

2021/22 Crop year results

Videoconference in Portuguese with simultaneously translation into English

06/14/2022 – Tuesday – 10:00 am (US EDT)

[Videoconference](#)

Connection numbers: +1 (914) 359-2483 or +55 (11) 4935-1146

Código: 9859

Financial Division

<https://ri.jallesmachado.com/en/>

Agenda

- ① *Highlights*
- ② *Operational and Commercial data*
- ③ *Financial data*
- ④ *Attachments*
- ⑤ *Q&A*

1

FY highlights



End of crushing with growth over previous crop

Data for the end of Crop in line with Guidance

Prices are heated for sugar and ethanol

Record net income for the year R\$ 387.9 M (+127.6%)

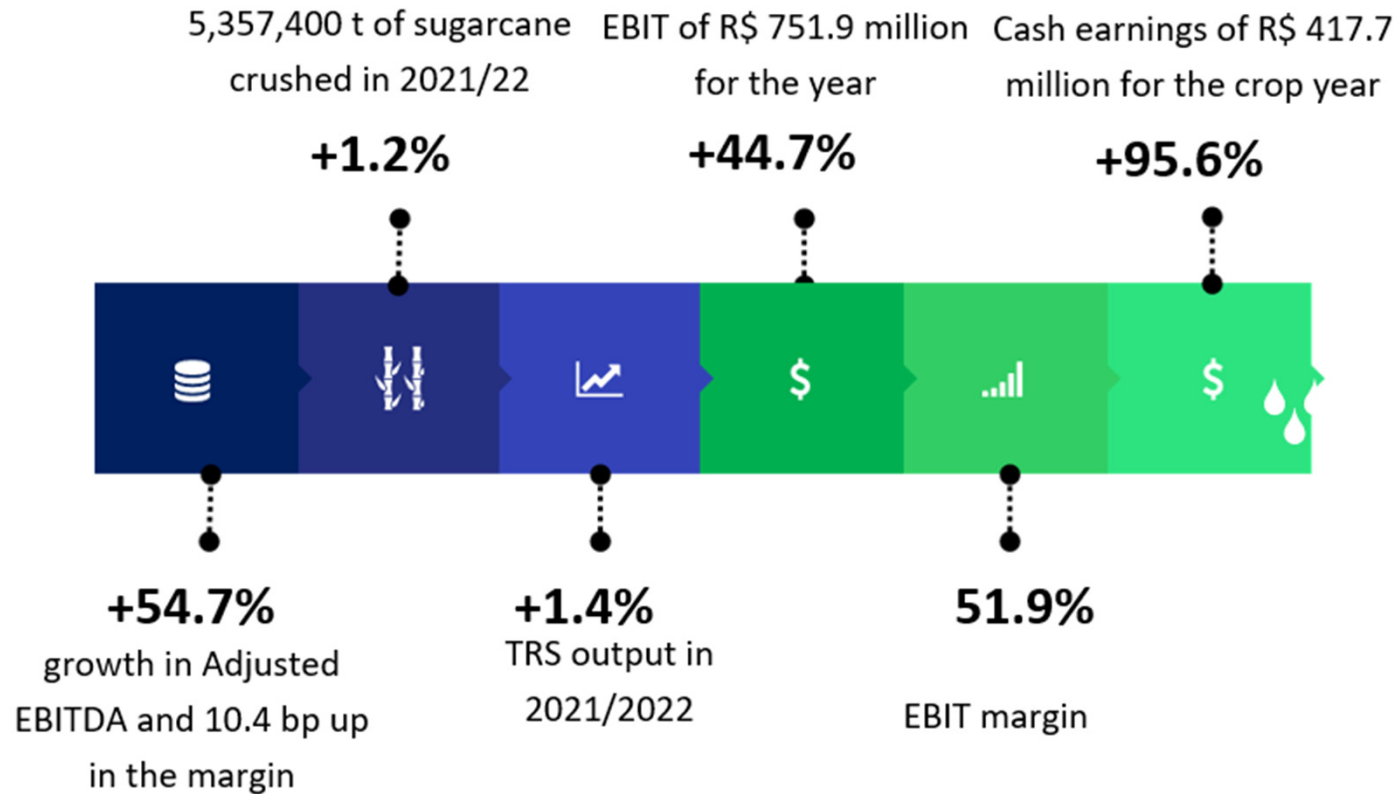
Adjusted EBITDA was record of R\$ 1,098.3 M (+54.7%)

Shareholder remuneration proposed at R\$ 52.4 million

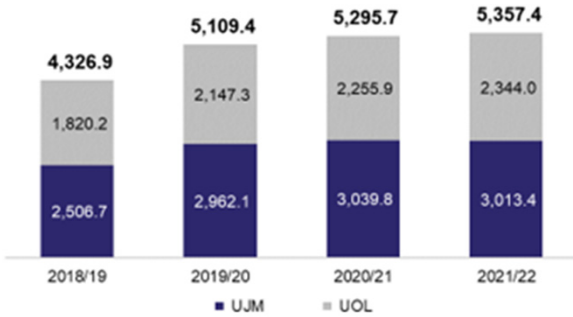
Decrease in number of accidents: -19% with time loss, and -25% in attendance

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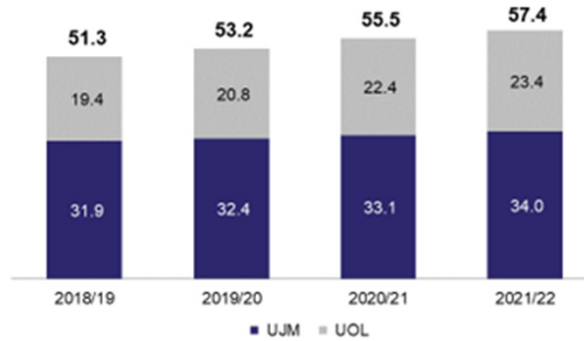
FY highlights



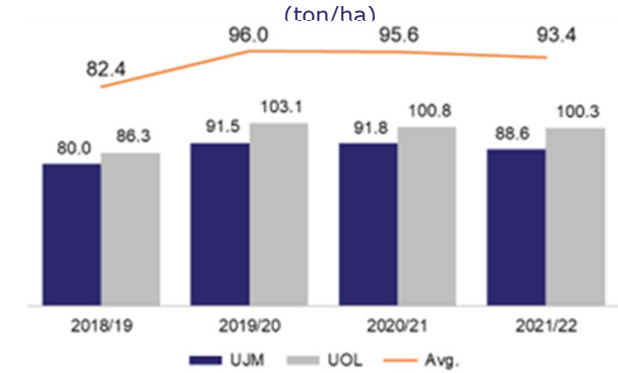
Crushing
(⁰⁰⁰ ton)



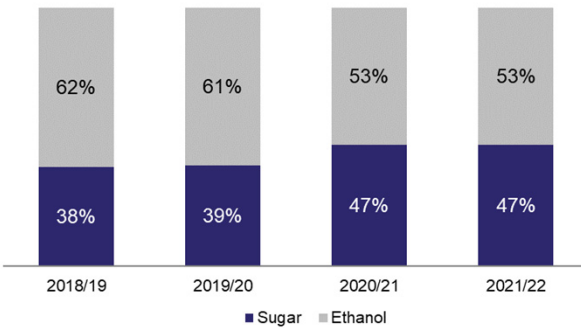
Harvested area
(⁰⁰⁰ ha)



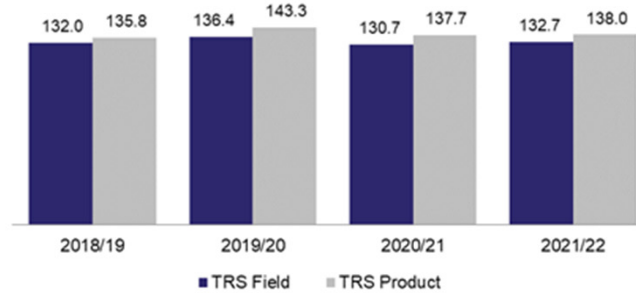
Productivity
(ton/ha)



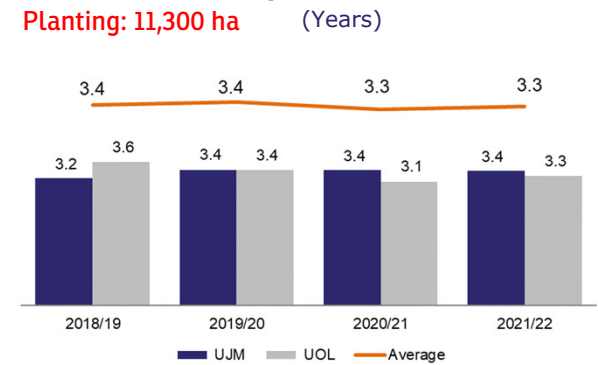
Production mix
(%)



TRS
(kg/ton)



Average age of Sugarcane plantation
(Years)



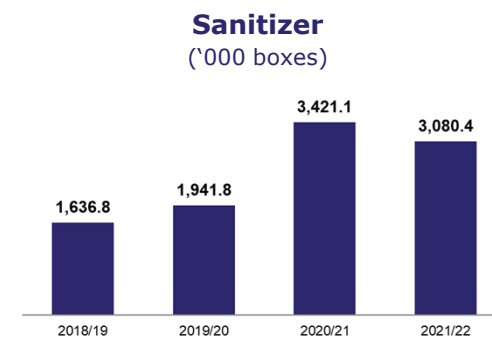
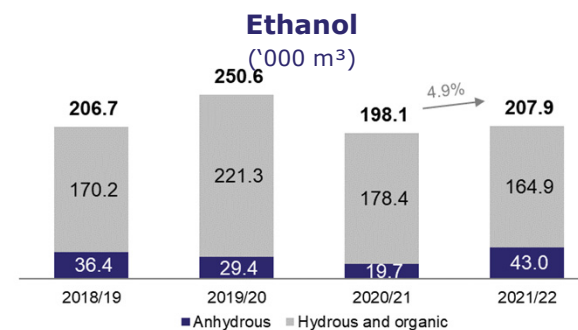
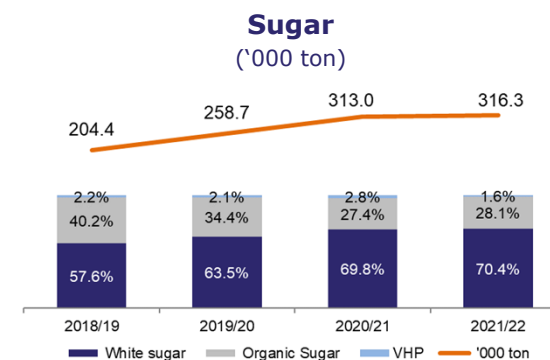
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Production

	2021/22	2020/21	Var. %	Var. #	2019/20	2018/19
Sugarcane Processing (k tonnes)	5,357.4	5,295.7	1.2%	61.7	5,109.4	4,326.9
TRS Production* (k tonnes)	739.5	729.0	1.4%	10.4	732.1	587.8
Ethanol Production (k m3)	240.7	236.6	1.7%	4.1	272.7	220.6
Hydrous / Organic	185.0	182.3	1.5%	2.7	224.9	171.8
Anhydrous	55.7	54.4	2.5%	1.3	47.8	48.8
Sugar Production (k bags 50kg)	316.3	313.0	1.1%	3.3	258.7	204.4
Refined	222.5	218.5	1.8%	4.0	164.2	117.7
Organic	88.8	85.8	3.4%	2.9	89.0	82.2
VHP	5.0	8.6	-42.3%	(3.6)	5.5	4.5
Sanitizers (k boxes)	3,080.4	3,421.1	-10.0%	(340.6)	1,941.8	1,636.8
Yeast Production (k tonnes)	2.7	3.0	-9.1%	(0.3)	3.4	3.8

*Considering the production of Sanitizers

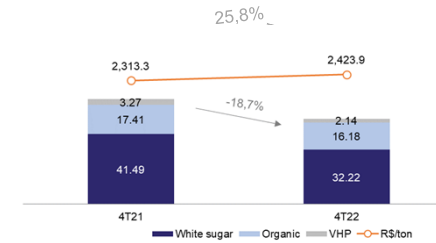
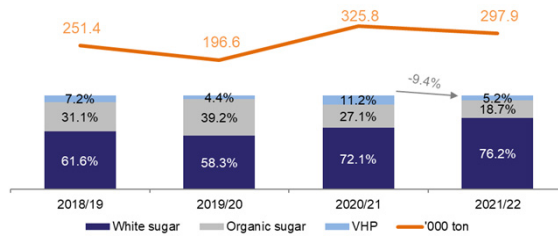
Source: Company agroindustrials papers



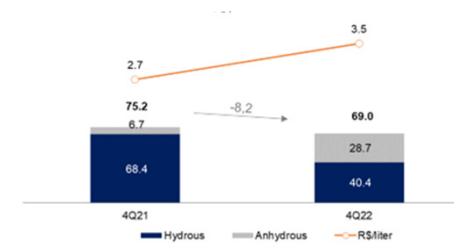
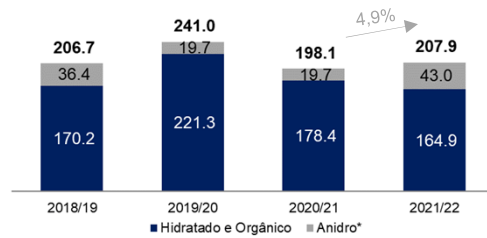
Sales Volume	2021/22	2020/21	Chg. %	Chg.#	4Q21	4Q20	Chg.%	Chg. #
Sugarcane Processing (k tonnes)	5,357.4	5,295.7	1.2%	61.7	-	-	-	-
TRS Production* (k tonnes)	664.1	675.2	-1.6%	(11.1)	170.8	192.0	-11.0%	(21.1)
Ethanol Production (k m³)	207.9	198.1	4.9%	9.8	69.0	75.2	-8.2%	(6.1)
Hydrous / Organic	164.9	178.4	-7.6%	(13.5)	40.4	68.4	-41.0%	(28.1)
Anhydrous	43.0	19.7	118.3%	23.3	28.7	6.7	325.3%	21.9
Sugar Production (k bags 50kg)	297.9	325.7	-8.5%	(27.8)	50.5	62.4	-19.0%	(11.9)
White	224.7	212.6	5.7%	12.1	32.2	42.3	-23.8%	(10.1)
Organic	58.0	80.0	-27.5%	(22.0)	16.2	16.9	-4.3%	(0.7)
VHP	15.2	33.1	-54.1%	(17.9)	2.1	3.2	-33.1%	(1.1)
Sanitizers (k boxes)	3,032.5	3,358.0	-9.7%	(325.4)	639.5	878.0	-27.2%	(238.5)
Cbios ('000)	332.5	153.9	116.0%	178.5	147.8	153.9	-4.0%	(6.1)
Yeast Production (k tonnes)	1.9	2.7	-30.1%	(0.8)	-	0.2	-100.0%	(0.2)

*Sugar and Ethanol. Sanitizers not included.

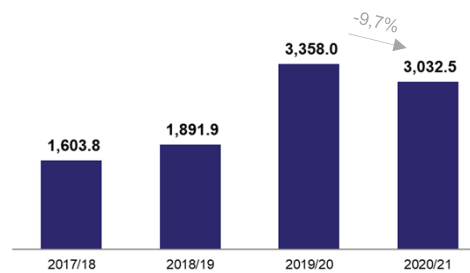
Sugar ('000 sacks)



Ethanol ('000 m³)



Sanitizer ('000 boxes)



Financial highlights

R\$ millions	Accounting Results			Cash Results		
	2021/22	2020/21	Chg. (%)	2021/22	2020/21	Chg. (%)
Gross Revenue	1,727.9	1,275.0	35.5%	1,727.9	1,275.0	35.5%
Net Revenue	1,449.1	1,085.5	33.5%	1,449.1	1,085.5	33.5%
Domestic Market	1,246.1	745.5	67.1%	1,246.1	745.5	67.1%
Foreign Market	203.0	340.0	-40.3%	203.0	340.0	-40.3%
Change in Biological Asset	35.5	177.2	-79.9%	-	-	n/a
COGS	729.3	655.5	11.2%	759.8	671.0	13.2%
Gross Profit	755.3	607.1	24.4%	689.3	414.4	66.3%
Gross Margin	52.1%	55.9%	-3.8 p.p.	47.6%	38.2%	9.4 p.p.
SG&A	200.1	176.2	13.6%	200.1	176.2	13.6%
Sales Expenses	99.3	103.5	-4.1%	99.3	103.5	-4.1%
G.A. Expenses	100.9	72.7	38.7%	100.9	72.7	38.7%
Other Oper. Rev. (Exp.)	172.6	85.4	102.2%	172.6	85.4	102.2%
Allowance for credit losses	7.6	(7.7)	n/a	-	-	n/a
Share in Earnings/(Loss) of Assoc./Subs.	16.5	11.1	47.9%	16.5	11.1	47.9%
Operating Income/(Loss) (EBIT)	751.9	519.7	44.7%	678.3	334.7	102.6%
Ebit Margin	51.9%	47.9%	4.0 p.p.	46.8%	30.8%	16.0 p.p.
Financial Results	(298.3)	(306.9)	-2.8%	(261.6)	(121.6)	115.0%
Financial Revenues (Exp.)	(121.9)	(97.2)	25.5%	(73.3)	(70.6)	3.9%
Forex Changes/Hedge Operations	(176.4)	(209.7)	-15.9%	(188.3)	(51.1)	268.6%
Income tax and social contribution on profits	(4.1)	(3.1)	33.9%	(4.1)	(3.1)	33.9%
Income tax and social contribution on profits deferred	(61.6)	(39.8)	54.7%	-	-	n/a
Discontinued Operations	-	0.5	n/a	-	-	n/a
Net Income	387.9	170.4	127.6%	412.6	210.0	96.5%

Adjusted Ebit*	751.9	519.7	44.7%
Adjusted Ebit Margin	51.9%	47.9%	4.0 p.p.
Adjusted Ebitda	1,098.3	709.9	54.7%
Adjusted Ebitda Margin	75.8%	65.4%	10.4 p.p.
Capex	495.2	248.9	99.0%
Cash and cash equivalents	1,301.5	1,222.4	6.5%
Net Debt	147.0	198.3	-25.9%
Sugarcane crushing ('000 tonnes.)	5,357.4	5,295.7	1.2%
Gross Revenue/tonnes.	322.5	240.8	34.0%
Ebitda/t. (R\$/t.)	205.0	134.0	52.9%
Net Debt*/Adjusted Ebitda	0.1x	0.3x	n/a
ROE	30.0%	15.0%	15.0 p.p.
Liquidity Ratio	2.7x	2.6x	n/a

* Desconsidering change in fair value of biological assets

*Desconsidering tax incentives (Formentar)

*Lucro Caixa: (i) ajuste no valor justo do ativo biológico; (ii) efeitos do IFRS 16 no CPV e no resultado financeiro; (iii) provisão para perdas de crédito esperadas; (iv) variação cambial e operações de hedge não caixa e MTM;

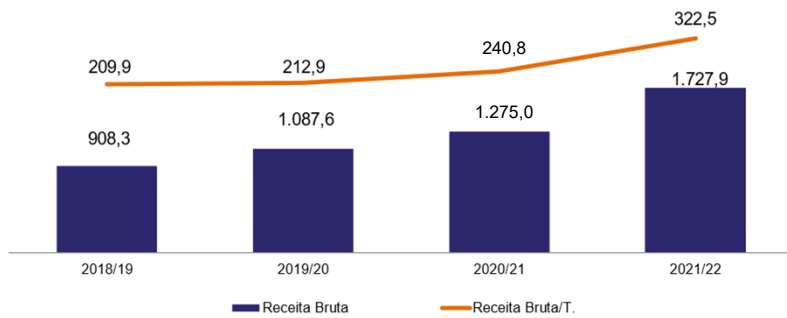
R\$ millions	Accounting Results			Cash Results		
	4Q22	4Q21	Chg. (%)	4Q22	4Q21	Chg. (%)
Gross Revenue	443.3	385.6	15.0%	443.3	385.6	15.0%
Net Revenue	376.2	318.6	18.1%	376.2	318.6	18.1%
Domestic Market	319.3	262.3	21.8%	319.3	262.3	21.8%
Foreign Market	56.9	56.3	1.1%	56.9	56.3	1.1%
Change in Biological Asset	(105.2)	77.5	-235.7%	-	-	n/a
COGS	198.0	185.8	6.6%	198.0	185.8	6.6%
Gross Profit	72.9	210.3	-65.3%	178.2	132.7	34.2%
Gross Margin	19.4%	66.0%	-46.6 p.p.	47.4%	41.7%	5.7 p.p.
SG&A	59.2	43.1	37.6%	59.2	43.1	37.6%
Sales Expenses	29.6	21.6	37.0%	29.6	21.6	37.0%
G.A. Expenses	29.7	21.5	38.2%	29.7	21.5	38.2%
Other Oper. Rev. (Exp.)	50.2	35.0	43.3%	50.2	35.0	43.3%
Allowance for credit losses	0.3	(2.7)	n/a	-	-	n/a
Share in Earnings/(Loss) of Assoc./Subs.	(3.3)	(1.8)	84.7%	(3.3)	(1.8)	84.7%
Operating Income/(Loss) (EBIT)	60.8	197.8	-69.2%	165.8	122.9	34.9%
Ebit Margin	16.2%	62.1%	-45.9 p.p.	44.1%	38.6%	5.5 p.p.
Financial Results	83.7	(124.0)	-167.5%	207.2	96.5	114.7%
Financial Revenues (Exp.)	(62.6)	(26.5)	136.0%	54.2	61.9	-12.5%
Forex Changes/Hedge Operations	146.3	(97.5)	-250.1%	153.0	34.6	342.5%
Income tax and social contribution on profits	(1.1)	(0.8)	47.4%	3.0	2.3	30.4%
Income tax and social contribution on profits deferred	(30.4)	(1.8)	1549.1%	-	-	n/a
Net Income	113.0	71.2	58.7%	376.0	221.7	69.6%
Adjusted Ebitda	272.6	225.4	20.9%			
Adjusted Ebitda Margin	72.5%	61.1%	11.3 p.p.			
Capex	185.2	108.0	71.6%			

* Desconsidering change in fair value of biological assets

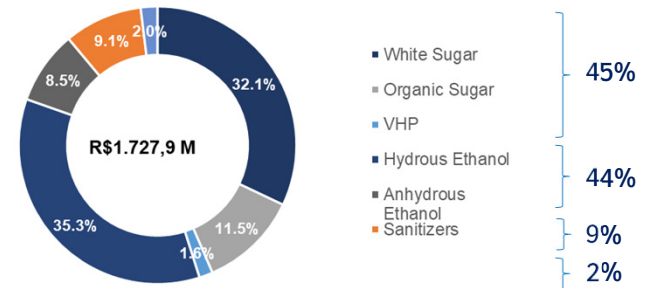
† Desconsidering tax incentives (Formentar)

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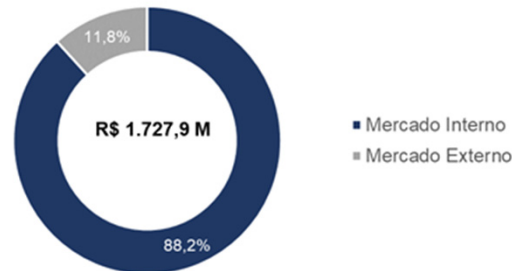
Gross revenue
(R\$ million / R\$/ton)



Breakdown revenues
(%)



Revenue by Market
(%)

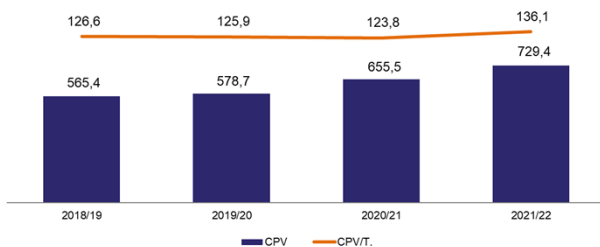


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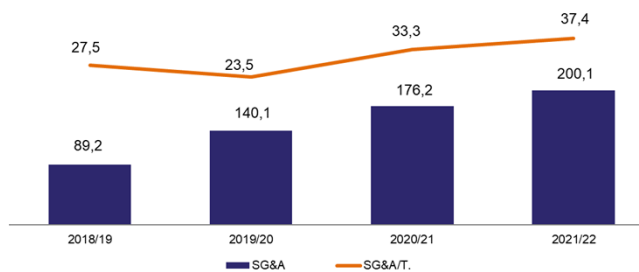
Financial highlights

COGS
(R\$ million / R\$/ton)

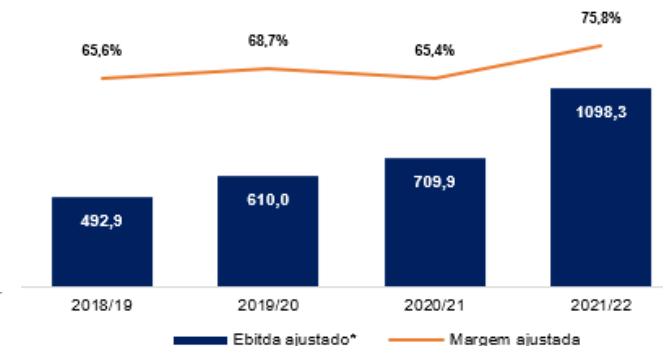
683.1 w/ IFRS16



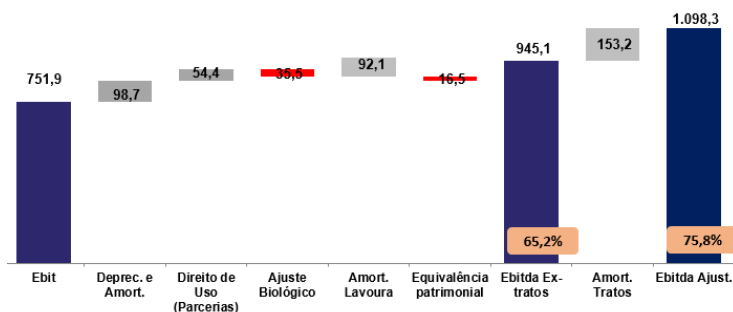
SG&A
(R\$ million / R\$/ton)



EBITDA*
(R\$ million)

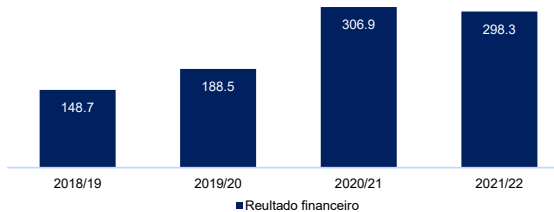


Ebitda Breakdown
(R\$ million)

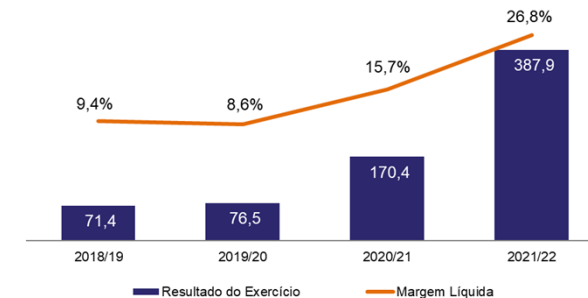


Financial results

244.6 w/ IFRS16



Net income
(R\$ million)



*Ajustado pelo valor justo do ativo biológico.

Other Operat. Revenues

(R\$ million)

Description	21/22	20/21
Tax Incentive "Fomentar"	48.0	27.3
Tax Incentive "Produzir"	82.0	44.0
Credit granted over anhydrous ethanol	23.3	6.1
Other operating income - Tax Incentiv	153.2	77.4
Cbios sales	14.9	7.3
Disposal of fixed assets	7.5	3.7
Other operating income	4.1	3.8
Accident	1.9	1.1
(-) Other expanses	(0.2)	(1.9)
(-) Write off of assets sold	(8.7)	(6.1)
Others	19.4	8.0
Other operating income	172.6	85.4

Net Income Cash

(R\$ million)

	2021/22	2020/21	Var. %
Lucro Líquido	387,9	170,4	127,6%
Varição do Ativo Biológico	(35,5)	(177,2)	
Efeito IFRS 16 (CPV e Desp. Fin.)	18,1	11,1	
Prov. p/ Perdas de Crédito Esperadas	(7,6)	7,7	
MTM e Variação Cambial (Não Caixa)	(11,9)	158,7	
Impostos (Não Caixa)	61,6	39,8	
Res. Operações Descontinuadas	-	(0,5)	
Lucro Caixa	412,6	210,0	96,5%

EBIT and EBITDA

(R\$ million)

R\$ million	LTM 2021/22	LTM 2020/21	Chg. (%)
Net Income	113.0	71.2	58.7%
(+) Financial results	(83.7)	124.0	-167.5%
(+) taxes	31.6	2.6	n/a
(+) Depreciation e amortization	103.2	103.4	-0.1%
(-) Assets in subsidiaries	(3.3)	(1.8)	84.7%
EBITDA	167.4	303.0	-44.8%
(-) Gain/loss in biological assets	(105.2)	77.5	-235.7%
Adjusted EBITDA	272.6	225.4	20.9%
Net Operating Revenue	376.2	368.7	2.0%
Adjusted EBITDA margin	72.5%	61.1%	11.3 p.p.

RoE e RoIC

	2021/22	2020/21	Var. %
EBIT	751,9	519,7	44,7%
Ativos Biológicos	(35,5)	(177,2)	-79,9%
IRPJ e CSLL	(65,7)	(42,9)	53,2%
NOPAT	650,7	299,6	117,2%
Patrimônio Líquido	1.292,9	722,2	79,0%
Divida Onerosa	1.448,6	1.420,7	2,0%
Capital Investido¹	2.741,5	2.142,9	27,9%
RoIC	23,7%	14,0%	+9,8 p.p.
Lucro Líquido	387,9	170,4	127,6%
Patrimônio Líquido ¹	1.292,9	722,2	79,0%
RoE	30,0%	23,6%	+6,4 p.p.

¹ Considera o capital investido e o PL médio ao longo da safra (média 12 meses)

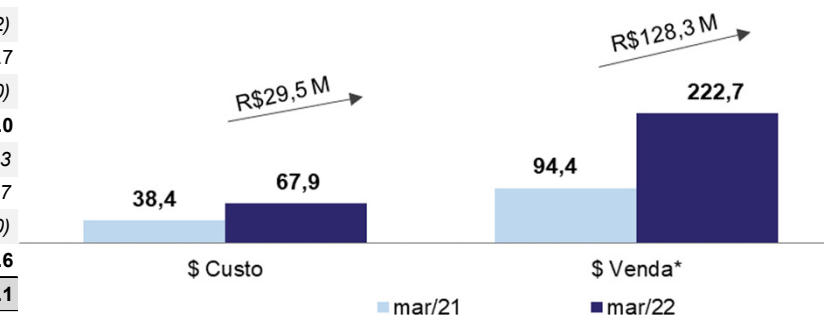
Inventory

(R\$ million)

R\$ million	Mar-22	Mar-21	Chg. (%)	Chg. R\$
Sugar	43.1	20.6	109.7%	22.6
White	2.9	5.1	-43.3%	(2.2)
Organic	40.1	14.4	178.7%	25.7
VHP	0.1	1.1	-87.5%	(1.0)
Ethanol	24.8	17.9	39.0%	7.0
Anhydrous	18.0	11.7	53.8%	6.3
Hydrous	6.9	6.2	11.0%	0.7
Others	1.6	1.6	-0.4%	(0.0)
Inventory in Storage	62.1	36.4	70.3%	25.6
Total	131.6	76.4	72.1%	55.1

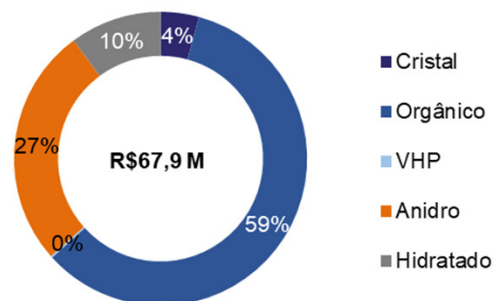
Finished Products - \$ Cost x \$ Sale price

(R\$ million)



Inventory of finished products

(R\$ million)



Units

Product	Unit	Mar-22	Mar-21	Chg. (%)	Chg. #
TRS	k ton	71.2	36.2	96.6%	35.0
White	k ton	2.5	5.2	-51.1%	(2.7)
Organic	k ton	42.3	16.6	154.9%	25.7
VHP	k ton	0.1	1.2	-90.7%	(1.1)
Anhydrous	k m ³	9.7	2.6	273.3%	7.1
Hydrous	k m ³	4.2	4.5	-6.8%	(0.3)
Sanitizers	k boxes	49.6	27.0	83.7%	22.6

MTM by crop (BS) as of 03/31/2022

R\$ mm	22/23	23/24	24/25	25/26	MTM Total
Açúcar	-116,5	-36,0	5,9	0,0	-146,6
Moeda	11,6	0,0	0,0	0,0	11,6
MTM Total	-104,9	-36,0	5,9	0,0	-135,0

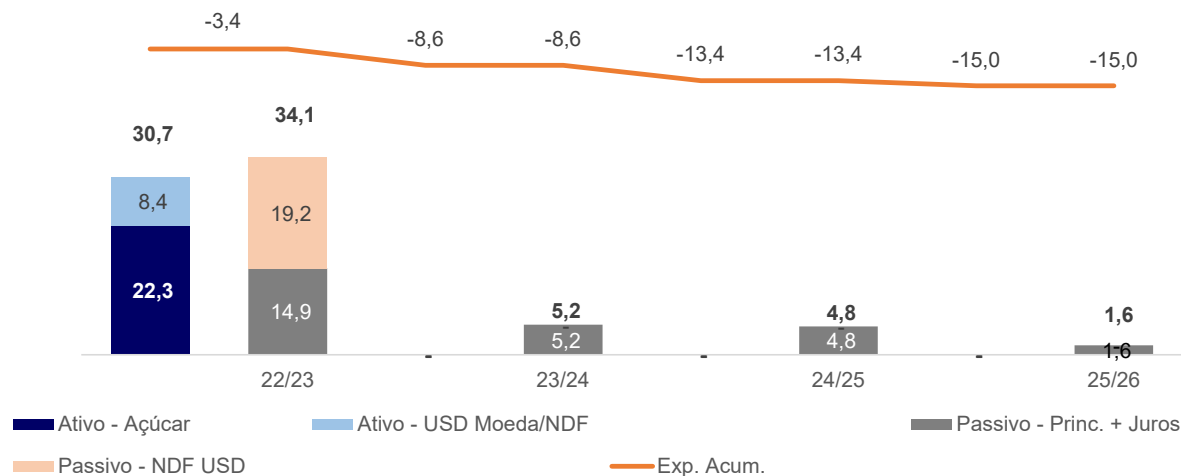
Hedge as of 03/31/2022

Safra	Volume Fixado (t)	% Fixado Açúcar ¹	% Fixado ATR ²	Preço Médio (R\$/t)	Etanol Hid. Equiv. (R\$/m³L)
2022/23	198.638	100,0%	36,0%	1.682	2.903
2023/24	226.122	100,0%	36,0%	1.951	3.382
2024/25	119.640	59,0%	21,0%	2.367	4.129

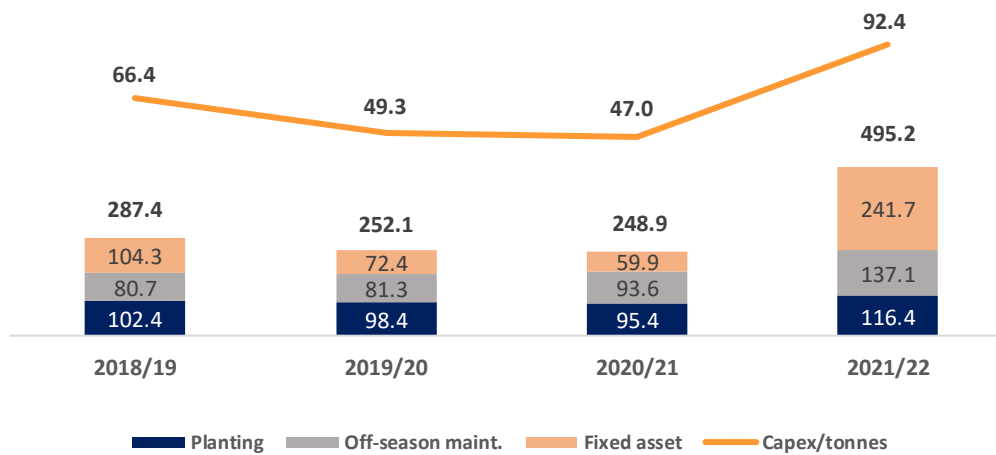
¹ Considera o % de açúcar com hedge em relação ao total da produção de açúcar branco e VHP da safra.

² Considera o % de açúcar com hedge em relação ao total da produção de ATR da safra.

Foreign currency exposure as of 03/31/2022



Capex
(R\$ million and R\$/ton)



Fixed assets

IPO Expansion: 141.0
 Operating improvements: 96.0
 Compliance and Sustainability: 1.7
 Tecnologia da Informação: 3.0

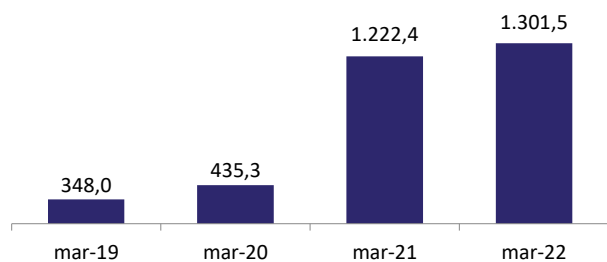
Planting

Renewal: 98,2
 Expansion: 18,2

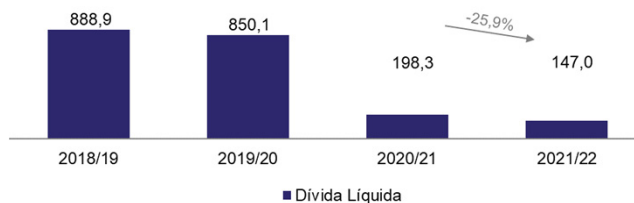
2

Cash and Debt

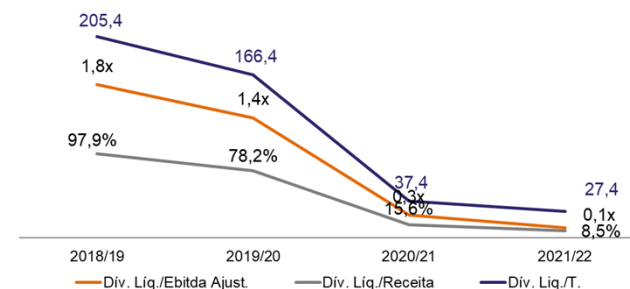
Cash
(R\$ million)



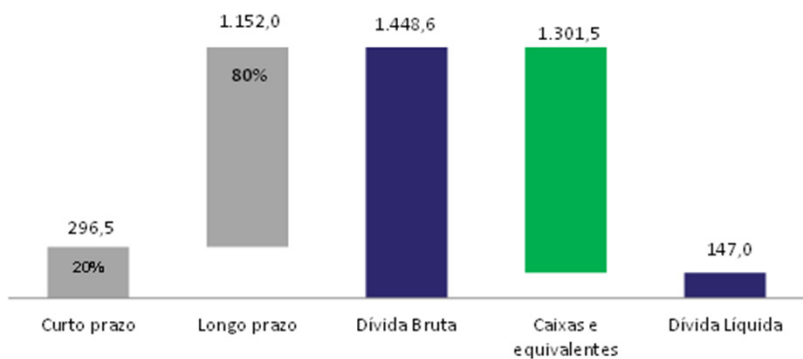
Net debt
(R\$ million)



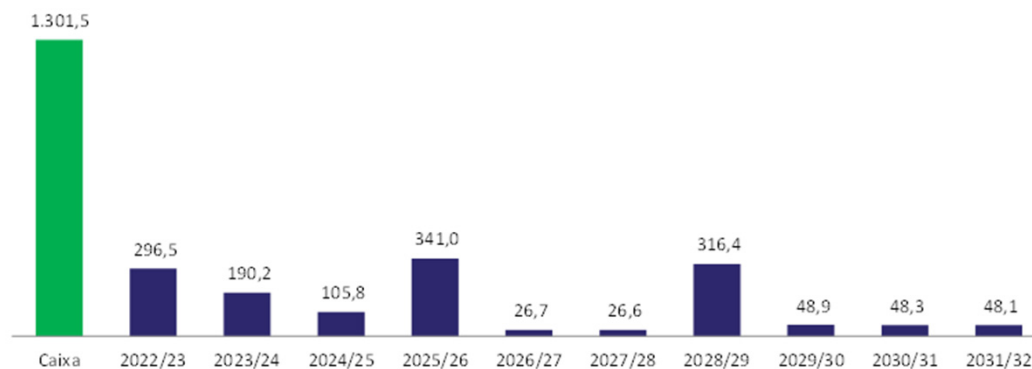
Key indicators



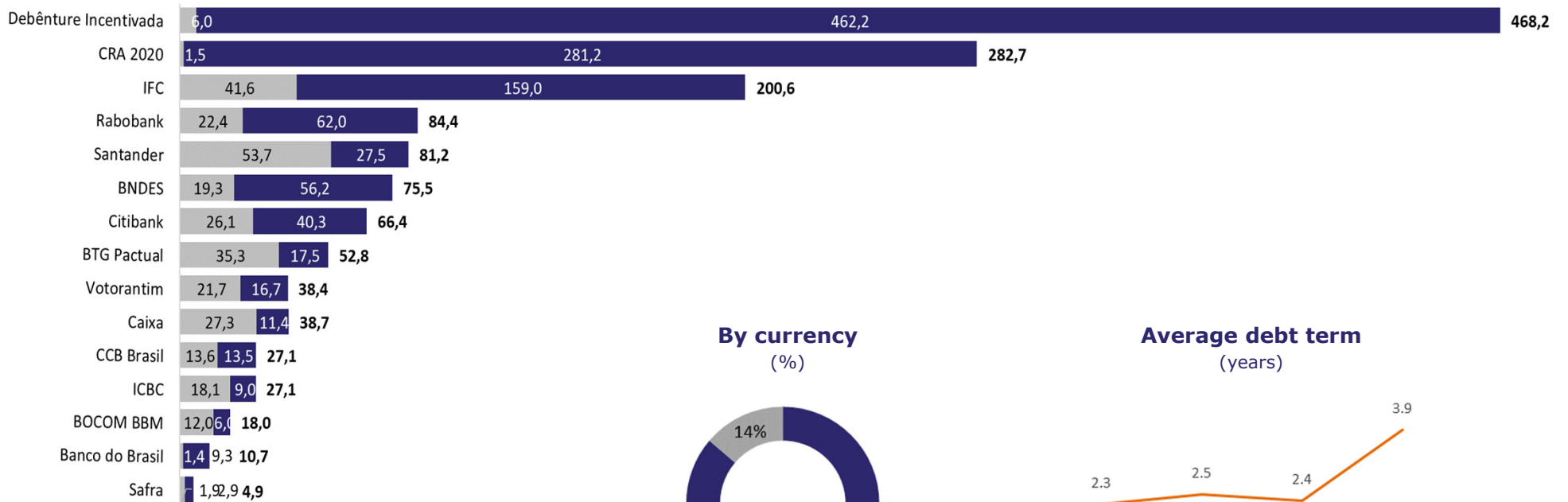
Debt Profile
(R\$ million)



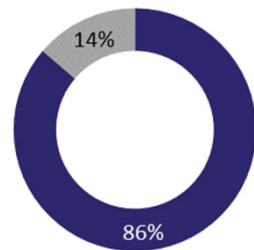
Amortization Schedule
(R\$ million)



Debt by Institution (R\$ million)

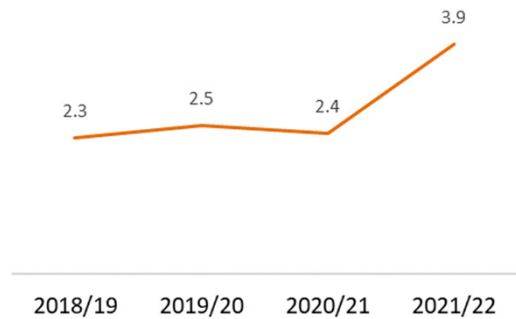


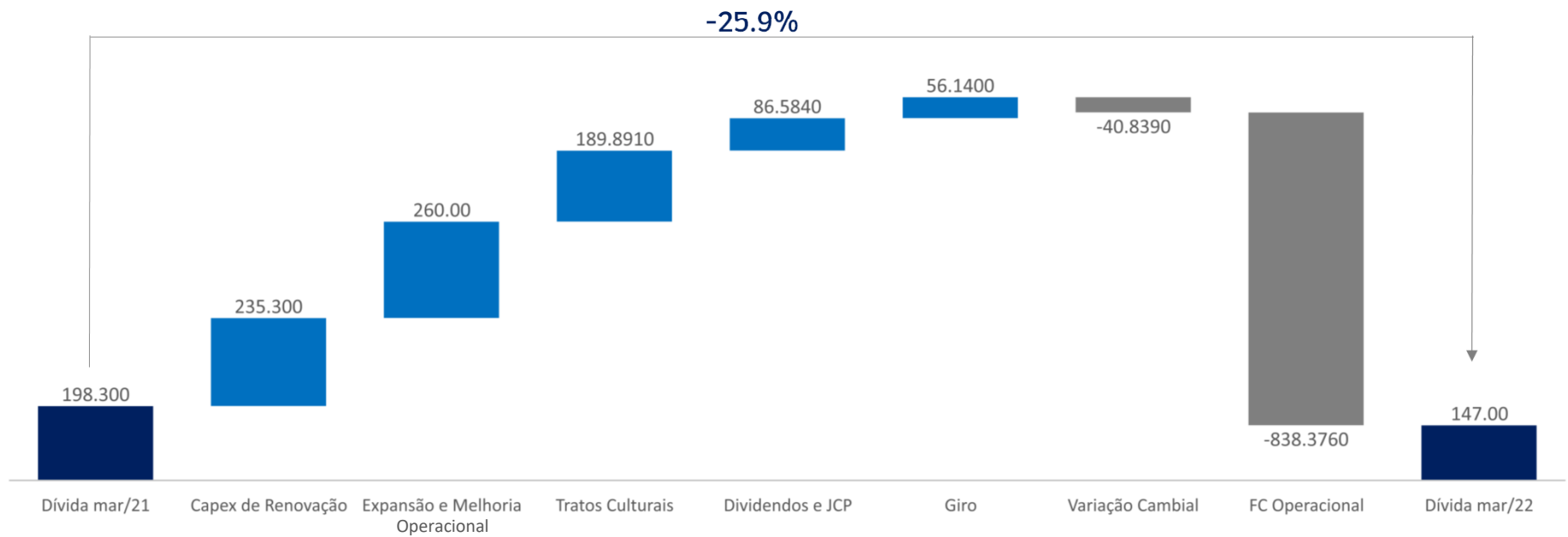
By currency (%)



■ Real ■ Dólar

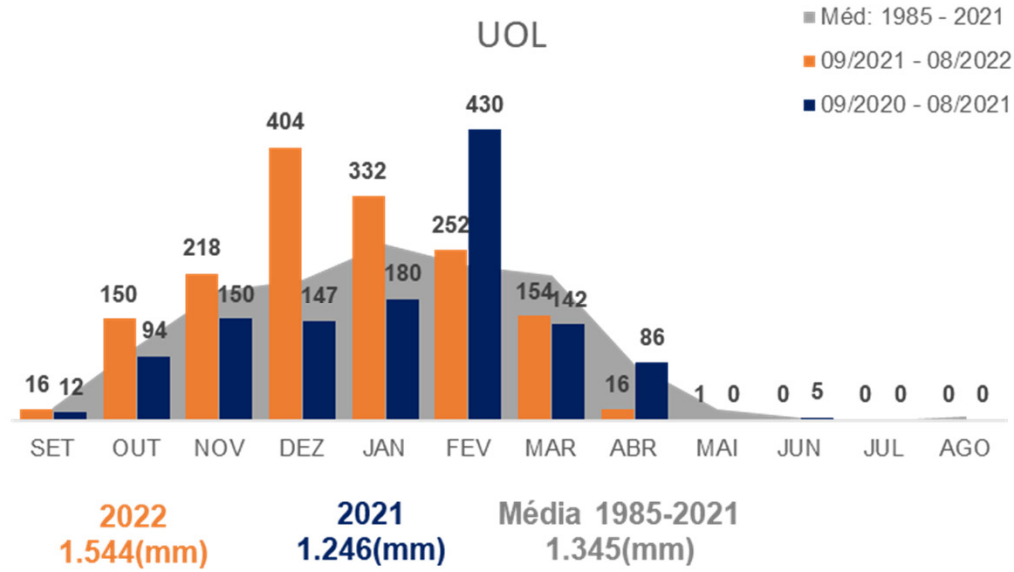
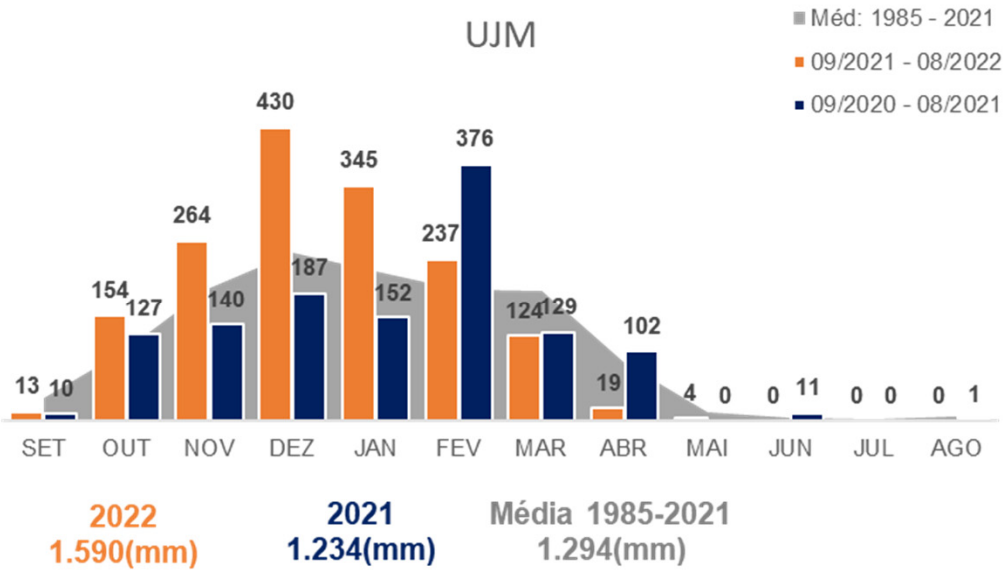
Average debt term (years)



Net debt movements
(R\$ million)

22/23 Guidance

2021/22 Pluviometry Data



Product data*	21/22 Crop	22/23 Crop Guidance
Sugarcane processed (k tonnes)	5.357,4	5.200 - 5.350
Productivity (tonnes/ha)	93,4	90 - 93
Average TRS (kg/tonne)	138,0	143 - 145
TRS produced ('000 kg TRS)	739	744 - 776
Production Mix*	21/22 Crop	22/23 Crop Guidance
Sugar (%)	47%	42% - 45%
Ethanol (%)	53%	58% - 55%
Capex* (R\$ million)	21/22 Crop	22/23 Crop Guidance
IPO expansion (1 million tons)	141	235 - 247
IPO expansion (biological asset)	18	42 - 44
Operational Improvements and Others	101	124 - 130
Recurring (Planting Renewal and Off-season Maintenance)	235	238 - 251

* Does not include Usina Santa Vitória

Molecular Sieve and Decanter – UJM



Sugarcane reception – UOL – treadmill and hilo



Boiler – UOL



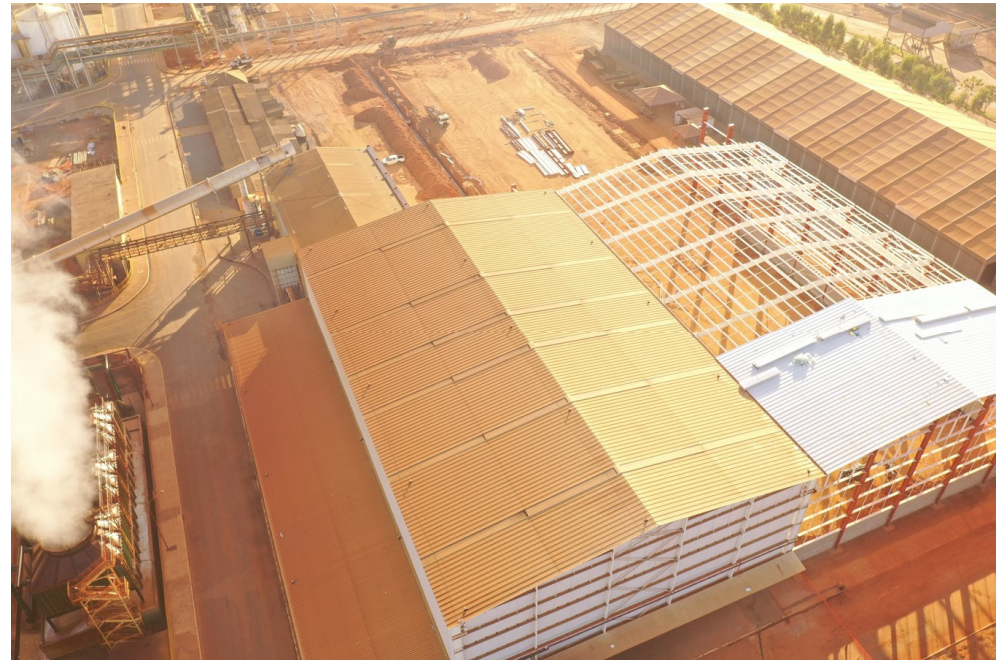
Evaporator – UOL – 3,120 m²



Ethanol tank– UOL – 20 million liters



Distribution and Storage – UOL – 48,000 tons



Q&A