genial Equity Research

SUZANO

3Q25 Preview: Adapting, not ascending yet

LatAm Pulp & Paper

Main takeaways:

(i) Pulp **shipments** estimated at **3.2Mt Est.** (-2.3% q/q; +21.1% y/y), reflecting the technical adjustment resulting from the deliberate reduction of **-3.5% in nominal annual production capacity**, already partially in effect since August, partly offset by the operational maturation of the Cerrado Project (MS); **(ii) Price** of pulp projected at **R$2,779/t Genial Est.** (-11.7% q/q), pressured by the **devaluation of reference curves** (BHKP China -8.0% q/q; and BHKP Europe -8.4% q/q) and the USD vs. BRL (-4% q/q), compressing the realization in BRL; **(iii)** Paper **sales** are expected to reach **415Kt Est.** (+1.0% q/q; +15.4% y/y), with normalization in Pine Bluff (AR) and sustained domestic demand; **prices** are expected to remain stable at **R$7,287/t** (-0.4% q/q), reflecting a more favorable mix, but unfavorable exchange rates; **(iv) Cash COGS/t ex-stoppages** projected at **R$800/t Est.** (-3.8% q/q; -7.3% y/y), supported by currency appreciation (-4% q/q) and greater dilution of fixed costs, but with a conservative stance vs. *soft* annual guidance of R$807/t 25E; Including stoppages, total COGS/t remains at R$800/t (-4.6% q/q; -11.8% y/y); **(v)** Consolidated **adjusted EBITDA** estimated at **R$5.0bn Est.** (-17.6% q/q; -23.1% y/y), reflecting the impact of **falling pulp prices**, partially offset by stability in the paper segment and relief in the pulp cost structure; **(vi) Net income** projected at **R$3.4bn Est.** (-32.8% q/q; +4.0% y/y); **(vii)** Internal and external cost discipline creates a favorable scenario for adaptability, supporting our constructive and attractive view of the company's equity story; With the valuation still well below what fundamentals indicate, trading at an **EV/EBITDA 25E** of **5.8x** (vs. historical average of 7x), we reiterate our **BUY rating**, with a **12M Target Price** of **R$63.50**, implying an **upside** of **+29.3%.**

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Company

SUZB3 BZ Equity
Buy

Price: R$ 49.10 (24-Oct-2025)
Target Price 12M: R$ 63.50

SUZ US Equity
Target Price 12M: US$ 11.75

Table 1. Shipments Summary (3Q25 Genial Est.)

(Thousand Tonnes - kt)	Genial Est.	Reported		Reported	
Summary (Shipments)	**3Q25E**	**2Q25**	**% q/q**	**3Q24**	**% y/y**
Pulp	3.192	3.269	**-2,4%**	2.635	**21,1%**
Paper	415	411	**1,0%**	360	**15,4%**

Source: Suzano, Genial Investimentos

Table 2. Income Statement Summary (3Q25 Genial Est.)

(R$ millions)	Genial Est.	Reported		Reported	
Income Statement	**3Q25E**	**2Q25**	**% q/q**	**3Q24**	**% y/y**
Net Revenue	11.895	13.296	**-10,5%**	12.274	**-3,1%**
Adjusted EBITDA	5.015	6.087	**-17,6%**	6.523	**-23,1%**
Net Income	3.368	5.012	**-32,8%**	3.238	**4,0%**

Source: Suzano, Genial Investimentos

Suzano will release its **3Q25 results** on **Nov. 6**, after the market closes. We project a quarter of **operational contraction**, reflecting **significant pressure on pulp prices**. We estimate that pulp **shipments** will reach **3.2Mt Genial Est.** (-2.3% q/q; +21.1% y/y), point toward the technical impact of the deliberate **cut** of **-3.5%** in **nominal production** capacity in 12M (counted from Aug.). We understand that ~2/3 of the quarter was already operating under the new regime, resulting in a slight sequential decline — although the annual base remains strong, supported by the ramp-up in Ribas do Rio Pardo (MS), commonly known as the Cerrado Project.

We project the **realized price** of **R$2,779/t Est.** (-11.7% q/q; -25.3% y/y), a movement that can be explained by the decline in international references and the devaluation of the USD/BRL (-4% q/q). In China, the BHKP reference fell to **US$502/t** (-8.0% q/q) and, in Europe, to **US$1,077/t** (-8.4% q/q), both reflecting the maintenance of port inventory at historically high levels (+15% y/y). Even with long-term contracts, lower spot exposure, and announced rounds of transfers of +US$20/t each in Asia after 2Q25, the global context of oversupply should continue to limit the bargaining power of pulp producers.

On the cost side, we project Cash **COGS/t ex-stoppages** at **R$800/t Genial Est.** (-3.8% q/q; -7.3% y/y), in line with the downward trend already signaled by the company, supported by currency devaluation, which alleviates costs indexed to the USD and converted into BRL — especially chemicals and energy — and by greater dilution of fixed costs, after full operational stabilization vs. 1H25. We emphasize that we maintained a **conservative bias** vs. soft guidance of R$807/t 25E, adopting an annual average of **~R$815/t 25E**, reflecting possible FX rate fluctuations and wood consumption in 4Q25E. In summary, **3Q25E** should result from evident effects of **margin compression** in the **pulp division** (-4.9p.p. q/q Est.), given the combination of lower realized prices and deliberate production adjustments.

Within this context, we project Consolidated **Net Revenue** of **R$11.9bn Est.** (-10.5% q/q; -3.1% y/y), reflecting pulp price compression partially mitigated by the resilience of the paper business. The quarter should consolidate the return to a stable production pattern, but in a more restricted profitability environment, in line with the -11.7% q/q Est. decline in realized prices and the implementation of a deliberate -3.5% adjustment in production capacity. We believe that **adjusted EBITDA** will reach **R$5.0bn Est.** (-17.6% q/q; -23.1% y/y), with pressure on pulp profitability outweighing the relief in COGS/t. In turn, **Net income** should reach **R$3.4bn Est.** (-32.8% q/q; +4.0% y/y), in a movement that reflects the combined effect of the **decline in EBIT** and the **reduction in net financial income**, which is still positive but lower in magnitude vs. 2Q25.

3Q25 Preview: In detail!

Pulp: Shipments are expected to decrease slightly q/q. We project pulp shipments to reach 3.2Mt Genial Est. (-2.3% q/q; +21.1% y/y), reflecting a slight sequential decline after the strong ramp-up observed in 2Q25 — when operations returned to full capacity after the longest maintenance shutdown cycle in the company's history. We interpret that the q/q variation will occur in line with the announcement of a -3.5% reduction in nominal production capacity for the next 12M. The decision took effect in Aug., so it is possible to assume that 2/3 of the quarter was operated under the new regime, which would correspond to an effective slowdown of -2.3% q/q.

As we believe that the company had reduced inventory levels at the end of last quarter, we are not considering destocking as a relevant factor, which in turn would lead to a deviation between production and sales levels. In other words, we estimate that the production cut should be fully reflected in a reduction in shipping volume. The decision is selective in nature, seeking to optimize the use of wood and preserve margins, especially by targeting for reduction older and higher-cost assets. More efficient units, such as Ribas do Rio Pardo-MS (Cerrado Project) — with state-of-the-art machinery and optimized average radius — should continue to operate at full capacity.

The move reinforces a stance of productive rationality amid a global scenario still marked by excess port supply in China (+15% y/y). It is worth noting that, even with the volumes moderation in the q/q comparison, the annual variation should be high, sustained by the operational maturation of the Cerrado Project.

Pulp: Strong price compression. We estimate that pulp realized price will reach R$2,779/t Genial Est. (-11.7% q/q; -25.3% y/y), reflecting the combined pressure of **(i)** the devaluation of international benchmarks; and **(ii)** the USD/BRL FX rate softening. In our view, this movement should mark the standard pricing even after the pass-through peak announced after 2Q25, with the resumption of the typical contractual delay of ~1M between PIX/FOEX and the actual shipments realization. The BHKP China benchmark fell to US$502/t (-8.0% q/q), while in Europe downtrend to US$1,077/t (-8.4% q/q), both reflecting the global environment still saturated by high Chinese port inventory (+15% y/y). We also note that for this quarter, we consider average discounts of ~3% in Asia and ~48% in Europe, levels consistent with the market conditions maintenance.

Furthermore, pressure is likely to intensify in view of the average depreciation of the USD vs. BRL (-3.9% q/q), which reduces the convertibility in BRL on the top line, imposing a new round of compression on price realizations. Even with the presence of indexed contracts and lower spot exposure, the global scenario of oversupply should continue to limit the price curve and should remain a challenge in the short term.

Paper: Volume and price flattish; recovery in Pine Bluff. We project that paper sales will reach 415Kt Genial Est. (+1.0% q/q; +15.4% y/y), with sequential stability, reflecting a return to normal operating pace after the general shutdown in April of the US Packaging unit in Pine Bluff (AR), which affected volumes in the last quarter. In our view, the plant resumption should allow the asset to reach operational break-even, an important turning point in the process of integrating and stabilizing the operation acquired from Pactiv Evergreen in the US.

In Brazil, despite positive seasonality, we expect a slight shipments decline, but with some support from deliveries under the National Textbook Program (PNLD) and resilience in the graphic and institutional channels. The realized price is expected to reach R$7,287/t Genial Est. (-0.4% q/q; +6.1% y/y), a movement that indicates sequential stability, in line with the seasonal pattern of the segment. For us, the **(i)** recovery in US operations volume, combined with a **(ii)** more favorable mix of higher value-added papers — tends to partially offset the FX rate pressure resulting from the devaluation of the USD vs. the BRL (-4% q/q).

Net Revenue: Decline reflecting bearish price scenario. We project consolidated Net Revenue of R$11.9bn Genial Est. (-10.5% q/q; -3.1% y/y), indicating weaker performance in the pulp segment, both sequentially and on an annual basis, partially offset by stability in the paper business. The quarter should mark a significant price correction in the pulp division, which continues to account for ~75% of the company's total revenue.

The pulp unit is expected to record revenue of R$8.9bn Genial Est. (-13.8% q/q; -9.5% y/y), pressured by the sharp compression in the realized price in BRL (-11.7% q/q Est.), in line with the devaluation in international references and the average USD/BRL FX rate softening (-4% q/q). This movement reinforces the global environment still marked by excess port inventories in China (+15% y/y), which, even with the announcement of price transfers, still lacks macro triggers. In addition, the slight decline in volumes (-2.3% q/q Est.) — due to the deliberate reduction in production capacity of -3.5% for the next 12M — should also contribute to the sequential contraction.

In the annual comparison, despite the strong increase in volumes (+21.1% y/y Est.) driven by Ribas do Rio Pardo (MT) ramp-up, the significant contraction in prices (-25.3% y/y) should prevail as the main negative factor. The paper division has a projected revenue of R$3.0bn Genial Est. (+0.6% q/q; +22.5% y/y), reflecting the return of operations in Pine Bluff (AR) after the general shutdown in 2Q25.

Table 3. Revenue Suzano (3Q25 Genial Est.)

(R$ millions)	3Q25E Genial Est.	2Q25 Reported	% q/q	3Q24 Reported	% y/y
Net Revenue	**11.895**	**13.296**	**-10,5%**	**12.274**	**-3,1%**
Pulp	8.869	10.288	-13,8%	9.803	-9,5%
Paper	3.026	3.008	0,6%	2.471	22,5%

Source: Suzano, Genial Investimentos

COGS/t: Conservative reduction q/q. We project that Cash COGS/t ex-stoppages will reach R$800/t Genial Est. (-3.8% q/q; -7.3% y/y), reflecting the continuation of the downward trajectory predicted by the company and already signaled in previous quarters. In our view, the sequential decline should be sustained by two main factors: **(i)** USD/BRL FX rate softening (-4% q/q), which removes pressure from the USD-indexed cost structure — especially chemical inputs such as caustic soda and natural gas; and **(ii)** the dilution of fixed costs resulting from more stable operations without maintenance downtimes, following the complete regularization of the asset footprint, including the effect of remapping when considering production cuts at older and less efficient plants.

We emphasize that, in our projection, we chose to maintain a more conservative bias vs. the annual soft guidance of R$807/t 25E, and we stipulated an average of ~R$815/t 25E, reflecting possible residual fluctuations in the FX rate and wood consumption in 4Q25E. This calibration should justify the sequential decline of -3.8% q/q in 3Q25E, in line with the gradual convergence direction signaled by management. As there are no maintenance shutdowns this quarter, the total comparative base has even more elastic reductions (-4.6% q/q; -11.8% y/y).

EBITDA: Sequential compression, reflecting the drop in pulp prices. We project adjusted EBITDA of R$5.0bn Genial Est. (-17.6% q/q; -23.1% y/y), pointing towards a deterioration in the operating results of the pulp unit, partially offset by the stability of the paper segment. In our view, the effect of falling pulp prices should outweigh the gradual relief in cash COGS/t.

In the pulp division, we estimate EBITDA of R$4.2bn Genial Est. (-21.9% q/q; -26.3% y/y), with the decline mainly explained by the combination of lower realized prices (-11.7% q/q Est.) and a moderate reduction in volume (-2.3% q/q Est.). On an annual basis, the robust increase in shipments (+21.1% y/y Est.) should not be enough to neutralize the impact of the -25.3% y/y drop in pulp prices, which keeps EBITDA in significant decline vs. 3Q24. On the other hand, the paper division is projected to report EBITDA of R$730mn Genial Est. (+2.9% q/q; -11.6% y/y), a slight quarterly increase, sustained by the Pine Bluff (AR) operation reaching breakeven.

In summary, although total Pulp Cash COGS/t will probably shows sequential decompression (-4.6% q/q Est.) — sustained by the softening of the USD/BRL FX rate (-4% q/q) and greater dilution of fixed costs with efficiency gains from production cuts —, the significant decline in revenue should completely offset the relief in the cost structure, compressing the margin to 42.2% Est. (-3.6p.p. q/q; -11p.p. y/y).

Table 4. EBITDA Suzano (3Q25 Genial Est.)

(R$ millions)	3Q25E Genial Est.	2Q25 Reported	% q/q	3Q24 Reported	% y/y
Adjusted EBITDA	**5.015**	**6.087**	**-17,6%**	**6.523**	**-23,1%**
Pulp	4.201	5.378	-21,9%	5.697	-26,3%
Paper	730	709	2,9%	825	-11,6%

Source: Suzano, Genial Investimentos

Net Income: Strong q/q decline, slight annual increase. We project net income of R$3.4bn Genial Est. (-32.8% q/q; +4.0% y/y), reflecting a robust sequential contraction but a slight recovery on an annual basis. In the q/q comparison, the movement should reflect the significant drop in EBIT, which is expected to reach R$2.2bn (-22.6% q/q), combined with the reduction in net financial income to R$2.9bn (-32.4% q/q). Although the financial result remains positive, we believe it will tend to contribute less than in 2Q25 — a period that benefited from significant non-recurring effects derived from the USD/BRL devaluation linked to the marking of FX derivatives. On a y/y basis, on the other hand, bottom line should register slight expansion, sustained by the significant increase in net financial income (+2.5x y/y), which should more than offset the decline in EBIT (-45.8% y/y), reflecting, in part, the positive net effect of the USD/BRL EoP devaluation (-2% y/y) on USD-denominated debt.

Table 5. Income Statement Suzano (3Q25 Genial Est.)

(R$ millions)	3Q25E Genial Est.	2Q25 Reported	% q/q	3Q24 Reported	% y/y
Net Revenue	**11.895**	**13.296**	**-10,5%**	**12.274**	**-3,1%**
COGS	(8.237)	(8.608)	-4,3%	(6.848)	20,3%
Adjusted EBITDA	**5.015**	**6.087**	**-17,6%**	**6.523**	**-23,1%**
EBITDA Margin (%)	42,2%	45,8%	-3,6p.p	53,1%	-11p.p
EBIT	**2.226**	**2.875**	**-22,6%**	**4.110**	**-45,8%**
EBIT Margin (%)	18,7%	21,6%	-2,9p.p	33,5%	-14,8p.p
D&A	(2.705)	(2.839)	-4,7%	(2.303)	17,4%
Financial Result	2.996	4.425	-32,3%	868	245,3%
Net Income	**3.368**	**5.012**	**-32,8%**	**3.238**	**4,0%**
Net Margin (%)	28,3%	37,7%	-9,4p.p	26,4%	1,9p.p

Source: Suzano, Genial Investimentos

Our take on Suzano

FCF generation despite EBITDA decline. In terms of **FCF** dynamics, we project **R$650mn Genial Est.** (-35% q/q), reflecting a sequential decline, mainly exemplified by the deterioration in EBITDA (-17.6% q/q Est.), still high levels of **CAPEX** disbursements at **R$3.2bn Est.** (+1.5% q/q), incorporating 100% of the payment for the wood swap deal with Eldorado (-R$878mn), and an increase in interest expenses vis-à-vis the market environment, which should more than offset the release of working capital (**WC**) of **+R$550mn Est.** vs. consumption of -R$864mn in 2Q25.

In addition, excluding the effect of the company's debt reduction in 3Q25, we project a marginal increase in leverage**,** with **Net Debt/EBITDA** reaching **3.1x Est.** (+0.1x q/q) in **BRL**. This trend can be explained by **(i)** the softening of the USD/BRL EoP FX rate (-2% q/q) on debt issued in USD; and **(ii)** an increase in FCF, which should be balanced by **(iii)** the decline in EBITDA (-23.1% y/y Est.) within the LTM base. In USD terms, the movement tends to be more pronounced, while our estimate should reach 3.3x Est. (+0.2x q/q), indicating that the slight increase in the BRL would be more related to the slowdown in the FX rate (R$5.32 vs. R$5.46 in 2Q25) than by a good operational performance. However, we reinforce the downward trajectory for the **Net Debt/EBITDA** ratio in **BRL** to the level of **2.7x 26E** (ex. the payment of US$1.7bn for KC International's tissue assets acquisition).

Outflow from Eldorado's wood swap in 3Q25E. As mentioned during the report, the company revised last quarter its **25E CAPEX** to **R$13.3bn** (+7% vs. previously), after signing a biological asset **swap with Eldorado**, involving **18 million m³ of standing timber**. The transaction provides for the receipt of mature timber (2025–27) and future delivery of the nowadays fresh timber (2028–31), in addition to a payment of **R$1.3bn**, with **67% concentrated in 2025E**, which raises the CAPEX for **"land and forests"** to **R$3.1bn** (vs. R$2.2bn vs. previously). This 25E payment will be made in full in 3Q25E via a CAPEX increase of +R$878mn. Still on the deal, we note that the move reinforces the search for forest efficiency near the Ribas do Rio Pardo (MS) plant, reducing logistics costs and dependence on third parties to supply the 2.55Mtpy capacity.

As we have been pointing out for some time, COGS/t could decompress more quickly, but the **still insufficient wood penetration in the cutting phase** within the vast expanse of planted area around the Cerrado project did not have a short-term reducing effect. On the contrary, the average radius was still higher than other company assets, if we consider the weighting by volume, which slowed the pace of cost reduction. Therefore, we understand the rationale and **agree with the approach** of the swap carried out with Eldorado.

BHKP: Reduction in the fiber's spread. In the external environment, import prices underwent consecutive adjustments, raising the average cost of entry into China and contributing to a firmer price perception (at least, halting the declines we saw in 1H25). On the **demand side**, we observed a slight improvement, with an increase in inquiries from the paper industry in lower price ranges. The bleached cardboard market shows signs of a gradual recovery, while the printing & writing segment continues to operate at low levels. We believe that tissue finds some support in demand, but without sufficient strength to boost aggregate consumption.

As a result, the average spot price of **imported BHKP** rose slightly to around **US$592/t** (+0.9% m/m). We found that the difference between the fibers narrowed, with the **BSKP–BHKP spread** falling to **~US$190/t** (-10% m/m). We understand that this narrowing reflects that, although BHKP shows partial signs of recovery — after three rounds of adjustments of +US$20/t since the beginning of Aug. — the **relative margin against BSKP** remains **unde**r **pressure**, which **limits the space for further increases** in the short term.

China: Port pulp inventories on the rise again. BSKP and BHKP prices in China continue to move in opposite directions, reflecting a global market still marked by oversupply and heterogeneous demand dynamics. According to our market assessment, in mid-Oct, the price of **BSKP** in Shandong fell to **US$680/t** (-1.5% m/m), while **BHKP** (resale) rose slightly to **US$533/t** (+0.4% m/m). On the **supply** side, global production remains stable, with mills operating normally and consistent export volumes. Nevertheless, our data monitoring indicates that Chinese **port inventories** have **risen again**, reaching **2.7Mt** (+2.5% m/m; +15% y/y), reflecting lower withdrawals by non-integrated mills during the national holiday (Oct. 1-8). For us, this accumulation continues to increase the risk of oversupply in the short term, limiting any attempt at a stronger recovery, even in the face of price increases by leading producers, such as Suzano's subsequent +US$20/t pass-throughs.

On the demand side, the scenario remains uneven among the main segments, as we mentioned above. Thus, the pace of purchases should remain dictated by rigid demand, limiting the sustainability of spot prices. In summary, the Chinese pulp market should remain under pressure in the short term, with prices fluctuating at low levels in view of **(i)** high inventories; **(ii)** rigid and heterogeneous demand; and **(iii)** the absence of catalysts to support a reversal of the future curve.

Pulp: We continue to see unbalanced supply vs. demand. The global pulp market is likely to face greater pressure on prices in 4Q25E, amid an environment of depressed margins in the paper industry in China and faster growth in supply relative to demand (almost 2x as much in 25E). According to our market assessment, the low level of profitability of paper manufacturers remains the main contractionary factor, leading market pulp producers to adopt aggressive discounts to reduce inventories.

The **gross margin** of the **paper industry** is expected to contract **-2.5-3p.p. q/q** in **4Q25E.**, which should exert further downward pressure on pulp prices.
Despite this, there are some marginals supporting factors in the short term. The gradual entry of new paper machines in China—both those that began ramping-up in 3Q25 and those scheduled for year-end —should increase **demand for pulp** by **+3.5% q/q** in **4Q25E**, partially mitigating the pace of the consolidated decline. Even so, we believe that the expansion in supply will tend to outpace this increase in demand. New units at Nanning Sun Paper, Guangxi Jianhui Paper, and the return of Chenming's capacity should upshift domestic paper production, while imported pulp volumes will also grow, driven by increased shipments from Brazil and Chile. In total, we believe that the **flow of imports** is going to rise **+11% q/q** in **4Q25E**, accentuating the picture of **excess supply**.

Finally, average **import** costs for **4Q25E** should be **~US$611/t**, slightly above spot prices, which may offer limited support to keep prices where they are. However, we still consider the supply-demand ratio to be weak, and the upside potential remains restrained, so we cannot characterize these increases in BHKP (3 pass-throughs of +US$20/t each to China since Aug.) as a pulp bullish cycle.

Adapting, not ascending yet. In our assessment, the company's investment thesis should be anchored in the concept of **adaptive support via costs**, which would serve as the main resilience driver vs. pulp downturn. The global pulp scenario continues to be characterized by supply outpacing demand, with depressed margins in the paper industry in China and contracting international benchmarks — **BHKP China** at **~US$590/t** (-12% YTD) — which limits any sustainable upward movement in the short term. Even so, we believe that the convergence of **COGS/t** to **~R$815/t 25E** (-2% y/y) — still conservative vs. soft guidance of R$807/t 25E — reinforces the company's ability to adapt amid challenging conditions, allowing it to mitigate margin pressure even under restricted price dynamics.

On the external side, the increase in import costs for the non-integrated paper industry in China — projected at **~US$610/t** in **4Q25E**, slightly above spot levels — tends to act as a technical cap for global prices, limiting the space for further declines. We believe that the price increases implemented by the company since Aug. signal a successful attempt to reanchor reference prices in Asia, which could induce secondary adjustment movements among regional resellers.

Although the **short term remains pressured** by the **unbalanced supply vs. demand ratio**, we believe that **support will come from costs dynamics**, whether internal (reduction in COGS/t) or external (technical price cap by high-cost producers), creating a favorable scenario for adaptability and sustaining our constructive view of the equity story. As we have been arguing in recent sector publications, we do not agree with the idea of a pulp bullish cycle going on, even with three consecutive price increases of +US$20/t each since Aug. Therefore, the market valuation is very depressing, since investors seem to agree with our analysis that the price point is anchored in cost support, rather than a cooling of excess supply. On the other hand, given this scenario, the company continues to trade at an **EV/EBITDA 25E** of **5.8x** (vs. historical average of 7x), which we believe is **excessively discounted**, with an **FCF Yield** of **16% 26E**, a very robust figure given the contractionary pulp prices. Therefore, we reiterate our **BUY rating**, with a **12M Target Price** of **R$63.50**, implying an **upside** of **+29.3%**.

Appendix: Suzano

Figure 1. Suzano – Income Statement in R$ Millions (Genial Est. 2025-2028)

Income Statement	2025E	2026E	2027E	2028E
Net Revenue	**50.009**	**53.260**	**55.124**	**55.951**
(-) COGS	(28.505)	(29.559)	(30.318)	(29.374)
Gross Profit	**21.504**	**23.701**	**24.806**	**26.576**
(-) Expenses	(4.501)	(4.527)	(4.961)	(6.994)
Adjusted EBITDA	**24.004**	**25.831**	**27.011**	**27.975**
(-) D&A	(9.502)	(10.119)	(10.473)	(10.631)
EBIT	**17.003**	**19.173**	**19.845**	**19.583**
(+/-) Financial Result	3.940	(2.010)	(2.771)	(7.335)
(-) Taxes	(4.230)	(4.770)	(4.937)	(4.872)
Net income	**16.713**	**7.195**	**9.488**	**6.518**
Profitability				
Net margin (%)	33,4%	13,5%	17,2%	11,6%

Figure 2. Suzano– Cash Flow in R$ Millions (Genial Est. 2024-2028)

Cash Flow (FCFF)	2025E	2026E	2027E	2028E
Net Revenue	**50.009**	**53.260**	**55.124**	**55.951**
(-) COGS	(28.505)	(29.559)	(30.318)	(29.374)
Adjusted EBITDA	**24.004**	**25.831**	**27.011**	**27.975**
EBIT	**17.003**	**19.173**	**19.845**	**19.583**
(-) Taxes	(4.230)	(4.770)	(4.937)	(4.872)
(+) D&A	9.502	10.119	10.473	10.631
(+/-) Δ WK	1.500	1.598	1.158	1.287
(-) Capex	(13.200)	(12.695)	(12.456)	(12.587)
FCFF	**10.575**	**13.426**	**14.082**	**14.042**

Disclosure Section

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	Definition	Coverage
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under Review	Under review	**5%**

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