

SUGARCANE

2025/2026 OUTLOOK SUMMARY



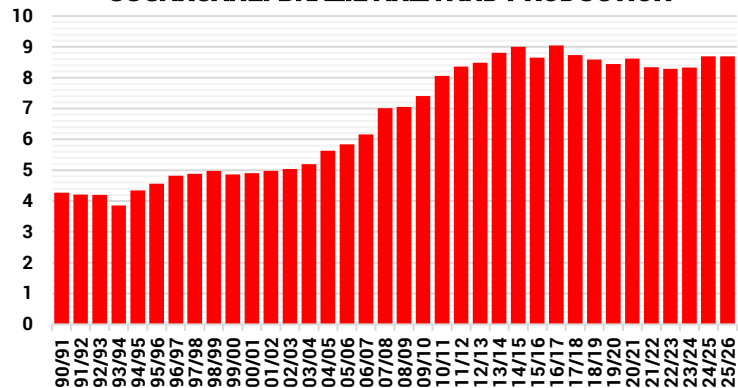
DECEMBER/2024



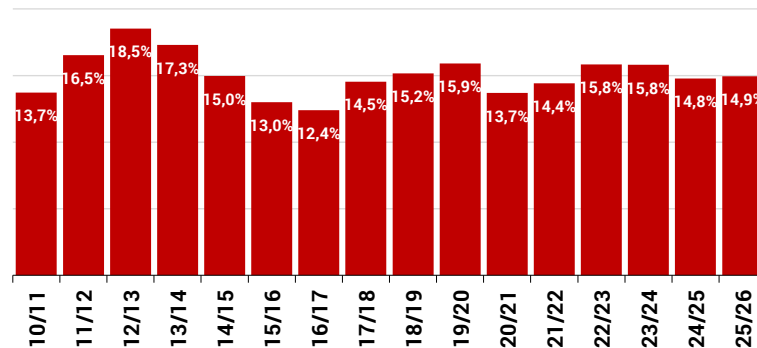
- The 2025/2026 Brazilian sugarcane harvest, which will begin on April 1, 2025, is estimated by our Consulting firm at 662.3 MMT, a reduction of 4.0% compared to the current harvest.
- The expectation is that the investments made by the mills in the last harvests will be reflected and the sugar mix should reach 51.5%, with 48.5% of the milling destined for the production of ethanol.
- In the accumulated total of the 2024/2025 harvest (April 2024 to March 2025), sugarcane milling in the Center-South of Brazil until December 1, 2024, reached 602.9 MMT, a decrease of 2.7% compared to the same period of the 2023/2024 season.
- Brazilian sugarcane production in the 2024/2025 harvest is estimated at 678.6 MMT, a reduction of 4.8% compared to the 2023/2024 harvest.
- The harvested area has grown by 4.3%, reaching 8.7 million hectares in the 2023/2024 harvest.
- Average productivity has fallen, with a forecast of 78,048 kg/hectare, a reduction of 8.8% compared to the last harvest (85,580 kg/hectare).
- This reduction is due to the impact of adverse weather conditions, such as low rainfall and high temperatures, especially in the Center-South region, responsible for 91% of national production.



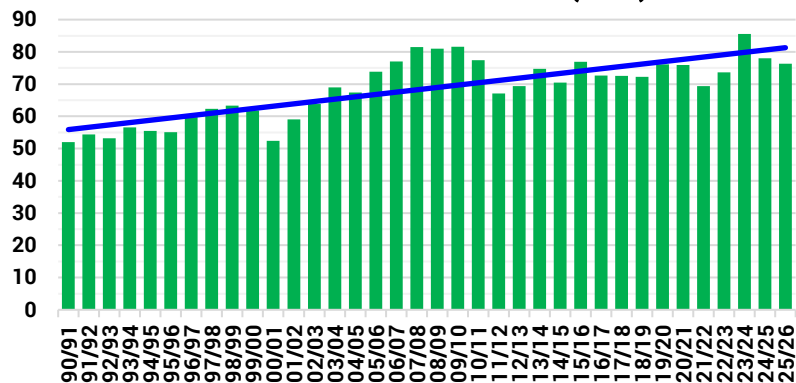
SUGARCANE: BRAZIL AREA AND PRODUCTION



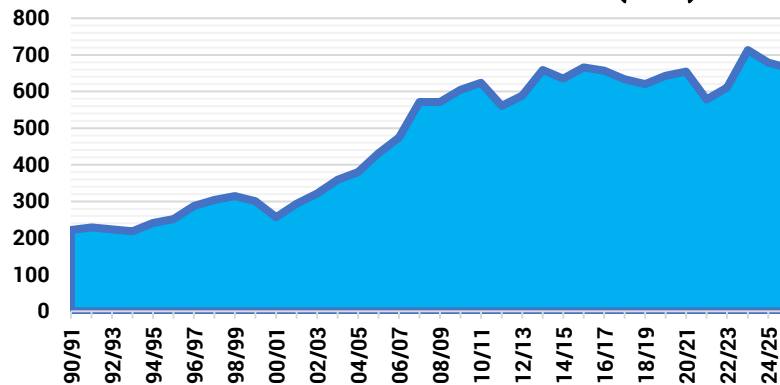
SUGARCANE: RENOVATION AREAS % OF TOTAL AREA



SUGARCANE: AVERAGE YIELD (T/HA)



SUGARCANE: BRAZIL PRODUCTION (MMT)

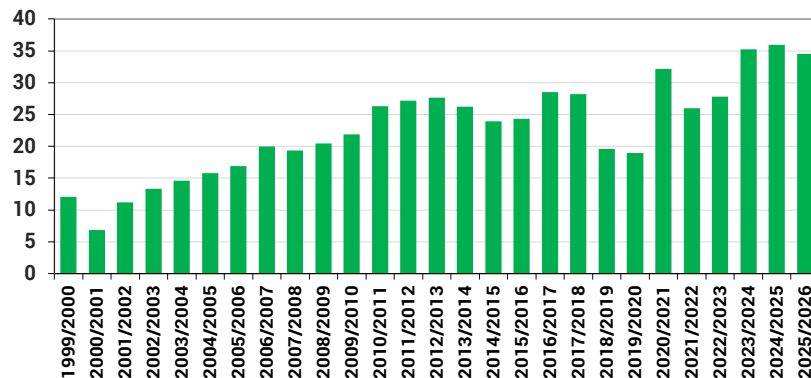


- The CEPEA/ESALQ crystal sugar indicator (ICUMSA color from 130 to 180) is quoted at R\$ 160.77 per 50 kg, down 2.9% in the last 30 days, but up 5.3% in 12 months.
- The movement in the spot market is usually calmer during this end-of-year period, with prices showing little volatility.
- The sharper price variation observed in recent days may be the result of specific negotiations at lower values.
- The industries have limited sugar withdrawals to contracts, moving low volumes.
- On the New York Stock Exchange (ICE US), demerara sugar contracts for 2025 maturities fell to a range between 18¢ and 20¢ per pound, with an average decline of 5¢ over the past 12 months.
- India is expected to produce a record volume of sugar in the 2025/2026 harvest, after farmers expanded sugarcane cultivation, encouraged by ample water supplies and falling prices for competing crops.
- This recovery in production would allow the world's second-largest sugar producer to resume exports in 2025/2026, after a lack of rain reduced sugarcane productivity and led to two years of export restrictions on the commodity.

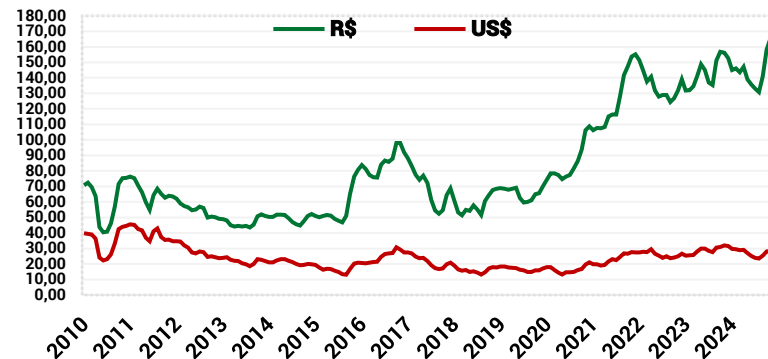
RAW SUGAR: FUTURES AT ICE US (NEW YORK)
¢ PER POUND



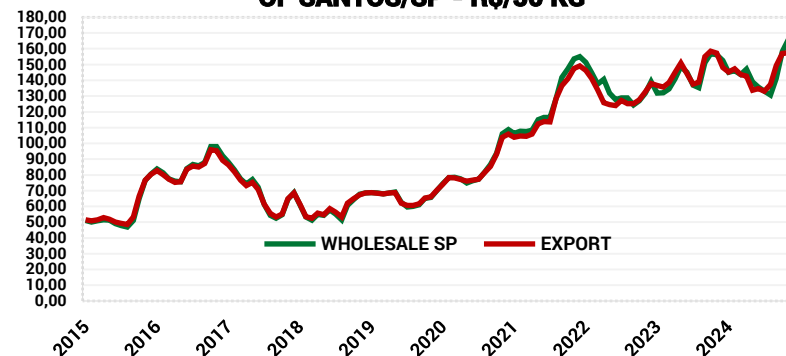
SUGAR: BRAZIL EXPORTS - MMT



GRANULATED SUGAR: SÃO PAULO
WHOLESALE PRICES - R\$/50 KG

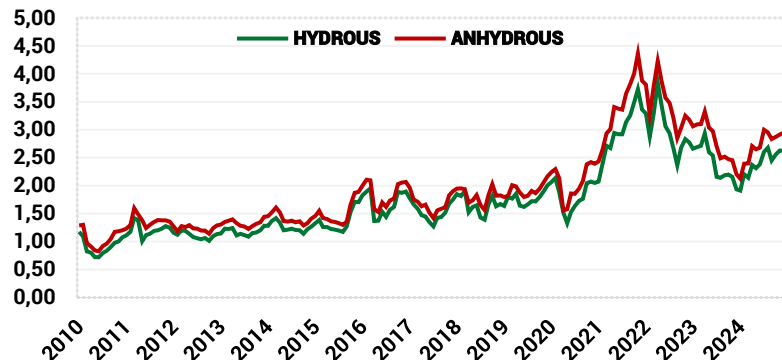


GRANULATED SUGAR: WHOLESALE SP X FAS PORT
OF SANTOS/SP - R\$/50 KG

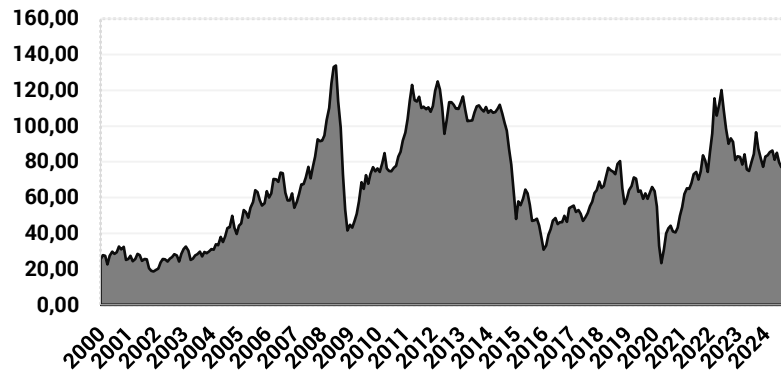


- The price of hydrous ethanol FOB mills in São Paulo is quoted, on average, at R\$2.63 per liter (without ICMS and PIS/Cofins), accumulating a strong increase of 35.7% in the last 12 months.
- The price of anhydrous ethanol FOB mills in São Paulo is quoted, on average, at R\$2.95 per liter (without PIS/Cofins), accumulating an increase of 33.7% in the last 12 months.
- YTD, ethanol sales by mills in the Center-South totaled 23.84 billion liters, an increase of 13.1% compared to the same period of the previous harvest, with an expansion of 24.0% in hydrous ethanol and a decline of 2.5% in anhydrous ethanol.
- Hydrous ethanol prices are more stable on the spot market, with the CEPEA/ESALQ Indicator operating at around R\$2.60 per liter since the end of October.
- Prices have shown little strength to reach higher levels, but the mills are firm at the indicated prices and the current values provide liquidity to the market.
- At retail, the prices of hydrous ethanol and C gasoline continue to favor the biofuel.
- In São Paulo retail, the ratio between the prices of hydrous ethanol and C gasoline at the pumps is 65.4%, with averages of R\$5.80 per liter for the fossil fuel, and R\$3.79 per liter for ethanol.

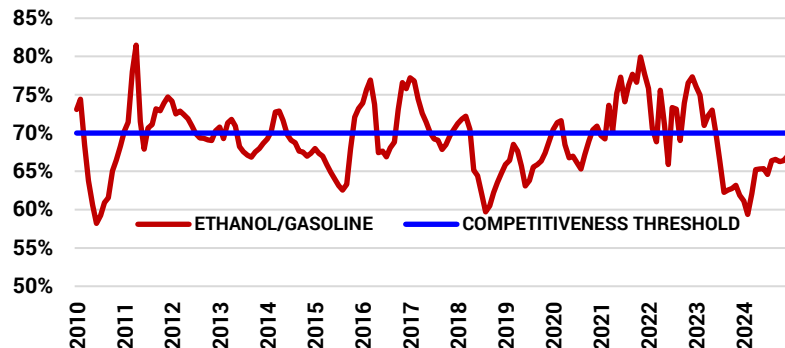
ETHANOL: HYDROUS AND ANHYDROUS PRICES FOB SÃO PAULO PLANT - R\$/L



BRENT OIL: AVERAGE PRICE – US\$/BARREL



HYDROUS ETHANOL COMPETITIVENESS IN RELATION TO GASOLINE – BRAZIL AVERAGE



ETHANOL AVERAGE PRICES - FOB SÃO PAULO PLANTS

HARVEST	ANHYDROUS ETHANOL		HYDROUS ETHANOL	
	R\$/l	US\$/l	R\$/l	US\$/l
2017/2018	1,71	0,53	1,58	0,49
2018/2019	1,80	0,48	1,63	0,43
2019/2020	2,01	0,49	1,83	0,45
2020/2021	2,17	0,40	1,91	0,35
2021/2022	3,64	0,68	3,16	0,59
2022/2023	3,33	0,65	2,89	0,56
2023/2024	2,61	0,53	2,27	0,46
30 DAYS CHANGE	1,1%	-2,9%	-0,1%	-4,1%
12 MO CHANGE	33,7%	7,0%	35,7%	8,6%



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