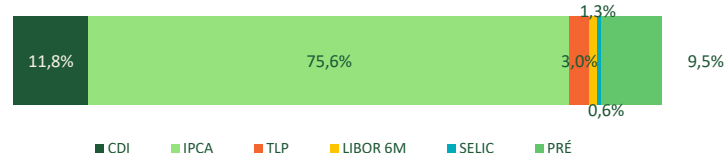
Debt by Modality (R\$ Million / Total %)



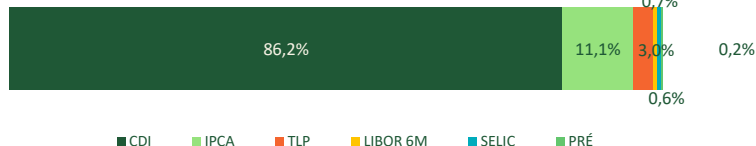
Debt by Currency (R\$ million / % Total)



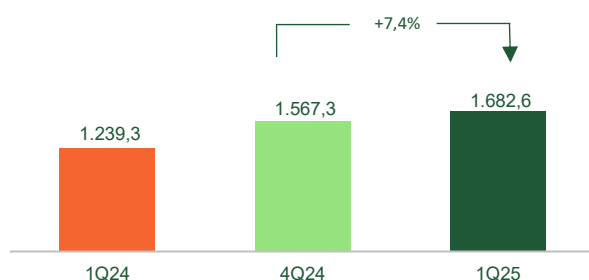
Debt by Pre-Swap Index



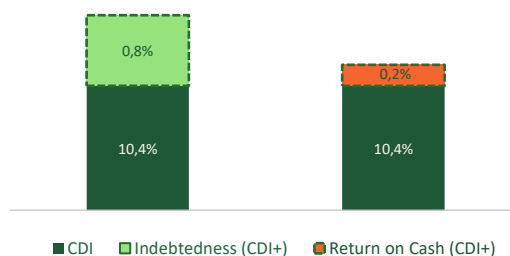
Debt by Post-Swap Index



Net debt (R\$ Million)

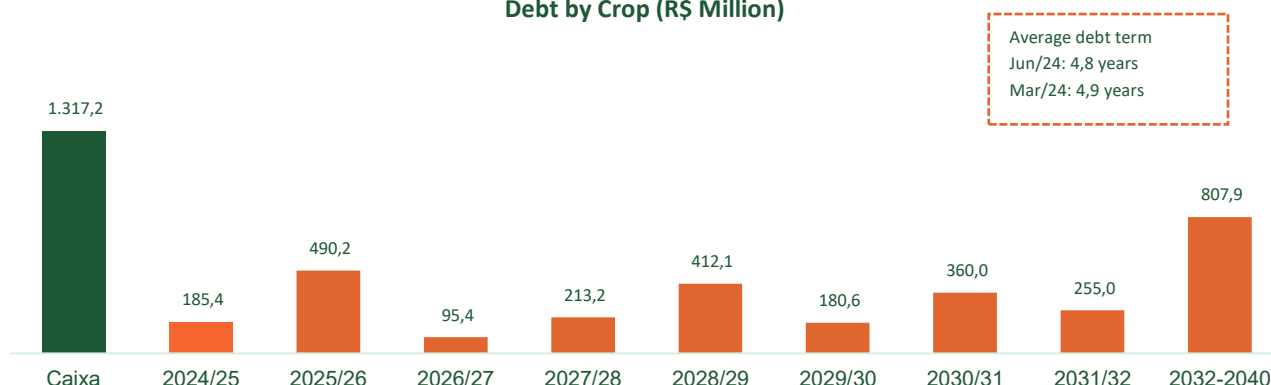


Average Cost of Debt x Cash Profitability



In the first quarter of the 2024/25 crop, the Company posted a net debt of R\$ 1,682.6 million, up by 7.4% from 4Q24. This growth primarily stems from a greater amount of investments in biological assets, which is made up of the renewal and expansion of sugarcane plantations, off-season maintenance and cultural treatments. The average cost of debt stood at approximately CDI+0.8%, as shown in the chart above.

Debt by Crop (R\$ Million)



The chart shows that the Company holds a comfortable cash position for the maturities of the upcoming crops, even considering the investments planned with the use of the IPO proceeds to expand crushing capacity. Jalles relies on an excellent bankability, as evidenced by its brAAA rating from S&P and AA- (bra) rating from Fitch.

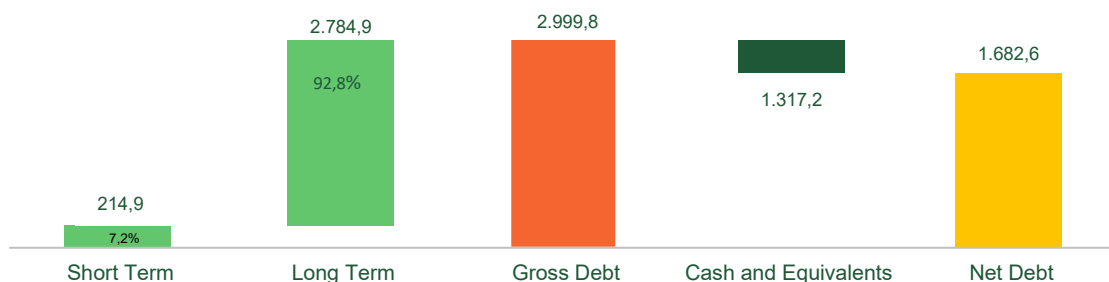
The chart illustrates that the Company holds a solid cash position to meet the maturities scheduled for the next crops, and that liquidity tends to rise, following the completion of the main expansion projects. Jalles enjoys high financial credibility, as evidenced by its brAAA rating from S&P and brAA+ rating from Moody's.

Changes in Net Debt



The changes in net debt showed a 7.4% increase compared to the fourth quarter of 2024, mainly due to the significant investments in biological assets, which refer to renewal planting and cultivation. However, the operating cash flow generated important movements that contributed to the reduction in the total amount of net debt at the end of the period. Among the highlights are R\$ 53.9 million in accounts receivable and other receivables, as well as R\$ 18.5 million from the settlement of derivative financial instruments.

Breakdown of net debt (R\$ million)



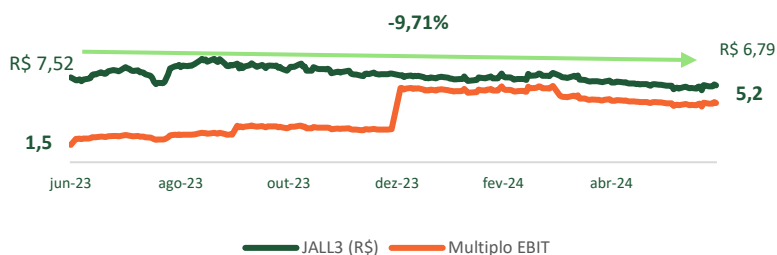
At the end of June 2024, 92.8% of the Company's gross debt was concentrated in the long term, with the total amount at R\$ 2,784.9 million, whereas R\$ 214.9 million was allocated to the short term, totaling R\$ 2,999.8 million. From this total, R\$ 2,905.8 million was denominated in Reais and R\$ 94.0 million in USD, corresponding to 96.9% and 3.1%, respectively.

Capital market operations accounted for 65.6% of the debt, whereas long-term working capital and investment financing accounted for 11.7% and 22.7%. The average debt maturity stood at 4.8 years in March 2024, compared to 5.1 years in March 2023. This reduction derives from the debt amortization, notwithstanding due to the new debenture issue this figure is expected to rise again.

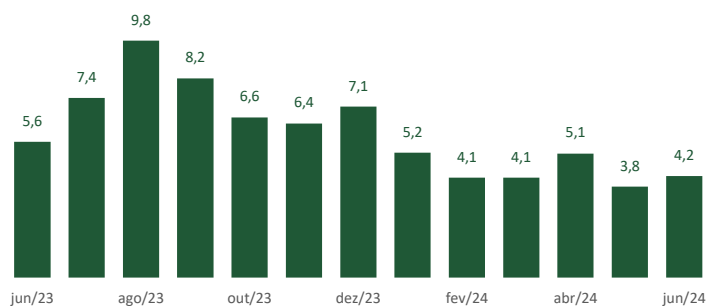
After the contracting of index swaps, 84.6% of the debt was indexed to the CDI, 10.9% to the IPCA, and the remaining 4.5% to other indices in June 2024.

Capital Markets

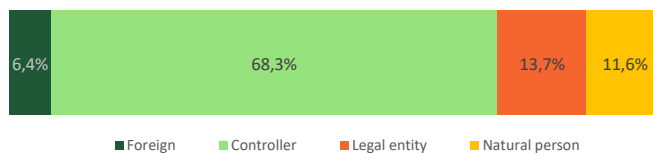
EBIT Multiple - 12 months (R\$)



Weighted average daily trading volume (R\$ million)



Shareholding breakdown as of June 31, 2024



Attachment I - Balance Sheet

Jalles Machado S.A.

Statements of financial position as of June 30 and March 31, 2024

(In thousands of real)

Assets	Note	Company		Consolidated		Liabilities	Note	Company		Consolidated	
		30/06/2024	31/03/2024	30/06/2024	31/03/2024			30/06/2024	31/03/2024	30/06/2024	31/03/2024
Current						Current					
Cash and cash equivalents	3	1.275.447	980.080	1.297.853	1.049.863	Loans and financing	11	207.064	229.700	214.916	237.577
Restricted cash	4	17.800	17.453	17.800	17.453	Leases to be paid	24	72.696	69.943	136.356	149.069
Trade and other receivables	5	50.266	77.148	72.615	126.075	Trade and other payables	12	119.740	73.909	160.589	159.389
Inventories	6	333.453	172.973	490.879	224.848	Derivative financial instruments	18	116.987	88.015	119.453	88.015
Advances to suppliers		1.867	1.587	3.593	3.273	Provisions and payroll charges	13	42.250	30.950	59.292	44.607
Biological assets	10	441.792	402.879	585.366	531.263	Tax liabilities		12.889	10.378	22.612	20.539
Recovered taxes	7	39.237	30.882	61.505	52.423	Dividends to be paid	17	4.775	4.775	4.775	4.775
Recovered income and social contribution taxes		53.375	41.125	53.640	41.594	Income and social contribution taxes payable		22.960	-	24.706	2.483
Derivative financial instruments	18	40.472	61.765	40.472	61.765	Advances from clients	14	86.632	27.075	89.085	28.950
Dividends receivable	8 c	3.888	11.653	3.888	3.888						
Other assets		3.241	4.281	6.275	7.838	Current liabilities		685.993	534.745	831.784	735.404
Current assets		2.260.838	1.801.826	2.633.886	2.120.283	Non-current					
Non-current						Loans and financing	11	2.719.204	2.331.813	2.784.801	2.399.176
Restricted cash	4	1.487	2.129	1.487	2.129	Leases to be paid	24	1.134.057	861.559	1.269.028	1.230.657
Trade and other receivables	5	9.612	9.839	53.717	54.532	Derivative financial instruments	18	146.303	85.207	151.627	85.243
Recovered taxes	7	11.185	12.230	105.234	102.036	Deferred taxes	15	63.864	139.725	78.666	147.340
Recovered income and social contribution taxes		-	-	496	490	Tax liabilities		3.930	7.377	3.930	7.377
Derivative financial instruments	18	80.654	86.657	80.654	86.765	Trade and other payables	12	431	419	431	419
Court deposits	16	67.056	63.475	69.534	65.601	Provisions for contingencies	16	13.178	13.199	22.817	21.566
Deferred taxes	14	-	-	5.305	24.992	Non-current liabilities		4.080.967	3.439.299	4.311.300	3.891.778
Investments	8	1.642.294	1.540.422	95.086	89.652	Equity	17				
Property, Plant and Equipment	9	1.525.605	1.556.877	2.704.908	2.719.679	Share capital		1.039.266	1.039.266	1.039.266	1.039.266
Right of use	24	1.229.088	965.221	1.448.989	1.421.028	Profit reserves		1.021.423	1.021.423	1.021.423	1.021.423
Intangible assets		11.521	10.126	16.168	14.753	Equity valuation adjustments		12.325	12.692	12.325	12.692
Non-current assets		4.578.502	4.246.976	4.581.578	4.581.657	Proposed additional dividends		15.638	15.638	15.638	15.638
Total assets		6.839.340	6.048.802	7.215.464	6.701.940	Treasury share reserve		(14.261)	(14.261)	(14.261)	(14.261)
						Accumulated losses		(2.011)	-	(2.011)	-
						Total equity		2.072.380	2.074.758	2.072.380	2.074.758
						Total equity and liabilities		6.839.340	6.048.802	7.215.464	6.701.940

Attachment II - Profit and Loss Account

Jalles Machado S.A.

Statements of profit or loss

Periods ended June 30, 2024 and 2023

(In thousands of real)

	Note	Company		Consolidated	
		30/06/2024	30/06/2023	30/06/2024	30/06/2023
Net revenue	19	309.895	327.439	401.268	445.052
Change in fair value of biological assets	10	64.445	(40.421)	78.271	(14.114)
Cost of sales and services	20 (a)	(233.466)	(210.768)	(308.403)	(317.064)
Gross profit		140.874	76.250	171.136	113.874
Operating expenses					
Selling expenses	20 (b)	(39.886)	(29.879)	(41.392)	(31.005)
Administrative and general expenses	20 (c)	(30.889)	(23.673)	(37.705)	(28.792)
Reversal (allowance) for ECLs	5	(328)	(19)	(328)	(19)
Other income	21	36.987	20.775	58.407	24.474
Other expenses	21	(2.630)	(833)	(4.558)	(12.414)
Profit (loss) before finance income (costs), share of profit (loss) of equity-accounted investees and taxes		104.128	42.621	145.560	66.118
Finance costs	22	(105.680)	(59.300)	(115.205)	(64.216)
Finance income	22	44.703	32.857	45.903	34.211
Net monetary and foreign exchange gains (losses)	22	(9.370)	6.030	(9.370)	6.030
Net derivative instruments	22	(98.886)	22.337	(106.645)	22.337
Net finance income (costs)	22	(169.233)	1.924	(185.317)	(1.638)
Share of profit of equity-accounted investees	8	26.481	14.105	4.948	4.414
Profit before income and social contribution taxes		(38.624)	58.650	(34.809)	68.894
Current income and social contribution taxes	15	(39.615)	-	(40.940)	(1.480)
Deferred income and social contribution taxes	15	75.861	(9.158)	73.371	(17.922)
Profit or loss for the year		(2.378)	49.492	(2.378)	49.492

Attachment III - Statement of Cash Flow

Jalles Machado S.A.

Statement of cash flows - indirect method

Periods ended June 30, 2024 and 2023

(In thousands of real)

	Note	Company		Consolidated	
		30/06/2024	30/06/2023	30/06/2024	30/06/2023
Profit or loss for the year		(2.378)	49.492	(2.378)	49.492
Depreciation of property and equipment and amortization of intangible assets	20.a,b,c	21.802	25.849	42.938	63.333
Crop depreciation	20.a	26.172	23.674	39.615	26.599
Repayment of land care	20.a	51.618	51.528	63.318	70.346
Depreciation of right-of-use	20.a	28.594	12.234	30.754	15.754
Gain (loss) on write-off of property, plant and equipment	9	248	148	147	148
Share of profit of equity-accounted investees		(26.481)	(14.105)	(4.948)	(4.414)
Changes in the fair value of investments		(2)	(3)	(2)	(3)
Allowance for exchange rate fluctuation		(2.341)	-	(2.341)	-
Provision for contingencies	16	(21)	(76)	1.251	56
Repayment of loan transaction costs	11	2.177	1.770	2.177	1.770
Allowance for impairment loss on loans	5	328	19	328	19
Provision for derivative financial instruments	18	98.886	(22.337)	106.749	(22.337)
Changes in the fair value of biological assets	10	(64.445)	40.421	(78.273)	14.114
CBIOS Fair Value		4.415	(4.766)	4.845	(4.766)
Allowance for slow movements in inventory	6	385	(227)	461	(227)
Foreign exchange gain (loss) on loans	11	11.287	(9.307)	11.287	(9.307)
Discounted present value		(3.763)	(4.264)	(3.763)	(4.264)
Current taxes		39.615	-	40.940	1.481
Deferred taxes and contributions	15	(75.861)	9.158	(48.987)	17.922
Adjustment for inflation of court deposits	16	(1.056)	(7.036)	(1.056)	(7.036)
Accrued interest on lease and agricultural partnership agreements	24	12.865	13.420	19.942	15.577
Yield on long-term financial investments	4	-	(1.190)	-	(1.190)
Accrued interest on loans and financing	11	70.218	56.570	72.458	59.202
Changes in:					
Trade and other receivables		26.782	(21.422)	53.948	(39.952)
Inventories		(41.650)	(29.079)	(78.145)	(64.736)
Biological assets		(67.845)	(76.172)	(113.606)	(103.991)
Advances to suppliers	10	(280)	338	(320)	975
Recovered taxes		(7.310)	4.162	(12.280)	11.397
Recovered income and social contribution taxes		(3.097)	(6.704)	(2.899)	(7.005)
Other assets		1.040	1.251	1.563	1.315
Court deposits		(2.525)	3.913	(2.877)	3.667
Trade and other payables		41.320	(5.118)	(10.002)	11.746
Provisions and payroll charges		11.300	10.779	14.685	10.865
Tax liabilities		2.827	12.942	2.389	15.120
Income and social contribution taxes payable		(23.744)	-	(23.744)	-
Advances from clients		59.557	17.890	60.135	19.011
Restricted cash investments	4	(443)	(22.453)	(443)	(22.453)
Restricted cash yield	4	(378)	-	(378)	-
Restricted cash withdrawal	4	1.116	6.769	1.116	6.769
Settlement of derivative financial instruments	18	18.477	(57.549)	18.477	(57.549)
Interest paid on loans and financing	11	(48.560)	(37.723)	(50.898)	(40.181)
Interest paid on leases	24	(12.865)	(13.420)	(19.942)	(15.577)
Income and social contribution taxes paid		(2.064)	-	(4.126)	(1.467)
Net cash from operating activities		<u>143.920</u>	<u>9.376</u>	<u>128.115</u>	<u>10.223</u>
Cash flows from investing activities					
Acquisition of investment		(264)	(785)	(484)	(984)
Increase in capital in investee	8	(98.420)	(55.000)	-	-
Acquisition of property, plant and equipment	10	(28.749)	(24.355)	(74.131)	(28.594)
Acquisition of intangible assets		(1.804)	(653)	(2.021)	(653)
Dividends received	8	31.060	-	-	-
Proceeds from sale of property, plant and equipment	9	2.834	274	2.939	274
Crops and acquisitions of sugar cane crops	9	(49.304)	(61.822)	(79.294)	(93.525)
Net cash used in investing activities		<u>(144.647)</u>	<u>(142.341)</u>	<u>(152.991)</u>	<u>(123.482)</u>
Cash flows from financing activities					
Loans and financing taken	11	384.374	50.602	384.374	50.602
Repayment of loans and financing	11	(54.741)	(67.871)	(56.434)	(69.799)
Lease repayment	24	(35.880)	(32.217)	(57.415)	(27.560)
Net cash from (used in) financing activities		<u>293.753</u>	<u>(49.486)</u>	<u>270.525</u>	<u>(46.757)</u>
Increase (Decrease) in cash and cash equivalents		<u>293.026</u>	<u>(182.451)</u>	<u>245.649</u>	<u>(160.016)</u>
Effect of movements in exchange rates on cash held		(2.341)	-	(2.341)	-
Cash and cash equivalents at beginning of year		980.080	946.188	1.049.863	999.121
Cash and cash equivalents at end of year		<u>1.275.447</u>	<u>763.737</u>	<u>1.297.853</u>	<u>839.105</u>
Increase (Decrease) in cash and cash equivalents		<u>293.026</u>	<u>(182.451)</u>	<u>245.649</u>	<u>(160.016)</u>

Glossary

VHP Sugar: "Very High Polarized": Raw form of sugar that allows clients to turn it into different types of sugar for consumption.

Organic sugar: Produced according to the principles of natural food, certified by the Biodynamic Institute (IBD), and in accordance with international quality certification standards imposed at all stages of the process, from planting to the final product, from the organic sugarcane fields, planted and cultivated without any type of pesticides or chemical fertilizers, with pest control done biologically, to packaging, in which no chemical components are used.

Crop year: The Company's fiscal year, which comprises the months of April through March of the following year..

Biological assets: These are living beings, such as sugarcane, which, after the harvesting process, become agricultural products, and an assessment of fair value should be applied to them. The assessment at fair value is performed on a quarterly basis, and is generated by technical models based on the Company's own information and market observations.

TRS: Sugarcane yield index. It refers to Total Recoverable Sugar from sugarcane. It is measured in kilograms of TRS per ton of sugarcane.

TRS/ha: Combined yield index of the sugarcane field. It is measured in kilograms of TRS per hectare.

CBIO: Decarbonization Credit (CBIO), biofuel producers, once certified, have the right to request the issue of CBIOs, which must be purchased by fuel distributors according to established compulsory targets. The CBIOs are backed by invoices issued by producers and traded on the Brazilian stock exchange ("B3").

Cogeneration: Production of electric energy from sugarcane biomass.

Anhydrous Ethanol: Used as an additive in the mixture with gasoline.

Hydrous Ethanol: Fuels vehicle engines directly.

MTM (Mark to Market): Fair value of the hedge instruments on the reporting date.

"Produzir e Fomentar" (Produce and Foster): tax incentive programs from the Government of the State of Goiás that reduce the ICMS tax burden for companies.

"Protege" (Protect): Tax levied by the Government of the State of Goiás on the "Produzir e Fomentar" tax incentives.

TCH: Sugarcane field productivity index. It is measured in Tons of Sugarcane per Hectare.