

Jalles Machado S.A.

Individual company and consolidated financial statements as of March 31, 2025

(A free translation of the original report in
Portuguese containing the financial statement
prepared in accordance with accounting
practices adopted in Brazil and International
Financial Reporting Standards)

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Independent Auditors' report on the individual company and consolidated financial statements

To the Board of Directors, Shareholders and Management of Jalles Machado S.A.

Goianésia – GO

Opinion

We have audited the individual company and consolidated financial statements of Jalles Machado S.A. ("Company"), referred to as individual company and consolidated financial statements, respectively, which comprise the statement of financial position as of March 31, 2025, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual company and consolidated financial position of Jalles Machado S.A. as of March 31, 2025, and its individual company and consolidated financial performance and cash flows for the year then ended, in accordance with Brazilian accounting policies and with International Financial Reporting Standards (IFRS Accounting Standards) issued by the *International Accounting Standards Board* (IASB).

Basis for Opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of Individual Company and Consolidated Financial Statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Professional Code of Ethics for Accountants and on the professional standards issued by the Regional Association of Accountants, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual company and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the individual company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of biological assets

See Notes 2.7 g and 10 to the individual company and consolidated financial statements

Key audit matters	How the audit addressed the issue
<p>The Company measures its biological sugarcane assets at fair value less the estimated costs of disposal at the time of harvesting.</p> <p>Fair value represents the present value of the estimated cash flows to biological assets, which is determined by applying the assumptions set forth in discounted cash flow models, which include: estimated harvested area, expected productivity (tonnes of cane per hectare), total amount of recoverable sugar Total recoverable sugar (TRS), the value of kg of Total Recoverable Sugar (TRS), Land care costs, harvesting and cutting, loading and transportation costs, capital costs, agricultural partnership and lease costs, taxes and discount rate.</p> <p>Due to the uncertainties about the assumptions used in determining fair values, the impact that possible changes in assumptions would have on the individual company and consolidated financial statements and the materiality of the amounts of biological assets, we considered this to be a key audit matter.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> – Evaluating the design of the Company's key internal controls related to the calculation of fair value less the estimated costs of selling biological assets; – With the help of our corporate finance experts, we evaluated the reasonableness of the assumptions made by the Company to calculate the fair value of biological assets, comparing them with internal historical information and external market observable data. – Evaluating whether disclosures in the individual company and consolidated financial statements consider relevant information. <p>According to the evidence obtained by applying the procedures summarized above, we considered that the measurement of the fair value of biological assets, as well as the related disclosures, are acceptable in the context of the individual company and consolidated financial statements taken as a whole for the year ended March 31, 2025.</p>

Other issues - Statements of value added

The individual company and consolidated statements of value added for the year ended March 31, 2025, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS purposes, were submitted to the same audit procedures followed simultaneously with the audit of the Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled to the Company's financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added have been adequately prepared, in all material respects, according to the criteria set on this Technical Pronouncement and are consistent with the individual company and consolidated financial statements taken as a whole.

Other Information



Management is responsible for the other information. The other information comprises the information included in the Management Report.

Our opinion on the individual company and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual company and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work that we have performed, we conclude that there is material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Individual Company and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these individual company and consolidated financial statements in accordance with accounting policies adopted in Brazil and with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of individual company and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual company and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or have no realistic alternative to avoid shutting down operations.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Individual Company and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Brazilian and international standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the individual company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual company and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We have planned and performed the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to form an opinion on the financial statements of the group. We are responsible for directing, supervising and reviewing the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and including, when applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Brasília, June 17, 2025.

KPMG Auditores Independentes Ltda.

CRC SP-014428/F-0

Original report in Portuguese signed by

Fernando Rogério Liani

Accountant CRC 1SP229193/O-2

Notes to the individual company and consolidated financial statements

(In thousands of real, unless otherwise stated)

1 Operations

The activities of Companhia Jalles Machado S.A., and its subsidiaries Jalles Machado Empreendimentos Imobiliários S.A., Purolim S.A., Santa Vitória Açúcar e Álcool Ltda. and Jalles Bioenergia S.A. and associates Albioma Codora Energia S.A. and Albioma Esplanada Energia S.A., henceforth called "Company", basically consist of the following transactions:

Jalles Machado S.A.

Jalles Machado S.A., located at Rodovia GO 080, km 185, Zona Rural, in the municipality of Goianésia – GO, is a public company registered with the Brazilian Securities and Exchange Commission (CVM) under number 02549-6 on February 4, 2021. The Company's shares are traded on B3 under the name "JALL3".

The Company has three industrial facilities, namely: (i) Jalles Machado and Otávio Lage, located in the municipality of Goianésia - state of Goiás, and Usina Santa Vitória, located in the municipality of Santa Vitória - Minas Gerais, with a processing capacity in excess of 8.5 million tonnes of sugarcane per harvest, and its main activity is the processing and marketing in Brazil and abroad, sugar, ethanol, electricity and other products derived from sugar cane. Always seeking to add value to its portfolio, such as the commercialization of white, organic and sanitizing sugar under Itajá's own brand, in addition to the production and commercialization of dry yeast.

All sugarcane used in the manufacturing units come from the Company's own crops, grown on the Company's own land and under agricultural partnerships with shareholders and third parties.

Jalles Machado Empreendimentos Imobiliários S.A.

The subsidiary is located in the city of Goianésia, state of Goiás, at Rodovia GO 338, Km 33 on the left, Km 03, Zona Rural, and is engaged in purchasing, selling property, leasing real property and managing its own assets for an indefinite period.

In order to improve operational efficiency and reduce the tax burden on operations, on February 28, 2025 the Company performed a corporate restructuring that involved the merger of the subsidiary into the Company, where the net assets consisting of equity in the amount of R\$91,850 were absorbed.

The breakdown of the book values is shown below:

Assets	
Current	
Cash and cash equivalents	37.041
Trade and other receivables	3.338
Recoverable taxes	348
Current assets	40.727
Non-current	
Investments	1.319
Property, Plant and Equipment	51.332
Non-current assets	52.651
Total assets	93.378
Liabilities	
Current	
Trade and other payables	10
Tax liabilities	122
Income and social contribution taxes payable	1.396
Current liabilities	1.528
Equity	
Share capital	59.633
Profit reserves	7.898
Appropriated retained earnings in the statement of financial position	24.319
Total equity	91.850
Total equity and liabilities	93.378

During the period between the calculation of the subsidiary's book value and the merger, there was equity variation due to the maintenance of activities, and the equity actually transferred to the parent company was R\$94,494.

Assets	
Current	
Cash and cash equivalents	42.732
Recoverable taxes	487
Current assets	43.219
Non-current	
Investments	1.319
Property, Plant and Equipment	50.579
Non-current assets	51.898
Total assets	95.117
Liabilities	
Current	
Trade and other payables	10
Income and social contribution taxes payable	613
Current liabilities	623
Equity	
Share capital	59.633
Profit reserves	7.898
Appropriated retained earnings in the statement of financial position	26.963
Total equity	94.494
Total equity and liabilities	95.117

Purolim S.A.

The subsidiary is located at Rodovia GO 080, km 185, 500 meters to the right, in the rural area, in the municipality of Goianésia - GO, is engaged in manufacturing household disinfectants and may perform other related acts related to its corporate purpose.

In order to improve operating efficiency, on February 1, 2025 the Company underwent a corporate restructuring that involved the termination of its wholly-owned subsidiary Purolim S.A. The effects of the dissolution of the Subsidiary on the parent company were the following:

Assets	
Current	
Cash and cash equivalents	11
Current assets	<u>11</u>
Non-current	
Investments	9
Non-current assets	<u>9</u>
Total assets	<u><u>20</u></u>
Liabilities	
Current	
Tax liabilities	1
Current liabilities	<u>1</u>
Non-current	
Trade and other payables	384
Non-current liabilities	<u>384</u>
Equity	
Share capital	1
Profit reserves	(316)
Accumulated losses in the statement of financial position	(50)
Total equity	<u>(365)</u>
Total equity and liabilities	<u><u>20</u></u>

Santa Vitória Açúcar e Alcool Ltda. "USV"

The subsidiary is domiciled at Faz. Crystal, km 11.8, Est. Perdilandia, Zona Rural, in the municipality of Santa Vitória – MG, has as its object the manufacture of ethanol, sugar and generation and distribution of electricity.

On February 1, 2025 subsidiary Santa Vitória Açúcar e Alcool Ltda. merged into indirect subsidiary Jalles Bioenergia S.A. The book value of the merged assets was calculated by independent appraiser D&R Serviços Contábeis Ltda. at R\$106,022, according to the subsidiary's situation as of December 31, 2024.

The breakdown of the book values is shown below:

Assets	
Current	
Cash and cash equivalents	22.578
Trade and other receivables	15.074
Inventories	15.984
Recoverable taxes	14
Other assets	233
Current assets	<u>53.883</u>
Non-current	
Trade and other receivables	20.265
Recoverable taxes	5.677
Court deposits	29
Property, Plant and Equipment	152.396
Intangible assets	1.220
Non-current assets	<u>179.587</u>
Total assets	<u><u>233.470</u></u>

Liabilities

Current

Loans and financing	7.908
Trade and other payables	2.257
Provisions and labor charges	1.369
Tax liabilities	1.094
Income and social contribution taxes payable	2.582
Advances from clients	1

Current liabilities	<u>15.211</u>
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Non-current

Loans and financing	62.146
Deferred taxes	90
Trade and other payables	50.000

Non-current liabilities	<u>112.236</u>
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Equity

Share capital	69.179
Profit reserves	320
Appropriated retained earnings in the statement of financial position	36.524

Total equity	<u>106.023</u>
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Total equity and liabilities	<u><u>233.470</u></u>
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During the period between the calculation of the subsidiary's book value and the merger, equity changes were reported due to the maintenance of activities. The equity actually transferred to subsidiary USV was R\$104,199.

Assets

Current

Cash and cash equivalents	23.918
Trade and other receivables	13.425
Inventories	13.776
Advances to suppliers	304
Recoverable taxes	12
Recoverable income and social contribution taxes	41
Other assets	65

Current assets	<u>51.541</u>
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Non-current

Trade and other receivables	20.265
Recoverable taxes	5.099
Court deposits	29
Deferred taxes	779
Property, Plant and Equipment	151.195
Intangible assets	1.230

Non-current assets	<u>178.597</u>
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Total assets	<u><u>230.138</u></u>
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Liabilities

Current

Loans and financing	8.058
Trade and other payables	3.308
Provisions and labor charges	972
Tax liabilities	1.564
Income and social contribution taxes payable	563
Advances from clients	2

Current liabilities	14.467
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Non-current

Loans and financing	61.472
Trade and other payables	50.000

Non-current liabilities	111.472
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Equity

Share capital	69.179
Profit reserves	320
Appropriated retained earnings in the statement of financial position	34.700

Total equity	104.199
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Total equity and liabilities	230.138
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Albioma Codora Energia S.A.

The affiliated company is located at Rodovia GO 338, km 33, à esquerda km 4, rural area, in the municipality of Goianésia - GO, and is engaged in producing and marketing electricity and steam, in addition to all by-products from the co-generation of electricity.

Albioma Esplanada Energia S.A.

The associate is located at Rodovia GO 080, km 185, in a rural area, in the municipality of Goianésia - GO, and is engaged in co-generating and marketing electricity and water vapor generated from sugarcane biomass and additional raw materials. It also performs other related acts related to its corporate purpose, such as the sale of "carbon credits". The *joint venture* was set up in December 2017 to receive the assets used for the co-generation of energy from the Jalles Machado unit, as a result of the negotiation with shareholder Albioma Participações do Brasil.

2 Basis of preparation

2.1 Statement of compliance and basis of preparation

The individual company and consolidated financial statements have been prepared and are presented in accordance with accounting policies adopted in Brazil, which comprise the standards issued by the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements issued by the Committee of Accounting Pronouncements ("CPC"), which are in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). They show all significant information characteristic of financial statements, and only that information, which is consistent with that used by Management to run the Company.

The individual company and consolidated statement of value added is required by Brazilian corporate law and Brazilian accounting policies applicable to public companies. IFRS do not require the presentation of such a statement. Therefore, under IFRS, this statement is presented

as supplementary information, without prejudice to the individual company and consolidated financial statements as a whole.

The individual company and consolidated financial statements have been prepared on the historical cost basis. The historical cost of available-for-sale financial assets, other assets and financial liabilities (including derivative instruments) and biological assets is adjusted to reflect fair value.

The preparation of the Company and Consolidated financial statements requires management to make critical judgments and estimates that affect the application of accounting policies. Note 2.7 discloses the areas that require a higher level of judgment or entail greater complexity, and the areas where assumptions and estimates are significant for the individual company and consolidated financial statements.

All significant information characteristic of individual company and consolidated financial statements, and only that information, is being shown and is that used by management to run the Company.

The financial statements were authorized for issue by the Board of Directors on June 17, 2025.

2.2 Individual company and consolidated financial statements

The individual company and consolidated financial statements include all the transactions of Companhia Jalles Machado S.A and the related share of profit (loss) of equity-accounted subsidiaries and affiliates, over which the Company has significant influence. The individual company and consolidated financial statements include the financial statements of its subsidiaries in the years ended March 31, 2024 and 2025. Its associates were maintained as investments accounted for on the equity method of accounting, as shown in note 2.3 and note 8.

The individual company and consolidated financial statements include the accounts of the following companies:

Group Entities	Country	Classification	Ownership interest	
			31/03/2025	31/03/2024
Santa Vitória Açúcar e Álcool Ltda.	Brazil	Controlled	100%	100%
Albioma Codora Energia S.A.	Brazil	Related	35%	35%
Albioma Esplanada Energia S.A.	Brazil	Related	40%	40%
Jalles Machado Empreendimentos Imobiliários S.A.	Brazil	Controlled	-	100%
Purolim S.A.	Brazil	Controlled	-	100%
Jalles Bioenergia S.A.	Brazil	Indirect subsidiary	-	100%

2.3 Basis of consolidation

(i) Business combinations

The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business, and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together have significantly contributed to the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises in the transaction is tested annually for

impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are recorded in profit or loss as incurred, except for costs related to the issue of debt instruments or equity instruments.

The consideration transferred includes amounts related to the payment of pre-existing amounts. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration is classified as equity instrument, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

(ii) Subsidiaries

The Company controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee. The individual company and consolidated financial statements of subsidiaries are consolidated from the date that control commences until the date that control ceases.

Investments in subsidiaries are accounted for under the equity method.

(iii) Investments in associates accounted for under the equity method

Group Entities	Country	Classification	Ownership interest	
			31/03/2025	31/03/2024
Albioma Codora Energia S.A.	Brazil	Related	35%	35%
Albioma Esplanada Energia S.A.	Brazil	Related	40%	40%

Investments in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the individual company and consolidated financial statements include the Company's share of the year's profit or loss and other comprehensive income (loss) of the investee until the date that significant influence or joint control ceases.

(iv) Transactions eliminated on consolidation

Balances and transactions between the Company and its subsidiaries, and any unrealized income and expenses arising from transactions between the Company and its subsidiaries, are eliminated for individual company and consolidated financial reporting purposes. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investees. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2.4 Changes in material accounting policies

Classification of liabilities as current or non-current and non-current liabilities under covenants

The Company adopted the classification of liabilities as current or non-current (amendments to CPC 26/IAS 1) and non-current liabilities with *covenants* (amendments to CPC 26/IAS 1) as of April 1, 2024. Changes apply retrospectively. They clarify certain requirements to determine whether a liability should be classified as current or non-current and require new disclosures for

non-current loan liabilities that are subject to *covenants* within 12 months after the reporting period. This resulted in a change in the accounting policy for the classification of liabilities that can be settled in own shares of a Company entity. Previously, the Company ignored all counterparty conversion options when classifying related liabilities as current or non-current. Under the new policy, when a liability includes a counterparty conversion option whereby the liability can be settled by a transfer of the Company's own shares, The Company takes into account the conversion option when classifying a principal liability as current or non-current, unless the option is classified as equity under CPC 39/IAS 32. The Company's other liabilities were not impacted by the changes. Despite the change in policy, there is no impact on the comparative financial statements, as the Company did not have outstanding convertible notes as of March 31, 2024.

2.5 Basis of measurement

The individual (Company) and consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- Derivative financial instruments are measured at fair value;
- Non-derivative financial instruments at FVTPL are measured at fair value; and
- Biological assets are measured at fair value less costs to sell.

2.6 Functional currency

The Company and Consolidated financial statements are presented in Brazilian real, which is the functional currency of Jalles Machado S.A. and its investees. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.7 Use of estimates and judgments

The preparation of the individual company and consolidated financial statements requires management to make judgments and estimates that affect the application of the Company's and its subsidiaries' accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

(i) Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the individual company and consolidated financial statements is included in the notes: 8 - Investments: whether the Company and its subsidiaries have significant influence over an investee; 9 – Property, plant and equipment: whether the fair value of property, plant and equipment, based on the cash flow discounted from their benefits for the Company it exceeds its book value; 15. Net deferred taxes: whether the profit forecast prepared by the Company will be realized; Net operating revenue: whether revenue from sugar, ethanol and yeast is recognized during the correct period, over time or at a point in time. and 24 - Leases payable: judgment on the exercise of the term for extension of lease contracts.

(ii) Uncertainties about assumptions and estimates

The Company and its subsidiaries make estimates about the future according to certain assumptions. By definition, accounting estimates usually differ from actual results. Estimates and assumptions that pose a significant risk and are likely to cause a material adjustment in the book values of assets and liabilities are described below:

Note 9: Review of the useful lives of property, plant and equipment

The recoverability of the assets that are used in the Company's and its subsidiaries' activities is evaluated when current facts or circumstances indicate that the carrying value of its assets or group of assets may not be recoverable according to future cash flows. If the book values of assets are higher than their recoverable value, the net amount is adjusted and their useful lives are set at new levels.

Note 10: Biological assets

The fair value of the Company's biological assets represents the present value of the net cash flows estimated for this asset, which is determined by applying the assumptions set forth in discounted cash flow models.

Note 15: Deferred income and social contribution taxes

Deferred income and social contribution tax assets are only recognized to the extent that positive taxable income is likely to be generated in the future against which temporary differences can be utilized and income and social contribution tax losses can be offset. The recovery of deferred tax assets is reviewed at each reporting date, and when it is no longer probable that future taxable profits will be available to allow recovery of all or part of the amount, the balance of the deferred asset is adjusted for the amount expected to be recovered.

Significant management's judgment is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Note 16: Provisions for contingencies

The Company and its subsidiaries are parties to several judicial and administrative proceedings. Provisions are accrued for all contingencies referring to court proceedings that represent probable and estimated losses with a certain degree of certainty. The Company's assessment of the likelihood of loss comprises an evaluation of available evidence, of the hierarchy of laws, of available court precedents, of the most recent appeals court decisions and their relevance to the legal system, as well as consultations with external and in-house legal advisors.

Note 24: Leases payable and agricultural partnerships payable

The Company has lease agreements for industrial facilities and agreements with agricultural partners for rural areas explored under agricultural partnerships to grow sugarcane, in compliance with the provisions of the Land Statute, which started to be accounted for in accordance with the concept set forth by accounting standard CPC 06 (R2)/IFRS 16 as from April 1, 2019.

When measuring lease liabilities, the Company discounts lease payments using an incremental discount rate. Determining the discount rate applied to contracts involves assumptions and estimation uncertainties that have a significant risk of resulting in an adjustment in the balances of liabilities and assets.

(iii) *Measurement of fair values*

A number of the Company's and its subsidiaries' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company and its subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly revises non-observable data and valuation adjustments. If third-party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team analyzes the evidence gathered from third parties to support the conclusion that these valuations meet the requirements set by the technical pronouncements issued by the Committee of Accounting Pronouncements "CPC" *International Financial Reporting Standards* (IFRS), including the level in the fair value hierarchy in which such valuations are to be classified.

When measuring the fair value of an asset or liability, the Company and its subsidiaries use observable market data as much as possible. Fair values are classified into different levels in a hierarchy based on information (*input*) used in assessment techniques in the following manner.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level three: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company and its subsidiaries recognize transfers between levels of the fair value hierarchy at the end of the year of the individual company and consolidated financial statements in which changes occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 8 – Investments
- Note 10 - Biological assets; and
- Note 18 - Financial instruments.

2.8 Material accounting policies

The Company has consistently applied the following accounting policies to all years presented in these individual company and consolidated financial statements.

a. Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rates at the date of the transaction. Foreign currency differences arising on re-translation are generally recognized in profit or loss.

b. Revenue

CPC 47/IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces CPC - 30 (R1)/ IAS 18 Revenue.

CPC 47/IFRS 15 Technical Pronouncement establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces current revenue recognition requirements under CPC standards. The new standard establishes a five-step model for accounting for revenues arising from contracts with customers:

- (i) When the parties to a contract approve it and are committed to its fulfillment;
 - (ii) When the Company can identify each party's rights in relation to the goods to be delivered;
 - (iii) When it is possible to identify the payment terms for the goods transferred;
 - (iv) When the contract has commercial substance;
 - (v) When it is probable that the Company will collect the consideration to which it is entitled.
- According to this pronouncement, revenue should be recognized in an amount that reflects the consideration the entity is expected to be entitled to in exchange for the transfer of goods or services to a client.

c. Short-term employee benefits

Short-term employee benefit obligations are measured as personnel expenses and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

d. Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as personnel expenses, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards that do not have non-vesting conditions, the grant-date fair value of the share-based payment awards is measured to reflect such conditions and no subsequent adjustments are made for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights (SARs), which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognized in profit or loss as personnel expenses.

e. Government grant

Government grants are recognized in profit or loss over the period necessary to match them to the related costs, for which they are intended to compensate, on a systematic basis, provided that conditions set by Technical Pronouncement CPC 07 (R1) IAS 20 - Accounting for Government Grants and Disclosure of Government Assistance are met. While the conditions for recognizing them in profit or loss are not met, an offsetting entry to the government grant is recognized in a specific liability account and subsequently recognized in profit or loss. The portion recognized in profit or loss is reclassified from equity to retained earnings to the investment grant reserve.

f. Finance income and finance costs

The Company's finance income and finance costs consist of:

- Interest on financial investments and restricted cash;
- Interest income;
- Gains and losses on derivative instruments;
- Net foreign exchange gains and losses on financial assets and liabilities;

- Granted discounts; and
- Interest expense on loans and financing.

Finance income and costs are recognized as they accrue in profit or loss, using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not impaired) or to the amortized cost of the liability. However, for financial assets that have suffered impairment subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer impaired, then the calculation of interest income is reverted to the gross basis.

g. Income and social contribution taxes

In the Company, in the subsidiary Santa Vitória Açúcar e Álcool Ltda. and in the indirect subsidiary Jalles Bioenergia S.A., the current-year and deferred income and social contribution taxes are calculated at the rate of 15%, plus a surtax of 10% on taxable profit exceeding R\$240 (annual) for income tax and 9% on taxable profit for social contribution tax. and consider the offsetting of income and social contribution tax losses, limited to 30% of taxable profit in the year.

In the other subsidiaries, income and social contribution taxes are calculated according to current legislation on "deemed profit". Under this income tax system, taxable profit consists of 8% on sales of merchandise and 32% on sales of services, plus other operating revenues; For social contribution tax purposes, taxable profit is 12% from sales of merchandise and 32% from sales of services, plus other operating revenues. Income tax is calculated at the rate of 15% on taxable deemed profit, plus a 10% surtax on taxes exceeding R\$240 (annual).

Social contribution tax - calculated at the rate of 9% on taxable deemed profit.

Income and social contribution tax expenses comprise current and deferred income and social contribution taxes. Current tax and deferred tax are recognized in profit or loss, except to the extent that they relate to items directly recognized in equity or in comprehensive income (loss).

Current income and social contribution tax expense

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is measured at tax rates enacted or substantively enacted on the reporting date.

Current tax assets and liabilities are offset only if legal criteria are met.

Deferred income and social contribution taxes

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for individual company and consolidated financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if some criteria are met.

***h.* Biological assets**

Biological assets are measured at fair value less the estimated costs of disposal at the time of harvesting. The Company used the discounted cash flow valuation method to determine fair value according to the estimated productivity cycle of these assets.

Significant assumptions in determining the fair value of biological assets are shown in note 10. The fair value of biological assets is measured on a period-by-reporting basis.

The gain or loss resulting from changes in the fair value of biological assets is recognized in profit or loss for the year in which it occurs, in a specific line item in the statement of profit or loss, called "Changes in the fair value of biological assets". The depletion value of biological assets is measured by the quantity of agricultural produce cut/sold, valued at its fair value.

***i.* Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average costing principle and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion.

The stock of Decarbonization Credits - CBIOS is recognized at fair value, less any accumulated *impairment losses*.

***j.* Property, Plant and Equipment**

***(i)* Recognition and measurement**

Items of property and equipment are measured at the historical cost of acquisition or construction, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The Company and its subsidiaries decided to revalue property and equipment at deemed cost on the opening date of 2010 (April 1, 2009). The effect was recognized in the Company's equity valuation reserve and is amortized upon depreciation, disposal or obsolescence of assets.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent costs are capitalized only when it is probable that future economic benefits associated with expenses will be enjoyed by the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Maintenance costs

The replacement cost of a property and equipment item is recognized if it is probable that the economic benefits included in the item will flow into the Company, and that its cost can be reliably measured. The carrying amount of a component that has been replaced by another is written off. Maintenance expenses arising from the daily routine of property and equipment are recognized in profit or loss as incurred.

The Company performs annual maintenance in its industrial unit, approximately from December to March. Major maintenance costs include costs of labor, materials, external services, and overhead expenses allocated during the off-season period. These costs are accounted for as a component of the cost of equipment and depreciated over the following crop season. Any other type of expense, which does not increase its useful life or maintain its grinding capacity, is recognized in profit or loss as expense.

(iv) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Depreciation is recognized in profit or loss and in production cost. Land is not depreciated.

Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Company and its subsidiaries will obtain ownership by the end of the lease term.

Items of property, plant and equipment are depreciated from the date they are installed and are available for use or, in respect of self-constructed assets, from the day that the asset is completed and ready for use.

The weighted annual average rates for current and comparative years are as follows:

	Company	Consolidated
Buildings	2%	3%
Machinery, equipment and facilities	6%	8%
Vehicles and semi-trailers	8%	9%
Work in progress	Not applicable	Not applicable
Furniture, equipment and fixtures	13%	13%
Aircraft	5%	5%
Other property and equipment	2%	4%

Sugarcane crop	20%	20%
Off-season cost	100%	100%
Land	Not applicable	Not applicable

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

k. Intangible assets

(i) Other intangible assets

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on trademarks and patents, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated to amortize the cost of intangible assets less their estimated residual values using the straight-line basis over their estimated useful lives. Amortization is recognized in profit or loss.

The average estimated useful life for current and comparative years is five years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

l. Financial instruments

(i) Recognition and initial measurement

Trade receivables basically originate from the sale of sugar, ethanol, sanitizing products and yeast by-products. They are initially recognized when control of the products is transferred.

All other financial assets and financial liabilities are initially recognized when the Company and its subsidiaries become parties to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity instruments; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company and its subsidiaries change their business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows;
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company and its subsidiaries may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (see note 18. On initial recognition, the Company and its subsidiaries may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company and its subsidiaries make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's and its subsidiaries' management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the performance of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's and its subsidiaries' continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company and its subsidiaries consider:

- contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- terms that limit the Company's and its subsidiaries' claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant in the initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by <i>impairment losses</i> . Interest income, foreign exchange gains and losses and <i>impairment</i> are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at

fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition

Financial assets

The Company and its subsidiaries derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or they transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards ownership of the financial asset and does not retain control over the financial asset.

The Company and its subsidiaries enter into transactions whereby they transfer assets recognized in their statement of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets. In such cases, financial assets are not derecognized.

Financial liabilities

The Company and its subsidiaries derecognize a financial liability when its contractual obligations are discharged or canceled, or expire. The Company and its subsidiaries also derecognize a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between its carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iv) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company and its subsidiaries have a legally enforceable right to offset the amounts and intend either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company holds derivative financial instruments, such as currency forward contracts, commodity forward contracts and swaps to hedge its exposures to the risks of fluctuations in foreign currency, interest rates and *commodity prices*.

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. The Company evaluated its contracts and did not find embedded derivatives.

Derivative financial instruments designated as *hedging* instruments are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in the Company's finance income (costs) They are presented as financial assets when their fair values are positive and as financial liabilities when their fair values are negative.

m. Share capital - Company

Common stock

Incremental costs directly attributable to the issue of shares are recognized as a deduction from equity in accordance with CPC08/ IAS 32. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with CPC 32/ IAS 12 - Income Taxes.

Dividends

The Company's bylaws establish a percentage of not lower than 25% of net profit adjusted pursuant to law to the payment of minimum non-discretionary dividends.

n. Impairment

(i) Non-derivative financial assets

Financial instruments and contract assets

The Company and its subsidiaries recognize loss allowances for ECLs on:

Financial assets measured at amortized cost;

The Company measures loss allowances at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company and its subsidiaries consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's and its subsidiaries' historical experience and informed credit assessment, that includes *forward-looking* information.

The Company and its subsidiaries assume that the credit risk on a financial asset increases significantly if it is more than 30 days past due.

The Company and its subsidiaries consider a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Company and its subsidiaries in full, without recourse by the Company to actions such as realizing security (if any is held); or
- The financial asset referring to a customer that is experiencing financial difficulties.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities measured at fair value through other comprehensive income are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Objective evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or delinquency;
- restructuring of an amount due to the Company and its subsidiaries on terms that the Company and its subsidiaries would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or

- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Company and its subsidiaries have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. With respect to individual customers, the Company and its subsidiaries individually make an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with procedures for recovery of amounts due.

(ii) Non-financial assets

At each reporting date, the Company and its subsidiaries' non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (or group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

***o.* Provisions**

A provision is recognized if, as a result of a past event, the Company and its subsidiaries have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Company and its subsidiaries recognize provisions for labor, environmental, civil and tax lawsuits. The Company's assessment of the likelihood of loss comprises an evaluation of available evidence, of the hierarchy of laws, of available court precedents, of the most recent appeals court decisions and their relevance to the legal system, as well as consultations with in-house and external legal advisors. These provisions are revised and adjusted to consider changes in circumstances, such as the statute of limitations period applicable to the case, completions of tax inspections or further exposures shown according to new matters or court decisions. For further details, see note 16.

p. Trade payables

Trade payables are obligations payable for goods or services that have been acquired in the ordinary course of business. They are firstly recognized at fair value and then measured at the amortized cost by using the effective interest rate method. In practice, they are usually measured at the invoice amount and adjusted to present value, when applicable.

q. Leases

At inception of a contract, the Company and its subsidiaries assess whether a contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company and its subsidiaries use the definition of a lease in CPC 06(R2)/ IFRS 16.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company and its subsidiaries allocate the consideration in the contract to each lease component on the basis of their stand-alone prices. However, for the leases of property the Company and its subsidiaries have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The recognition of a right of use and a lease liability occurs at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset, restoring the place where it is located or restoring the underlying asset to the condition required by the lease terms and conditions, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's and its subsidiaries' incremental borrowing rate. Generally, the incremental borrowing rate is used as the discount rate.

The Company determines its incremental borrowing rate by the weighted-interest rate of its loans and financing.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the lessee is reasonably certain to exercise and penalties for early termination of a lease if the lessee exercises a termination option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the amount expected to be payable under a residual value guarantee, if the Company and its subsidiaries change their assessment of whether they will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Companies recognize the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

r. Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date in the principal or, in its absence, the most advantageous market to which the Company and its subsidiaries have access at that date. The fair value of a liability reflects its *non-performance* risk. The non-performance risk includes, among others, the Company's and its subsidiaries' own credit risk.

A number of the Company's and its subsidiaries' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities (see note 2.5).

When one is available, the Company and its subsidiaries measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company and its subsidiaries use valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company and its subsidiaries measure assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company and its subsidiaries determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, The financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

s. Transaction costs of loans

Transaction costs directly related to loans and financing under CPC 08/ IAS 32 are initially recognized as a contra account to the liability. They are subsequently recognized in the Company's finance income (costs) according to the expiration of the term of the finance agreement to which it relates, so that finance charges reflect the actual cost of the financial instrument and not only the contractual interest rate on the instrument.

t. Earnings per share

In accordance with CPC 41/IAS 33, the Company presents basic profit and diluted profit attributable to the holders of the Company's common shares.

Basic earnings and diluted earnings per share are calculated by dividing the Company's profit or loss by the weighted average number of ordinary shares held by shareholders during the period.

The weighted average number of total ordinary shares held by shareholders (outstanding) during the period is the total number of ordinary shares held by shareholders at the beginning of the period, adjusted for the number of ordinary shares reacquired or issued during the period, multiplied by a time-weighting factor. The time weighting factor is the number of days that total shares, except treasury shares, are with shareholders as a proportion of the total number of days in the period

u. Segment reporting

An operating segment is a component of the Company and its subsidiaries that carries out business activities from which it can earn revenue and incur expenses, including income and expenses related to transactions with other components of the Company and its subsidiaries. All results of operations are frequently reviewed by the Executive Board to make decisions on the resources to be allocated to the segment and to assess their performance, for which individual financial information is available.

Segment information in accordance with CPC 22/ IFRS 8 is presented in Note 27.

2.9 Standards and interpretations issued but not yet effective

A number of new accounting standards are effective for annual periods beginning after April 1, 2025. The Company has not adopted the following accounting standards in preparing these financial statements.

A. IFRS 18 Presentation and Disclosure of Financial Statements

IFRS 18 will replace CPC 26/IAS 1 Presentation of Financial Statements and applies to annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following new key requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit and loss, namely operating, investing, financing, discontinued operations, and income tax. Entities are also required to present a newly defined operating profit subtotal. The profit of the entities will not change.
- Key performance measures defined by management (MPMs) are disclosed in a single note in the financial statements.
- Improved guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the subtotal of operating profit as the starting point for the statement of cash flows when presenting operating cash flows using the indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the Company's statement of profit and loss structure, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including items currently labelled as 'other'.

B. Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's consolidated financial statements:

- Lack of convertibility (Amendments to CPC 02/IAS 21);
- Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)

3 Cash and cash equivalents

	Company		Consolidated	
	2025	2024	2025	2024
Cash and banks - local currency	2.566	623	2.779	9.061
Cash and banks - foreign currency	289	32.071	289	32.071
Banks with related parties (a) (note 26)	679	492	680	948
Highly liquid financial investments (b)	1.053.911	936.550	1.156.122	957.110
Highly liquid financial investments with related parties (a) and (c) (note 26)	77.472	10.344	77.472	50.673
	<u>1.134.917</u>	<u>980.080</u>	<u>1.237.342</u>	<u>1.049.863</u>

The Company and its subsidiaries consider as cash and cash equivalents the balances deriving from checking accounts and financial investments maturing in less than 90 days, readily convertible into a known amount of cash and with insignificant risk of change in value.

- (a) The balance consists of checking accounts and financial investments granted to the Company that bear market interest ranging from 98% to 106% of the interbank deposit certificate (CDI) rate of Banco Coopercred - Credit Cooperative of which the Company is a shareholder.
- (b) Short-term, highly-liquid financial investments are readily convertible into a known amount of cash, and are subject to an insignificant risk of changes in their value. These financial investments basically consist of certificates of bank deposit (CDB) which, except for those that have a daily automatic nature, are indexed to market rates at a percentage variation of 82%-104% (100%-108.5% as of March 31, 2024) of the interbank deposit certificate (CDI).
- (c) These investments have the same characteristics as the investments mentioned in item (a) above and basically consist of cooperative deposit receipts, indexed to the variation of 98% to 106% of the interbank deposit certificate (CDI) (98%-100% as of March 31, 2024).

The Company and its subsidiaries follow the principle of working with financial institutions whose credit ratings are "AA" or higher and are assessed by leading institutions such as S&P Global Ratings, Fitch Ratings and Moody's Investors Service.

The exposure of the Company and its subsidiaries to credit and interest rate risks and a sensitivity analysis related to cash and cash equivalents is disclosed in note 18.

4 Restricted cash

	Company		Consolidated	
	2025	2024	2025	2024
Financial investments	3.299	17.264	3.299	17.264
Foster (a)	-	881	-	881
Reserve funds (b)	1.549	1.437	1.549	1.437
	<u>4.848</u>	<u>19.582</u>	<u>4.848</u>	<u>19.582</u>
Current assets	<u>3.486</u>	<u>17.453</u>	<u>3.486</u>	<u>17.453</u>
Non-current assets	<u>1.362</u>	<u>2.129</u>	<u>1.362</u>	<u>2.129</u>

- (a) Amount applied for 10% of the tax incentive obtained by the Company. According to the rules of Fomento, the invested amount may only be used to settle the tax due in advance.
- (b) Consist of investments in fixed-rate investment funds indexed to the DI index. Under some long-term loan agreements, the Company is required to maintain a separate bank account for collecting accounts receivable, which are released on the next business day, and are subject to the creditor's approval (bank accounts linked to financing agreements). The money held in the separate bank account was classified as restricted cash in the statement of financial position. The amounts were invested in reais and do not face significant risks of fluctuations.

Restricted cash has the purpose of guaranteeing loans and financing, which are usually settled in a period longer than 90 days.

Changes in restricted cash during the period were as follows:

	Company	Consolidated
Balance as of March 31, 2023	21.760	21.760
Applications	40.594	40.594
Income	3.553	3.553
Rescues	(46.325)	(46.325)
Balance as of March 31, 2024	19.582	19.582
Applications	3.575	3.575
Income	1.283	1.283
Rescues	(19.592)	(19.592)
Balance as of March 31, 2025	4.848	4.848

5 Trade and other receivables

	Company		Consolidated	
	2025	2024	2025	2024
Trade and other receivables	66.120	75.685	131.267	122.312
Related party receivables (note 26)	30	86	29	82
	66.150	75.771	131.296	122.394
Other receivables - related parties (note 26)	-	747	-	222
Other receivables (a)	9.314	10.469	9.845	57.991
	9.314	11.216	9.845	58.213
	75.464	86.987	141.141	180.607
Current	67.491	77.148	90.249	126.075
Non-current	7.973	9.839	50.892	54.532

The exposure of the Company to credit and exchange rate risks and the sensitivity analysis of assets and liabilities are presented in note 18.

The balance of trade receivables by maturity date is as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Falling due	64.554	64.208	124.352	150.764
Past due 1–30 days	8.417	21.735	8.857	28.337
Past due 31–60 days	1.063	758	1.074	1.008
Past due 61–90 days	1.007	58	1.008	72
Past due 91–180 days	423	169	5.801	364
Past due 181–365 days	-	59	44	60
More than 365 days past due	-	-	5	2
	75.464	86.987	141.141	180.607

The allowance for impairment loss on trade and other receivables is considered sufficient by Management to cover possible losses on receivables and movements are shown as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Opening balance	(2.886)	(885)	(2.886)	(885)
Estimated loss	(1.623)	(2.070)	(1.623)	(2.070)
Write-off	1.686	10	1.686	10
Effect of foreign currency translation	(91)	59	(91)	59
	(2.914)	(2.886)	(2.914)	(2.886)

The balance of trade receivables by geographic region is as follows:

	Company		Consolidated	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Foreign market				
North America	25.699	17.539	25.699	17.539
South America (formerly Brazil)	175	75	175	75
Europe	12.673	1.108	17.692	1.108
Middle East & Asia	-	134	-	134
	38.547	18.856	43.566	18.856
Domestic market				
Midwest	6.573	17.016	34.165	20.186
Northeast	6.365	19.822	23.275	27.348
North	2.960	9.245	10.613	12.635
Southeast	11.055	10.118	36.533	41.525
South	650	714	3.409	1.844
	27.603	56.915	107.995	103.538
Grand Total	66.150	75.771	151.561	122.394

In the year ended March 31, 2025, the impact of the provisions and reversals of provisions for impairment loss was an expense of R\$28 in Company and Consolidated (expense of R\$2,001 in Company and Consolidated, in the same period in 2024).

6 Inventories

	Company		Consolidated	
	2025	2024	2025	2024
Sugar	61.665	59.665	61.916	59.665
Ethanol	30.347	60.411	47.371	78.617
Other finished goods	1.140	1.851	5.757	1.851
Decarbonization credits - CBIOS (*)	12.883	5.059	16.632	6.025
Work in progress	1.502	1.326	1.502	1.326
Warehouse	46.033	44.661	79.413	77.364
	153.570	172.973	212.591	224.848

- (*) RenovaBio – Cbios: As of March 31, 2025, the Company had 65,672 CBIOs issued but not yet sold (59,647 CBIOs as of March 31, 2024). During the year ended March 31, 2025, 332,315 CBIOs were sold (611,070 in the year ended March 31, 2024), classified into operating revenues. The sale of these securities, after their bookkeeping, occurs mainly with fuel distributors, which have acquisition targets established by RenovaBio. Established by Law No. 13,576/2017, RenovaBio is the National Biofuels Policy. The main instrument of RenovaBio is the establishment of annual national decarbonization targets for the fuel sector, in order to encourage the increase in the production and participation of biofuels in the country's transport energy matrix.

Fuel distributors must prove the fulfillment of compulsory individual targets through the purchase of Decarbonization Credits (CBIO), tradable on the stock exchange, derived from the certification of the biofuel production process based on the respective levels of efficiency achieved in relation to their emissions.

Due to the seasonal nature of the sugar-energy industry's operations, inventories of finished goods tend to increase during the harvesting period in order to sustain sales in the off-season. At year end inventories of finished goods are at their lowest levels.

Inventories are stated at average acquisition or production cost and do not exceed net realizable value.

An allowance for slow-moving inventories was recognized for certain stores considered to be slow-moving. Changes in those losses are shown as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Opening balance	(3.764)	(3.652)	(13.343)	(6.312)
Estimated loss	(2.092)	(2.415)	(4.194)	(10.704)
Reversal and write-off	1.605	2.303	7.058	3.673
	(4.251)	(3.764)	(10.479)	(13.343)

7 Recoverable taxes

	Company		Consolidated	
	2025	2024	2025	2024
PIS and COFINS (a)	38.521	17.537	147.537	116.882
ICMS (b)	30.888	23.207	38.487	34.994
IPI	2.098	2.368	2.098	2.368
INSS (Social Security Contribution)	-	-	-	215
ISS	493	-	493	-
	72.000	43.112	188.615	154.459
Current	51.537	30.882	63.936	52.423
Non-current	20.463	12.230	124.679	102.036

- (a) Credits originated from the non-cumulative collection of PIS and COFINS
Balances consist of acquisitions of inputs, parts of parts used for maintaining industrial facilities and the agricultural fleet, maintenance services for industrial and agricultural facilities, freight and storage for sales, electricity and other receivables on the acquisition of machinery and equipment and buildings and constructions for production. These credits may be offset against other federal taxes; and
- (b) The balance basically consists of granted credits calculated on the sale of anhydrous ethanol (Regulatory Instruction No. 493/01-GSF of July 6, 2001) and credits calculated on the acquisition of property, plant and equipment items at the rate of 1/48, and can be offset against taxes of the same nature.

8 Investments

The Company reported a gain of R\$2,063 as of March 31, 2025 (R\$96,264 as of March 31, 2024) of equity in its subsidiaries and associates, and a gain of R\$8,325 in the consolidated financial statements as of March 31, 2025 (R\$13,146 - Consolidated as of March 31, 2024).

None of the subsidiaries recognized using the equity method have their shares traded on the stock exchange. The table below shows a summary of financial information about subsidiaries and associates:

	Company		Consolidated	
	2025	2024	2025	2024
Investments in subsidiaries and associates accounted for using the equity method				
Jalles Machado Empreendimentos Imobiliários S.A.	-	90.826	-	-
Albioma Codora Energia S.A.	51.097	52.746	51.097	52.746
Albioma Esplanada Energia S.A.	32.349	32.806	32.349	32.806
Santa Vitória Açúcar e Alcool Ltda.	1.550.841	1.361.245	-	-
PUROLIM S.A.		(314)	-	-
	1.634.287	1.537.309	83.446	85.552
Other investments (d)	5.146	3.113	5.149	4.100
	1.639.433	1,540.422	88.595	89.652

a. Changes in the balances of investments in subsidiaries and associates

	Company	Consolidated
Balance as of March 31, 2023	1.276.278	79.541
Capital increase in investee	201.999	-
Share of profit of equity-accounted investees	118.791	13.146
Amortization of the goodwill - USV	(22.527)	-
Dividends proposed at shareholders' meeting	(37.232)	(7.135)
Balance as of March 31, 2024	1.537.309	85.552
Capital increase in investee	225.778	-
Share of profit of equity-accounted investees	1.561	8.325
Amortization of the goodwill - USV	(3.834)	-
Dividends proposed at shareholders' meeting	(33.726)	(10.431)
Merger of investee	(92.801)	-
Balance as of March 31, 2025	1.634.287	83.446

b. Information about investees

The tables below show a summary of financial information about subsidiaries and associates.

	Participation	Current assets	Non-current assets	Total assets	Current liabilities	Non- current liabilities	Total liabilities	Equity
31 March 2025								
Albioma Codora Energia S.A. (associate)	35,00%	25.877	117.895	143.772	41.059	66.583	107.642	36.130
Albioma Esplanada S.A. (associate)	40,00%	23.818	64.714	88.532	31.616	17.556	49.172	39.360
Santa Vitória Açúcar e Álcool LTDA	100,00%	378.019	1.917.313	2.295.332	197.491	606.781	804.272	1.491.060
		427.714	2.099.922	2.527.636	270.166	690.920	961.086	1.566.550

	Participation	Current assets	Non-current assets	Total assets	Current liabilities	Non- current liabilities	Total liabilities	Equity
March 31, 2024								
Albioma Codora Energia S.A. (associate)	35,00%	21.691	123.358	145.049	26.753	77.456	104.209	40.840
Albioma Esplanada S.A. (associate)	40,00%	28.384	70.326	98.710	33.924	24.284	58.208	40.502
Santa Vitória Açúcar e Álcool LTDA	100,00%	285.611	1.676.263	1.961.874	211.765	452.477	664.242	1.297.632
Jalles Machado Entrepreneurship. Imob. S.A.	100,00%	44.389	55.706	100.095	9.269	-	9.269	90.826
PUROLM S.A.	100,00%	205	7	212	2	524	526	(314)
		380.280	1.925.660	2.305.940	281.713	554.741	836.454	1.469.486

Profit or loss for the year ended March 31, 2025					
31 March 2025	Participation	INCOME	Expenditure	Profit (loss)	Share of profit (loss) of equity-accounted investees
Albioma Codora Energia S.A.	35,00%	68.176	(58.661)	9.515	3.330
Albioma Esplanada S.A.	40,00%	60.715	(48.227)	12.488	4.995
Santa Vitória Açúcar e Álcool LTDA	100,00%	655.389	(692.900)	(37.511)	(37.511)
Jalles Machado Entrepreneurship. Imob. S.A.	100,00%	32.179	(5.216)	26.963	26.963
PUROLIM S.A.	100,00%	-	(50)	(50)	(50)
		816.459	(805.054)	11.405	(2.273)

Profit or loss for the year ended March 31, 2024					
March 31, 2024	Participation	INCOME	Expenditure	Profit (loss)	Share of profit (loss) of equity-accounted investees
Albioma Codora Energia S.A.	35,00%	56.046	(42.288)	13.758	4.815
Albioma Esplanada S.A.	40,00%	58.515	(37.688)	20.827	8.331
Santa Vitória Açúcar e Álcool LTDA	100,00%	503.185	(452.677)	50.508	50.508
Jalles Machado Entrepreneurship. Imob. S.A.	100,00%	38.709	(6.014)	32.695	32.695
PUROLIM S.A.	100,00%	-	(85)	(85)	(85)
		656.455	(538.752)	117.703	96.264

c. Dividends receivable

Company	Jalles Machado Entrepreneurship. Imob. S.A.	Albioma Codora Energia S.A.	Albioma Esplanada Energia S.A.	Total
Balance as of March 31, 2023	7.444	-	2.215	9.659
Dividends receivable	30.097	3.247	3.888	37.232
Dividends received	(29.776)	(1.042)	(2.215)	(33.033)
Advance carryforward	-	(2.205)	-	(2.205)
Balance as of March 31, 2024	7.765	-	3.888	11.653
Dividends receivable	23.295	4.980	5.451	33.726
Dividends received	(31.060)	(2.800)	(6.729)	(40.589)
Balance as of March 31, 2025	-	2.180	2.610	4.790

Consolidated	Albioma Codora Energia S.A.	Albioma Esplanada Energia S.A.	Total
Balance as of March 31, 2023	-	2.215	2.215
Dividends receivable	3.247	3.888	7.135
Dividends received	(1.042)	(2.215)	(3.257)
Advance carryforward	(2.205)	-	(2.205)
Balance as of March 31, 2024	-	3.888	3.888

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Dividends receivable	4.980	5.451	10.431
Dividends received	(2.800)	(6.729)	(9.529)
Balance as of March 31, 2025	<u>2.180</u>	<u>2.610</u>	<u>4.790</u>

d. Data about other investments

The Company has interests in other investments measured at cost and fair value. As of March 31, 2025 and 2024, these equity investments are represented in the following tables:

	<u>Company</u>		<u>Consolidated</u>	
	2025	2024	2025	2024
Equity interest in other companies valued at cost				
CCLA do Vale do São Patricio LTDA	5.039	3.093	5.042	4.080
	<u>5.039</u>	<u>3.093</u>	<u>5.042</u>	<u>4.080</u>
	<u>Company</u>		<u>Consolidated</u>	
	2025	2024	2025	2024
Equity in other companies measured at fair value				
ENGIE Brasil Energia S/A	21	20	21	20
Centrais Elétricas Brasileiras - ELETROBRAS	86	-	86	-
	<u>107</u>	<u>20</u>	<u>107</u>	<u>20</u>
Total other investments	<u>5.146</u>	<u>3.113</u>	<u>5.149</u>	<u>4.100</u>

9

Property, Plant and Equipment

Company	Buildings	Machinery, equipment and facilities	Vehicles and semi-trailers	Work in progress (a)	Furniture, equipment and fixtures	Aircraft	Other property and equipment	Sugarcane crop	Land	Total
Cost										
Balance as of March 31, 2023	125.993	778.976	92.809	214.222	53.688	6.547	8.490	638.047	1.509	1.920.281
Acquisitions in the period	-	36.702	8.766	107.485	3.655	-	6.475	192.436	-	355.519
Acquisitions - maintenance costs	-	152.808	-	-	-	-	-	-	-	152.808
Write-off	-	(195.576)	(5.795)	(167)	(246)	-	(206)	(116.795)	-	(318.785)
Transfers	69.108	147.798	175	(217.414)	2.690	-	(2.357)	-	-	-
Balance as of March 31, 2024	195.101	920.708	95.955	104.126	59.787	6.547	12.402	713.688	1.509	2.109.823
Addition by merger	30.096	88.605	-	-	-	-	-	-	367	119.068
Acquisitions in the period	140	26.244	11.830	64.349	4.328	-	1.332	176.164	369	284.756
Acquisitions - maintenance costs	-	140.955	-	-	-	-	-	-	-	140.955
Write-off	(56)	(145.252)	(4.124)	(503)	(374)	-	(77)	(68.641)	-	(219.027)
Transfers	10.656	49.938	-	(57.479)	2.858	-	(5.973)	-	-	-
Balance as of March 31, 2025	235.937	1.081.198	103.661	110.493	66.599	6.547	7.684	821.211	2.245	2.435.575
Depreciation										
Balance as of March 31, 2023	(23.098)	(240.104)	(35.586)	-	(25.414)	(1.476)	(3.724)	(196.878)	-	(526.280)
Depreciation for the period	(3.337)	(38.442)	(6.807)	-	(6.415)	(312)	(284)	(116.453)	-	(172.050)
Depreciation - maintenance costs	-	(163.277)	-	-	-	-	-	-	-	(163.277)
Write-off	-	187.511	4.076	-	144	-	153	116.777	-	308.661
Balance as of March 31, 2024	(26.435)	(254.312)	(38.317)	-	(31.685)	(1.788)	(3.855)	(196.554)	-	(552.946)
Addition by merger	(8.888)	(59.602)	-	-	-	-	-	-	-	(68.490)
Depreciation for the period	(4.768)	(49.046)	(7.127)	-	(6.414)	(311)	(337)	(130.778)	-	(198.781)
Depreciation - maintenance costs	-	(153.883)	-	-	-	-	-	-	-	(153.883)
Write-off	17	136.370	2.285	-	225	-	52	68.641	-	207.590
Balance as of March 31, 2025	(40.074)	(380.473)	(43.159)	-	(37.874)	(2.099)	(4.140)	(258.691)	-	(766.510)
Net carrying amount										
March 31, 2024	168.666	666.396	57.638	104.126	28.102	4.759	8.547	517.134	1.509	1.556.877
31 March 2025	195.863	700.725	60.502	110.493	28.725	4.448	3.544	562.520	2.245	1.669.065

Consolidated	Buildings	Machinery, equipment and facilities	Vehicles and semi-trailers	Work in progress (a)	Furniture, equipment and fixtures	Aircraft	Other property and equipment	Crops	Land	Total
Cost										
Balance as of March 31, 2023	367.466	2.075.028	130.621	218.210	59.669	6.547	27.409	1.052.233	11.997	3.949.180
Acquisitions in the period	449	72.622	9.664	236.606	4.106	-	21.355	309.279	-	654.081
Acquisitions - maintenance costs	-	204.847	-	-	-	-	-	-	-	204.847
Write-off	(29.069)	(198.695)	(5.795)	(167)	(246)	-	(24.597)	(116.795)	-	(375.364)
Transfers	89.431	128.625	175	(218.187)	2.314	-	(2.358)	-	-	-
Balance as of March 31, 2024	428.277	2.282.427	134.665	236.462	65.843	6.547	21.809	1.244.717	11.997	4.432.744
Acquisitions in the period	3.753	55.129	23.338	135.437	4.414	-	3.045	297.278	370	522.764
Acquisitions - maintenance costs	-	211.644	-	-	-	-	-	-	-	211.644
Write-off	(791)	(147.927)	(4.123)	(503)	(374)	-	(77)	(68.641)	-	(222.437)
Transfers	76.610	164.898	7.709	(230.544)	4.336	-	(23.009)	-	-	-
Balance as of March 31, 2025	507.849	2.566.171	161.589	140.852	74.219	6.547	1.768	1.473.354	12.367	4.944.715
Depreciation										
Balance as of March 31, 2023	(99.403)	(997.220)	(48.356)	-	(29.638)	(1.476)	(8.688)	(308.207)	-	(1.492.988)
Depreciation for the period	(7.703)	(111.791)	(17.325)	-	(6.801)	(312)	(5.286)	(206.171)	-	(355.389)
Depreciation - maintenance costs	-	(212.633)	-	-	-	-	-	-	-	(212.633)
Write-off	26.135	190.630	4.076	-	144	-	10.183	116.777	-	347.945
Balance as of March 31, 2024	(80.971)	(1.131.014)	(61.605)	-	(36.295)	(1.788)	(3.791)	(397.601)	-	(1.713.065)
Depreciation for the period	(10.040)	(98.359)	(9.892)	-	(6.840)	(311)	(8.329)	(209.555)	-	(343.326)
Depreciation - maintenance costs	-	(203.061)	-	-	-	-	-	-	-	(203.061)
Write-off	25	138.584	2.285	-	225	-	52	68.643	-	209.814
Transfers	(985)	-	-	-	(7)	-	992	-	-	-
Balance as of March 31, 2025	(91.971)	(1.293.850)	(69.212)	-	(42.917)	(2.099)	(11.076)	(538.513)	-	(2.049.638)
Impairment losses										
Balance as of March 31, 2023	-	-	-	-	-	-	-	(199.065)	-	(199.065)
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Reversal of impairment loss	-	-	-	-	-	-	-	199.065	-	199.065
Balance as of December 31, 2024 and 2025	-	-	-	-	-	-	-	-	-	-
Net carrying amount										
March 31, 2024	347.306	1.151.413	73.060	236.462	29.548	4.759	18.018	847.116	11.997	2.719.679
31 March 2025	415.878	1.272.321	92.377	140.852	31.302	4.448	(9.308)	934.841	12.367	2.895.077

- (a) Work in progress basically consists of investments in expansion and/or improvements in industrial and agricultural processes, facilities and storage structure for finished goods. Construction was completed in less than 12 months.

As of March 31, 2025, the amount of R\$330,983 (R\$337,942 in 2024) in the Company's and Consolidated property and equipment consists of agricultural machinery and equipment, vehicles, industrial machinery and equipment and properties that were pledged as collateral for bank finance agreements with financial institutions.

On June 20, 2024, the Company started testing the sugar plant at the Santa Vitória unit. Actual operations started in the second quarter of the 2024/25 crop season, when the Subsidiary started to recognize the depreciation costs of the investments made.

Proceeds from the write-off of property and equipment

During the year ended March 31, 2025, the Company wrote off items of property, plant and equipment with the net cost of R\$11,437 (Company) and R\$12,623 (Consolidated), and reported revenue of R\$6,549 (Company) and R\$6,654 (Consolidated). In the same period last year, the net cost of written-off property and equipment was recognized in the amount of R\$10,197 (Company) and R\$27,491 (Consolidated) and revenue from the sale of property, plant and equipment of R\$9,717 (Company) and R\$14,059 (Consolidated). Net gains and losses from these write-offs were recognized as part of other operating revenues in profit or loss.

Impairment loss on cash generating units

During the year ended March 31, 2025, the Company did not find any evidence that the carrying values of certain assets could be higher than their recoverable amounts in its individual financial statements.

During the previous year, the Company's Management reviewed its assumptions and estimates for impairment losses on the sugarcane crop at the Santa Vitória unit, reversing the full amount of R\$199,065 as allowance for impairment for the related asset, given that the new evaluation found that the new productivity scenarios of the sugarcane field Industrial use and increase in the mix of products to be marketed with the implementation of a sugar factory resulted in recoverable values higher than the book values of fixed assets and sugar cane crops.

The value in use of the Santa Vitória unit's property, plant and equipment, including the sugarcane field, was determined as of March 31, 2024 using the Company's cash flow methodology, which considered the following assumptions:

- Discount rate: WACC nominal of 10.6% per year
- Growth into perpetuity (g): 3.4%
- Sensitivity analysis (fluctuation in discount rate):
 - 10.3%: value in use of R\$1,204,481 thousand (maximum value)
 - 10.6%: value in use of R\$ 1,145,934 thousand (average value)
 - 10.9%: value in use of R\$ 1,092,265 thousand (minimum value)

The fair value measurement of sugarcane crops is classified into level 3 - Assets and liabilities whose prices do not exist or whose prices or valuation techniques are supported by a small or nonexistent, unobservable or illiquid market.

10 Biological assets

Biological assets are measured at fair value less costs to sell at the time of initial recognition and at the end of each accrual period, except for cases where fair value cannot be measured reliably.

Biological assets consist of agricultural products under development (standing cane) produced on sugarcane crops (carrier plant), which will be used as raw material for the production of sugar and ethanol at harvest. These assets are measured at fair value less costs to sell.

The fair value measurement of biological assets is classified into level 3 - assets and liabilities whose prices do not exist or whose valuation techniques or prices are supported by a small or nonexistent, unobservable or illiquid market.

The fair value of harvested agricultural produce is determined by the quantities harvested, valued at the value of CONSECANA projected on March 31, 2025, based on deflated prices of sugar, ethanol futures and US dollar rate extracted from current quotations of the New York Stock Exchange and BM&F (B3).

The fair values of biological assets were determined using the discounted cash flow methodology, basically considering the following assumptions:

- a) Gross revenue: obtained by multiplying the (i) estimated volume of sugarcane: calculated according to the expected productivity (ton/ha) multiplied by the estimated harvested areas (ha); and (ii) unit price (R\$/ton): composed of the total amount of recoverable sugar (ATR) (kg) multiplied by the value of kg of TRS.

The breakdown of assumptions used in determining gross revenue is as follows:

	Company		Consolidated		Impact on fair value of biological assets
	2025	2024	2025	2024	
Estimated harvested area (hectares)	65.372	64.598	103.404	100.709	Increases assumption, increases fair value
Estimated productivity (tonne of cane/hectares) (i)	96,08	94,22	89,92	87,80	Increases assumption, increases fair value
Total recoverable sugar (kg) (ii)	133,60	131,83	135,38	134,12	Increases assumption, increases fair value
Value per kg of total recoverable sugar (iii)	1,3738	1,2666	1,3358	1,2460	Increases assumption, increases fair value

- (i) The volume of sugarcane production to be cut and its productivity, measured in tons per hectare and sugar concentration level - TRA, were estimated considering the average projected productivity of the sugarcane field by cutting age.
- (ii) The total amount of total recoverable sugar per kg is calculated according to the method used by CONSECANA - Council of Sugarcane, Sugar and Alcohol Producers of the State of São Paulo (CONSECANA), and based on analyses of the future sugarcane futures market. This index is estimated according to forecasts and estimates of future sugar and ethanol prices and cash outflows consisting of the estimated costs necessary for the biological transformation of sugarcane (land treatments) until harvest; Costs incurred with harvesting/cutting, loading and transportation Capital cost (land and machinery and equipment); Lease and agricultural partnership costs; and taxes on positive cash flows.
- b) Cash outflows, consisting of the estimated costs required for the biological transformation of sugarcane (land treatments) until harvest; Costs incurred with harvesting/cutting, loading and transportation Capital cost (land and machinery and equipment); Lease and agricultural partnership costs; and taxes on positive cash flows.

All expenses incurred with obtaining the agricultural produce derived from a biological asset measured at fair value less costs to sell are considered as expenses for the period when incurred. Expenditures incurred with obtaining agricultural produce from a biological asset valued at cost are accounted for as an asset also at cost and recognized as an expense as soon as the agricultural product is sold and is measured at fair value less costs to sell. Expenses resulting from the storage and maintenance of agricultural products are expenses of the year, together with changes in the net fair value of these products.

As of March 31, 2025, cash flows were discounted at a rate of 7.92% p.a. (7.46% p.a. as of

March 31, 2024), which is the *Company's WACC (Weighted Average Capital Cost)*. The discount rate used for cash flows is the Company's weighted average cost of capital, which is reviewed annually by management. The increase in the discount rate has an impact on the reduction in the fair value of biological assets.

Based on the estimate of revenues and costs, the Company determines the discounted cash flows to be generated and brings the corresponding amounts to present value, considering a discount rate, compatible for the return on the investment in the circumstances. Changes in fair value are recorded in biological assets with an offsetting entry to the "Changes in the fair value of biological assets" sub-account in profit or loss.

The estimated costs for this type of crop include: (i) costs necessary for the biological transformation of sugarcane (land treatments) until harvest; (ii) Harvesting/Cutting, Loading and Transportation (CTT) costs; (iii) capital costs (equivalent to land and machinery and equipment leases); and (iv) taxes levied on positive cash flows.

Sugarcane cultivation begins by planting seedlings and the first cut occurs after 12 to 18 months after planting, when the root ("ratoon") remains in the soil. After each cut or year/harvest, the treated ratoon grows again on average for five seasons.

Biological assets consist of agricultural products under development (standing cane) produced on sugar cane crops (production plant), which will be used as raw material for the production of sugar and ethanol at harvest.

Production plants are classified as fixed assets and do not integrate into the fair value of Biological assets.

The fair value of harvested agricultural produce is determined by the quantities harvested, valued using the CONSECANA value of the respective month. The fair value of sugarcane at harvest will be the cost of the raw material used for producing sugar and ethanol.

Changes in biological assets during the period are as follows:

	<u>Company</u>	<u>Consolidated</u>
Historic cost	258.152	435.956
Fair value	218.403	163.595
Balance as of March 31, 2023	476.555	599.551
Increases arising from negotiations	268.307	394.694
Reductions due to harvesting	(279.027)	(444.754)
Changes in fair value	(62.956)	(18.228)
Balance as of March 31, 2024	402.879	531.263
Composed of:		
Historic cost	247.432	385.896
Fair value	155.447	145.367
	402.879	531.263
Increases arising from negotiations	281.717	440.222
Reductions due to harvesting	(269.110)	(401.549)
Changes in fair value	36.668	44.603
Balance as of March 31, 2025	452.154	614.539
Composed of:		
Historic cost	260.039	424.569
Fair value	192.115	189.970
Ending balance of biological assets	452.154	616.539

The fair value estimate would increase (decrease) if:

- The estimated price of the recoverable sugar were higher (lower);
- The expected productivity (tonnes per hectare and amount of TRA) were higher (lower);
- The discount rate were lower (higher); and
- The future prices of marketed products were higher (lower).

Keeping the other variables of the calculation of the fair value of biological assets unchanged, a fluctuation upwards or downwards of 5% in the price of the recoverable sugar would result in an increase or decrease of R\$47,917 (R\$68,461 - Consolidated). The change in production volume upwards or downwards of 5% would cause an increase or decrease of R\$37,417 (R\$54,486 - Consolidated). Regarding the discount rate, a fluctuation upwards or downwards of 5% would cause an increase or decrease of R\$2,212 (R\$3,214 - Consolidated).

Risk management strategy related to agricultural activities

The Company is exposed to the following risks related to its plantations:

(i) *Regulatory and environmental risks*

The Company is subject to the laws and regulations applicable to the activities in which it operates. Management has established environmental policies and procedures that aim at compliance with environmental laws and performs periodic analyses to identify environmental risks and to ensure that the Company's existing systems are sufficient to manage these risks.

(ii) *Supply and demand risk*

The Company is exposed to the risks arising from fluctuations in the price and sales volume of sugar and ethanol produced from sugarcane. When possible, these risks are managed, aligning their production volume with the market supply. Management regularly conducts industry trend

analyses to ensure that operating strategies are in line with the market and that projected production volumes are consistent with expected demand.

(iii) *Climate and other risks*

Sugarcane farming operations are exposed to the risks of damage from climate changes, pests and diseases, forest fires and other natural forces. The Company has processes that will require allocated resources to track and mitigate those risks, including regular inspections of the sugar cane crop situation.

Weather conditions have historically caused fluctuations in the energy juice industry and therefore in the Company's operating results, because they have an impact on crops by increasing or reducing harvests. Moreover, the Company's business is subject to seasonal fluctuations determined by the sugar cane growth cycle in Brazil's southeast region.

For further information on the Company's and its subsidiaries' exposure to operational risks see note 18.

11 Loans and financing

This note provides information about the contractual terms of interest-bearing loans and financing, which are measured at amortized cost. For further information on the Company's and its subsidiaries' exposure to interest rate, currency and liquidity risks see note 18.

Credit line	Index	Coin	Nominal average rate (p.a.)	Year of maturity	Company		Consolidated	
					2025	2024	2025	2024
Working capital	FIXED RATE /CDI/IPC	R\$	12,99%	2027	227.601	296.365	227.601	296.365
Capital Markets	IPCA (Extended Consumer Price Index)/CDI (certificate of	R\$	11,58%	2032	2.098.135	1.589.700	2.098.135	1.589.700
Multilateral	CDI	R\$	17,37%	2027	73.686	112.314	73.686	112.314
BNDES/Finame/Leasing/CDC/FCO	FIXED RATE/SELIC RATE/TJLP/TX. JRSVAR	R\$	14,97%	2039	368.853	382.425	437.196	457.665
Agricultural costing	FIXED INTEREST RATE/TJLP/SELIC RATE	R\$	16,15%	2028	124.564	110.022	124.564	110.022
Working capital	PRE/LIBOR	USD	6,17%	2029	45.135	62.789	45.135	62.789
Multilateral	LIBOR	USD	7,69%	2027	22.988	53.592	22.988	53.592
Total					2.960.962	2.607.207	3.029.305	2.682.447
(-) Transaction costs to be amortized					(52.228)	(45.694)	(52.228)	(45.694)
					2.908.734	2.561.513	2.977.077	2.636.753
Current					567.215	229.700	575.240	237.577
Non-current					2.341.519	2.331.813	2.401.837	2.399.176

Debt repayment schedule

Year of maturity	Company		Consolidated	
	2025	2024	2025	2024
2024/25	-	229.700	-	237.577
2025/26	567.215	474.719	575.240	482.345
2026/27	88.270	88.080	95.970	95.706
2027/28	215.441	202.938	223.141	210.564
2028/29	419.434	401.622	427.135	409.248
2029/30	179.300	172.767	187.000	180.393
2030/31	366.132	350.865	373.832	358.491
2032-40	255.249	247.447	262.949	255.073
2032/33	817.693	393.375	831.810	407.356
	2.908.734	2.561.513	2.977.077	2.636.753

The table below shows changes in loans and financing in the years ended March 31, 2025 and 2024:

	Company		Consolidated	
	2025	2024	2025	2024
Changes in debt				
Prior balance	2.561.513	2.042.543	2.636.753	2.124.729
Funding	384.257	621.535	384.257	621.535
Principal repaid	(191.841)	(199.665)	(198.991)	(206.645)
Interest repayment	(195.219)	(152.070)	(203.932)	(161.874)
Accrued interest	326.940	245.496	335.906	255.334
Amortization of loan transaction costs	9.209	7.622	9.209	7.622
Foreign exchange gain (loss)	13.881	(3.948)	13.881	(3.948)
	2.908.734	2.561.513	2.977.077	2.636.753

Information about the Company's assets pledged as collateral for loans and financing is disclosed in note nine.

The Company is subject to certain covenants that establish the earlier maturity of loans and financing. If any of the loans and financing agreements default or if the Company defaults on its loan and financing agreements due to certain situations, among which the earlier maturity of other agreements (*cross-acceleration* or *cross-default*), the related loans and financing may be considered to have matured earlier by the related creditors. The Company expects to comply with the covenants for the year within 12 months after the reporting date, and therefore the short and long-term balances of its debts represent the best estimate of disbursements according to the due dates set forth on its contracts for the next twelve months.

12 Trade and other payables

	Company		Consolidated	
	2025	2024	2025	2024
Trade payables of goods and services	57.191	53.360	105.918	101.858
Trade payables of goods and services - related parties (note 26)	17.392	-	3	-
Trade payables for property, plant and equipment	3.889	14.815	7.788	29.202
Other related party payables (note 26)	20.538	514	273	514
Other payables	11.848	5.639	23.401	28.234
	110.858	74.328	137.383	159.808
Current	108.612	73.909	135.137	159.389
Non-current	2.246	419	2.246	419

Information about the Company's exposure to liquidity risks related to trade and other payables is disclosed in note 18.

13 Provisions and labor charges

	Company		Consolidated	
	2025	2024	2025	2024
Salaries payable	9.473	8.670	12.281	14.642
Provision for Christmas bonus	3.613	3.279	4.875	4.486
Accrued vacation pay	19.293	19.001	26.338	25.479
	32.379	30.950	43.494	44.607

14 Customer advances

	Company		Consolidated	
	2025	2024	2025	2024
Advances from clients	19.772	27.075	27.526	28.950

Due to the seasonal nature of the Company's transactions, customer advances tend to increase during the harvest period in order to secure receivables from the next months. At the end of the harvest, especially in March, as product inventories are at their lowest levels and anticipated volumes tend to be lower than in previous months.

15 Deferred taxes

Deferred taxes on assets, liabilities and profit or loss were allocated in the following manner:

Company

	2025		2024		Result	
	Assets	Liabilities	Assets	Liabilities	2025	2024
Attributable cost of property, plant and equipment	-	19.657	-	20.073	416	429
Fair value of biological assets	-	65.319	-	52.852	(12.467)	21.405
Appreciation of fixed assets in business combination	-	20.325	-	21.628	1.303	7.659
Incentivized accelerated depreciation	-	60.518	-	112.125	51.607	70.067
Recalculating depreciation - useful life	-	43.204	-	34.474	(8.730)	(5.807)
Discounted present value	-	-	2.195	1.466	(729)	(1.098)
Fair value of investments	-	18.756	-	18.726	(30)	-
Leasing	8.182	-	283	-	7.899	6.777
Fair value of CBIOS	-	4.380	-	1.720	(2.660)	3.376
Taxes <i>sub judice</i> settled and added in prior years outstanding in LALUR in income tax	-	11.185	-	7.838	(3.347)	1.270
On temporary provisions	10.364	-	5.645	-	4.719	1.224
Derivative financial instruments	74.826	-	8.432	-	66.394	(36.051)
Income and social contribution tax losses	159.972	-	114.622	-	45.350	5.429
	253.344	243.344	131.177	270.902	149.725	74.680
Net deferred taxes	10.000			139.725		

Consolidated

	2025		2024		Result	
	Assets	Liabilities	Assets	Liabilities	2025	2024
Attributable cost of property, plant and equipment	-	19.657	-	20.073	416	429
Accelerated depreciation under tax incentive scheme - sugar cane crop	-	-	-	-	-	10.460
Fair value of biological assets	487	65.319	3.428	52.852	(15.408)	5.313
Appreciation of fixed assets in business combination	-	20.325	-	21.628	1.303	7.659
Incentivized accelerated depreciation	-	60.518	-	112.125	51.607	70.067
Recalculating depreciation - useful life	-	95.965	-	64.172	(32.204)	(35.505)
Discounted present value	-	-	2.195	1.466	(729)	(1.098)
Fair value of investments	-	18.756	-	18.726	(30)	-
Leasing	27.008	-	2.748	-	24.260	4.436
Provisions for contingencies	8.108	-	4.934	-	3.174	4.642
Fair value of CBIOS	-	5.655	-	2.048	(3.607)	3.387
Taxes <i>sub judice</i> settled and added in prior years outstanding on LALUR in income tax	-	11.185	-	7.838	(3.347)	1.270
On temporary provisions	14.536	-	15.120	-	(584)	10.699
Derivative financial instruments	77.254	-	8.432	25	68.847	(36.076)
Income and social contribution tax losses	159.972	-	141.748	-	43.018	5.232
	287.365	297.380	178.605	300.953	136.716	50.915
Net deferred taxes	10.000	20.015	24.992	147.340		

Deferred income and social contribution taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Based on the expected generation of taxable profit in the future, tax credits are recognized on income and social contribution tax losses, which are not subject to the statute of limitations and whose offsetting is limited 30% of annual taxable profit.

Estimated income (loss) is periodically reviewed and deferred tax assets are revalued if significant factors affect the latter's realization.

The estimates about the recovery of tax credits were based on taxable profit projections taking into consideration several financial and business assumptions when they are made. Therefore, estimates may not be fulfilled in the future, considering the uncertainty about these projections.

As of March 31, 2025, Santa Vitória Açúcar e Alcool Ltda. had tax credits in the amount of R\$612,212 consisting of income and social contribution tax losses. USV's Management considered the possibility of recognizing these credits and understood that they may not be recoverable at the moment, and for that reason ceased to recognize them in its books of account. Credits of this nature do not become time-barred and as soon as the Company finds that they are recoverable, they may be used to reduce the income and social contribution taxes assessed by the Company.

The Company is investing in the renovation and expansion of the sugarcane field to increase sugarcane production to fill the idle capacity of USV. The increase in sugarcane production and the looser sugar and ethanol production mix due to the completion of the implementation of the sugar plant, the Company expects that the results of the Santa Vitória unit will increase and become profitable and the accumulated tax losses will be utilized.

The reconciliation between tax expense calculated by applying tax rates and income and social contribution tax expense in profit or loss is as follows:

Reconciliation of the effective tax rate	Company		Consolidated	
	2025	2024	2025	2024
Accounting profit/loss before income and social contribution taxes	(166.060)	10.438	(146.268)	41.145
Combined tax rate	34%	34%	34%	34%
Income and social contribution taxes at the combined tax rate	56.460	(3.549)	49.731	(13.989)
Adjustments to calculate the effective rate				
Adjustment in the calculation of the subsidiaries subject to the deemed profit taxation regime	-	-	5.977	7.286
Permanent add-backs/deductions	6.916	(4.540)	(8.709)	(6.282)
Decarbonization credits - CBIOS	5.194	13.914	(521)	24.022
Share of profit (loss) of equity-accounted investees	531	40.389	2.831	4.470
Tax incentives	41.009	28.466	41.009	28.466
Income and social contribution taxes in profit or loss for the year	110.110	74.680	90.318	43.973
Current income and social contribution taxes	(39.615)	-	(46.398)	(6.942)
Deferred income and social contribution taxes	149.725	74.680	136.716	50.915
Effective rate	-66%	715%	-62%	107%

16 Provision for contingencies

The Company and its subsidiaries are parties to legal proceedings involving labor, environmental, civil and tax contingencies. To face future losses related to these proceedings, a provision was accrued in an amount considered by the Company's Management sufficient to cover losses considered as probable. The Company and its subsidiaries classify the risk of unfavorable outcome of these lawsuits as "remote", "possible" or "probable". The likelihood of unfavorable outcome of these lawsuits, as well as the determination of the amounts involved, was made considering the claims of claimants, the jurisprudential position on the matters and the opinion of the legal counselors of the Company and its subsidiaries. The main information on the proceedings is presented as follows:

	Company				Consolidated			
	2025		2024		2025		2024	
	Court deposits	Provision	Court deposits	Provision	Court deposits	Provision	Court deposits	Provision
IPI (Federal VAT) on crystal sugar - <i>sub judice</i> (a)	8.093	8.093	8.008	8.007	8.093	8.093	8.008	8.008
Labor contingencies	452	2.128	360	2.282	1.434	19.931	2.486	5.651
FUNRURAL (b)	57.987	-	50.715	-	57.987	-	50.715	-
Other	6.807	8.985	4.392	2.910	7.092	14.316	4.392	7.907
	73.339	19.206	63.475	13.199	74.606	42.340	65.601	21.566

Changes in the balances of court deposits and provisions for contingencies in the year were as follows:

Court deposits

	Company			
	2024	Additions	Reversals	2025
Excise Tax (IPI) on crystal sugar - <i>sub judice</i>	8.008	282	(197)	8.093
Labor	360	318	(226)	452
FUNRURAL (Rural Workers' Assistance	50.715	7.272	-	57.987
Other	4.392	2.524	(109)	6.807
	<u>63.475</u>	<u>10.396</u>	<u>(532)</u>	<u>73.339</u>
	Consolidated			
	2024	Additions	Reversals	2025
Excise Tax (IPI) on crystal sugar - <i>sub judice</i>	8.008	282	(197)	8.093
Labor	2.486	2.884	(3.936)	1.434
FUNRURAL (Rural Workers' Assistance	50.715	7.272	-	57.987
Other	4.392	2.809	(109)	7.092
	<u>65.601</u>	<u>13.247</u>	<u>(4.242)</u>	<u>74.606</u>

Provisions for contingencies

	Company			
	2024	Additions	Reversals	2025
Excise Tax (IPI) on crystal sugar - <i>sub judice</i>	8.007	283	(197)	8.093
Labor	2.282	496	(650)	2.128
Other	2.910	6.113	(38)	8.985
	<u>13.199</u>	<u>6.892</u>	<u>(885)</u>	<u>19.206</u>
	Consolidated			
	2024	Additions	Reversals	2025
Excise Tax (IPI) on crystal sugar - <i>sub judice</i>	8.008	282	(197)	8.093
Labor	5.651	17.510	(3.230)	19.931
Other	7.907	6.447	(38)	14.316
	<u>21.566</u>	<u>24.239</u>	<u>(3.465)</u>	<u>42.340</u>

The Company's management, according to the information provided by its legal counselors, analyses of the outstanding claims and previous experience about the claimed amounts, decided to accrue a provision in an amount considered sufficient to cover probable losses on ongoing lawsuits. The accrued amount consists of:

a. IPI (Federal VAT) on crystal sugar - *sub judice*

The Company was supported by injunctions obtained from writs of mandamus issued for the crops before 2000/2001, and decided not to highlight the IPI on the sugar shipment according to the accusation that the taxation is unconstitutional, grounded, among other things, by the violation of the selectivity principle, established in article 153, paragraph three, item I of Brazil's Federal Constitution. In May 2001, the Company decided to pay the IPI.

b. FUNRURAL (Rural Workers' Assistance

The Company filed a writ of mandamus challenging the enforceability of the tax credit recognized by the inclusion of the ICMS in the calculation base of the FUNRURAL/PJ, under

the claim that such amount does not qualify as sales or own revenue, as established by article 195, item I and EC 20/1998, in accordance with article 110 of the Brazilian Tax Code.

c. Contingent liabilities not provided for

Contingent liabilities not recognized in the individual company and consolidated financial statements are administrative, civil and tax proceedings assessed as posing a risk of possible unfavorable outcome, in the amount of R\$58,546 as of March 31, 2025 (Company) and R\$70,365 (Consolidated) (R\$80,544 - Company and R\$90,645 - Consolidated as of March 31, 2024). for which no provision has been accrued. The principal amount consists of tax proceedings in which the main topics of discussion are: PIS (Contribution to the Social Integration Program) and COFINS (Contribution for Social Security Funding), Social Security Contribution to FUNRURAL (Funrural Contribution) and IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax).

17 Equity - Company

Share capital

The Company's share capital, subscribed and paid-in as of March 31, 2025 and 2024 is R\$1,039,266. Represented by 303,541,864 registered ordinary shares with no par value, fully paid in.

Statutory reserve

The statutory reserve is recognized at the rate of 5% of annual profit, up to the limit of 20% of share capital, pursuant to article 193 of Act No. 6,404/76.

Tax incentives

Consists of the reserve recognized for the tax incentive program. The benefit amount for a certain year is recognized in profit or loss for the year as a write-down of income tax against a corresponding reserve recognized in equity. According to incentive rules, tax incentives cannot be used to calculate or pay dividends. The value of incentives can only be used to increase share capital and comes from the following incentives:

- (a) Discount obtained from the early settlement of the financing agreement entered into with the Fund for Participation in and Promotion of Industrialization of the State of Goiás - FOMENT, subject to public offering, pursuant to Article One, Paragraph One of Law 13,436/1998 of December 13, 1998;
- (b) Discount granted by the Industrial Development Program of the State of Goiás - PRODUZIR, according to item VII, article 20 of Law 13.591 of January 18, 2000.
- (c) ICMS credit on the sale of anhydrous ethanol, a tax incentive granted by the Government of the State of Goiás to companies included in the FOMENTAR or PRODUZINDO programs, equivalent to 60% of the ICMS as if it were due on the sales of anhydrous ethanol made to distributors. The benefit is regulated by State Act No. 13,246/99, article three, item II.

The Company recognizes an investment grant reserve at the end of each year in which profit is reported. The Company keeps parallel controls so that the related amount of the reserve is capitalized as profit is reported in subsequent years, according to Regulatory Instruction No. 1,515/14, article three, paragraph three and Act No. 12,973/14, article 30, paragraph three. As of March 31, 2024 and 2023, there was no balance of unrecognized tax incentive reserves.

Minimum non-discretionary dividends

The Company's bylaws establish a percentage of not lower than 25% of profit distributable to the payment of minimum non-discretionary dividends. Minimum non-discretionary dividends payable, when due, are removed from equity at year end and accounted for as a liability. As of March 31, 2025 no non-discretionary minimum dividends were reported, as shown below.

	2025
Profit or loss for the year	(51.653)
Realization of equity valuation adjustments	809
Adjusted profit (loss) for the year	(50.844)
Offsetting losses against appropriated retained earnings	50.844
Profit before the minimum non-discretionary dividends	-

Interest on equity capital

Interest on equity capital or "JCP" is the interest paid or credited by the legal entity as return on equity capital, pursuant to paragraph seven, article nine of Law 9.249, of December 26, 1995.

Under the Company's dividend distribution policy, the Company may pay dividends to shareholders by paying dividends and/or interest on equity capital, as set forth by its bylaws, and if the Company decides to pay interest on equity capital, the amount paid, net of withholding income tax, pursuant to applicable law, will be added to the non-discretionary dividends due to shareholders in the year.

Equity valuation adjustments

The effect of adopting attributed cost to determine the value of property, plant and equipment as a result of the application of IAS 16 (CPC 27) and Technical Interpretation ICPC 10 on the transition date, less the related deferred income and social contribution taxes. The effect has been achieved through the depreciation, disposal or write-off of the assets that originated the change.

Treasury share reserve

On August 11, 2022, the Company's Board of Directors approved the implementation of a program for the repurchase of the Company's shares with the purpose of (a) investing the Company's available funds to efficiently manage its capital structure and maximize the creation of value for shareholders; and (b) if a share-based remuneration plan of the Company is approved, take into account the future exercise of the grants that may be realized.

Under the terms of the Program, the Company may acquire up to four million (4,000,000) ordinary shares issued by the Company, corresponding to up to one point thirty-six percent (1.36%) of the total shares issued by the Company and up to four point fifteen percent (4.15%) of its outstanding shares.

By March 31, 2025, the Company had acquired 1,994,200 shares at an average cost of R\$7.1512, totaling R\$14,261.

18 Financial instruments

a. Accounting classification

Given the characteristics of the financial instruments held by the Company and its subsidiaries, management considers that book balances approximate fair values.

Company

	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Other financial liabilities	Level 2
31/03/2025				
Financial assets				
Cash and cash equivalents	-	1.134.917	-	-
Restricted cash	-	4.848	-	-
Derivative financial instruments	44.823	-	-	44.823
Dividends receivable	-	4.790	-	4.790
Trade and other receivables	-	75.464	-	-
Total	44.823	1.220.019	-	49.613
Financial liabilities measured at fair value				
Derivative financial instruments	264.899	-	-	264.899
Total	264.899	-	-	264.899
Financial liabilities not measured at fair value				
Loans and financing	-	-	2.908.734	2.879.179
Trade and other payables	-	-	110.858	-
Leases to be paid	-	-	978.970	-
Total	-	-	3.998.562	2.879.179

	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Other financial liabilities	Level 2
31/03/2024				
Financial assets				
Cash and cash equivalents	-	980.080	-	-
Restricted cash	-	19.582	-	-
Derivative financial instruments	148.422	-	-	148.422
Dividends receivable	-	11.653	-	11.653
Trade and other receivables	-	86.987	-	-
Total	148.422	1.098.302	-	160.075
Financial liabilities measured at fair value				
Derivative financial instruments	173.222	-	-	173.222
Total	173.222	-	-	173.222
Financial liabilities not measured at fair value				
Loans and financing	-	-	2.561.513	2.676.417
Trade and other payables	-	-	74.328	-
Leases to be paid	-	-	931.502	-
Total	-	-	3.567.343	2.676.417

Consolidated

	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Other financial liabilities	
31/03/2025				Level 2
Financial assets				
Cash and cash equivalents	-	1.237.342	-	-
Restricted cash	-	4.848	-	-
Derivative financial instruments	44.823	-	-	44.823
Dividends receivable	-	4.790	-	-
Trade and other receivables	-	141.141	-	-
Total	44.823	1.388.121	-	44.823
Financial liabilities measured at fair value				
Derivative financial instruments	272.041	-	-	272.041
Total	272.041	-	-	272.041
Financial liabilities not measured at fair value				
Loans and financing	-	-	2.977.077	2.947.522
Trade and other payables	-	-	137.383	-
Leases to be paid	-	-	1.570.623	-
Total	-	-	4.685.083	2.947.522

	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Other financial liabilities	
31/03/2024				Level 2
Financial assets				
Cash and cash equivalents	-	1.049.863	-	-
Restricted cash	-	19.582	-	-
Derivative financial instruments	148.530	-	-	148.530
Dividends receivable	-	3.888	-	-
Trade and other receivables	-	180.607	-	-
Total	148.530	1.253.940	-	148.530
Financial liabilities measured at fair value				
Derivative financial instruments	173.258	-	-	173.258
Total	173.258	-	-	173.258
Financial liabilities not measured at fair value				
Loans and financing	-	-	2.636.753	2.751.657
Trade and other payables	-	-	159.808	-
Leases to be paid	-	-	1.379.726	-
Total	-	-	4.176.287	2.751.657

The fair values of loans classified as current approximate their book values, given that the impact of the discount is not significant. Fair values are based on discounted cash flows using the effective rate of each contract, and are in level 2 of the fair value hierarchy.

b. Measurement of fair values

The fair value of financial assets and liabilities is the amount at which an asset can be traded or a liability can be settled in a transaction between parties wishing to do business or in a forced sale. The methods and assumptions used to estimate fair value are described below.

The fair values of cash and cash equivalents, trade and other receivables, other financial assets, accounts payable and other short-term obligations approximate their carrying values due to the short-term maturity of these instruments. The fair values of other long-term assets and liabilities approximate their book values.

The fair values of the Company's financial liabilities approximate their book values, given that they are subject to variable interest rates and the Company's credit risk has not changed significantly.

Hedging instruments are valued using valuation techniques based on observable market data and refer primarily to *interest rate* swaps and *NDFs*. The valuation techniques used usually include pricing models and contracts, with present value calculations. The models incorporate various data, including the credit quality of counterparties, spot and forward exchange rates, and interest rate curves.

Fair value hierarchy

The Company uses the following hierarchy to determine and disclose the fair values of financial instruments according to the valuation technique used:

- Level one: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs that have a significant effect on fair value are observable, whether directly or indirectly; and
- Level 3: techniques that use inputs that have a significant effect on fair value that are not based on observable market data.

There were no transfers between levels to be considered as of March 31, 2025 and March 31, 2024.

c. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Operational risks
- Credit risks;
- Liquidity risks;
- Market risks;
- Interest rate risks; and
- Foreign exchange risks.

This note presents information about the Company's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Company's Management has overall responsibility for monitoring the Company's and its subsidiaries' risk management policies, and each area's managers regularly report to the CEO on their activities.

The Company's risk management policies are established in order to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities. The Company, through its training and management standards and procedures, seeks to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Operational risks

Regulatory and environmental risks

The Company, its subsidiaries and affiliates are subject to the laws and regulations applicable to the activities in which they operate. Accordingly, the Companies have formulated environmental policies and procedures aimed at complying with environmental laws.

Production facilities and their industrial and agricultural activities are subject to environmental regulations. The Company, its subsidiaries and associate reduced the risks *associated* with environmental issues by applying operating and control procedures by investing in pollution control equipment.

Management performs periodical analyses to identify environmental risks and to ensure that the Company's existing systems are sufficient to manage these risks.

The Company, its subsidiaries and associates believe that no provision for losses related to environmental issues is currently required, considering current laws and regulations in force.

Climate and other risks

The operating activities of rubber trees and sugarcane are exposed to the risk of damage from climate change, pests and diseases, and other natural forces. The Company and its subsidiaries have extensive procedures with resources allocated to monitor and mitigate these risks, including regular inspections of the crop situation.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Exposure to credit risks

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk on the date of the individual company and consolidated financial statements was as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Cash and cash equivalents	1.134.917	980.080	1.237.342	1.049.863
Restricted cash	4.848	19.582	4.848	19.582
Trade and other receivables	75.464	86.987	141.141	180.607

Hedging financial instruments	44.823	148.422	44.823	148.530
	<u>1.260.052</u>	<u>1.235.071</u>	<u>1.428.154</u>	<u>1.398.582</u>
Current	1.234.755	1.136.446	1.359.938	1.255.156
Non-current	25.297	98.625	68.216	143.426

Cash and cash equivalents

The Company and its subsidiaries follow the principle of working with financial institutions whose *credit ratings* are "AA" or higher and are assessed by leading institutions such as S&P Global Ratings, Fitch Ratins and Moody's Investors Service. Market conditions in relation to rates, terms and volume of exposure to each institution so that funds are not excessively concentrated in a single bank are also evaluated when funds are invested.

Trade and other receivables

The Company's and its subsidiaries' exposure to credit risk is mainly influenced by each client's individual characteristics. Moreover, sales are well distributed throughout the corporate year (mainly during the harvest period), which allows the Company and its subsidiaries to stop deliveries to clients that may pose a credit risk.

Impairment losses

The Company assesses the impairment of accounts receivable based on:

- (a) Historical experience of losses by clients and segment;
- (b) Assign a credit rating to each customer based on qualitative and quantitative measures for the customer; and
- (c) Assigns an impairment loss percentage for allowance recognition purposes based on items (a) and (b) above and the status of the trade receivable (current or overdue).

The aging of local and foreign trade receivables on the date of the individual company and consolidated financial statements for which impairment losses were recognized according to internal risk classifications was as follows:

	Company					
	2025			2024		
	Weighted- average loss rate	Gross carrying amount	Loss allowance	Weighted- average loss rate	Gross carrying amount	Loss allowance
Falling due	0%	64.554		0%	64.207	-
Past due 1–30 days	0%	8.417	-	0%	21.735	-
Past due 31–60 days	0%	1.063	-	0%	758	-
Past due 61–90 days	0%	1.007	-	0%	58	-
Past due 91–180 days	0%	423	-	0%	169	-
Past due 181–365 days	100%	235	235	85%	398	338
More than 365 days past due	100%	2.679	2.679	100%	2.548	2.548
		78.378	2.914		89.873	2.886

	Consolidated					
	2025			2024		
	Weighted-average loss rate	Gross carrying amount	Loss allowance	Weighted-average loss rate	Gross carrying amount	Loss allowance
Falling due	0%	124.352	-	0%	150.764	-
Past due 1–30 days	0%	8.857	-	0%	28.337	-
Past due 31–60 days	0%	1.074	-	0%	1.008	-
Past due 61–90 days	0%	1.008	-	0%	72	-
Past due 91–180 days	0%	5.801	-	0%	364	-
Past due 181–365 days	84%	279	235	79%	426	338
More than 365 days past due	100%	2.684	2.679	100%	2.550	2.548
		<u>144.055</u>	<u>2.914</u>		<u>183.521</u>	<u>2.886</u>

The movement in the ECL allowance was as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Opening balance	(2.886)	(885)	(2.886)	(885)
Estimated loss	(1.623)	(2.070)	(1.623)	(2.070)
Write-off	1.686	10	1.686	10
Effect of foreign currency translation	(91)	59	(91)	59
	<u>(2.914)</u>	<u>(2.886)</u>	<u>(2.914)</u>	<u>(2.886)</u>

The Company and its subsidiaries seek to demand earlier payment from customers with a history of default on financial liabilities.

Guarantees

The Company and its subsidiaries follow the policy of not requiring guarantees from third parties.

(iii) Liquidity risk

Liquidity risk is the risk that the Company and its subsidiaries will encounter difficulty in meeting the obligations associated with their financial liabilities that are settled by delivering cash or another financial asset. The Company's and its subsidiaries' approach to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet their liabilities when due, under both normal and stressed conditions, without causing losses to third parties or risking damage to the Company's and its subsidiaries' reputation.

The Company and its subsidiaries use information systems and management tools that allow them to monitor cash flow requirements and optimize their cash returns by making investments. The Company and its subsidiaries follow the policy of operating with high liquidity to ensure the fulfillment of operating and financial obligations for at least one operating cycle; This includes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters and cyclical commodity market movements.

In order to achieve greater *disclosure* and transparency towards its *stakeholders*, Jalles Machado is assessed by two international risk rating agencies, *Standard and Poor's* and *Fitch Rating*. Standard and Poor's ratings are 'BB' on a global scale and 'BrAAA' on a domestic scale, while Fitch ratings are 'BB-' on a global scale and 'AA-(bra)' on a domestic scale.

The cash flows included in the maturity analyses of the Company and its subsidiaries are not expected to occur significantly earlier, or at amounts significantly different.

Exposure to liquidity risk

The book values of financial liabilities that pose a liquidity risk are shown below:

Company

	2025					
	Carrying value	Contract flow	Within 12 months	Between one and two years	Between two and five years	Over five years
Trade and other payables (Note 12)	110.858	110.858	108.612	1.095	21	1.130
Leases payable	978.970	1.525.760	154.584	113.955	448.886	808.335
Derivative financial instruments	264.899	264.899	56.785	51.922	49.589	106.603
Loans and financing (note 11)	2.908.734	6.632.251	733.040	327.260	1.862.989	3.708.962
	4.263.461	8.533.768	1.053.021	494.232	2.361.485	4.625.030
Current	820.419	1.053.021				
Non-current	3.443.042	7.480.747				

	2024					
	Carrying value	Contract flow	Within 12 months	Between one and two years	Between two and five years	Over five years
Trade and other payables (Note 12)	74.328	74.328	73.909	18	18	383
Leases payable	931.502	1.508.054	159.912	143.447	422.267	782.428
Derivative financial instruments	173.222	173.222	88.015	36.550	33.668	14.989
Loans and financing (note 11)	2.561.513	3.720.949	378.606	661.583	1.145.579	1.535.181
	3.740.565	5.476.553	700.442	841.598	1.601.532	2.332.981
Current	461.567	700.442				
Non-current	3.278.998	4.776.111				

Consolidated

			2025			
	Carrying value	Contract flow	Within 12 months	Between one and two years	Between two and five years	Over five years
Trade and other payables (Note 12)	137.383	137.383	135.137	1.095	21	1.130
Leases payable	1.570.623	2.526.657	246.616	212.103	688.847	1.379.091
Derivative financial instruments	272.041	272.041	61.591	54.258	49.589	106.603
Loans and financing (note 11)	2.977.077	6.768.462	748.316	342.536	1.908.817	3.768.793
	4.957.124	9.704.543	1.191.660	609.992	2.647.274	5.255.617
Current	950.450	1.191.660				
Non-current	4.006.674	8.512.883				

	2024					
	Carrying value	Contract flow	Within 12 months	Between one and two years	Between two and five years	Over five years
Trade and other payables (Note 12)	159.808	159.808	159.389	18	18	383
Leases payable	1.379.726	1.954.859	237.620	228.192	615.530	873.517
Derivative financial instruments	173.258	173.258	88.015	36.586	33.668	14.989
Loans and financing (note 11)	2.636.753	3.796.188	386.483	669.209	1.168.456	1.572.040
	4.349.545	6.084.113	871.507	934.005	1.817.672	2.460.929
Current	634.050	871.507				
Non-current	3.715.495	5.212.606				

(iv) **Market risk**

Market risk is the risk that changes in market prices, such as sugar prices, exchange rates and interest rates will affect the Company's and its subsidiaries' results or the value of their equity in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivatives to manage market risks. All these transactions are carried out according to the guidelines set by the risk management committee.

Supply and demand risks

The Company and its subsidiaries are exposed to the risks arising from fluctuations in the price and volume of sales of sugar, ethanol produced from sugarcane. When possible, the Company and its subsidiaries manage these risks, aligning their production volume to meet market and demand demand. Management regularly analyzes industry trends to ensure that operating strategies are in line with market and to ensure that projected production volumes are consistent with expected demand.

Interest rate risk

The Company's and its subsidiaries' transactions are exposed to interest rates indexed to the CDI, TJLP, TR and IPCA rates. The Company, aiming at mitigating this type of risk, seeks to diversify its funding in terms of fixed and floating rates and *swap agreements*.

Exposure to interest rate risk

At the date of the individual company and consolidated financial statements, the profile of the Company's and its subsidiaries' interest-bearing financial instruments was as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Financial assets				
Cash and cash equivalents (note 3)	1.131.383	946.894	1.233.594	1.007.783
Restricted cash (note 4)	4.848	19.582	4.848	19.582
Financial liabilities				
Loans and financing (note 11)	2.728.491	2.333.627	2.796.834	2.408.867

Cash flow sensitivity analysis for variable rate instruments

Based on the balance of debt, the repayment schedule and the interest rates of loans and financing and assets, a sensitivity analysis is presented of how much would have increased (reduced) equity and profit or loss for the year according to the amounts shown below. The current scenario corresponds to the condition of stability in interest rates, with no fluctuation. Scenario 1 is the most probable scenario in interest rates on the date of the individual company and consolidated financial statements, with a 5% variation in interest rates. Scenario 2 is the

scenario considered possible, with a 15% change in rates. Scenario 3 consists of the remote scenario, with a 25% change in rates. The effects are presented as appreciation and depreciation of rates, according to the tables below:

Interest rate risk on financial assets and liabilities - assessment of rates - Company

Instrument	Value		Risk	2025							
				Current scenario		Scenario 1		Scenario 2		Scenario 3	
				%	Value	%	Value	%	Value	%	Value
Financial assets											
Financial investments	1.131.383	CDI		14,15%	160.091	14,86%	168.096	16,27%	184.106	17,69%	200.114
Restricted cash	4.848	CDI		14,15%	686	14,86%	720	16,27%	789	17,69%	858
Financial liabilities											
Finame (Government Agency for Machinery and Equipment Financing)/Finem/Agricultural costing	(29.584)	TLP		11,38%	(3.368)	11,78%	(3.486)	12,58%	(3.721)	13,37%	(3.956)
Multilateral/Working capital/Capital											
Markets/Agricultural costing	(315.970)	CDI		16,23%	(51.294)	16,95%	(53.570)	18,40%	(58.123)	19,84%	(62.675)
Capital market	(2.353.156)	IPCA (Extended Consumer Price)		11,59%	(272.782)	11,86%	(279.106)	12,40%	(291.753)	12,94%	(304.400)
Finem / FCO	(6.793)	TX. JRSVAR		8,58%	(583)	8,84%	(601)	9,37%	(636)	9,89%	(672)
Multilateral/Working capital	(22.988)	LIBOR 6m		7,69%	(1.767)	7,90%	(1.817)	8,34%	(1.916)	8,77%	(2.016)
Net finance income (costs)					<u>(169.017)</u>		<u>(169.764)</u>		<u>(171.254)</u>		<u>(172.747)</u>
Impact on profit or loss and equity (movement)							<u>(747)</u>		<u>(2.237)</u>		<u>(3.730)</u>

Interest rate risk on financial assets and liabilities - depreciation of rates - Company

Instrument	Value	Risk	2025							
			Current scenario		Scenario 1		Scenario 2		Scenario 3	
			%	Value	%	Value	%	Value	%	Value
Financial assets										
Financial investments	1.131.383	CDI	14,15%	160.091	13,44%	152.086	12,03%	136.076	10,61%	120.068
Restricted cash	4.848	CDI	14,15%	686	13,44%	652	12,03%	583	10,61%	514
Financial liabilities										
Finame (Government Agency for Machinery and Equipment Financing)/Finem/Agricultural costing	(29.584)	TLP	11,38%	(3.368)	10,99%	(3.250)	10,19%	(3.015)	9,40%	(2.780)
Multilateral/Working capital/Capital										
Markets/Agricultural costing	(315.970)	CDI	16,23%	(51.294)	15,51%	(49.018)	14,07%	(44.465)	12,63%	(39.913)
Capital market	(2.353.156)	IPCA (Extended Consumer Price)	11,59%	(272.782)	11,32%	(266.458)	10,79%	(253.811)	10,25%	(241.164)
Finem / FCO	(6.793)	TX. JRSVAR	8,58%	(583)	8,32%	(565)	7,80%	(530)	7,27%	(494)
Multilateral/Working capital	(22.988)	LIBOR 6m	7,69%	(1.767)	7,47%	(1.717)	7,04%	(1.618)	6,60%	(1.518)
Net finance income (costs)				<u>(169.017)</u>		<u>(168.270)</u>		<u>(166.780)</u>		<u>(165.287)</u>
Impact on profit or loss and equity (movement)						<u>747</u>		<u>2.237</u>		<u>3.730</u>

Interest rate risk on financial assets and liabilities - appreciation of rates - Consolidated

Instrument	Value	Risk	2025							
			Current scenario		Scenario 1		Scenario 2		Scenario 3	
			%	Value	%	Value	%	Value	%	Value
Financial assets										
Financial investments	1.233.594	CDI	14,15%	174.554	14,86%	183.282	16,27%	200.737	17,69%	218.193
Restricted cash	4.848	CDI	14,15%	686	14,86%	720	16,27%	789	17,69%	858
Financial liabilities										
BNDES/Finame/Leasing/CDC	(6.454)	SELIC (Central Bank Overnight Rate)	20,05%	(1.294)	20,80%	(1.342)	22,30%	(1.439)	23,79%	(1.536)
Finame (Government Agency for Machinery and Equipment Financing)/Finem/Agricultural costing	(91.473)	TLP	13,31%	(12.176)	13,72%	(12.546)	14,52%	(13.285)	15,33%	(14.024)
Multilateral/Working capital/Capital Markets/Agricultural costing	(315.970)	CDI	16,23%	(51.294)	16,95%	(53.570)	18,40%	(58.123)	19,84%	(62.675)
Capital market	(2.353.156)	IPCA (Extended Consumer Price	11,59%	(272.782)	11,86%	(279.106)	12,40%	(291.753)	12,94%	(304.400)
Finem / FCO	(6.793)	TX. JRSVAR	8,58%	(583)	8,84%	(601)	9,37%	(636)	9,89%	(672)
Multilateral/Working capital	(22.988)	LIBOR 6m	7,69%	(1.767)	7,90%	(1.817)	8,34%	(1.916)	8,77%	(2.016)
Net finance income (costs)				<u>(164.656)</u>		<u>(164.980)</u>		<u>(165.626)</u>		<u>(166.272)</u>
Impact on profit or loss and equity (movement)						<u>(324)</u>		<u>(970)</u>		<u>(1.616)</u>

Interest rate risk on financial assets and liabilities - rate depreciation - Consolidated

Instrument	Value	Risk	2025							
			Current scenario		Scenario 1		Scenario 2		Scenario 3	
			%	Value	%	Value	%	Value	%	Value
Financial assets										
Financial investments	1.233.594	CDI	14,15%	174.554	13,44%	165.826	12,03%	148.371	10,61%	130.915
Restricted cash	4.848	CDI	14,15%	686	13,44%	652	12,03%	583	10,61%	514
Financial liabilities										
BNDES/Finame/Leasing/CDC	(6.454)	SELIC (Central Bank Overnight Rate)	20,05%	(1.294)	19,30%	(1.246)	17,80%	(1.149)	16,31%	(1.052)
Finame (Government Agency for Machinery and Equipment Financing)/Finem/Agricultural costing	(91.473)	TLP	13,31%	(12.176)	12,91%	(11.806)	12,10%	(11.067)	11,29%	(10.328)
Multilateral/Working capital/Capital Markets/Agricultural costing	(315.970)	CDI	16,23%	(51.294)	15,51%	(49.018)	14,07%	(44.465)	12,63%	(39.913)
Capital market	(2.353.156)	IPCA (Extended Consumer Price	11,59%	(272.782)	11,32%	(266.458)	10,79%	(253.811)	10,25%	(241.164)
Finem / FCO	(6.793)	TX. JRSVAR	8,58%	(583)	8,32%	(565)	7,80%	(530)	7,27%	(494)
Multilateral/Working capital	(22.988)	LIBOR 6m	7,69%	(1.767)	7,47%	(1.717)	7,04%	(1.618)	6,60%	(1.518)
Net finance income (costs)				<u>(164.656)</u>		<u>(164.332)</u>		<u>(163.686)</u>		<u>(163.040)</u>
Impact on profit or loss and equity (movement)						<u>324</u>		<u>970</u>		<u>1.616</u>

(v) *Currency risk*

The Company and its subsidiaries are subject to currency risk (US dollar) on account of borrowings denominated in a currency other than the functional currency.

Regarding other monetary assets and liabilities denominated in foreign currency, the Company and its subsidiaries ensure that their net exposure is kept at acceptable levels by buying or selling foreign currencies at spot market rates, when necessary, to handle short-term instabilities.

The short-term portions of monetary liabilities denominated in foreign currencies are backed by assets that are also denominated in foreign currency (sugar exports at prices denominated in foreign currency).

Foreign currency exposure

The summary of the quantitative data about the Company's exposure to foreign currency risk, as provided to management, is based on its risk management policy, as follows:

Company and Consolidated	Company				Consolidated			
	2025		2024		2025		2024	
	R\$	US\$	R\$	US\$	R\$	US\$	R\$	US\$
Cash and cash equivalents	289	49	32.071	6.419	294	50	32.071	6.419
Trade and other receivables	37.295	6.377	28.123	5.629	42.314	7.235	28.123	5.629
Loans and financing	(68.123)	(11.647)	(116.381)	(23.294)	(68.123)	(11.647)	(116.381)	(23.294)
Net exposure	<u>(30.539)</u>	<u>(5.221)</u>	<u>(56.187)</u>	<u>(11.246)</u>	<u>(25.515)</u>	<u>(4.362)</u>	<u>(56.187)</u>	<u>(11.246)</u>

Sensitivity analysis - Currency risk

The sensitivity analysis is determined according to the exposure of loans and financing to monetary fluctuations in the US dollar. The Company presents three scenarios including a 5%, 10% and 15% increase in the risk variable taken into consideration. We present below the possible impacts of the amount increased (decreased) equity and profit or loss for the year according to the related amounts. These scenarios may generate impact on the Company's future results and/or cash flows, as described below:

- Scenario I: 5% fluctuation in the main risk factor of the financial instrument in relation to the level verified in the probable scenario;
- Scenario II: 10% fluctuation in the main risk factor of the financial instrument in relation to the level verified in the probable scenario; and
- Scenario III: 15% fluctuation in the main risk factor of the financial instrument in relation to the level verified in the probable scenario.

Scenarios	Company							
	USD	R\$	Increase (R\$)			Reduction (R\$)		
			Scenario 1	Scenario 2	Scenario 3	Scenario 1	Scenario 2	Scenario 3
<i>Financial instruments</i>								
<i>Assets</i>								
Cash and cash equivalents	49	289	14	29	43	(14)	(29)	(43)
Trade and other receivables	6.377	37.295	1.865	3.730	5.596	(1.865)	(3.730)	(5.596)
<i>Liabilities</i>								
Loans and financing	(11.647)	(68.123)	(3.406)	(6.811)	(10.217)	3.406	6.811	10.217
<i>Impact on profit or loss and equity</i>								
			(1.527)	(3.052)	(4.578)	1.527	3.052	4.578

Scenarios	USD	R\$	Consolidated					
			Increase (R\$)			Reduction (R\$)		
			Scenario 1	Scenario 2	Scenario 3	Scenario 1	Scenario 2	Scenario 3
<i>Financial instruments</i>								
Assets								
Cash and cash equivalents	50	294	15	29	44	(15)	(29)	(44)
Trade and other receivables	7.235	42.314	2.116	4.232	6.348	(2.116)	(4.232)	(6.348)
Liabilities								
Loans and financing	(11.647)	(68.123)	(3.406)	(6.811)	(10.217)	3.406	6.811	10.217
<i>Impact on profit or loss and equity</i>			<u>(1.275)</u>	<u>(2.550)</u>	<u>(3.825)</u>	<u>1.275</u>	<u>2.550</u>	<u>3.825</u>

(vi) *Commodity price risk*

Following the risk management policy approved by the Board of Directors, the Company makes use of *commodity* derivatives in order to minimize the volatility of its results caused by natural fluctuations in commodity prices. Therefore, the Company works with the pricing of products and performs the accounting recognition of assets and liabilities, rights and obligations at fair value, valued according to the quotations of *commodity prices* on the National and International Exchanges (BM&F, ICE/NYBOT) and indices disclosed by CEPEA/ESALQ.

The market uses the value of Sugar Sugar #11/ICE of the New York Stock Exchange as a reference for sugar, and for ethanol the CEPEA/ESALQ indicator. The net exposure between assets (production expectations) and liabilities (fixation contracts) for sugar is managed and *hedged* by means of derivative financial instruments of *Sugar Sugar #11/ICE* (futures or over-the-counter) referenced to the same Stock Exchange. Due to the lack of liquid derivative financial instruments for *hedging* purposes, ethanol's exposure is managed according to physical ethanol sales policies, which have a proper storage structure to carry the product at times when the Company understands that its sale is unfavorable. Exposure and risks are monitored according to risk limits approved and pre-established by the Board of Directors.

Gains or losses arising from these hedging instruments are recognized in profit or loss.

Commodity price risk exposure

The Company's exposure to *commodity* price risk is based on its risk management policy, as follows:

Consolidated	Maturity (harvest)	Volume		Notional (R\$ thousand)	
		2025	2024	2025	2024
Physical/active position					
Wares					
Sugar (tonnes)	2024-25	-	620.000	-	1.543.465
Sugar (tonnes)	2025-26	612.000	620.000	1.517.523	1.483.419
Sugar (tonnes)	2026-27	612.000	620.000	1.577.538	1.460.611
Sugar (tonnes)	2027-28	612.000	-	1.658.819	-
Ethanol (m3)	2024-25	-	305.000	-	723.963
Ethanol (m3)	2025-26	304.000	305.000	883.059	723.963
Ethanol (m3)	2026-27	304.000	305.000	883.059	723.963
Ethanol (m3)	2027-28	304.000	-	883.059	-
Total				7.403.057	6.659.384
Futures contracts					
(Forward)					
Long position					
Wares					
Sugar (tonne)	2024-25	-	-	-	41.475
Sugar (tonne)	2025-26	8.382	-	20.554	6.161
				20.554	47.636
Short position					
Wares					
Sugar (tonne)	2024-25	-	338.699	-	(824.033)
Sugar (tonne)	2025-26	272.576	267.813	(639.752)	(627.269)
Sugar (tonne)	2026-27	336.348	11.227	(762.839)	(25.806)
Sugar (tonne)	2027-28	10.414	-	(26.634)	-
				(1.429.225)	(1.477.108)
Total				5.994.386	5.229.912

* Sugar and ethanol volumes are based on the Company's forecasts of production and revenue per crop.

The Company basically uses *futures derivative contracts traded directly by the Company at the stock exchange (ICE/NYBOT) or over the counter with top tier financial institutions, including the NDF (Non Deliverable Forward) to control commodity exposure.*

The fair value of derivative futures contracts and options on the stock exchange is equivalent to the market value for the reversal of such positions. Transactions carried out at exchanges require the provision of initial margins and adjustments are made daily, according to the fluctuation in the benchmark price. If the Company has a credit limit available with the institution that is intermediating the fixing, the margin is covered by the institution itself, and the gain or loss on the position is only realized by the Company when the screen expires or the position is repurchased.

For over-the-counter contracts, fair value is measured at market values, via public information. This measurement follows usual market models and is calculated monthly both by the Company and by the banks that intermediate the transactions. There is no need for margin deposits for these contracts. The impact on the Company's cash flows is reported only on the settlement date.

Sensitivity analysis for commodity risk

The Company has adopted three scenarios for the sensitivity analysis, one probable of which consists of using as reference the prices used in the Company's budget for the 2024/25 crop, and the other two that may show the effects of depreciation of the fair value of the Company's financial instruments considering a fluctuation of 25% and 50% on the market rate as of March 31, 2025.

		Probable	Elevation		Reduction	
Production	Notional	31/03/2025	25%	50%	25%	50%
Sugar	4.753.880	614.195	1.188.470	2.376.940	(1.188.470)	(2.376.940)
Ethanol	2.649.177	145.143	662.294	1.324.589	(662.294)	(1.324.589)
	7.403.057	759.338	1.850.764	3.701.529	(1.850.764)	(3.701.529)
Futures contracts						
(Forward)						
Wares						
Sugar	(1.408.671)	(1.408.671)	363.549	726.215	(363.549)	(726.215)
	(1.408.671)	(1.408.671)	363.549	726.215	(363.549)	(726.215)
Total effect on the Company's results	5.994.386	(649.333)	2.214.313	4.427.744	(2.214.313)	(4.427.744)

Due to the seasonal behavior of *commodity* - sugar, this scenario is subject to fluctuations during the year/harvest.

d. Capital management

The purpose of the Company's and its subsidiaries' capital management is to balance equity and debt, the return for shareholders and the risk for shareholders and creditors.

In order to maintain or adjust its capital framework, the Company may take measures to ensure compliance with the aforementioned objectives.

e. Hedging financial instruments

The Company is exposed to market risks, as follows:

- (i) The volatility of the prices of sugar and derivatives;
- (ii) Exchange rate volatility; and
- (iii) Fluctuations in interest rates. The purchase of financial instruments for hedging purposes is made according to an analysis of the risk exposure that Management intends to cover.

As of March 31, 2025 and March 31, 2024, the fair values related to transactions involving derivative financial instruments for hedging purposes measured according to observable factors, such as quoted prices in active markets or discounted cash flows according to market curves, are as follows:

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			2025			
			Company		Consolidated	
Hedge	Salary	Notional	Assets	Liabilities	Assets	Liabilities
NDF - Foreign						
Exchange	From April 2025 to March 2026	383.736.677	339	20.170	339	24.976
NDF - Sugar	From April 2025 to March 2026	660.305.367	11.095	32.454	11.095	32.454
SWAP	From April 2025 to March 2026	533.055.214	17.427	4.161	17.427	4.161
NDF - Foreign						
Exchange	From April 2026 to March 2027	209.299.189	120	10.350	120	11.843
NDF - Sugar	From April 2026 to March 2027	798.980.088	1.907	38.330	1.907	39.173
SWAP	From April 2026 to March 2027	112.151.200	-	3.242	-	3.242
NDF - Foreign						
Exchange	From April 2027 to March 2028	1.322.882	-	62	-	62
NDF - Sugar	From April 2027 to March 2028	26.633.656	-	577	-	577
SWAP	From April 2027 to March 2028	206.389.536	-	17.237	-	17.237
SWAP	From April 2028 to March 2029	324.995.463	7.333	31.713	7.333	31.713
SWAP	From April 2029 to March 2030	96.709.229	3.180	11.508	3.180	11.508
SWAP	From April 2030 to March 2031	199.806.962	-	24.930	-	24.930
SWAP	From April 2031 to March 2032	153.503.764	3.422	11.062	3.422	11.062
SWAP	From April 2032 to March 2033	23.092.884	-	14.975	-	14.975
SWAP	From April 2033 to March 2034	92.380.469	-	19.422	-	19.422
SWAP	From April 2034 to March 2035	201.864.244	-	23.256	-	23.256
SWAP	From April 2038 to March 2039	-	-	1.450	-	1.450
			44.823	264.899	44.823	272.041
Current			28.861	56.785	28.861	61.591
Non-current			15.962	208.114	15.962	210.450

			2024			
			Company		Consolidated	
Hedge	Salary	Notional	Assets	Liabilities	Assets	Liabilities
NDF - Sugar	From April 2024 to March 2025	876.944.569	27.181	73.106	27.181	73.106
NDF - Foreign						
Exchange	From April 2024 to March 2025	478.268.629	34.575	1.488	34.575	1.488
SWAP	From April 2024 to March 2025	-	9	13.421	9	13.421
NDF - Sugar	From April 2025 to March 2026	627.269.198	9.074	24.276	9.074	24.276
NDF - Foreign						
Exchange	From April 2025 to March 2026	190.815.804	5.273	446	5.381	482
SWAP	From April 2025 to March 2026	-	17.209	11.828	17.209	11.828
NDF - Sugar	From April 2026 to March 2027	31.966.727	3	382	3	382
NDF - Foreign						
Exchange	From April 2026 to March 2027	14.649.249	-	97	-	97
SWAP	From April 2026 to March 2027	-	54	8.274	54	8.274
SWAP	From April 2027 to March 2028	-	37	9.190	37	9.190
SWAP	From April 2028 to March 2029	-	24.198	15.725	24.198	15.725
SWAP	From April 2029 to March 2030	-	8.855	6.864	8.855	6.864
SWAP	From April 2030 to March 2031	-	10.489	2.895	10.489	2.895
SWAP	From April 2031 to March 2032	-	11.465	2.429	11.465	2.429
SWAP	From April 2032 to March 2033	-	-	2.576	-	2.576
SWAP	From April 2033 to March 2034	-	-	225	-	225
			148.42	173.222	148.53	173.258
			2	0	0	173.258
Current			61.765	88.015	61.765	88.015
Non-current			86.657	85.207	86.765	85.243

Derivative financial instruments do not qualify for hedge accounting. Changes in the fair values of these derivative financial instruments are recognized directly in profit or loss.

Gain (loss) on hedging instruments

The Company recognized the gains and losses arising from these transactions in profit or loss for the year. As of March 31, 2025, the impacts recognized in profit or loss are shown below:

	Company		Consolidated	
	2025	2024	2025	2024
Hedge transactions, net				
Settled transactions				
Sugar operations	(11.772)	(213.530)	(11.772)	(213.530)
Foreign exchange transactions	(11.359)	29.146	(15.018)	29.146
Index transactions	(22.552)	(25.631)	(22.552)	(25.631)
	<u>(45.683)</u>	<u>(210.015)</u>	<u>(49.342)</u>	<u>(210.015)</u>
Outstanding transactions				
Sugar operations	3.742	97.477	2.898	97.477
Foreign exchange transactions	(68.535)	6.870	(74.905)	6.943
Index transactions	(130.483)	1.685	(130.483)	1.685
	<u>(195.276)</u>	<u>106.032</u>	<u>(202.490)</u>	<u>106.105</u>
	<u>(240.959)</u>	<u>(103.983)</u>	<u>(251.832)</u>	<u>(103.910)</u>

In order to reduce the volatility of its cash flows and hedge its assets due to fluctuations in sugar and foreign exchange prices, the Company has a Policy for Managing Currency, Commodity and Liquidity Risk and makes use of several *hedging* instruments to hedge a portion of the projected volume of sales at floating prices, For the sole purpose of mitigating the risks arising from index mismatches between assets and liabilities (commodity prices, interest and exchange rates).

Under the Company's Foreign Exchange, Commodity and Liquidity Risk Management Policy, it may use several derivative instruments available, such as:

- i. Fixing the future price of sugar in dollars;
- ii. Purchase or sale of spot or futures foreign exchange;
- iii. *Foreign* currency swaps;
- iv. Prepayment or taking out of financing in foreign currency;
- v. Purchase and sale of foreign exchange options and commodity prices;
- vi. Investments in foreign currency funds;
- vii. Purchase and sale of sugar options; and
- viii. Maintenance of cash and cash equivalents in foreign currency.

19 Net revenue

The Company generates revenue mainly from the sale of products derived from the sugarcane manufacturing process. Revenue is recognized when title to the sold product is transferred in an amount considered by the Company as probable recovery of the consideration to which the Company is entitled.

The Company's and its subsidiaries' operating revenue consists of revenue from the sale of goods, as shown below:

	Company		Consolidated	
	2025	2024	2025	2024
Foreign market				
White sugar	279.983	73.047	425.514	73.047
Organic sugar	240.335	227.163	240.335	227.163
	<u>520.318</u>	<u>300.210</u>	<u>665.849</u>	<u>300.210</u>
Domestic market				
Ethanol	643.419	440.953	1.105.597	908.884
White sugar	624.229	706.645	624.229	706.645
Organic sugar	49.308	35.618	49.308	35.618
Soy	2.229	2.233	3.315	2.909
Electrical energy	-	-	113.007	106.701
Sanitizing	30.486	46.082	30.486	46.082
Yeast derivatives	6.737	8.061	6.737	8.061
CBIOS (IOBC)	15.277	40.924	32.087	70.656
Other sales	4.394	5.972	5.570	14.337
	<u>1.376.079</u>	<u>1.286.488</u>	<u>1.970.336</u>	<u>1.899.893</u>
Total gross revenue for tax purposes	<u>1.896.397</u>	<u>1.586.698</u>	<u>2.636.185</u>	<u>2.200.103</u>
(-) Sales taxes	(181.895)	(173.634)	(292.097)	(285.152)
(-) Returns	(5.204)	(5.152)	(6.177)	(5.423)
Total net operating revenue	<u>1.709.298</u>	<u>1.407.912</u>	<u>2.337.911</u>	<u>1.909.528</u>
Reconciliation of net revenue by market				
Domestic market				
Gross income	1.376.079	1.286.488	1.970.336	1.899.893
(-) Sales taxes	(181.895)	(173.634)	(292.097)	(285.152)
(-) Returns	(5.204)	(5.152)	(6.177)	(5.423)
Net revenue	<u>1.188.980</u>	<u>1.107.702</u>	<u>1.672.062</u>	<u>1.609.318</u>
Foreign market				
Gross income	520.318	300.210	665.849	300.210
Net revenue	<u>520.318</u>	<u>300.210</u>	<u>665.849</u>	<u>300.210</u>
Total net revenue	<u>1.709.298</u>	<u>1.407.912</u>	<u>2.337.911</u>	<u>1.909.528</u>

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a good or service to the customer.

The Company recognizes revenue as the consideration it expects to receive in exchange for control of the goods. There is no estimated loss on sales and there is no loyalty program. The Company considers that all performance obligations are fulfilled when the product is delivered, which is also the moment revenue is recognized.

20 Operating costs and expenses by nature

a. Cost of sales

	Company		Consolidated	
	2025	2024	2025	2024
Amortization of biological assets	(267.391)	(251.001)	(390.564)	(411.654)
Crop depreciation	(126.654)	(104.597)	(203.135)	(184.831)
Depreciation of machinery, equipment and facilities	(155.306)	(143.513)	(241.540)	(269.366)
Depreciation of right-of-use assets	(131.875)	(112.595)	(215.813)	(149.901)
Services rendered by third parties	(111.145)	(78.819)	(128.431)	(98.130)
Personnel costs	(86.703)	(68.521)	(154.880)	(146.418)
Operation and maintenance	(128.655)	(86.976)	(197.725)	(124.517)
Raw material/industrial inputs	(82.387)	(58.580)	(101.572)	(85.108)
Freight	(43.026)	(34.919)	(43.026)	(34.919)
Other expenses	(40.285)	(21.960)	(33.853)	(3.235)
CBIOS (IOBC)	(16.302)	(40.376)	(33.105)	(48.914)
Reversal of impairment loss - sugar cane crop	-	-	-	199.065
	<u>(1.189.729)</u>	<u>(1.001.857)</u>	<u>(1.743.644)</u>	<u>(1.357.928)</u>

b. Selling expenses

	Company		Consolidated	
	2025	2024	2025	2024
Transportation expenses	(79.996)	(54.847)	(91.376)	(54.848)
Sales commissions	(7.445)	(8.949)	(10.304)	(9.771)
Personnel costs	(18.297)	(16.847)	(19.061)	(16.875)
Other expenses	(13.869)	(12.233)	(13.870)	(12.454)
Services rendered by third parties	(33.080)	(19.451)	(48.230)	(22.601)
Storage / stuffing / inspection - sugar	(15.057)	(11.680)	(15.057)	(11.680)
Depreciation	(5.577)	(5.430)	(6.876)	(5.592)
Insurance premiums	(2.784)	(2.717)	(2.784)	(2.717)
Advertising	(984)	(1.650)	(984)	(1.650)
	<u>(177.089)</u>	<u>(133.804)</u>	<u>(208.542)</u>	<u>(138.188)</u>

c. General and administrative expenses

	Company		Consolidated	
	2025	2024	2025	2024
Personnel costs	(47.708)	(41.300)	(56.838)	(47.780)
Services rendered by third parties	(39.096)	(37.712)	(44.750)	(43.695)
Other expenses	(10.935)	(9.901)	(16.530)	(17.808)
Depreciation	(2.919)	(3.612)	(4.154)	(5.078)
Tax expenses - Protege /GO	(16.483)	(15.675)	(16.483)	(15.675)
Anticipation Produce	(1.646)	(3.732)	(1.646)	(3.732)
Tax expenses	13.493	(8.188)	9.509	(12.670)
Grants and donations	(1.281)	(1.696)	(1.281)	(1.696)
Reversal/(Allowance) for contingencies	(158)	4.938	(158)	4.938
	<u>(106.733)</u>	<u>(116.878)</u>	<u>(132.331)</u>	<u>(143.196)</u>

21 Other operating revenues (expenses) net

	Company		Consolidated	
	2025	2024	2025	2024
Tax incentive - produce (a)	16.462	37.316	16.462	37.316
Tax incentive - fomentar (b)	20.278	19.142	20.278	19.142
Credit granted on anhydrous ethanol (c)	53.034	30.696	53.034	30.696
Valuation of decarbonization credits (d)	24.127	30.446	43.713	32.322
ProGoiás granted credit (f)	30.060	-	30.060	-
Other operating income	9.725	8.553	14.419	13.434
Reversal of the penalty for the lack of availability of the CCEE	-	-	10.524	-
Disposal of property and equipment items	6.549	9.717	8.190	9.717
Grim	2.062	636	4.062	636
Reversal of provision for contingencies	-	-	4.687	-
	<u>162.297</u>	<u>136.506</u>	<u>205.429</u>	<u>143.263</u>
(-) Provisions for contingencies	(5.916)	-	(16.372)	-
(-) Cost of the write-off of disposed of assets	(10.977)	(10.101)	(11.704)	(10.102)
(-) Other expenses	(7.300)	(507)	(11.757)	(21.409)
	<u>(24.193)</u>	<u>(10.608)</u>	<u>(39.833)</u>	<u>(31.511)</u>
Other operating income	<u>138.104</u>	<u>125.898</u>	<u>165.596</u>	<u>111.752</u>

- (a) Tax incentive, regulated by article 20 of State Law 13.591/2000, granted by the State Government of Goiás for the discount on the payment of 73% of the ICMS due on the sales of products covered by incentives made by the Otávio Lage unit.
- (b) Tax incentive obtained from the early settlement of the financing agreement entered into with the Fund for Participation in and Promotion of Industrialization of the State of Goiás - FOMENT, subject to public offering, according to Article One, Paragraph One of Law 13.436/1998 of December 13, 1998.
- (c) Tax incentive granted by the Government of the State of Goiás to companies classified under the FOMENTAR, PRODUIR or PROGOIÁS programs, equivalent to 32% of the ICMS as if it were due on the sales of anhydrous ethanol to distributors. The benefit is regulated by State Act No. 13,246/99, article three, item II.
- (d) Decarbonization credits - CBIOS are recognized when revenue from hydrated anhydrous ethanol is recognized at market value. When the Bank finds a loss on the valuation of the stock of CBIOS (bank deposit certificates), the allowance for impairment loss is recognized as other operating revenues/expenses, net. The sale of receivables is recognized as gross revenue and the write-off of inventory is recognized as cost of goods sold.
- (e) In April 2023 Jalles Bioenergia S.A. was imposed a penalty of R\$10,524 thousand, consisting of penalties by the National Electric System Operator (ONS), for failing to comply with the agreement on availability for the supply of electricity. On December 4, 2023, the National Electricity Agency – ANEEL granted the request made by Jalles Bioenergia S.A. for the National Electric System Operator – ONS to change the classification of the operational status of UG1 of UTE Santa Vitória from Emergency Shutdown (DUR) to Emergency Shutdown. With this provision, the Company waits for the ONS to formalize the restatement of the unbilled amounts to reverse the punishment previously recognized. After that decision was granted, in May 2024, the Company was authorized to bill the penalty adjusted for inflation using the IPCA (Extended Consumer Price Index).
- (f) Tax benefit regulated by State Law No. 20,787/2020 granted by the Government of the State of Goiás to encourage the socioeconomic development of the State of Goiás through the implementation, expansion and revitalization of industrial establishments in its territory. With respect to the Company's activities, the Program grants ICMS (State VAT) credit consisting of the ICMS (Value-Added Tax on Sales and Services) in the percentages listed below, applicable to the positive amount resulting from the reconciliation of tax debits to credits recognized for transactions with products of own manufacturing supported by PROGOIÁS.
- sixty-four percent (64%) by the twelfth (12th) month;
 - 65% (sixty-five percent) from the 13th (thirteenth) to the 24th (twenty-fourth) month;
 - 66% (sixty-six percent), as of the 25th month.

PROGOIÁS is the state's current tax incentive program, instituted to simplify the granting of benefits to the industrial sector, replacing the previous models based on financing. The incentive consists of ICMS credits, which allow a

reduction in the monthly debt balance without the need for direct financing, which provides greater legal certainty and tax predictability for the benefited companies

The Company migrated from the FOMENTAR and PRODUIR tax incentive programs to PROGOLÁS in November 2024.

22 Net finance income (costs)

	Company		Consolidated	
	2025	2024	2025	2024
Finance costs				
Interest on loans and financing	(336.143)	(253.118)	(345.109)	(262.956)
Accrued interest on				
Agricultural Leases and Partnerships	(91.732)	(53.670)	(111.700)	(73.745)
Other interest paid or incurred	(18.643)	(7.393)	(19.065)	(14.262)
Other	(11.194)	(15.666)	(14.591)	(15.914)
Granted discounts	(10.523)	(3.757)	(10.537)	(3.757)
	<u>(468.235)</u>	<u>(333.604)</u>	<u>(501.002)</u>	<u>(370.634)</u>
Finance income				
Income from financial investments	117.714	106.775	119.688	111.658
Interest	23.546	11.432	23.680	11.859
Other	4.776	14.010	8.189	14.057
	<u>146.036</u>	<u>132.217</u>	<u>151.557</u>	<u>137.574</u>
Foreign exchange and monetary fluctuations, net				
Trade receivables and trade payables	(1.103)	74	(6.908)	74
Cash equivalents	3.864	(791)	3.908	(791)
Loans and financing	(13.881)	3.948	(13.881)	3.948
	<u>(11.120)</u>	<u>3.231</u>	<u>(16.881)</u>	<u>3.231</u>
Hedge transactions, net				
Settled transactions				
Sugar operations	(11.772)	(213.530)	(11.772)	(213.530)
Foreign exchange transactions	(11.359)	29.146	(15.018)	29.146
Index transactions	(22.552)	(25.631)	(22.552)	(25.631)
	<u>(45.683)</u>	<u>(210.015)</u>	<u>(49.342)</u>	<u>(210.015)</u>
Outstanding transactions				
Sugar operations	3.742	97.477	2.898	97.477
Foreign exchange transactions	(68.535)	6.870	(74.905)	6.943
Index transactions	(130.483)	1.685	(130.483)	1.685
	<u>(195.276)</u>	<u>106.032</u>	<u>(202.490)</u>	<u>106.105</u>
	<u>(240.959)</u>	<u>(103.983)</u>	<u>(251.832)</u>	<u>(103.910)</u>
Net finance costs	<u>(574.278)</u>	<u>(302.139)</u>	<u>(618.158)</u>	<u>(333.739)</u>

23 Earnings per share

The calculation of basic and diluted earnings per share was based on the profit attributable to ordinary shareholders.

Weighted-average number of ordinary shares (basic and diluted):

	Consolidated	
	2025	2024
Profit from continuing operations	(55.950)	85.118
Weighted average number of shares held by shareholders	301.547.664	297.391.104
Basic and diluted earnings per share (in real)	<u>(0,18,55)</u>	<u>0,2862</u>

24 Leases to be paid

The Company has lease agreements for urban properties and for the industrial facilities of its branch, as well as sugar cane farming partnership agreements with shareholders and third parties to guarantee part of its production for the next harvesting periods.

After evaluating and taking an inventory of the agreements, Jalles Machado S.A. recognized assets and liabilities related to the following agreements: agricultural partnerships for the cultivation of sugar cane. Although the legal nature of the crop is a rural partnership pursuant to the Land Statute (Law 4.504 of November 30, 1964 as amended by Law 11.443 of January 5, 2007), came to be classified as right-of-use of the accounting standard in accordance with CPC 06(R2) / IFRS 16.

When measuring lease liabilities for those leases previously classified as operating leases, the Company discounted lease payments and the assets identified in the rural partnership agreements using a weighted cost of capital as of March 31, 2025, which was 7.62% p.a. (6.30% p.a. as of March 31, 2024).

The agricultural partnership agreements are distributed as follows:

	Company		Consolidated	
	2025	2024	2025	2024
Partnership area	71,545 hectares	73,185 hectares	115,930 hectares	115,211 hectares

Changes in right-of-use during the year ended March 31, 2025 were as follows:

Right of use	Company			
	Agricultural partnership	Industrial plant	Rents	Total
Balance as of March 31, 2023	967.735	43.129	3.112	1.013.976
Additions	93.953	-	-	93.953
Depreciation	(103.598)	(34.503)	(403)	(138.504)
Remeasurements	(559)	-	-	(559)
Write-off	(3.645)	-	-	(3.645)
Balance as of March 31, 2024	<u>953.886</u>	<u>8.626</u>	<u>2.709</u>	<u>965.221</u>
Additions	57.065	288.051	-	345.116
Depreciation	(104.663)	(20.510)	(403)	(125.576)
Remeasurements	67.714	-	176	67.890
Write-off	(337)	(276.167)	-	(276.504)
Balance as of March 31, 2025	<u>973.665</u>	<u>-</u>	<u>2.482</u>	<u>976.147</u>

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	Consolidated		
	Agricultural partnership	Rents	Total
Balance as of March 31, 2023	1.245.342	17.392	1.262.734
Additions	325.765	-	325.765
Depreciation	(159.418)	(7.795)	(167.213)
Remeasurements	3.387	-	3.387
Write-off	(3.645)	-	(3.645)
Balance as of March 31, 2024	<u>1.411.431</u>	<u>9.597</u>	<u>1.421.028</u>
Additions	221.730	-	221.730
Depreciation	(172.659)	(4.680)	(177.339)
Remeasurements	86.622	2.144	88.766
Write-off	(376)	-	(376)
Balance as of March 31, 2025	<u>1.546.748</u>	<u>7.061</u>	<u>1.553.809</u>

Changes in liabilities from agricultural leases and partnerships during the year ended March 31, 2025 were as follows:

	Agricultural partnership	Industrial plant	Rents	Company Total
Balance as of March 31, 2023	927.561	46.476	3.106	977.143
Additions	93.953	-	-	93.953
Depreciation	(100.492)	(34.502)	(396)	(135.390)
Write-off	(3.645)	-	-	(3.645)
Payment of interest	(47.893)	(5.673)	(104)	(53.670)
Accrued interest	47.893	5.673	104	53.670
Subsequent measurements	(559)	-	-	(559)
Balance as of March 31, 2024	<u>916.818</u>	<u>11.974</u>	<u>2.710</u>	<u>931.502</u>
Additions	57.065	288.051	-	345.116
Depreciation	(48.805)	(23.858)	(408)	(73.071)
Write-off	-	(276.167)	-	(276.167)
Payment of interest	(95.031)	(12.897)	(104)	(108.032)
Accrued interest	78.731	12.897	104	91.732
Subsequent measurements	67.714	-	176	67.890
Balance as of March 31, 2025	<u>976.492</u>	<u>-</u>	<u>2.478</u>	<u>978.970</u>

	Consolidated		
	Agricultural partnership	Rents	Total
Balance as of March 31, 2023	1.204.730	19.625	1.224.355
Additions	325.765	-	325.765
Depreciation	(161.393)	(8.743)	(170.136)
Write-off	(3.645)	-	(3.645)
Payment of interest	(72.933)	(812)	(73.745)
Accrued interest	72.933	812	73.745
Subsequent measurements	3.387	-	3.387
Balance as of March 31, 2024	1.368.844	10.882	1.379.726
Additions	221.727	-	221.727
Depreciation	(98.416)	(3.937)	(102.353)
Write-off	(39)	(1.285)	(1.324)
Offset against advances	-	-	-
Payment of interest	(127.333)	(287)	(127.620)
Accrued interest	111.413	287	111.700
Subsequent measurements	86.623	2.144	88.767
Balance as of March 31, 2025	1.562.819	7.804	1.570.623

25 Commitments

Sugar sales commitments

The parent company has several agreements in the sugar market whereby it commits itself to selling the volumes of these products in future harvests. These volumes related to commitments are presented as follows:

Product	Company		Consolidated	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Sugar (in tonnes)	80.475	47.099	80.475	47.099
Ethanol (m³)	16.400	7.215	16.400	7.215

Crop	Company		Consolidated	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
2022/2023 (in tonnes)	-	2.060	-	2.060
2023/2024 (in tonnes)	273	42.689	273	42.689
2024/2025 (in tonnes)	80.177	2.350	80.177	2.350
2025/2026 (in tonnes)	25	-	25	-
	80.475	47.099	80.475	47.099

Crop	Company		Consolidated	
	2025	2024	2025	2024
2022/2023 (m³)	16.400	7.215	16.400	7.215
	16.400	7.215	16.400	7.215

Purchase of electricity

The Company has commitments to purchase energy from its subsidiary USV effective until December 31, 2028. The monthly quantities contracted in MWh are shown below:

	2025	2026	2027	2028
March	3,6	5,4	6,3	4,5
April	3,6	5,4	6,3	4,5
May	3,6	5,4	6,3	4,5
June	3,6	5,4	6,3	4,5
July	3,6	5,4	6,3	4,5
August	3,6	5,4	6,3	4,5
September	3,6	5,4	6,3	4,5
October	3,6	5,4	6,3	4,5
November	3,6	5,4	6,3	4,5
December	3,6	5,4	6,3	4,5

The amounts agreed for per MWh, listed below, are based on January 1, 2025 and will be annually adjusted using the IPCA.

Supply Price	Price (R\$/MWh)
From January 1, 2025 to December 31, 2025	R\$86.00
From January 1, 2026 to December 31, 2026	R\$95.00
From January 1, 2027 to December 31, 2027	R\$104.00
From January 1, 2028 to December 31, 2028	R\$116.00

26 Related parties

Key management personnel transactions

Key management personnel compensation

The Company's key management personnel consists of Top Management and members of the Board of Directors, elected at the Annual General Meeting. The amounts related to the short-term benefit compensation paid to key management personnel during the year ended March 31, 2025 totaled R\$9,957 (R\$9,796 as of March 31, 2024), recorded as administrative expenses, and include salaries, fees, variable compensation, direct and fringe benefits.

The Company and its subsidiaries do not offer other types of compensation, such as post-employment, termination or other long-term benefits.

Long-term incentive plan

The purpose of the Long-Term Incentive Program is to retain and compensate executives according to their outstanding performance and the fulfillment of the goals set by the Company. This program strengthens the alignment of executives with the organization's strategic plan.

On July 31, 2023, the Company approved, at an Ordinary and Extraordinary General Meeting, the Long-term Incentive Plan, in the form of Restricted Shares. Under this plan the Company will grant Restricted Shares to eligible officers and employees of the Company and its subsidiaries, in connection with the performance assessment.

The purpose of the Long-Term Incentive Plan ("ILP Plan") is to encourage and retain talent, ensuring that the executives' interests are aligned with those of the Company and its shareholders, reinforcing the commitment to sustainable growth and value creation.

Eligible for the program are Chief Executive Officer, Chief Commercial Officer, Chief Financial and Investor Relations Officer and Chief Operating Officer.

The plan's performance indicator goals for the next three years are set upon grant (goals are communicated and formalized at the time of grant).

The indicators below seek to generate shareholder value and adherence to the company's long-term strategic plan. Goals consist of:

Indicator	%
Absolute TSR	10%
ROIC	60%
ATR	10%
ESG Panel	20%

After 3 years from each grant, the *vesting* period will be fully completed and results will be determined.

The book value of the liability in the current financial statements for the calculation of the fair value of the Long-Term Incentive Plan is R\$1,831.

The balances of the plans issued by the Company and their changes at the date of the current financial statements are shown below:

Plan	ILP 23-26	ILP 24-27
Total number of members	4	4
Number of remunerated members	4	4
Grant date	01/09/2024	01/09/2024
Deadline for submitting lawsuits	31/03/2026	31/03/2027
Number of shares granted (A)	482.629	478.829
Fair value of shares at grant date (B) (R\$)	7,01	7,01
Multiplying the number of shares granted by the fair value of shares on the grant date (A x B)	3.383	3.357

Other related party transactions

The main balances of assets and liabilities as of March 31, 2025 and March 31, 2024, as well as the related party transactions that had an impact on profit or loss for the years ended March 31, 2025 and 2024, consist mainly of transactions with shareholders and companies related to the same economic group.

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	Company					
	Assets		Liabilities		Result	
	2025	2024	2025	2024	2025	2024
Current						
Banks (note 3) (c)	679	492	-	-	-	-
Financial investments (note 3) (c)	77.472	10.344	-	-	5.473	4.024
Inventories (note 6)	-	-	-	-	(15)	(179)
	<u>78.151</u>	<u>10.836</u>	<u>-</u>	<u>-</u>	<u>5.458</u>	<u>3.845</u>
Dividends receivable						
Jalles Machado Empreendimentos Imobiliários S/A	-	7.765	-	-	-	-
Albioma Codora Energia S.A.	2.180	-	-	-	-	-
Albioma Esplanada Energia S.A.	2.610	3.888	-	-	-	-
	<u>4.790</u>	<u>11.653</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current						
Trade receivables and trade payables (note 5) (note 12)						
Albioma Codora Energia S/A (a) (b)	-	-	-	-	(8.955)	1.693
Albioma Esplanada Energia S/A.	-	-	-	-	(841)	(445)
Santa Vitória Açúcar e Alcool Ltda	1	81	17.389	-	(16.439)	596
Jalles Machado Empreendimentos Imobiliários S/A	-	5	-	-	55	60
Vera Cruz Agropecuária Ltda	-	-	-	-	9	11
Solo Verde S.A.	28	-	-	-	(108)	441
Remuneration of guarantees to shareholders (h)	-	-	273	514	(1.363)	(2.730)
BENRI - Production Classification	-	-	3	-	(157)	-
Cerejeira Transportes LTDA	-	-	-	-	(1.352)	-
Transucesso Transportes LTDA	-	-	-	-	(2.742)	-
CTC - Sugarcane Technology Center	-	-	-	-	(6.866)	-
	<u>29</u>	<u>86</u>	<u>17.665</u>	<u>514</u>	<u>(38.759)</u>	<u>(374)</u>
Other payables						
Long-term incentive plan	-	-	1.831	-	(1.831)	-
Jalles Bioenergia S.A.	-	-	20.265	-	-	-
	<u>-</u>	<u>-</u>	<u>22.096</u>	<u>-</u>	<u>(1.831)</u>	<u>-</u>
Non-current (note 5)						
Purolim S/A	-	525	-	-	46	62
	<u>-</u>	<u>525</u>	<u>-</u>	<u>-</u>	<u>46</u>	<u>62</u>
Right-of-use assets and leases (note 24)						
Agricultural partnerships						
Agropecuária Baptista De Siqueira L	18.152	19.271	17.699	18.790	(3.710)	(3.217)
Antônio Fernando Abrahão de Moraes	1.937	3.118	1.734	2.791	(305)	(508)
Cl Moraes Agropecuária & Planejamen	26.431	21.113	27.254	21.770	(6.014)	(3.586)
Claudia Abrahão de Moraes	933	-	913	-	(212)	-
Claudio Ferreira de Moraes	3.725	5.211	3.783	5.292	(847)	(881)
Conpar Construtora Paranaíba Ltda	1.482	627	1.474	624	(153)	(105)
Jair Lage de Siqueira Neto	513	886	501	865	(117)	(148)
João Pedro Braollos Neto	21.903	23.189	20.139	21.321	(4.732)	(3.805)
Luiz Cesar Vaz de Melo and others	1.641	1.477	1.683	1.515	(349)	(250)
Manoel Castro de Arantes	20.257	18.791	20.051	18.600	(5.796)	(3.151)
Maria de Bethânia Neves Carvalho La	355	-	394	-	(81)	-
Maria de Lourdes de Souza Brito	147	-	93	-	(37)	-
Maria de Lourdes Mattiazzo	3.979	4.262	3.703	3.966	(906)	(702)
Morais Participações e Empreendimen	12.077	11.113	12.308	11.326	(2.747)	(1.881)
Oiapoque Participações Ltda	35.563	33.726	35.604	33.765	(7.670)	(5.675)
Otávio José Baptista de Siqueira	1.765	1.883	1.574	1.679	(402)	(307)
Pedro Henrique Machado Roncato	2.069	2.076	2.060	2.067	(303)	(349)
Planagri S A	62.767	73.183	61.395	71.583	(12.089)	(12.229)
Raul Tadeu B.Siq.-Cond.S.Pedro	16.680	16.573	16.737	16.630	(3.795)	(2.791)
Raul Tadeu Batista de Siqueira e Ou	9.439	9.297	9.555	9.411	(2.147)	(1.570)
Rouzane de Oliveira Silva	4.908	2.460	3.735	1.872	(922)	(384)
Sara Kinjo Esber	85.584	84.515	81.817	80.795	(16.923)	(14.025)
Silvia Regina Fontoura de Siqueira	3.093	498	2.754	443	(673)	(81)
Solo Verde S A	124.899	101.542	129.059	104.923	(18.244)	(17.256)
Tropical Hevea Agropecuária Ltda	1.018	-	655	-	(243)	-
Vera Cruz Agro Pecuéria Ltda	45.959	43.175	47.386	44.516	(10.457)	(7.332)
Total	<u>507.276</u>	<u>477.986</u>	<u>504.060</u>	<u>474.544</u>	<u>(99.874)</u>	<u>(80.233)</u>
Current	-	-	43.556	30.746	-	-
Non-current	507.276	477.986	460.504	443.797	-	-
Buildings and industrial plant						

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	Company					
	Assets		Liabilities		Result	
	2025	2024	2025	2024	2025	2024
Jalles Machado Empreendimentos Imobiliários						
S.A. (e)	-	8.626	-	11.974	(33.407)	(507)
Solo Verde S.A.	2.482	2.709	2.478	2.482	(507)	(40.176)
Total	2.482	11.335	2.478	14.456	(33.914)	(40.683)
Current	-	-	433	12.147	-	-
Non-current	2.482	2.482	2.045	2.308	-	-

	Consolidated					
	Assets		Liabilities		Result	
	2025	2024	2025	2024	2025	2024
Current						
Banks (note 3) (c)	680	5.946	-	-	-	-
Financial investments (note 3) (c)	77.472	65.227	-	-	5.872	8.071
Inventories (note 6)	-	38	-	-	(15)	(179)
	<u>78.152</u>	<u>71.211</u>	<u>-</u>	<u>-</u>	<u>5.857</u>	<u>7.892</u>
Dividends						
Albioma Codora Energia S.A.	2.180	-	-	-	-	-
Albioma Esplanada Energia S.A.	2.610	3.888	-	-	-	-
	<u>4.790</u>	<u>3.888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current						
Trade receivables and trade payables						
Vera Cruz Agropecuária Ltda	-	-	-	-	9	11
Solo Verde S.A. (i)	28	-	-	-	(108)	441
Albioma Codora Energia S/A	-	-	-	-	(8.955)	1.693
Albioma Esplanada Energia S/A.	-	-	-	-	(841)	(445)
Remuneration of guarantees to shareholders (h)	-	-	273	514	(1.363)	(2.730)
BENRI - Production Classification	-	-	3	-	(157)	-
Cerejeira Transportes LTDA	-	-	-	-	(1.352)	-
Transuccesso Transportes LTDA	-	-	-	-	(2.742)	-
CTC - Sugarcane Technology Center	-	-	-	-	(6.866)	-
	<u>28</u>	<u>-</u>	<u>276</u>	<u>514</u>	<u>(22.375)</u>	<u>(1.030)</u>
Other payables						
Long-term incentive plan	-	-	1.831	-	(1.831)	-
Non-current - trade receivables (note 5)						
Solo Verde S.A. (i)	-	682	-	-	-	-
	<u>-</u>	<u>682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Right-of-use assets and leases (note 24)						
Agricultural partnerships						
Agropecuária Baptista De Siqueira L	18.152	19.271	17.699	18.790	(3.710)	(3.217)
Antônio Fernando Abrahão de Moraes	1.937	3.118	1.734	2.791	(305)	(508)
Cl Moraes Agriculture & Planning	26.431	21.113	27.254	21.770	(6.014)	(3.586)
Claudia Abrahão de Moraes	933	-	913	-	(212)	-
Claudio Ferreira de Moraes	3.725	5.211	3.783	5.292	(847)	(881)
Conpar Construtora Paranaíba Ltda	1.482	627	1.474	624	(153)	(105)
Jair Lage de Siqueira Neto	513	886	501	865	(117)	(148)
João Pedro Braollos Neto	21.903	23.189	20.139	21.321	(4.732)	(3.805)
Luiz Cesar Vaz de Melo and others	1.641	1.477	1.683	1.515	(349)	(250)
Manoel Castro de Arantes	20.257	18.791	20.051	18.600	(5.796)	(3.151)
Maria de Bethânia Neves Carvalho La	355	-	394	-	(81)	-
Maria de Lourdes de Souza Brito	147	-	93	-	(37)	-
Maria de Lourdes Mattiazzo	3.979	4.262	3.703	3.966	(906)	(702)
Moraes Participações e Empreendimen	12.077	11.113	12.308	11.326	(2.747)	(1.881)
Oiapoque Participações Ltda	35.563	33.726	35.604	33.765	(7.670)	(5.675)
Otávio José Baptista de Siqueira	1.765	1.883	1.574	1.679	(402)	(307)
Pedro Henrique Machado Roncato	2.069	2.076	2.060	2.067	(303)	(349)
Planagri S A	62.767	73.183	61.395	71.583	(12.089)	(12.229)
Raul Tadeu B.Siq.-Cond.S.Pedro	16.680	16.573	16.737	16.630	(3.795)	(2.791)
Raul Tadeu Batista de Siqueira e Ou	9.439	9.297	9.555	9.411	(2.147)	(1.570)
Rouzane de Oliveira Silva	4.908	2.460	3.735	1.872	(922)	(384)
Sara Kinjo Esber	85.584	84.515	81.817	80.795	(16.923)	(14.025)
Sílvia Regina Fontoura de Siqueira	3.093	498	2.754	443	(673)	(81)
Solo Verde S A	124.899	101.542	129.059	104.923	(18.244)	(17.256)
Tropical Hevea Agropecuária Ltda	1.018	-	655	-	(243)	-
Vera Cruz Agro Pecuária Ltda	45.959	43.175	47.386	44.516	(10.457)	(7.332)
Total	<u>507.276</u>	<u>477.986</u>	<u>504.060</u>	<u>474.544</u>	<u>(99.874)</u>	<u>(80.233)</u>
Current	-	-	43.556	30.746	-	-
Non-current	507.276	477.986	460.504	443.797	-	-
Buildings and industrial plant						
Solo Verde S.A.	2.482	2.709	2.478	2.482	(507)	(40.176)
Total	<u>2.482</u>	<u>2.709</u>	<u>2.478</u>	<u>2.482</u>	<u>(507)</u>	<u>(40.176)</u>
Current	-	227	433	174	-	-
Non-current	2.482	2.482	2.045	2.308	-	-

- (a) Sales of merchandise and provision of sundry services to associate Albioma Codora Energia S.A. and Albioma Esplanada Energia S.A.
- (b) Acquisition and sale of merchandise and services of associate Albioma Esplanada Energia S.A. and Albioma Esplanada Energia S.A.
- (c) Balance consists of checking accounts and financial investments that bear market interest at Banco Coopercred, a credit cooperative in which the Company is a shareholder.
- (d) Agricultural partnerships are with shareholders and companies of the same economic group for the cultivation of sugarcane. Although it is a rural partnership under the Land Statute (Act No. 4,504 of November 30, 1964, as amended by Act No. 11,443 of January 5, 2007), it now falls into the concept of right of use of the accounting standard in accordance with CPC 06(R2)/IFRS 16. The calculation of sugarcane prices for partnership settlement purposes is based on the total recoverable sugar priced using Consecana's methodology, using the mix of products and prices set by Jalles Machado S.A.. This amount is adjusted according to the contractual term, production volume, irrigation capacity, feasibility of organic sugarcane production, farm extension, distance, soil quality, topography and strategic interest. These specific conditions were duly negotiated by the parties.
- (e) Agreement for the lease of the industrial facilities of subsidiary Jalles Machado Empreendimentos Imobiliários S.A., where the Cosentino Lage unit has its branch, and of urban properties leased from Agrojalles S.A.
- (f) Land use rights under agricultural partnerships. Agricultural partnerships, shareholders and companies belonging to the same economic group for the cultivation of sugar cane, which although legally considered to be rural partnerships under the Land Statute (Act No. 4,504 of November 30, 1964, as amended by Act No. 11,443 of January 5, 2007), now fall into the concept of right to use the accounting standard, in accordance with CPC 06(R2)/IFRS 16. The calculation of sugarcane prices for partnership settlement purposes is based on the total recoverable sugar priced using Consecana's methodology, using the mix of products and prices set by Jalles Machado S.A.. This amount is adjusted according to the contractual term, production volume, irrigation capacity, feasibility of organic sugarcane production, farm extension, distance, soil quality, topography and strategic interest. These specific conditions were duly negotiated by the parties.
- (g) Right of use over the lease of the industrial park between the parent company and Jalles Machado Empreendimentos Imobiliários S.A.
- (h) Remuneration for collateral (real and trustee) pledged as collateral for financial agreements entered into by Jalles Machado S.A.. Some shareholders assumed joint liability for the fulfillment of all main and accessory obligations. Term: the term of each financial contract, i.e. for as long as the guarantee lasts. Yield rate: 1.60% p.a., equivalent to 80% of the value of the letter of bank guarantee – according to price quotations made with three major banking institutions.

As of March 31, 2025 and 2024, guarantees given by shareholders to cover the Company's debts were distributed in the following manner:

Group	2025	2024
Agrojalles S.A	18.301	45.858
Ferradura Condominium	3.935	5.133
Braoios Family	4.867	6.718
Jair Lage Family	26.808	37.007
Grupo Gissara	2.716	4.698
Grupo Otávio Lage	25.128	53.810
Luiz César V. de O. Melo	485	577
	82.240	153.801

- (i) Sale of 25% of the aircraft to Solo Verde S.A., according to an agreement entered into between the parties on December 7, 2021. Agrojalles S.A. paid on December 22, 2021 the amount corresponding to 25% of the difference between the market value of the aircraft and the debt balance of the financing and will pay the percentage equivalent to 25% of the value of each installment falling due of the debt contracted on July 20, 2018. On the date the contract was signed, 33 installments remained to be paid.

On April 22, 2015, the Company entered into an agreement with its associate, Albioma Codora Energia, S.A. com to gather assets, inputs, technical, human and financial resources from the parties to produce electricity and water vapor that uses biomass (bagasse and sugar cane straw, wood chips, sawdust, among other compounds) and is effective until March 15, 2035. The Company is responsible for supplying the inputs, receiving electricity in exchange.

Employee benefits

The Company and its subsidiaries provide their employees with benefits that basically consist of: food, transportation, scholarships, life insurance, medical care, dental care, pharmacy, education, among others.

The Company and its subsidiaries include in their human resources policies a profit sharing scheme to which all collaborators hired under formal employment agreements are eligible. The goals and criteria for calculating and distributing the rewards are agreed by the parties, including the trade unions that represent the interests of collaborators. They include productivity, competitiveness and motivation gains and participants' engagements.

The amounts related to employee benefits recorded as administrative expenses and cost of goods sold in profit or loss are presented below:

	Company		Consolidated	
	2025	2024	2025	2024
Feeding	28.584	26.302	29.794	27.285
Transport	30.795	28.645	43.518	39.140
Profit sharing	16.045	11.360	16.045	13.873
Medical/dental care	8.027	6.830	15.305	23.649
Education	1.926	1.706	1.926	1.706
Scholarship worth	52	85	52	85
Other	23.020	22.565	23.556	22.653
	108.449	97.493	130.196	128.391

27 Segment reporting

An operating segment is a component of the Company and its subsidiaries that carries out business activities from which it can earn revenue and incur expenses, including income and expenses related to transactions with other components of the Company and its subsidiaries. All results of operations are frequently reviewed by the Executive Board to make decisions on the resources to be allocated to the segment and to assess their performance, for which individual financial information is available.

The Company and its subsidiaries have two operating business segments: 1 - Sugar, ethanol and sugarcane agroindustrial by-products; and 2 – Electricity. The activities presented in the "Other" column do not qualify as operating segments and represent activities not allocated to segments.

Management defined the Company's and its subsidiaries' operating segments according to the reports used for making strategic decisions, reviewed by the main decision makers, namely: the Executive Board according to the approval levels established in the process followed by the Company and its subsidiaries.

The analyses are carried out segmenting the business from the point of view of the industrial processes by the Company and its subsidiaries, composing the following segments:

- Sugar, ethanol and derivatives from the agroindustrial process of sugarcane (AED).
- Electrical energy.

The performance analyses of the operating segments are carried out according to the statement of profit or loss by business, with a focus on profitability:

	2025		
	AED Goias	AED Minas Gerais	Total
Gross income			
Domestic market			
Ethanol	643.420	462.177	1.105.597
White sugar	624.229	-	624.229
Organic sugar	49.308	-	49.308
Soy	2.229	1.086	3.315
Electrical energy	-	113.007	113.007
Sanitizing	30.486	-	30.486
Yeast derivatives	6.737	-	6.737
CBIOS (IOBC)	15.277	16.810	32.087
Other sales	4.151	1.419	5.570
	<u>1.375.837</u>	<u>594.499</u>	<u>1.970.336</u>
Foreign market			
White sugar	262.603	162.911	425.514
Organic sugar	240.335	-	240.335
	<u>502.938</u>	<u>162.911</u>	<u>665.849</u>
(-) Taxes, control and sales deductions	<u>(188.318)</u>	<u>(109.956)</u>	<u>(298.274)</u>
Net revenue	<u>1.690.457</u>	<u>647.454</u>	<u>2.337.911</u>
Cost of sales	(1.157.980)	(585.664)	(1.743.644)
Changes in the fair value of biological assets	36.668	7.935	44.603
Gross profit	<u>569.145</u>	<u>69.725</u>	<u>638.870</u>
Selling expenses	(177.089)	(31.453)	(208.542)
Other operating expenses, net	7.196	26.041	33.237
Operating profit	<u>399.252</u>	<u>64.313</u>	<u>463.565</u>
Share of profit of equity-accounted investees	8.325	-	8.325
Net finance income (costs)	<u>(559.534)</u>	<u>(58.624)</u>	<u>(618.158)</u>
Loss before taxes	<u>(151.957)</u>	<u>5.689</u>	<u>(146.268)</u>
Current and deferred income and social contribution taxes	129.685	(39.367)	90.318
Profit or loss for the year	<u>(22.272)</u>	<u>(33.678)</u>	<u>(55.950)</u>

	2024				
	AED Goiás	AED Minas Gerais	Energy	Other	Total
Gross income					
Domestic market					
Ethanol	440.953	467.931	-	-	908.884
White sugar	706.645	-	-	-	706.645
Organic sugar	35.618	-	-	-	35.618
Soy	2.909	-	-	-	2.909
Electrical energy	-	-	106.701	-	106.701
Sanitizing	46.082	-	-	-	46.082
Yeast derivatives	8.061	-	-	-	8.061
CBIOS (IOBC)	40.924	29.732	-	-	70.656
Other sales	5.871	861	7.605	-	14.337
	<u>1.287.063</u>	<u>498.524</u>	<u>114.306</u>	<u>-</u>	<u>1.899.893</u>
Foreign market					
White sugar	73.047	-	-	-	73.047
Organic sugar	227.163	-	-	-	227.163
	<u>300.210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300.210</u>
(-) Taxes, control and sales deductions	<u>(178.787)</u>	<u>(93.105)</u>	<u>(17.217)</u>	<u>(1.466)</u>	<u>(290.575)</u>
Net revenue	<u>1.408.486</u>	<u>405.419</u>	<u>97.089</u>	<u>(1.466)</u>	<u>1.909.528</u>
Cost of sales	<u>(806.108)</u>	<u>(494.085)</u>	<u>(57.735)</u>	<u>-</u>	<u>(1.357.928)</u>
Changes in the fair value of biological assets	<u>(62.955)</u>	<u>44.727</u>	<u>-</u>	<u>-</u>	<u>(18.228)</u>
Gross profit	<u>539.423</u>	<u>(43.939)</u>	<u>39.354</u>	<u>(1.466)</u>	<u>533.372</u>
Selling expenses	<u>(133.805)</u>	<u>(4.383)</u>	<u>-</u>	<u>-</u>	<u>(138.188)</u>
Other operating expenses, net	<u>7.018</u>	<u>(24.908)</u>	<u>(15.676)</u>	<u>120</u>	<u>(33.446)</u>
Operating profit	<u>412.636</u>	<u>(73.230)</u>	<u>23.678</u>	<u>(1.346)</u>	<u>361.738</u>
Share of profit of equity-accounted investees	<u>13.146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13.146</u>
Net finance income (costs)	<u>(300.720)</u>	<u>(26.563)</u>	<u>(10.534)</u>	<u>4.078</u>	<u>(333.739)</u>
Loss before taxes	<u>125.062</u>	<u>(99.793)</u>	<u>13.144</u>	<u>2.732</u>	<u>41.145</u>
Current and deferred income and social contribution taxes	<u>74.680</u>	<u>(21.433)</u>	<u>(3.515)</u>	<u>(5.759)</u>	<u>43.973</u>
Profit or loss for the year	<u>199.742</u>	<u>(121.226)</u>	<u>9.629</u>	<u>(3.027)</u>	<u>85.118</u>

In the year ended March 31, 2025, one of the Company's clients accounted for 10.61% of the net revenues of the Sugar, Ethanol and By-Products segment in Goiás. (No customer accounted for 10% or more of net revenue in the year ended March 31, 2024). In the year ended March 31, 2025, two clients accounted for 24% of the net revenues of the Sugar, Ethanol and By-Products segment in Minas Gerais and one client accounted for 10% of the net revenues of the Electricity segment in Minas Gerais (in the same period in 2024, no client accounted for 10% or more of the net revenues of the Sugar segment, Ethanol and by-products in Goiás, a client accounted for 25.97% of the net revenues of the sugar, ethanol and by-products segment in Minas Gerais and a client accounted for 10.76% or more of the net revenues of the Electricity segment in Minas Gerais).

The tables below show the Company's and its subsidiaries' revenues by geographic region:

	2025			2025		
	Company			Consolidated		
	Gross income	Taxes and returns	Net revenue	Gross income	Taxes and returns	Net revenue
Foreign market						
North America	180.822	-	180.822	180.822	-	180.822
South America (formerly Brazil)	825	-	825	825	-	825
Europe	329.594	-	329.594	475.125	-	475.125
Oceania	1.352	-	1.352	1.352	-	1.352
Middle East & Asia	7.725	-	7.725	7.725	-	7.725
	<u>520.318</u>	<u>-</u>	<u>520.318</u>	<u>665.849</u>	<u>-</u>	<u>665.849</u>
Domestic market						
Midwest	547.003	(74.793)	472.210	615.339	(85.887)	529.452
Northeast	428.474	(55.092)	373.382	506.150	(64.618)	441.532
North	149.038	(18.900)	130.138	165.292	(20.263)	145.029
Southeast	221.845	(33.543)	188.302	647.867	(122.169)	525.698
South	29.719	(4.771)	24.948	35.688	(5.337)	30.351
	<u>1.376.079</u>	<u>(187.099)</u>	<u>1.188.980</u>	<u>1.970.336</u>	<u>(298.274)</u>	<u>1.672.062</u>
Total	<u>1.896.397</u>	<u>(187.099)</u>	<u>1.709.298</u>	<u>2.636.185</u>	<u>(298.274)</u>	<u>2.337.911</u>

	2024			2024		
	Company			Consolidated		
	Gross income	Taxes and returns	Net revenue	Gross income	Taxes and returns	Net revenue
Foreign market						
Africa	11.308	-	11.308	11.308	-	11.308
North America	200.195	-	200.195	200.195	-	200.195
South America (formerly Brazil)	11.980	-	11.980	11.980	-	11.980
Europe	65.331	-	65.331	65.331	-	65.331
Oceania	2.452	-	2.452	2.452	-	2.452
Middle East & Asia	8.944	-	8.944	8.944	-	8.944
	<u>300.210</u>	<u>-</u>	<u>300.210</u>	<u>300.210</u>	<u>-</u>	<u>300.210</u>
Domestic market						
Midwest	536.287	(61.083)	475.204	577.893	(68.151)	509.742
Northeast	353.531	(56.182)	297.349	391.252	(60.303)	330.949
North	114.162	(19.245)	94.917	120.377	(19.827)	100.550
Southeast	249.040	(36.994)	212.046	771.827	(136.507)	635.320
South	33.468	(5.282)	28.186	38.544	(5.787)	32.757
	<u>1.286.488</u>	<u>(178.786)</u>	<u>1.107.702</u>	<u>1.899.893</u>	<u>(290.575)</u>	<u>1.609.318</u>
Total	<u>1.586.698</u>	<u>(178.786)</u>	<u>1.407.912</u>	<u>2.200.103</u>	<u>(290.575)</u>	<u>1.909.528</u>

Operating assets and liabilities by segment

The Company's and its subsidiaries' operating assets and liabilities were segregated by segment and are presented below.

	AED		Energy	Total	
	31/03/2025	31/03/2025	31/03/2024	31/03/2025	31/03/2024
Assets	Goias	Minas Gerais			
Current					
Cash and cash equivalents	1.134.917	102.425	1.027.895	21.968	1.237.342
Restricted cash	3.486	-	17.453	-	3.486
Trade and other receivables	50.102	40.147	99.975	26.100	90.249
Inventories	153.569	59.022	218.863	5.985	212.591
Advances to suppliers	1.659	718	2.678	596	2.377
Biological assets	452.154	162.385	531.263	-	614.539
Derivative financial instruments	28.861	-	61.765	-	28.861
Recoverable taxes	51.537	12.399	51.850	573	63.936
Recoverable income and social contribution taxes	41.636	313	41.586	8	41.949
Dividends receivable	4.790	-	3.888	-	4.790
Other assets	470	611	7.047	791	1.081
Current assets	1.193.181	378.020	2.064.263	56.021	2.301.201
Non-current					
Long-term assets					
Restricted cash	1.362	-	2.129	-	1.362
Trade and other receivables	7.974	42.918	54.532	-	50.892
Derivative financial instruments	15.962	-	86.765	-	15.962
Deferred taxes	10.000	-	24.992	24.992	10.000
Court deposits	73.339	1.267	65.558	43	74.606
Recoverable taxes	20.463	104.216	95.931	6.105	124.679
Recoverable income and social contribution taxes	-	683	482	8	683
Total non-current assets	129.100	149.084	330.389	31.148	278.184
Investments	88.593	2	89.652	-	88.595
Property, Plant and Equipment	1.728.843	1.166.234	2.557.468	162.211	2.895.077
Right of use	976.148	577.661	1.421.028	-	1.553.809
Intangible assets	16.673	4.067	13.529	1.224	20.740
	2.810.257	1.747.964	4.081.677	163.435	4.558.221
Non-current assets	2.939.357	1.897.048	4.412.066	194.583	4.836.405
Total assets	4.862.538	2.275.068	6.476.329	250.604	6.701.940

	AED		Energy		Total	
	31/03/2025	31/03/2025	31/03/2024		31/03/2025	31/03/2024
Liabilities	Goias	Minas Gerais				
Current						
Loans and financing	567.215	8.025	229.699	7.878	575.240	237.577
Leases to be paid	87.807	90.675	149.069	-	178.482	149.069
Trade and other payables	70.957	64.180	114.516	44.873	135.137	159.389
Derivative financial instruments	56.785	4.806	88.015	-	61.591	88.015
Provisions and labor charges	32.377	11.117	43.172	1.435	43.494	44.607
Tax liabilities	11.427	10.470	18.244	2.295	21.897	20.539
Dividends payable	-	-	3.179	1.596	-	4.775
Income and social contribution taxes payable	6.753	466	1.377	1.106	7.219	2.483
Advances from clients	19.773	7.753	28.859	91	27.526	28.950
Current liabilities	853.094	197.492	676.130	59.274	1.050.586	735.404
Non-current						
Loans and financing	2.341.519	60.318	2.331.813	67.363	2.401.837	2.399.176
Leases to be paid	891.165	500.976	1.230.657	-	1.392.141	1.230.657
Derivative financial instruments	208.114	2.336	85.243	-	210.450	85.243
Deferred taxes	-	20.015	172.333	-	20.015	147.340
Tax liabilities	1.878	-	7.377	-	1.878	7.377
Trade and other payables	2.246	-	419	-	2.246	419
Income and social contribution taxes payable	12.943	-	-	-	12.943	-
Provisions for contingencies	19.206	23.134	21.566	-	42.340	21.566
Non-current liabilities	3.477.071	606.779	3.849.408	67.363	4.083.850	3.891.778
Total liabilities	4.330.165	804.271	4.525.538	126.637	5.134.436	4.627.182

28 Statements of cash flows

Property, plant and equipment

During the year ended March 31, 2025, R\$245,175 (Company) (R\$301,976 as of March 31, 2024) and R\$428,973 (Consolidated) were spent on acquisitions of property, plant and equipment (R\$520,447 as of March 31, 2024) in the following manner:

	Company		Consolidated	
	2025	2024	2025	2024
Cost of acquisition of property, plant and equipment	425.711	508.327	734.408	858.928
Trade payable balance at end of period	(3.889)	(14.815)	(7.788)	(29.202)
Acquisition of crops	(176.164)	(192.436)	(297.278)	(309.279)
	245.658	301.076	429.342	520.447

29 Subsequent events

Signing of an Investment Commitment Agreement for the production and commercialization of biomethane

On April 29, 2025, the Company disclosed a Material Fact reporting that it has signed an Investment Commitment Agreement with Albioma Participações do Brasil Ltda ("Albioma") and Albioma Codora Energia S.A. ("ACE") with the terms and conditions to allow the production and marketing of biomethane, obtained through the purification of existing biogas resulting from the processing of all the sugarcane stillage produced at the Otávio Lage unit (UOL).

The closing of the transaction is subject to the fulfillment of certain conditions precedent, including, but not limited, the raising of financing, signature of an agreement for the sale of biomethane and regulatory aspects. If completed, the project to convert biogas production into biomethane is expected to start operating in 2026.

The operation and financing structure of the project will consist of:

- Estimated biomethane production of up to 10 million Nm³ per year
- respective ownership interests of Jalles and Albioma in the project of 49% and 51%
- Financing facility offered under a BNDES incentive facility or the equivalent
- Partnership term: By December 31, 2046.

Issuance of debentures

On April 29, 2025, the Company disclosed a significant fact reporting that at a meeting of the Board of Directors, it was decided to issue the 6th (sixth) series of simple, nonconvertible, unsecured debentures, in two (2) series ("Debentures"), which will be subject to a public offering pursuant to CVM Resolution No. 160, of July 13, 2022 ("CVM Resolution 160"), under the regime of firm guarantee of placement for the total amount of the issue.

Up to four hundred thousand (400,000) debentures will be issued in two (2) series. The registered unit value of debentures will be one thousand Brazilian reais (R\$1,000.00).

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Board of Directors

Oscar de Paula Bernardes Neto
CEO and Independent Member

Alexandre Lahóz Mendonça de Barros
Vice-President and Independent Member

Plinio Mário Nastari
Executive Member

Otávio Lage de Siqueira Filho
Member

Silvia Regina Fontoura de Siqueira
Member

Clóvis Ferreira de Moraes
Member

Gibrail Kinjo Esber Brahim Filho
Member

Executive Management

Otávio Lage de Siqueira Filho Chief Executive Officer

Rodrigo Penna de Siqueira Chief Financial Officer

Henrique Penna de Siqueira Commercial Director

Joel Soares Alves da Silva Director of Operations

Accountant

Nelson Gomes da Silva Neto
Accountant CRC 011107/O-2