Results for the 4th quarter of the 2022/23 Crop

Video conference in Portuguese

06/29/2023 – Thursday – 11:00 am BRT

Link to videoconference

Or by phone: Brazil +55 11 4632-2236 USA +1 253 205 0468

Webinar ID:

Passcode :

Jalles

Financial Board

ri.jalles.com

June 29, 2023

IMPORTANT WARNING

The information contained in this document relating to business prospects and projections of operating and financial results are merely estimates and, as such, are primarily based on management's beliefs and assumptions, and do not constitute a promise of performance. These estimates are subject to several risks and uncertainties and are made considering the currently available information, which takes into account the existence of usual financing lines for this type of business. As a result, these estimates substantially depend on market conditions, the performance of the Brazilian economy, the business sectors in which the Company operates and international markets, and are therefore subject to change without prior notice. Because of these uncertainties, you should not make any investment decision based solely on these estimates and forward-looking statements. Any change in perception or in the aforementioned factors may cause actual results to differ from the projections made and disclosed.

Highlights

Record Gross Revenue of R$1,920.3 million in the 2022/23 harvest, an increase of 11.1% compared to the 2021/22 harvest, R$1,727.9 million

Continuity of the resumption of shipments of organic sugar: 4th consecutive quarter of increase.

Adjusted EBIT reached R$580.1 million (34.0% margin) against R$700.0 million (48.3% margin), when comparing the 2022/23 and 2021/22 harvests, a decrease of 17. 1%.

Adjusted EBITDA amounted to R$1,228.6 million, 11.9% above the R$1,098.4 million in the previous harvest. The Adjusted EBITDA margin was 72.0%, which represents a reduction of 3.8 pp .

Net Income of R$692.3 million in the 2022/23 Crop (+78.5%) compared to R$387.9 million in the 2021/22 Crop due to the Gain from Bargain Purchase of R$428.0 million.

Jalles

Financial Highlights

[1]Proforma: Includes 12 months of SVAA crop

[2]Consolidated: Months from October to March SVAA

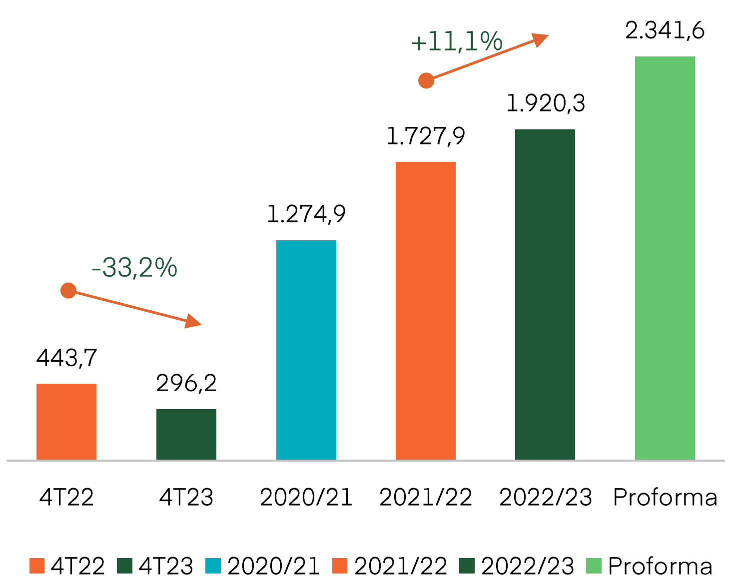
Jalles

JALL

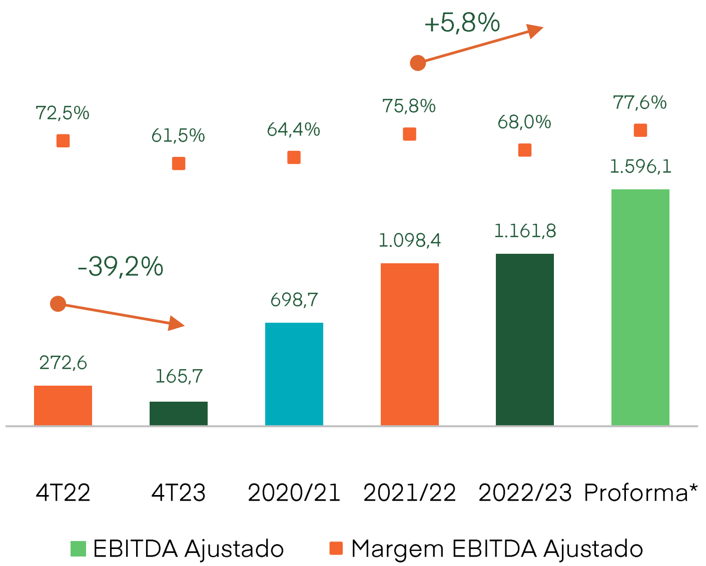
B3 LISTED NM

Financial Highlights

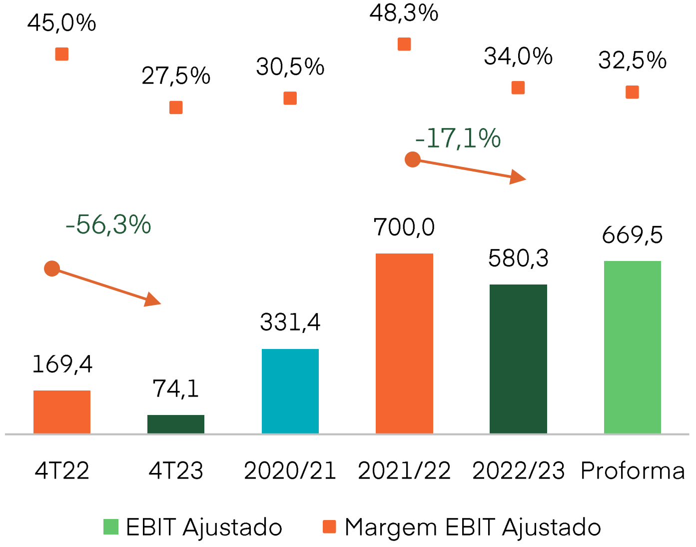
Receita Operacional Bruta



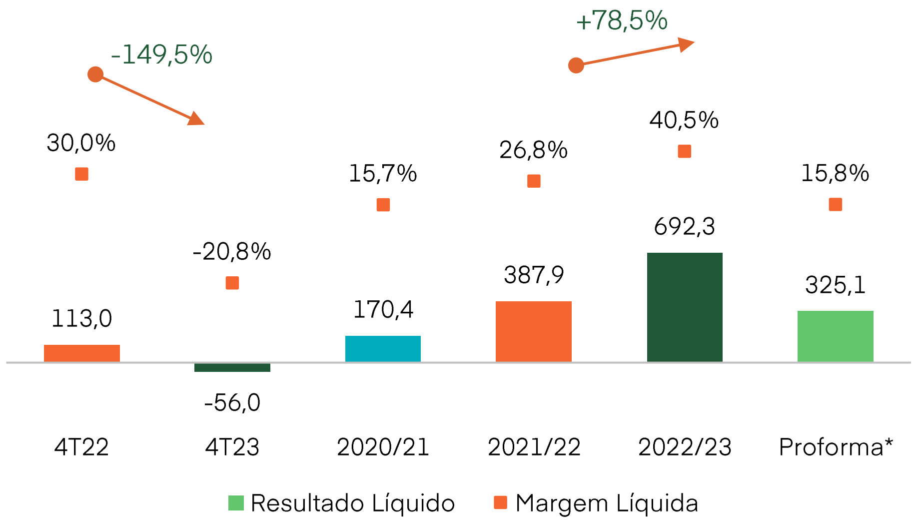
EBITDA Ajustado (R$ milhões)



EBIT Ajustado (R$ milhões)

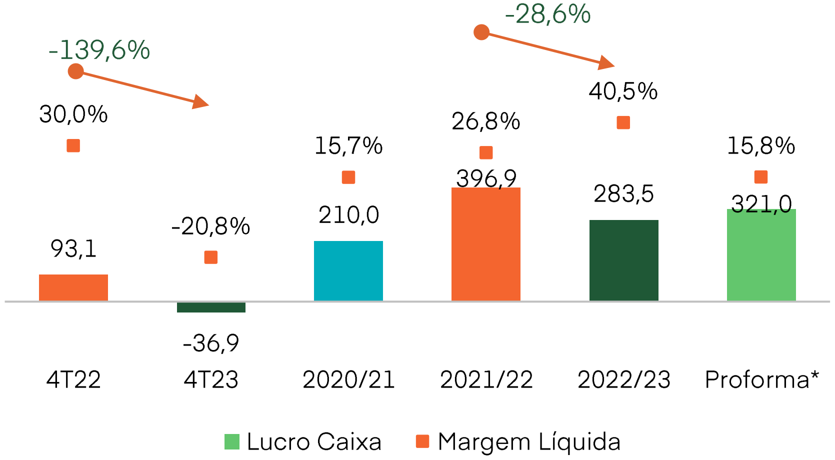


Lucro Líquido (R$ milhões)

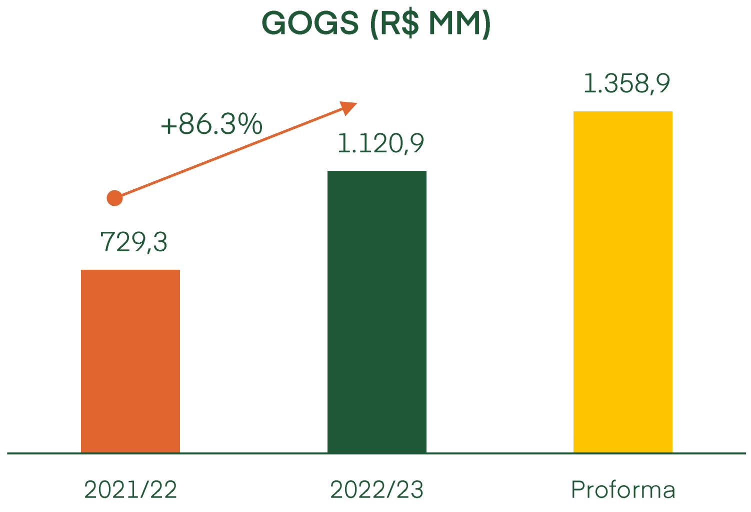


*Lucro Líquido Proforma não leva em consideração o Ganho por Compra Vantajosa de R$ 428 milhões

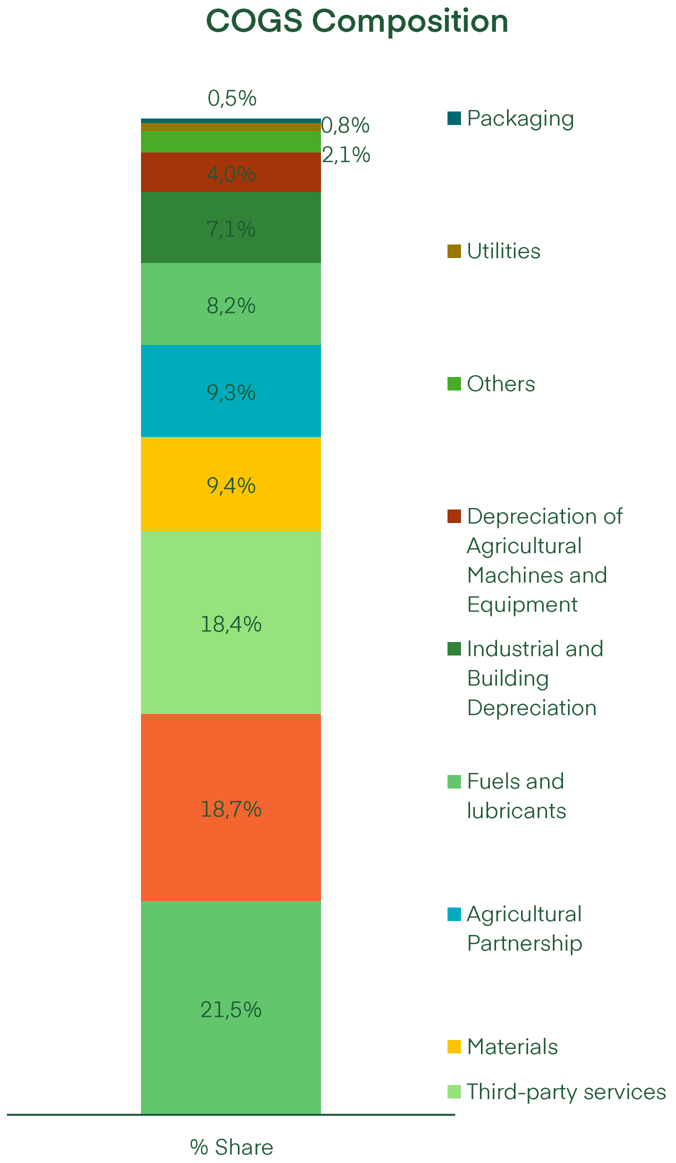
Lucro Caixa (R$ milhões)



Values and Composition of COGS



COGS : Increase in costs compared to the previous harvest due to the fair value of the biological asset, which in the 2021/22 harvest was positive, and in this harvest, negative.



Capex Proforma

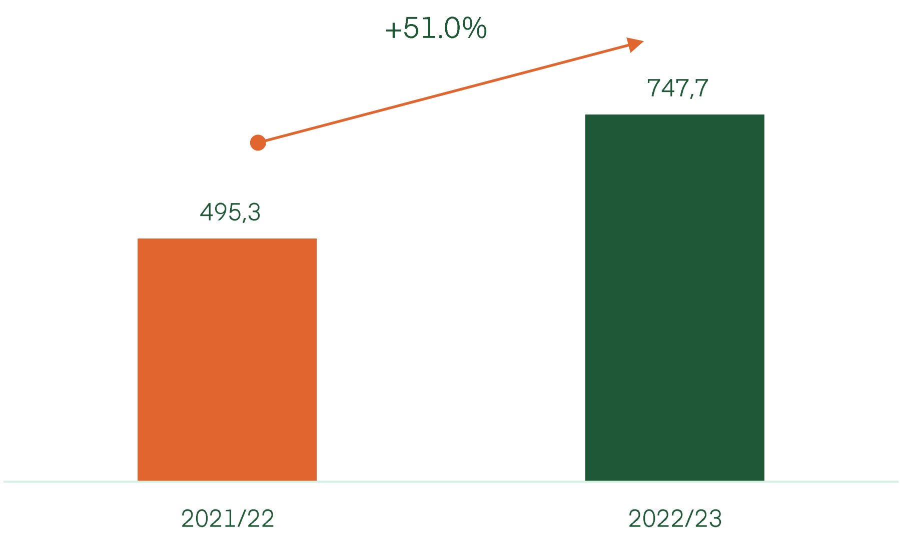
Capex							
R$ millions	**4T23**	**4T22**	**Δ%**	**2022/23**	**2021/22**	**2020/21**	**Δ%**
Recurring Capex	**106,0**	**111,6**	**-5,0%**	**311,3**	**235,4**	**179,1**	**32,2%**
Renewal Planting	34,9	28,1	24,2%	146,6	98,3	85,5	49,1%
Off Season Maint.	71,1	83,5	-14,9%	164,7	137,1	93,6	20,1%
Capex Expansion IPO	**44,7**	**43,4**	**3,0%**	**141,5**	**159,2**	**31,5**	**-11,1%**
Expansion IPO	32,4	35,0	-7,4%	101,4	141,0	21,5	-28,1%
Expansion Planting IPO	12,3	8,4	46,4%	40,1	18,2	9,9	120,3%
Expansion/Imp. Capex	**11,1**	**30,4**	**-63,4%**	**101,0**	**100,7**	**38,4**	**0,3%**
Fixed Assets	10,5	29,6	-64,5%	94,8	98,4	35,3	-3,7%
Intangible	0,6	0,8	-25,0%	4,7	1,5	1,8	213,3%
Investments	-	-	-	1,5	0,8	1,2	87,5%
SVAA ex cultural cane processes	**164,7**	n/d	n/d	**193,9**	n/d	n/d	n/d
Capex ex cultural cane processes	**326,5**	**185,4**	**76,1%**	**747,7**	**495,3**	**248,9**	**51,0%**
Cultural Cane Total	**48,5**	**22,0**	**121,0%**	**321,4**	**189,9**	**159,3**	**69,2%**
Cultural cane processes - expansion	3,1	0,4	785,7%	10,2	3,3	3,2	209,1%
Cultural cane processes	26,7	21,6	23,6%	262,9	186,6	156,3	40,9%
SVAA - Cultural cane processes	18,7	n/d	n/d	48,3	n/d	n/d	n/d
Capex + Cultural cane processes	**375,0**	**207,3**	**80,9%**	**1.069,1**	**685,2**	**408,2**	**56,0%**

We highlight the planting of IPO expansion: increase of 120.3% in the harvest

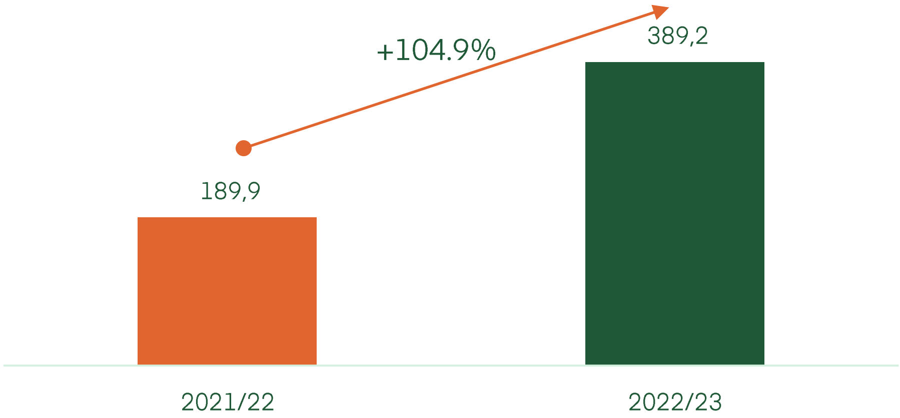
Incorporation of SVAA, with a Capex ex Treatments of R$ 193.9 million in the harvest

In values ex SVAA, Capex would have an increase of 11.8% and Cultural Treatments would total R$ 273.1, an increase of 43.8%

CAPEX ex Cultural Cane (R$ million)



Cultural Cane (R$ million)



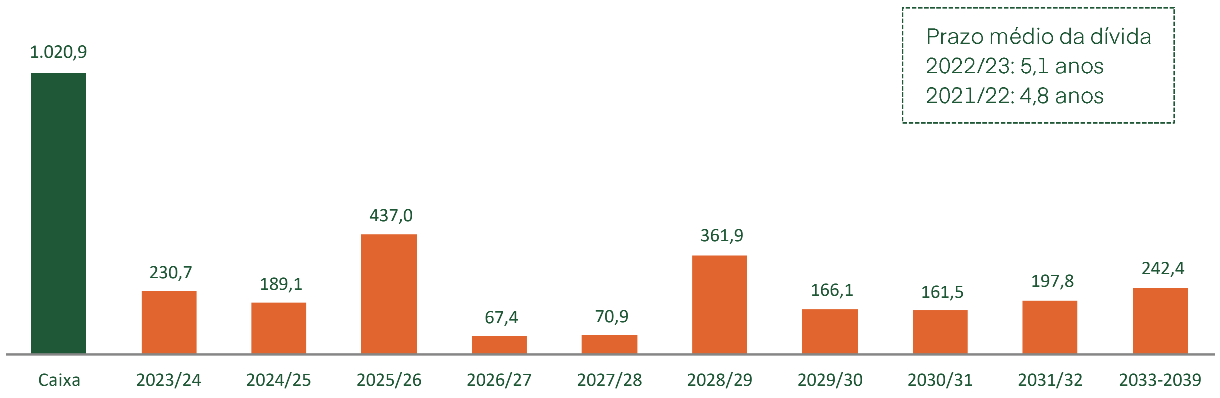
Hedging Position

Hedge				
Harvest	Fixed Volume (t)	Avg. Price (R$/t)	White Sugar Equiv. (R$/t)[1]	Hydr.Ethanol Equiv. (R$/$m^3$)
2023/24	210.881	1.965	2.260	3.060
2024/25	200.263	2.362	2.716	3.735
2025/26	48.821	2.271	2.612	3.580

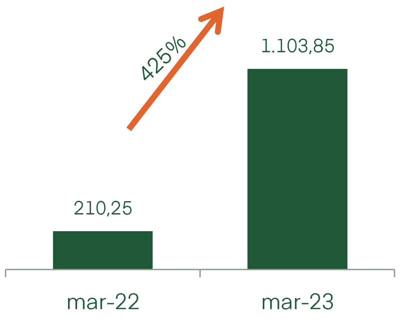
Jalles historically seeks to protect itself from possible variations in the US dollar and fluctuations in the price of *commodities* , using sugar pegs. The results of *hedge* operations are fully recognized in income. Jalles does not use *Hedge Accounting* .

Availability and indebtedness

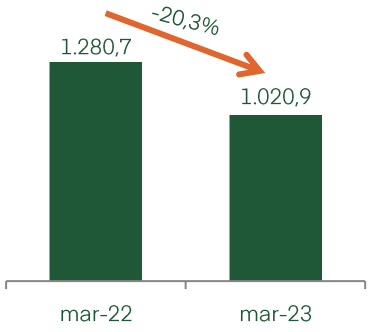
Debt per Crop (R$ million)



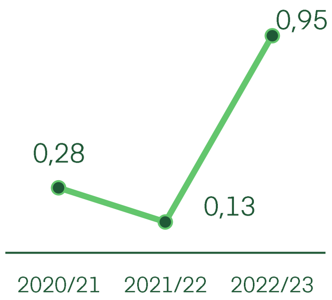
Net debt



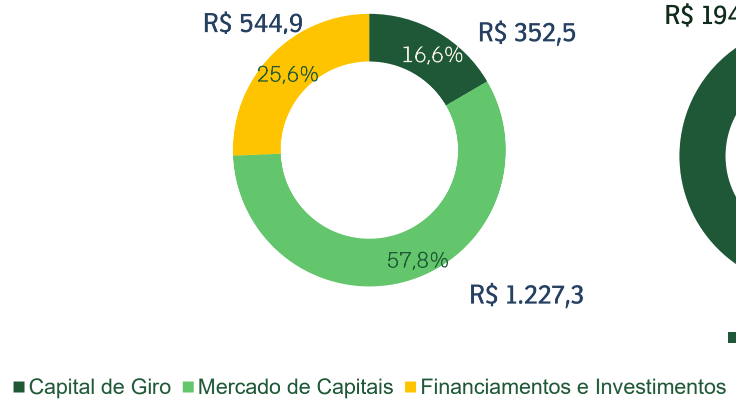
Cash and cash equivalents



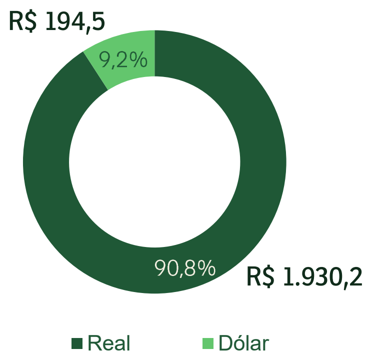
Debt/Adjusted EBITDA



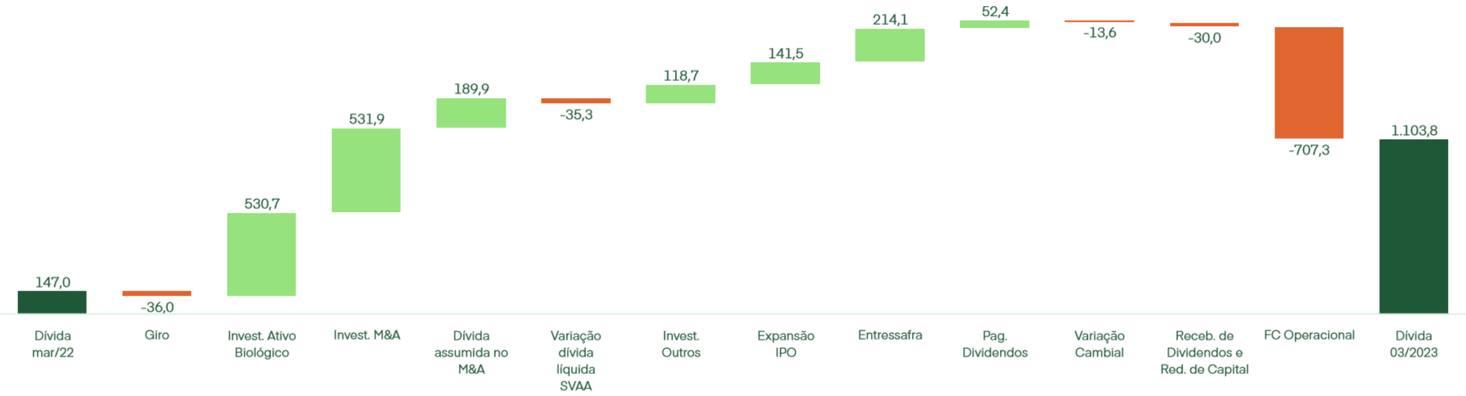
Debt by Type (R$ million)



Debt by Currency (BRL million)



Movement in Net Debt (R$ Million)



4Q23

Operational Highlights

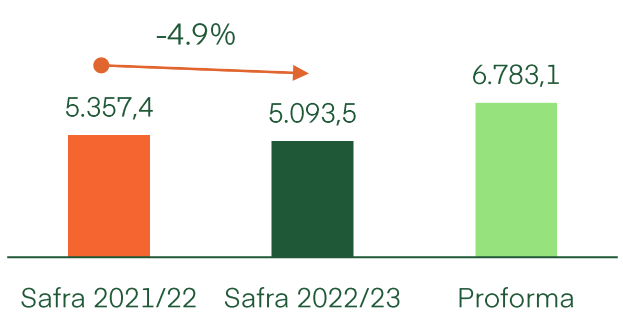
Rainfall, Planting and Harvesting

Jalles

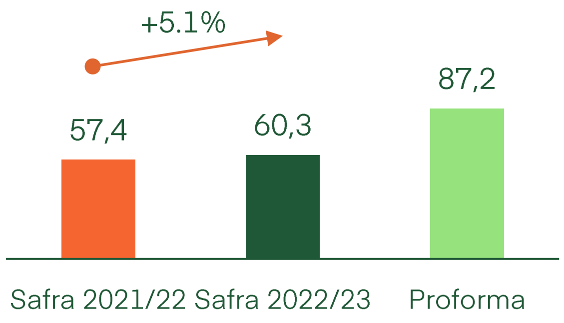
JALL
B3 LISTED NM

Consolidated Operating Highlights

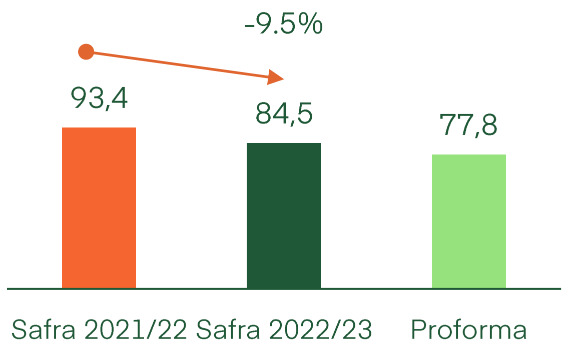
Milling (thousand t.)



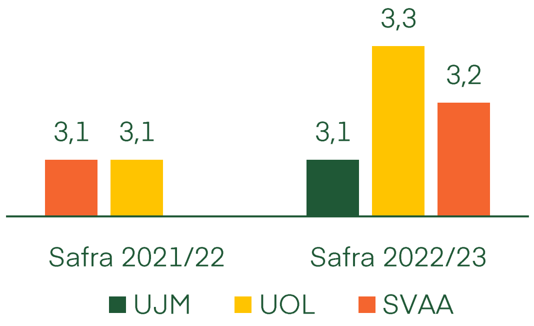
Harvested Area (thousand ha)



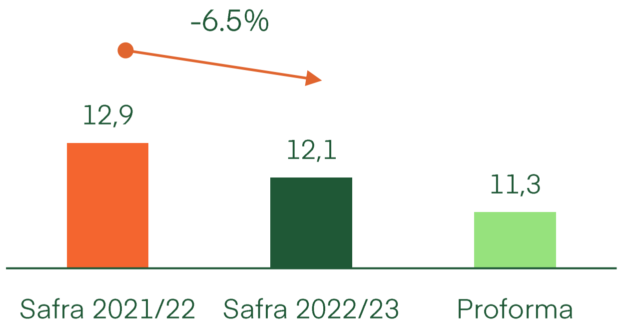
Productivity (t/ha)



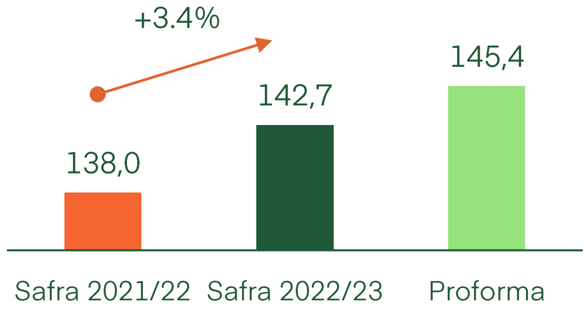
Average age of the sugarcane field (years)



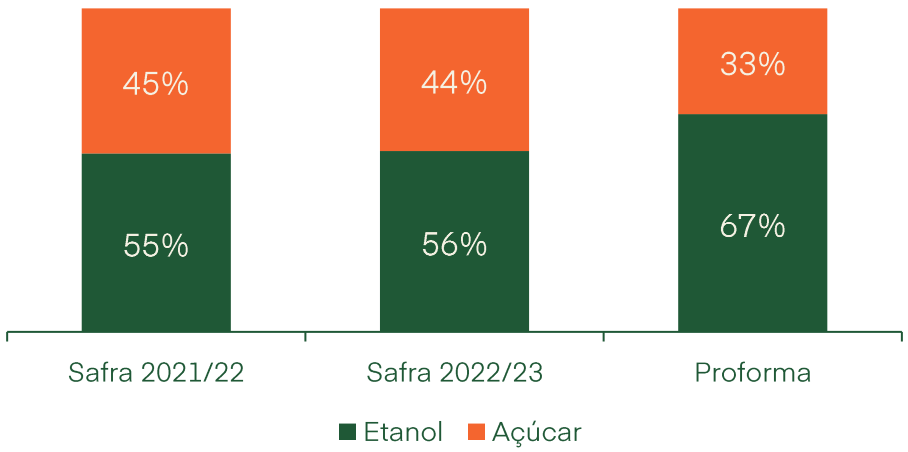
Total ATR per Hectare-TAH (thousand t/ha)



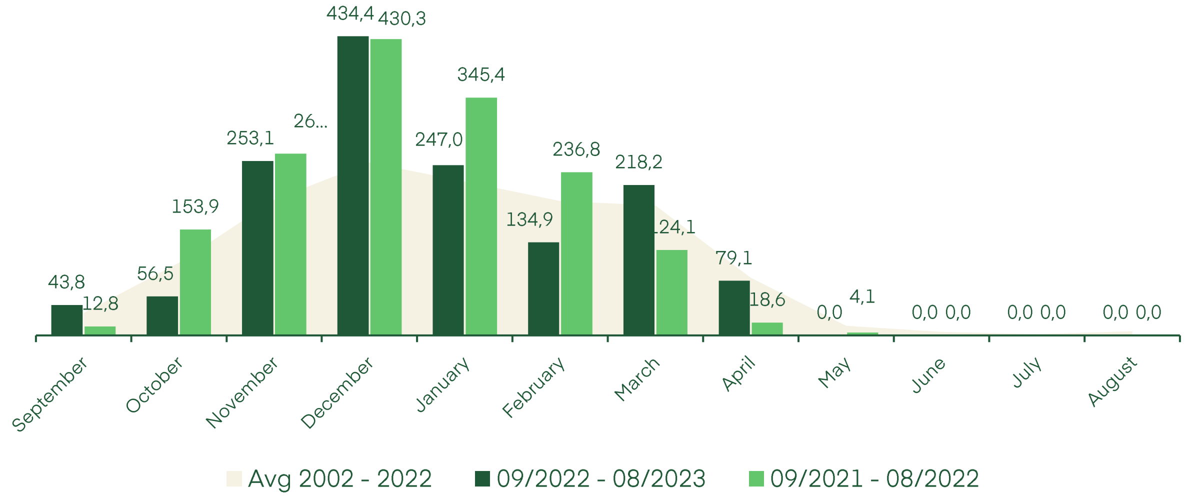
average ATR (kg/t)



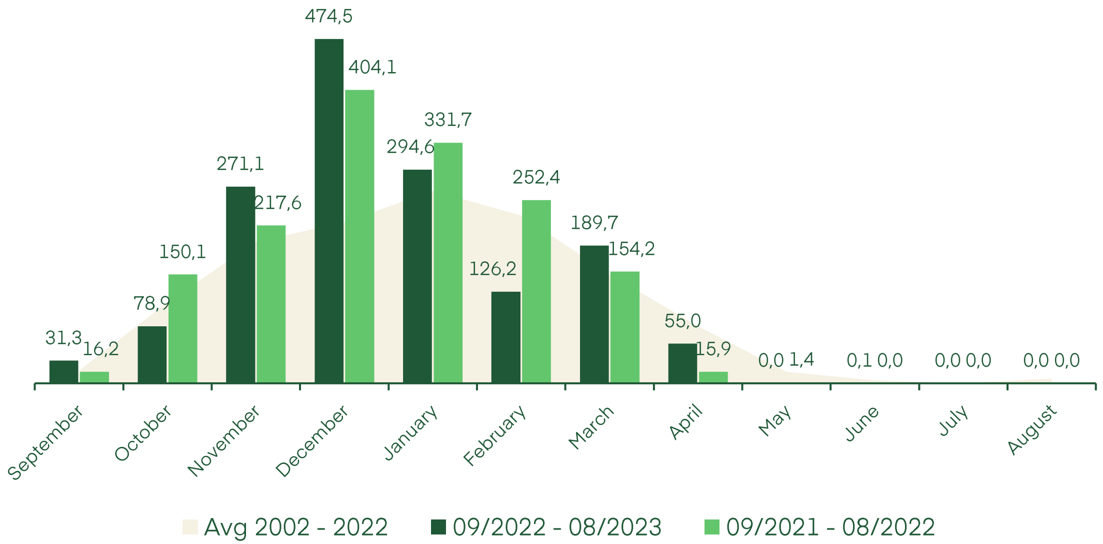
Production *Mix* _

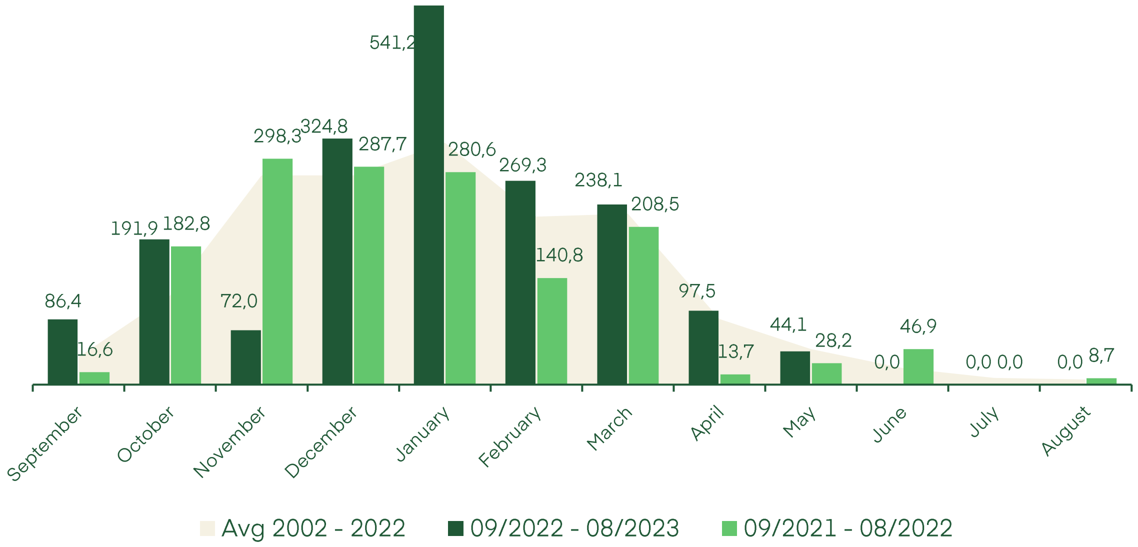


Rainfall by Season - Units



During the 2022/23 harvest there was a better spacing of the rains, which will positively contribute to the 2023/24 harvest





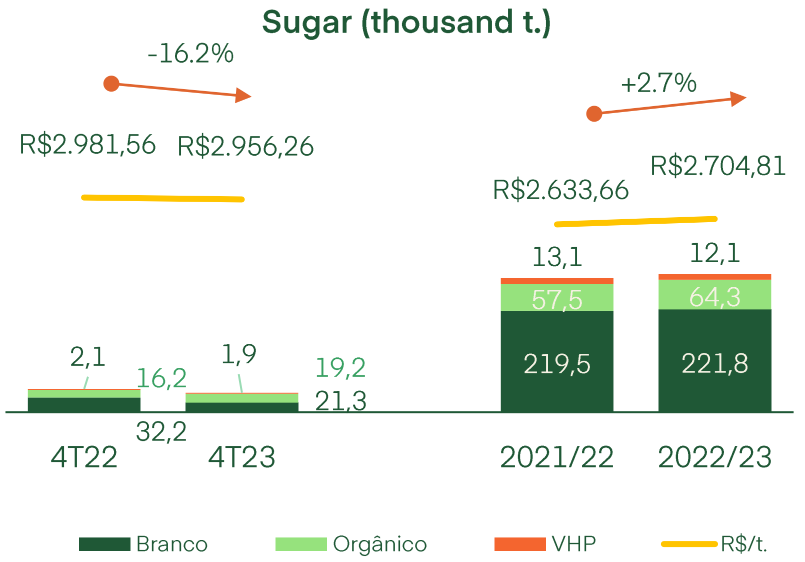
Commercial Highlights

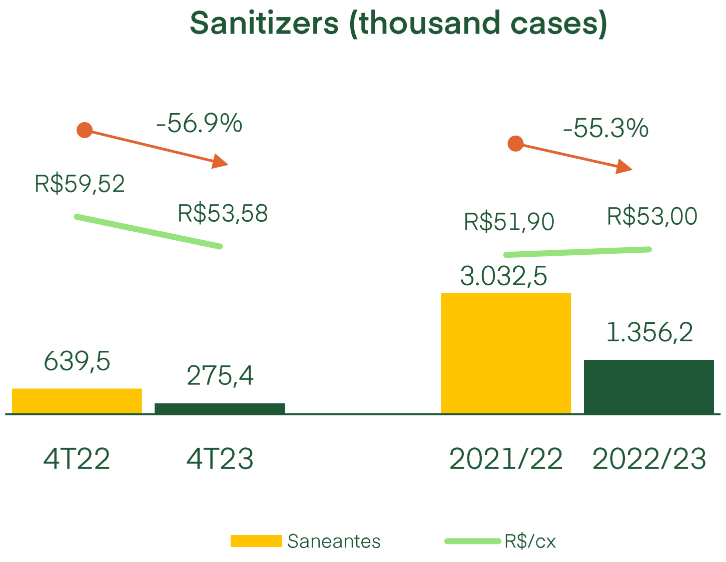
Ethanol, Sugar, Sanitizers, TRS and CBIO

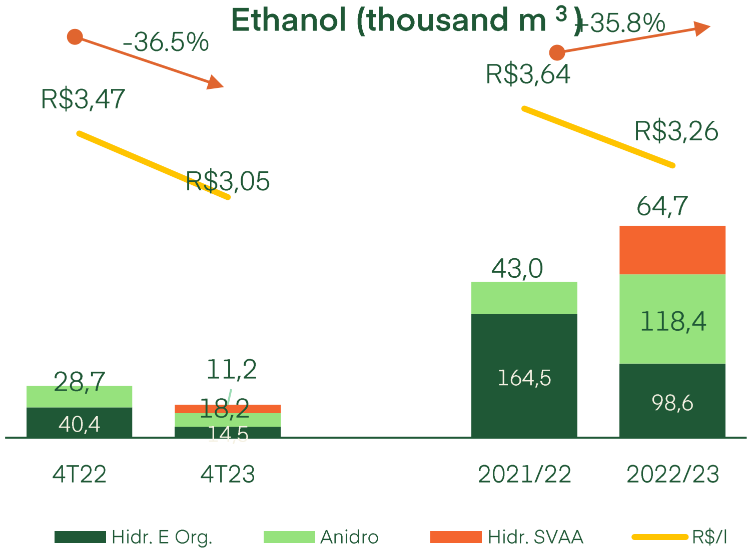
Jalles

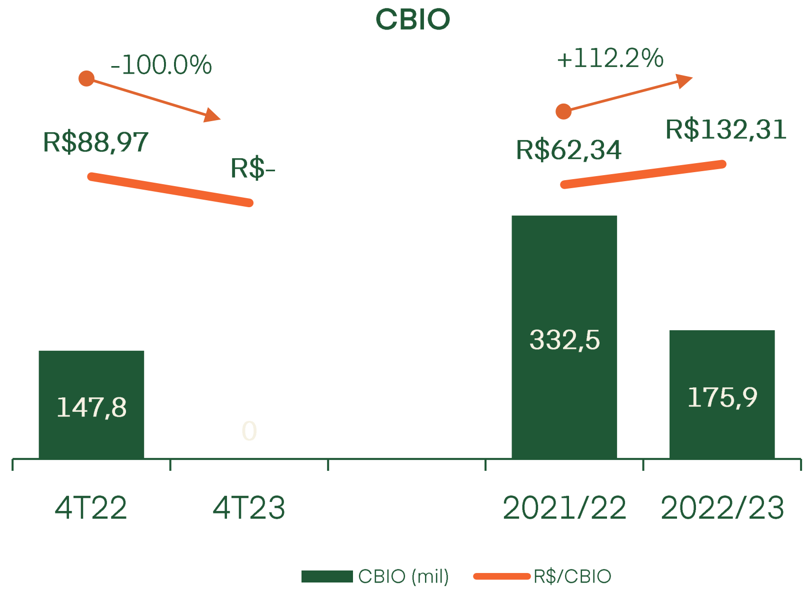
JALL
B3 LISTED NM

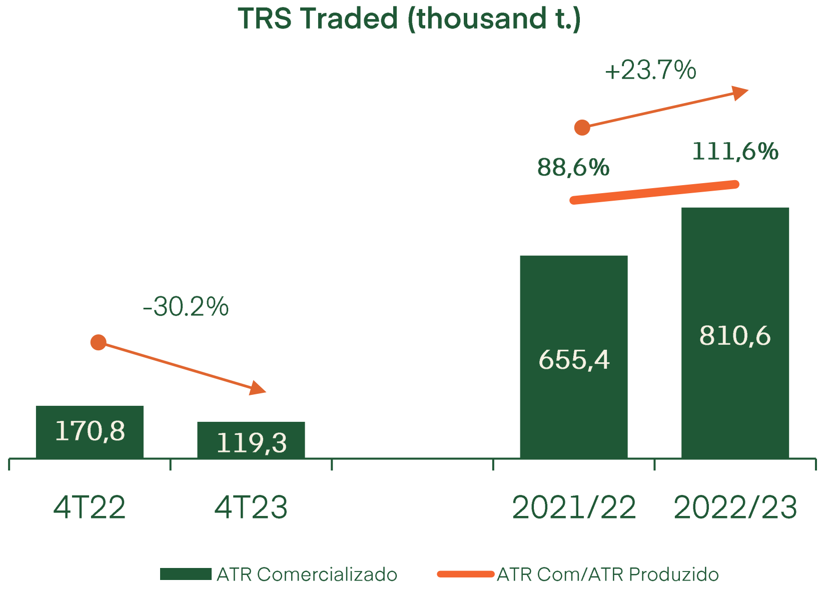
Commercial Highlights 4Q23 and 2022/23 Crop











SVAA effect at 6 months:
R$ 209.2 million in Net Revenue

There was no sale of CBIO in 4Q23

Sugar Factory

Santa Vitória Unit

Jalles

JALL
B3 LISTED NM

Investment information

Santa Vitória sugar factory

750 t/day - 150 thousand t/harvest

BRL 170 million

Mix up to **52%** Sugar

Expected impacts:

Mix Jalles going from 36% to 51% Sugar

VHP for export

Taking advantage of the price of sugar

risk mitigation

Increased revenue from the foreign market

Brownfield

Investment information

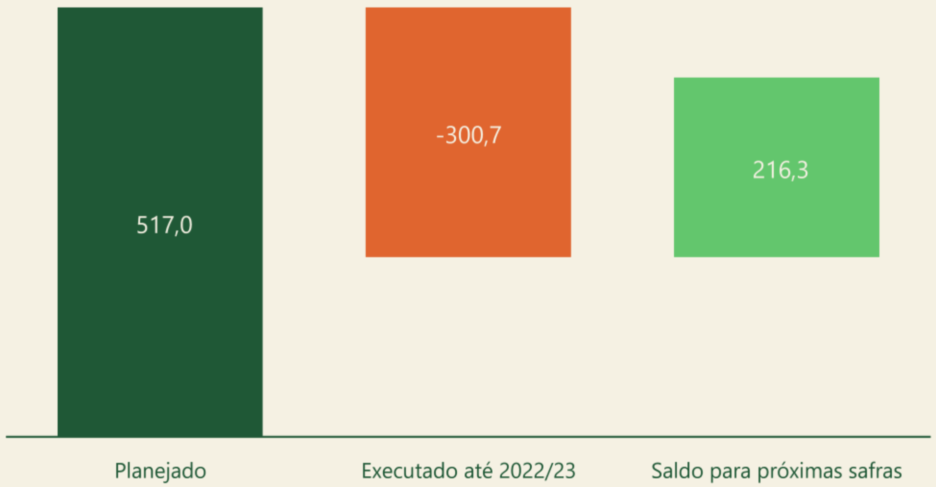
Jalles

JALL

B3 LISTED NM

IPO investments

Investments made (BRL million)	Harvest 2021/22	Harvest 2022/23	Total
Industrial	31.8	16.4	48.2
Irrigation	9.8	10.2	19.9
Agricultural Machinery	0.0	1.0	1.0
A - UJM Expansion	**41.6**	**27.6**	**69.2**
Industrial	99.1	64.2	163.3
Irrigation	0.2	4.6	4.8
Planting Expansion	18.2	40.1	58.3
Agricultural Machinery	0.0	5.0	5.0
B - UOL Expansion	**117.6**	**113.9**	**231.5**
(A+B) - Total Consolidated	159.2	141.5	300.7



Biogas - UOL

CDA 3 - Jalles

Guidance

2023/24 Harvest Projection

Production Data	Harvest 22/23	23/24 Harvest Projection
Sugarcane processing (thousand/t)	5,093.50	**7,302.20**
Productivity - TCH (t/ha)	84.5	**84.4**
Average ATR (Kg/t)	142.7	**143.2**

Production	Harvest 22/23	23/24 Harvest Projection
Sugar (%)	44.10%	**36.20%**
Ethanol (%)	55.90%	**63.80%**

Capex (BRL million)	Harvest 22/23	23/24 Harvest Projection
IPO Expansion (1 million tons)	101.4	**132.0**
IPO Expansion (Biological Asset)	40.1	**45.1**
SVAA Expansion (Biological Assets and Agricultural Machinery)	n/a	**54.1**
Sugar factory (SVAA)*	-	**127.5**
Operational Improvements and Others	101	**93.9**
Applicant (Planting Renewal and Off-season Maintenance)**	311.3	**362.2**
Total		**814.8**

*Amount corresponding to 75% of the total investment
**Does not include cultural treatments

Jalles

Thanks.
Q&A

Rodrigo Penna de Siqueira

CFO and DRI

rodrigo@jallesmachado.com

Jalles

acesse **jalles.com**