

(A free translation of the original in Portuguese)

**BrasilAgro - Companhia
Brasileira de
Propriedades Agrícolas**
**Quarterly Information (ITR) at
December 31, 2021
and report on review of
quarterly information**



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Report on review of quarterly information

To the Board of Directors and Stockholders
BrasilAgro - Companhia Brasileira de
Propriedades Agrícolas

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of BrasilAgro - Companhia Brasileira de Propriedades Agrícolas ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended December 31, 2021, comprising the balance sheet at that date and the statements of income and comprehensive income for the quarter and six-month period then ended, and the statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21 - "Interim Financial Reporting", of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34 - "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", and ISRE 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.



BrasilAgro - Companhia Brasileira de
Propriedades Agrícolas

Other matters

Statements of value added


The quarterly information referred to above includes the parent company and consolidated statements of value added for the six-month period ended December 31, 2021. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the interim accounting information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.


Audit and review of comparative balances


The Quarterly Information (ITR) presented includes the statements of income, of changes in equity, of cash flows and of value added for the quarter ended December 31, 2020 which were extracted from the Quarterly Information (ITR) for that quarter, as also the June 30, 2021 balance sheets derived from the financial statements as of June 30, 2021, all of which presented for comparison purposes. The review of the Quarterly Information (ITR) for the quarter ended December 31, 2020 and the examination of the financial statements as at and for the year ended June 30, 2021 were carried out by other auditors, who issued their unmodified review and audit reports dated February 9, 2021 and August 31, 2021, respectively.

"This document will be signed electronically through the DocuSign tool (www.docusign.com.br), pursuant to art. 10, §20, of Provisional Measure No. 2200-2/2001 and was prepared on the date indicated at its end, which date will be considered valid for all legal purposes and purposes."

São Paulo, February 8, 2022


PricewaterhouseCoopers
Auditores Independentes Ltda.
(Current name of PricewaterhouseCoopers
Auditores Independentes)
CRC 2SP000160/O-5


Emerson Lima de Macedo
Contador CRC 1BA022047/O-1

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Emerson Lima de Macedo
Signed By: EMERSON LIMA DE MACEDO:49747029553
CPF: 49747029553
Signing Time: 04 de março de 2022 | 16:20 BRT

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BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Separate and consolidated quarterly financial statements

December 31, 2021

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BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Balance Sheets

December 31, 2021 and June 30, 2021

(In thousands of reais)

(A free translation of the original in Portuguese)

	Notes	Company		Consolidated	
		12/31/2021	6/30/2021	12/31/2021	6/30/2021
Assets					
Current assets					
Cash and cash equivalents	6.1	563,794	867,137	899,711	1,059,107
Operations with derivatives	7	20,561	32,657	20,561	32,657
Accounts receivable and sundry credits	8	83,626	59,153	325,670	192,606
Inventories	9	92,367	199,254	125,617	265,859
Biological assets	10	240,347	99,143	410,845	210,489
Related-party transactions	30	151,017	85,791	-	488
		<u>1,151,712</u>	<u>1,343,135</u>	<u>1,782,404</u>	<u>1,761,206</u>
Noncurrent assets					
Biological assets	10	28,981	34,585	28,981	34,585
Restricted marketable securities	6.2	-	-	12,752	10,455
Operations with derivatives	7	144	3,881	144	3,881
Deferred taxes	18.1	21,970	12,722	29,684	72,343
Accounts receivable and sundry credits	8	15,001	12,456	557,111	348,933
Investment properties	11	153,652	121,485	1,015,427	997,100
Related-party transactions	30	4,687	3,039	3,177	2,680
Investments	12	1,765,381	1,439,129	7,698	5,609
Property, plant and equipment	13	34,238	30,376	122,522	110,390
Intangible assets		782	866	985	1,104
Right-of-use assets	14	155,587	173,715	68,280	80,032
		<u>2,180,423</u>	<u>1,832,254</u>	<u>1,846,761</u>	<u>1,667,112</u>
Total assets		<u><u>3,332,135</u></u>	<u><u>3,175,389</u></u>	<u><u>3,629,165</u></u>	<u><u>3,428,318</u></u>

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Balance Sheets

December 31, 2021 and June 30, 2021

(In thousands of reais)

(continued)

	Notes	Company		Consolidated	
		12/31/2021	6/30/2021	12/31/2021	6/30/2021
Liabilities and equity					
Current liabilities					
Trade accounts payable and other liabilities	16	100,597	114,874	196,270	186,890
Loans, financing and debentures	17	211,011	252,151	267,747	322,046
Labor obligations		7,178	17,464	10,746	22,536
Operations with derivatives	7	38,213	48,574	38,213	48,574
Acquisitions payable	19	35,936	37,796	44,432	45,133
Related-party transactions	30	1,828	488	7,330	5,568
Leases payable	15	38,226	57,194	21,479	30,545
Noncurrent liabilities		432,989	528,541	586,217	661,292
Trade accounts payable and other liabilities	16	-	-	53,724	34,902
Investment losses	12	911	-	-	-
Loans, financing and debentures	17	270,681	301,281	320,173	341,135
Deferred taxes	18.1	-	-	21,541	26,714
Leases payable	15	168,232	159,344	177,700	168,450
Operations with derivatives	7	5,707	1,965	5,707	1,965
Provision for legal claims	28	365	174	1,639	1,445
Related-party transactions	30	1,774	1,483	3,244	2,519
Acquisitions payable	19	-	-	7,744	7,295
		447,670	464,247	591,472	584,425
Total liabilities		880,659	992,788	1,177,689	1,245,717
Equity					
Share capital	20.a	1,587,985	1,587,985	1,587,985	1,587,985
Share issue costs	20.a	(11,343)	(11,343)	(11,343)	(11,343)
Capital reserve	20.b	(32,813)	(34,189)	(32,813)	(34,189)
Treasury shares	20.f	(40,085)	(40,085)	(40,085)	(40,085)
Income reserves		416,252	416,252	416,252	416,252
Additional dividends proposed	20.d	-	184,559	-	184,559
Comprehensive income	20.e	124,272	79,422	124,272	79,422
Retained earnings		407,208	-	407,208	-
Total equity		2,451,476	2,182,601	2,451,476	2,182,601
Total liabilities and equity		3,332,135	3,175,389	3,629,165	3,428,318

See the accompanying Management notes on the separate and consolidated quarterly financial statements.

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Statements of income

Six-month periods ended December 31, 2021 and 2020

(In thousands of reais, except as stated otherwise)

(A free translation of the original in Portuguese)

		Company		Consolidated	
Notes	7/1/2021 to 12/31/2021	7/1/2020 to 12/31/2020	7/1/2021 to 12/31/2021	7/1/2020 to 12/31/2020	
Net revenue	22.a	343,652	202,698	641,460	341,115
Gain from sale of farm	22.b	-	-	251,534	5,795
Changes in fair value of biological assets and agricultural products	10	87,836	52,114	238,532	99,763
Reversal (accrual) of provision for impairment of agricultural products, net	9.1	(17,277)	1,627	(15,415)	2,270
Cost of sales	23	(325,999)	(181,004)	(586,343)	(306,074)
Gross profit		88,212	75,435	529,768	142,869
Selling expenses	23	(5,723)	(9,091)	(16,544)	(10,552)
General and administrative expenses	23	(19,668)	(12,953)	(25,992)	(17,211)
Other operating (expenses) income, net	25	646	(5,818)	9,772	(11,326)
Equity in results of investees	12.a	413,932	100,584	(33)	(24)
Operating profit before financial results and taxes		477,399	148,157	496,971	103,756
Net financial income (expenses)					
Financial income	26	207,622	216,788	323,162	365,220
Financial expenses	26	(283,277)	(337,121)	(350,868)	(426,722)
Profit before income and social contribution taxes		401,744	27,824	469,265	42,254
Income and social contribution taxes	18.2	5,464	24,368	(62,057)	9,938
Net income for the period		407,208	52,192	407,208	52,192
Basic earnings per share - reais	27	4.1053	0.8817	4.1053	0.8817
Diluted earnings per share - reais	27	4.0841	0.8738	4.0841	0.8738

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Statements of income

Six-month periods ended December 31, 2021 and 2020

(In thousands of reais, except as stated otherwise)

(continued)

	Company		Consolidated	
	10/1/2021 to 12/31/2021	10/1/2020 to 12/31/2020	10/1/2021 to 12/31/2021	10/1/2020 to 12/31/2020
Net revenue	150,734	52,428	263,374	118,901
Gain from sale of farm	-	-	251,534	43
Changes in fair value of biological assets and agricultural products	40,747	26,973	92,692	49,164
Provision for impairment of agricultural products, net	(6,437)	-	(6,650)	1
Cost of sales	(103,888)	(45,622)	(204,164)	(98,535)
Gross profit	81,156	33,779	396,786	69,574
Selling expenses (net of reversal of provisions)	(3,110)	(4,169)	(12,233)	(5,115)
General and administrative expenses	(9,698)	(6,917)	(12,215)	(9,303)
Other operating (expenses) income, net	996	(4,025)	1,105	(8,513)
Equity in results of investees	285,964	(1,371)	5	20
Operating profit before financial results and taxes	355,308	17,297	373,448	46,663
Net financial income (expenses)				
Financial income	86,406	137,774	137,504	177,947
Financial expenses	(135,035)	(189,483)	(178,432)	(254,916)
Profit/loss before income and social contribution taxes	306,679	(34,412)	332,520	(30,306)
Income and social contribution taxes	(7,342)	10,950	(33,183)	6,844
Net income/loss for the period	299,337	(23,462)	299,337	(23,462)
Basic earnings (loss) per share - reais	3.0178	(0.3932)	3.0178	(0.3932)
Diluted earnings (loss) per share - reais	3.0022	(0.3899)	3.0022	(0.3899)

See the accompanying Management notes on the separate and consolidated quarterly financial statements.

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Statements of comprehensive income (loss)

Three- and six-month periods ended December 31, 2021 and 2020

(In thousands of reais, except as stated otherwise)

(A free translation of the original in Portuguese)

	<u>Notes</u>	<u>Company and Consolidated</u>	
		<u>7/1/2021 to 12/31/2021</u>	<u>7/1/2020 to 12/31/2020</u>
Net income for the period		407,208	52,192
Comprehensive income to be reclassified to statement of income in subsequent years:			
Cumulative translation adjustment - investments abroad	20.e	44,850	(12,399)
Total comprehensive income (loss)		<u>452,058</u>	<u>39,793</u>

		<u>Company and Consolidated</u>	
		<u>10/1/2021 to 12/31/2021</u>	<u>10/1/2020 to 12/31/2020</u>
Net income for the period		299,337	(23,462)
Comprehensive income to be reclassified to the statement of income in subsequent periods:			
Cumulative translation adjustment - investments abroad		11,100	(19,708)
Total comprehensive income (loss)		<u>310,437</u>	<u>(43,170)</u>

See the accompanying Management notes on the separate and consolidated quarterly financial statements.

BrasilAgro – Companhia Brasileira de Propriedades Agrícolas

Statements of changes in equity

Six-month period ended December 31, 2021 and 2020

(In thousands of reais, except as stated otherwise)

(A free translation of the original in Portuguese)

Note	Capital reserve					Income reserves					Retained earnings	Total equity
	Capital	Share issue costs	Share premium	Share-based payments	Capital transactions between partners	Treasury shares	Legal reserve	Reserve for investment and expansion	Supplemental dividends	Comprehensive income		
At June 30, 2020	699,811	-	(33,566)	(726)	-	(31,501)	31,535	327,071	13,606	115,339	-	1,121,569
Supplemental dividends proposed	-	-	-	-	-	-	-	-	(13,606)	-	-	(13,606)
Acquisition of Agrifirma	-	-	8,584	-	-	(8,584)	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-	52,192	52,192
Cumulative translation adjustment - investments abroad	-	-	-	-	-	-	-	-	-	(12,399)	-	(12,399)
At December 31, 2020	699,811	-	(24,982)	(726)	-	(40,085)	31,535	327,071	-	102,940	52,192	1,147,756
Note	Capital reserve					Income reserves					Retained earnings	Total equity
	Capital	Share issue costs	Share premium	Share-based payments	Capital transactions between partners	Treasury shares	Legal reserve	Reserve for investment and expansion	Supplemental dividends	Comprehensive income		
At June 30, 2021	1,587,985	(11,343)	(24,982)	1,824	(11,031)	(40,085)	47,417	368,835	184,559	79,422	-	2,182,601
Supplemental dividends proposed	-	-	-	-	-	-	-	-	(184,559)	-	-	(184,559)
Share-based compensation plan	-	-	-	1,376	-	-	-	-	-	-	-	1,376
Net income for the period	-	-	-	-	-	-	-	-	-	-	407,208	407,208
Cumulative translation adjustment - investments abroad	-	-	-	-	-	-	-	-	-	44,850	-	44,850
At December 31, 2021	1,587,985	(11,343)	(24,982)	3,200	(11,031)	(40,085)	47,417	368,835	-	124,272	407,208	2,451,476

See the accompanying Management notes on the separate and consolidated quarterly financial statements.

BrasilAgro – Companhia Brasileira de Propriedades Agrícolas

Statements of cash flows

Six-month period ended December 31, 2021 and 2020

(In thousands of reais)

(A free translation of the original in Portuguese)

	Note	Company		Consolidated	
		7/1/2021 to 12/31/2021	7/1/2020 to 12/31/2020	7/1/2021 to 12/31/2021	7/1/2020 to 12/31/2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the six-month period		407,208	52,192	407,208	52,192
Adjustment to reconcile net income in the period					
Depreciation and amortization	23	33,351	23,277	68,637	41,906
Gain from sale of farm	22.b	-	-	(251,534)	(5,795)
Net book value of property, plant and equipment and intangible assets disposed of		229	3,084	546	5,077
Write-offs of investment properties		983	-	6,744	-
Equity in results of investees	12.a	(413,932)	(100,584)	33	24
Unrealized gain on derivatives, net	26	16,296	80,843	16,318	80,843
Earnings from investments, foreign exchange gains/losses and interest and indexation accruals and other financial charges, net		16,567	23,243	9,933	46,870
Changes in the fair value of receivables from sale of farms and other financial liabilities		(1,860)	5,685	(42,377)	(77,130)
Share-based incentive plan (ILPA)		1,165	-	1,376	-
Deferred income and social contribution taxes	18.2	(9,248)	(24,892)	37,740	(27,765)
Fair value of unrealized biological assets and agricultural products	10	(87,836)	(52,114)	(238,532)	(99,763)
Provision for (reversal of) impairment of agricultural products, net	9.1	17,277	(1,627)	15,415	(2,270)
(Reversal of) provision for expected credit loss	23	(45)	(245)	(33)	195
Provision for/ reversal of legal claims	28	307	(350)	339	(224)
		(19,538)	8,512	31,813	14,160
Changes in assets and liabilities					
Trade accounts receivable		(27,360)	173	(20,927)	24,985
Inventories		89,610	54,896	125,915	67,991
Biological assets		(51,096)	(34,975)	24,351	(10,526)
Taxes recoverable		(8,933)	(1,844)	5,136	(693)
Operations with derivatives		(7,082)	(841)	(7,050)	(841)
Other receivables		9,320	(4,545)	(6,866)	7,710
Trade accounts payable		64,827	20,534	57,335	18,988
Related parties		194	1,777	1,715	390
Taxes payable		1,596	119	24,167	16,863
Income and social contribution taxes		-	-	(5,937)	(5,763)
Labor charges		(10,286)	(8,767)	(11,961)	(10,799)
Advances from customers		(9,908)	(4,475)	5,564	(5,213)
Leases payable		(21,256)	6,068	(7,884)	3,791
Other liabilities		1,371	(3,813)	4,136	(2,450)
Payment of legal claims	28	(116)	-	(145)	-
Net cash provided by operating activities		11,343	32,819	219,362	118,593
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of property, plant and equipment and intangible assets		(9,667)	(6,010)	(29,502)	(11,273)
Acquisitions of investment properties	11	(36,146)	(13,387)	(44,672)	(23,445)
Redemption of marketable securities, net		26,052	2,642	31,544	2,965
Dividends received		72,823	65,888	-	-
Increase in investments and interest held	12.a	(4,608)	(3,629)	(1,994)	-
Proceeds from sale of farms		-	-	38,112	5,500
Net cash provided by (used in) investing activities		48,454	45,504	(6,512)	(26,253)
CASH FLOWS FROM FINANCING ACTIVITIES					
Loans, financing and debentures raised	17	-	53,000	44,648	96,437
Interest paid on loans, financing and debentures	17	(6,330)	(9,086)	(10,093)	(15,113)
Repayment of loans, financing and debentures	17	(97,762)	(78,422)	(148,554)	(139,176)
Dividends paid		(259,978)	(39,693)	(259,978)	(39,693)
Net cash used in financing activities		(364,070)	(74,201)	(373,977)	(97,545)
Increase (decrease) in cash and cash equivalents		(304,273)	4,122	(161,127)	(5,205)
Cash and cash equivalents at beginning of period	6.1	867,137	83,713	1,059,107	171,045
Effect of exchange rate changes on cash and cash equivalents		930	(1,881)	1,731	(2,019)
Cash and cash equivalents at end of period	6.1	563,794	85,954	899,711	163,821

See the accompanying Management notes on the separate and consolidated quarterly financial statements.

BrasilAgro – Companhia Brasileira de Propriedades Agrícolas

Statements of value added

Six-month period ended December 31, 2021 and 2020

(In thousands of reais)

(A free translation of the original in Portuguese)

	Notes	Company		Consolidated	
		7/1/2021 to 12/31/2021	7/1/2020 to 12/31/2020	7/1/2020 to 12/31/2021	7/1/2020 to 12/31/2020
Revenues		419,021	254,025	1,138,808	446,494
Gross operating revenue	22	347,771	205,857	654,352	350,187
Gain on sale of farm	22	-	-	251,534	5,795
Change in fair value of biological assets and agricultural products	10	87,836	52,114	238,532	99,763
(Reversal of) provision for impairment of agricultural products, net	9.1	(17,277)	1,627	(15,415)	2,270
Other (expenses) and revenues	25	646	(5,818)	9,772	(11,326)
Reversal (provision) of allowance for doubtful accounts	23	45	245	33	(195)
Inputs acquired from third parties		(305,167)	(171,014)	(542,427)	(279,880)
Cost of sales		(293,115)	(158,132)	(518,286)	(264,832)
Materials, energy, outsourced services and other		(12,052)	(12,882)	(24,141)	(15,048)
Gross value added		113,854	83,011	596,381	166,614
Depreciation and amortization	23	(33,351)	(23,277)	(68,637)	(41,906)
Net value added produced by the Company		80,503	59,734	527,744	124,708
Value added received through transfer		621,554	317,372	323,129	365,196
Equity in results of investees	12.a	413,932	100,584	(33)	(24)
Financial income	26	207,622	216,788	323,162	365,220
Total value added to be distributed		702,057	377,106	850,873	489,904
Distribution of value added		702,057	377,106	850,873	489,904
Personnel and charges		11,295	7,572	14,303	9,108
Direct compensation		9,441	6,064	12,032	7,278
Benefits		1,587	1,295	1,947	1,582
Severance fund (FGTS)		267	213	324	248
Taxes, charges and contributions		1,171	(19,665)	79,512	2,356
Federal (includes deferred income and social contribution taxes)		(629)	(21,745)	77,121	(474)
State		1,718	1,934	2,094	2,536
Local		82	146	297	294
Financing		282,383	337,007	349,850	426,248
Financial expenses		282,061	336,846	349,433	426,098
Rentals		322	161	417	150
Interest on own capital		407,208	52,192	407,208	52,192
Retained earnings of the period		407,208	52,192	407,208	52,192

See the accompanying Management notes on the separate and consolidated quarterly financial statements.

(A free translation of the original in Portuguese)

BrasilAgro – Companhia Brasileira de Propriedades Agrícolas

Notes to the separate and consolidated interim financial statements

December 31, 2021

(In thousands of reais, except as stated otherwise)

1. General information

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas ("BrasilAgro") or ("Company") incorporated on September 23, 2005 with a registered address at Avenida Brigadeiro Faria Lima, 1309, in São Paulo has branches in the States of Bahia, Goiás, Mato Grosso, Minas Gerais, Maranhão and Piauí, as well as in Paraguay and Bolivia. The Company is controlled by Argentine-based Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria ("Cresud S.A.C.I.F.Y.A."), which is engaged primarily in the agriculture and real estate sectors.

The Company is a direct and indirect parent company of closely held companies and its corporate purpose includes the sale, import and export of agriculture activities and inputs, cattle raising and forestry activities; the purchase, sale and rental of real estate in rural and/or urban areas; real estate brokerage involving any type of operations; and management of its own and third-party assets.

The Company and its subsidiaries operate 18 farms in six Brazilian States, one in Paraguay and two in Bolivia, with a total area of 267,002 hectares, divided into 215,255 hectares of own land and 51,747 hectares of leased land. A further area of 1,157 hectares pertaining to the Alto Taquari Farm was negotiated on September 1, 2021 (Note 2.1), and its transfer will occur on September 30, 2024.

2. Main events in the period

2.1. Sales of Farms

Alto Taquari IV Farm

On October 10, 2021, the Company recognized the first part of the sale of the Alto do Taquari Farm, a rural property located in the city of Alto Taquari, state of Mato Grosso (MT). On September 1, 2021, the Company negotiated the sale of 3,723 hectares (2,694 agricultural hectare) in two phases for the equivalent of 2,962,974 soybean bags, being R\$591,339 on the transaction date. The payments were divided into nine installments, with one down payment and eight annual installments due in May of each year, with the last payment due on May 30, 2029.

The parties agreed to the sale in two phases, with the transfer of 2,566 hectares on October 10, 2021 and 1,157 hectares on September 30, 2024. As of the date of issue of this Quarterly Information, the Company had received R\$26,676 (Note 8.1.d).

Rio do Meio Farm

On December 29, 2021, the Company recorded the sale of 4,573 hectares (2,859 agricultural hectares) of the Rio do Meio Farm, a rural property located in the city of Correntina, state of Bahia (BA). The agreement, signed on September 1, 2021, set the price at the equivalent of 714,835 soybean bags, being R\$130,104 on the transaction date. The payments were divided into 13 installments, with one down payment and 12 semiannual installments due each June and October, with the last payment due on October 10, 2027. The proceeds from the sale were not recognized on the date of the execution of the agreement, because the transfer of the property is conditioned to payment of the first installment of R\$17,155, which occurred on December 29, 2021.

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Furthermore, the Company assumes the obligation of obtaining Vegetation Suppression Authorization (ASV) on an area of 371 hectares, for a payment fixed at 100 soybean bags per hectare, subject to obtaining the ASV. The amount will be distributed proportionately among the subsequent installments.

2.2. COVID-19 Impacts

Since first reported on December 31, 2019, COVID-19 has spread worldwide causing numerous deaths in Brazil, Paraguay and Bolivia, where the country operates. On March 11, 2020, the World Health Organization declared it a global pandemic.

In March 2020, the Company developed and implemented a plan to protect the health of its employees and to mitigate the effects on its operations. These measures included:

- Creating a Prevention and Risk Committee to continuously assess the overall situation, update preventive measures and actions to minimize risks, and coordinate the implementation of action plans;
- Instructing 'at risk' and São Paulo corporate office employees to work from home;
- Adoption of various measures and protocols to protect the safety and wellbeing of all operating personnel following the guidelines of the Brazilian Ministry of Health; and
- Contingency plans to support operations.

Operations are functioning as planned and to date have not been materially affected by the COVID-19 virus.

The Company is well positioned to overcome any challenges presented by COVID-19, having introduced measures for cash preservation, tighter leverage ratios and cost and borrowing efficiency actions which are aligned with its risk policies.

2.3 Other performance indicators

Part of the Company's revenue is generated by the sale of commodities to local clients. This relies on the operations of an extensive logistics and supply chain, including ports, distribution centers and suppliers in the global market.

In the period, the higher demand for exports was favored by the strengthening U.S. dollar exchange rate. No significant disruptions in the logistics chain affected export operations or inbound shipments of inputs, most of which had already have been secured. As to sales commitments, the Company has not identified any material changes, since these rely heavily on the commercial relationship among the respective partners.

Short- and long-term liquidity is monitored and inbound and outbound shipments are scheduled to avoid adverse effects on the Company's financial position. Management has not identified any indicators that might cause substantial doubt as to its ability to continue operating as a going concern.

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3. Basis of preparation and presentation of the separate and consolidated financial statements

The significant accounting policies used preparing these financial statements are consistent with those used for the June 30, 2021 annual financial statements.

3.1. Basis of preparation

The Company's separate and consolidated interim financial statements were prepared in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Statements and with international accounting standard IAS 34 as issued by the International Accounting Standards Board ("IASB") and presented in accordance with the standards issued by the Brazilian Securities Commission ("CVM"). They present all information of significance to the financial statements being consistent with the information used by management in the performance of its duties.

The accounting practices, policies and main judgments used for estimates in preparing the separate and consolidated quarterly financial statements are consistent with Notes 2.1 to 2.31 and Note 3 to the June 30, 2021 annual financial statements issued on August 31, 2021.

Considering the above, the condensed quarterly financial statements should be read together with the June 30, 2021 annual financial statements.

The individual and consolidated quarterly information is presented in thousands of Real/Reais (R\$), which is the Company's functional and presentation currency.

The non-financial data included in this quarterly information, such as number of hectares owned/ leased by the Company, among others, has not been subject to audit/ review procedures by the independent auditors.

The individual (separate) and consolidated interim financial statements for the period ended December 31, 2021 were approved for issue by the Executive Board on February 8, 2022.

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Basis of consolidation

The consolidated financial information comprises the financial statements of the Company and its subsidiaries as of December 31, 2021 and June 30, 2021. The table below presents its equity interest in other companies.

Subsidiaries (%)	Country	12/31/2021	6/30/2021
Imobiliária Jaborandi Ltda.	Brazil	100	100
Imobiliária Cremaq Ltda.	Brazil	100	100
Imobiliária Engenho Ltda.	Brazil	100	100
Imobiliária Araucária Ltda.	Brazil	100	100
Imobiliária Mogno Ltda.	Brazil	100	100
Imobiliária Cajueiro Ltda.	Brazil	100	100
Imobiliária Ceibo Ltda.	Brazil	100	100
Imobiliária Flamboyant Ltda.	Brazil	100	100
Agrifirma Agro Ltda.	Brazil	100	100
Agrifirma Bahia Agropecuária Ltda. (a)	Brazil	100	100
I.A. Agro Ltda. (a)	Brazil	100	100
GL Empreendimentos e Participações Ltda. (a)	Brazil	100	100
Palmeiras S.A.	Paraguay	100	100
Agropecuaria Morotí S.A.	Paraguay	100	100
Agropecuaria Acres Del Sud S.A.	Bolivia	100	100
Ombú Agropecuaria S.A.	Bolivia	100	100
Yuchán Agropecuaria S.A.	Bolivia	100	100
Yatay Agropecuaria S.A.	Bolivia	100	100
Avante Comercializadora S.A.	Brazil	100	100

(a) Subsidiaries of Agrifirma Agro (indirect control).

The subsidiaries are fully consolidated from the date control was obtained, being consolidated up to the date on which the control no longer exists. The investor controls the investee when it is exposed to, or has rights to, variable returns arising from its involvement with the investee and has capacity to affect such returns through its power in the investee.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. All intragroup balances, revenues and expenses are fully eliminated in the consolidated financial statements.

3.2. Notes included in the financial statements at June 30, 2021 not presented in this quarterly financial information

The preparation of this condensed quarterly financial information relies on the exercise of judgment by the Company's Management in presenting significant information or changes to information as disclosed in the notes to the financial statements. Accordingly, this interim information includes only selected notes and not all the notes as presented for the financial statements for the year ended June 30, 2021 (Note 3.1).

3.3. New standards, alterations and interpretations of standards

There are no new standards and interpretations issued that caused, in the opinion of the Management, any significant impact on the financial statements for the period.

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4. Significant accounting estimates and judgments

Accounting estimates and judgments are continuously assessed and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances.

Management makes estimates based on its assumptions. The resulting accounting estimates will, by definition, seldom equal the related actual amounts. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below.

a) Contingencies

The Company is a party to various judicial and administrative lawsuits (Note 28). Provisions are set up for all the contingencies related to judicial lawsuits for reasonable estimates of probable losses (present obligations resulting from past events and probable outflow of resources that incorporate economic benefits to settle the obligation, with reliable estimate of value). Management assesses the probability of loss under the advice of its external legal advisors. Management believes that these contingencies are properly recorded and presented in the financial statements.

b) Biological assets

The fair value of biological assets recorded in the balance sheet (Note 9) was determined using valuation techniques, including the discounted cash flow method and/or price in the active market, when applicable. The inputs for these methods are based on those observable in the market, whenever possible, and when not feasible, a certain level of judgment is required to estimate the fair value, considering the subjectivity of certain assumptions that compose the calculation of the value of such assets. Judgment includes estimating data such as price, productivity, crop cost and production cost.

Changes in the assumptions on these factors might affect the fair value recognized for biological assets.

An increase or decrease by 1% in the expected productivity of sugarcane and grains/cotton would result in an increase or decrease in biological asset by R\$3,135 and an increase or decrease by 1% in the price of sugarcane and grains/cotton would result in an increase or decrease in biological asset by R\$3,832.

For its herd of cattle, the Company values its breeding stock at fair value based on market price for the region.

c) Investment properties

The fair value of investment properties disclosed in the notes to financial statements was obtained through the valuation of farms, performed by Company specialists. The valuation was carried out by means of standards practiced in the market considering the characteristics, location, type of soil, climate of the region, calculation of improvements, presentation of the elements and calculation of the land value, which may change in relation to these variables.

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d) Deferred income tax

The Company recognizes deferred assets and liabilities, as described in Note 18, based on the differences between the carrying amount presented in the financial statements and the tax basis of assets and liabilities. The Company regularly reviews the deferred tax assets for recovery, taking into account the history of profits and the forecast future taxable profit, in accordance with a study of technical feasibility.

e) Leases

The Company assesses its lease agreements in accordance with IFRS 16/CPC 06 (R2) and recognizes right-of-use assets and lease liabilities for the lease operations under agreements that meet the requirements of the accounting standard. To measure lease liabilities, the Management of the Company considers only the minimum fixed lease payments. The measurement of lease liabilities corresponds to the total future payments of leases and rentals, discounted to present value, using the incremental interest rate.

f) Non-financial obligations

The Company analyzes its agreements in accordance with the requirements of IFRS 16/CPC 06 (R2) and recognizes right-of-use assets and lease liabilities for the lease operations under agreements that meet the requirements of the accounting standard. Management considers as the lease component only the minimum fixed value for the purpose of measuring the lease liabilities. The measurement of lease liabilities corresponds to the total future payments of leases and rentals, adjusted to present value, considering the nominal discount rate which ranges between 4.80% and 14.28%.

When settlement is indexed to the price of soybeans, future minimum payments are estimated in number of soybean bags and translated into local currency using the soybean price of each region, on the base date of first-time adoption of IFRS 16 / CPC 06, and adjusted to the current price at time of payment. For payments indexed to Consecana, these are stipulated in tons of cane and translated into local currency based on the Consecana price in effect at the time.

5. Financial risk management

The financial risk management adopted in the preparation of the quarterly financial information is consistent with that adopted in Note 4 to the June 30, 2021 annual financial statements issued on August 31, 2021 and did not change significantly.

5.1. Analysis of exposure to financial asset and liability risks

a) Foreign currency risk

This risk arises from the possibility of the Company incurring losses due to fluctuations in exchange rates, which reduce the nominal values of assets or increase the values of liabilities. This risk also arises with respect to commitments to sell existing products in inventories or still in formation, at prices to be set, depending on the exchange rate.

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b) Interest rate and indices risk

This risk arises from the possibility of the Company incurring losses due to fluctuations in the interest rates or indices which increase financial expenses with respect to contracts for the acquisition of farms, indexed to the IPCA.

c) Commodities risks

This risk arises from the possibility of the Company incurring losses due to fluctuations in the market prices of agricultural products.

The Company evaluates its exposures to such risks and contracts financial instruments to mitigate them based on assessments prepared by its treasury and commercial areas.

5.2. Estimate of fair value of derivative financial instruments

a) Sensitivity analysis

Management identified for each type of derivative financial instrument its exposure to foreign exchange rates, interest rates or commodities prices which may generate loss on assets and/or liabilities for purposes of being hedged or, in the case of derivative financial instruments related to transactions not recorded in the balance sheet, as to the fair value of the contracted derivatives.

The sensitivity analysis assumes changes in the market variables on financial instruments, other variables being fixed. Upon settlement, such amounts may differ from those stated below, due to the estimates used in their preparation.

This analysis presents five distinct scenarios over 12 months using the probable changes with respect to the current market as the base (Scenario I). This scenario is stressed to present Scenarios II, III and IV for changes in the variable of -25%, -50%, +25%, +50%, respectively.

Scenario I considers the market prices of each underlying assets for the derivative instruments at the balance sheet date. Since all these assets are traded in competitive and open markets, the current market price is considered to be a satisfactory reference for determining the price of these assets, being also the basis for valuing the book value of the derivatives. The assumptions and scenarios are as follows:

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Product	Price	Market	Maturity	Probable scenario	12/31/2021			
					Scenario I -25%	Scenario II -50 %)	Scenario III +25%	Scenario IV +50%
Soybean	R\$/bag	CBOT	2/18/2022	164.77	123.58	82.39	205.96	247.16
Soybean	R\$/bag	CBOT	2/18/2022	164.77	123.58	82.39	205.96	247.16
Soybean	R\$/bag	CBOT	6/24/2022	166.71	125.03	83.36	208.39	250.07
Soybean	R\$/bag	CBOT	6/28/2022	166.71	125.03	83.36	208.39	250.07
Soybean	R\$/bag	CBOT	6/24/2022	164.77	123.58	82.39	205.96	247.16
Soybean	R\$/bag	CBOT	6/30/2022	166.71	125.03	83.36	208.39	250.07
Soybean	R\$/bag	CBOT	2/27/2023	154.13	115.60	77.07	192.66	231.20
Cotton	R\$/arroba	CBOT	6/29/2022	170.98	128.24	85.49	213.73	256.47
Cotton	R\$/arroba	CBOT	11/11/2022	170.98	128.24	85.49	213.73	256.47
Cotton	R\$/arroba	CBOT	11/16/2022	170.98	128.24	85.49	213.73	256.47
Cotton	R\$/arroba	CBOT	11/22/2022	170.98	128.24	85.49	213.73	256.47
Corn	R\$/bag	OTC/Stock Exchange	1/17/2022	88.67	66.50	44.34	110.84	133.01
Corn	R\$/bag	OTC/Stock Exchange	9/15/2022	84.71	63.53	42.36	105.89	127.07
Corn	R\$/bag	OTC/Stock Exchange	9/19/2022	84.71	63.53	42.36	105.89	127.07
Corn	R\$/bag	OTC/Stock Exchange	9/15/2023	83.00	62.25	41.50	103.75	124.50
Ethanol	R\$/m ³	CBOT	5/3/2022	3,255.00	2,441.25	1,627.50	4,068.75	4,882.50
Ethanol	R\$/m ³	CBOT	6/2/2022	3,185.00	2,388.75	1,592.50	3,981.25	4,777.50
Ethanol	R\$/m ³	CBOT	7/5/2022	3,185.00	2,388.75	1,592.50	3,981.25	4,777.50
Ethanol	R\$/m ³	CBOT	8/2/2022	3,150.00	2,362.50	1,575.00	3,937.50	4,725.00
Ethanol	R\$/m ³	CBOT	9/2/2022	3,250.00	2,437.50	1,625.00	4,062.50	4,875.00
Ethanol	R\$/m ³	CBOT	10/4/2022	3,275.00	2,456.25	1,637.50	4,093.75	4,912.50
Ethanol	R\$/m ³	CBOT	11/3/2022	3,292.50	2,469.38	1,646.25	4,115.63	4,938.75
Ethanol	R\$/m ³	CBOT	12/2/2022	3,310.00	2,482.50	1,655.00	4,137.50	4,965.00
Ethanol	R\$/m ³	CBOT	1/4/2023	3,325.00	2,493.75	1,662.50	4,156.25	4,987.50
Ethanol	R\$/m ³	OTC/Stock Exchange	4/29/2022	3,255.00	2,441.25	1,627.50	4,068.75	4,882.50
Ethanol	R\$/m ³	OTC/Stock Exchange	5/3/2022	3,255.00	2,441.25	1,627.50	4,068.75	4,882.50
Ethanol	R\$/m ³	OTC/Stock Exchange	5/31/2022	3,185.00	2,388.75	1,592.50	3,981.25	4,777.50
Ethanol	R\$/m ³	OTC/Stock Exchange	6/2/2022	3,185.00	2,388.75	1,592.50	3,981.25	4,777.50
Ethanol	R\$/m ³	OTC/Stock Exchange	6/30/2022	3,185.00	2,388.75	1,592.50	3,981.25	4,777.50
Ethanol	R\$/m ³	OTC/Stock Exchange	7/5/2022	3,185.00	2,388.75	1,592.50	3,981.25	4,777.50
Ethanol	R\$/m ³	OTC/Stock Exchange	8/2/2022	3,150.00	2,362.50	1,575.00	3,937.50	4,725.00
Ethanol	R\$/m ³	OTC/Stock Exchange	9/2/2022	3,250.00	2,437.50	1,625.00	4,062.50	4,875.00
Ethanol	R\$/m ³	OTC/Stock Exchange	9/5/2022	3,250.00	2,437.50	1,625.00	4,062.50	4,875.00
Ethanol	R\$/m ³	OTC/Stock Exchange	10/4/2022	3,275.00	2,456.25	1,637.50	4,093.75	4,912.50
Ethanol	R\$/m ³	OTC/Stock Exchange	11/3/2022	3,292.50	2,469.38	1,646.25	4,115.63	4,938.75
Ethanol	R\$/m ³	OTC/Stock Exchange	12/2/2022	3,310.00	2,482.50	1,655.00	4,137.50	4,965.00
Ethanol	R\$/m ³	OTC/Stock Exchange	1/4/2023	3,325.00	2,493.75	1,662.50	4,156.25	4,987.50
Fed Cattle	R\$/arroba	OTC/Stock Exchange	1/31/2022	341.75	256.31	170.88	427.19	512.63
Fed Cattle	R\$/arroba	OTC/Stock Exchange	5/31/2022	332.00	249.00	166.00	415.00	498.00
USD	-	-	3/31/2022	5.70	4.28	2.85	7.13	8.56
USD	-	-	5/10/2022	5.77	4.32	2.88	7.21	8.65
USD	-	-	5/25/2022	5.79	4.34	2.90	7.24	8.69
USD	-	-	5/27/2022	5.80	4.35	2.90	7.25	8.69
USD	-	-	5/30/2022	5.80	4.35	2.90	7.25	8.70
USD	-	-	6/27/2022	5.85	4.39	2.93	7.32	8.78
USD	-	-	6/28/2022	5.85	4.39	2.93	7.32	8.78
USD	-	-	6/30/2022	5.86	4.39	2.93	7.32	8.79
USD	-	-	7/26/2022	5.90	4.43	2.95	7.38	8.85
USD	-	-	7/28/2022	5.91	4.43	2.95	7.38	8.86
USD	-	-	11/23/2022	6.11	4.58	3.05	7.63	9.16
USD	-	-	1/30/2023	6.22	4.67	3.11	7.78	9.33
USD	-	-	7/31/2023	6.49	4.86	3.24	8.11	9.73
Interest	-	-	8/15/2023	11.36%	8.52%	5.68%	14.20%	17.04%

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Product	Price	Market	Maturity	Probable scenario	6/30/2021			
					Scenario I -25%	Scenario II -50 %	Scenario III +25%	Scenario IV +50%
Soybean	R\$/bag	CBOT	8/13/2021	157.71	118.28	78.86	197.14	236.57
Soybean	R\$/bag	CBOT	10/22/2021	154.29	115.72	77.15	192.86	231.44
Soybean	R\$/bag	CBOT	10/26/2021	150.37	112.78	75.19	187.96	225.56
Soybean	R\$/bag	CBOT	11/12/2021	154.29	115.72	77.15	192.86	231.44
Soybean	R\$/bag	CBOT	12/27/2021	154.37	115.78	77.19	192.96	231.56
Soybean	R\$/bag	CBOT	2/18/2022	151.39	113.54	75.70	189.24	227.09
Soybean	R\$/bag	CBOT	6/24/2022	150.37	112.78	75.19	187.96	225.56
Soybean	R\$/bag	CBOT	6/28/2022	150.37	112.78	75.19	187.96	225.56
Cotton	R\$/arroba	CBOT	11/12/2021	140.44	105.33	70.22	175.55	210.66
Cotton	R\$/arroba	CBOT	12/8/2021	140.44	105.33	70.22	175.55	210.66
Cotton	R\$/arroba	CBOT	11/16/2022	128.65	96.49	64.33	160.81	192.98
Corn	R\$/bag	CBOT	8/27/2021	70.81	53.11	35.41	88.51	106.22
Corn	R\$/bag	CBOT	8/31/2021	70.81	53.11	35.41	88.51	106.22
Corn	R\$/bag	OTC/Stock Exchange	9/19/2022	80.27	60.20	40.14	100.34	120.41
Corn	R\$/bag	OTC/Stock Exchange	9/15/2021	91.50	68.63	45.75	114.38	137.25
Corn	R\$/bag	OTC/Stock Exchange	9/15/2022	80.27	60.20	40.14	100.34	120.41
Ethanol	R\$/m3	OTC/Stock Exchange	7/30/2021	2,850.00	2,137.50	1,425.00	3,562.50	4,275.00
Ethanol	R\$/m3	OTC/Stock Exchange	8/31/2021	2,865.00	2,148.75	1,432.50	3,581.25	4,297.50
Ethanol	R\$/m3	OTC/Stock Exchange	9/30/2021	2,867.50	2,150.63	1,433.75	3,584.38	4,301.25
Fed cattle	R\$/arroba	OTC/Stock Exchange	10/29/2021	318.00	238.50	159.00	397.50	477.00
USD	-	-	7/5/2021	5.04	3.78	2.52	6.30	7.56
USD	-	-	7/15/2021	5.05	3.79	2.52	6.31	7.57
USD	-	-	7/27/2021	5.06	3.79	2.53	6.32	7.58
USD	-	-	8/26/2021	5.08	3.81	2.54	6.35	7.62
USD	-	-	8/30/2021	5.08	3.81	2.54	6.35	7.62
USD	-	-	8/31/2021	5.08	3.81	2.54	6.35	7.62
USD	-	-	9/28/2021	5.11	3.83	2.55	6.38	7.66
USD	-	-	11/16/2021	5.15	3.86	2.57	6.44	7.72
USD	-	-	11/17/2021	5.15	3.86	2.58	6.44	7.73
USD	-	-	3/31/2022	5.28	3.96	2.64	6.59	7.91
USD	-	-	5/10/2022	5.32	3.99	2.66	6.65	7.98
USD	-	-	5/25/2022	5.33	4.00	2.67	6.67	8.00
USD	-	-	6/27/2022	5.37	4.03	2.68	6.71	8.05
USD	-	-	6/28/2022	5.37	4.03	2.68	6.71	8.05
USD	-	-	6/30/2022	5.37	4.03	2.69	6.71	8.06
USD	-	-	7/26/2022	5.40	4.05	2.70	6.75	8.09
USD	-	-	7/28/2022	5.40	4.05	2.70	6.75	8.10
USD	-	-	11/23/2022	5.52	4.14	2.76	6.90	8.28
USD	-	-	1/30/2023	5.59	4.19	2.80	6.99	8.39
USD	-	-	5/30/2023	5.73	4.30	2.87	7.16	8.60
USD	-	-	6/30/2023	5.76	4.32	2.88	7.20	8.65
USD	-	-	7/31/2023	5.80	4.35	2.90	7.25	8.70
USD	-	-	3/1/2024	6.04	4.53	3.02	7.55	9.06
USD	-	-	4/30/2024	6.11	4.58	3.05	7.63	9.16
Interest	-	-	11/23/2021	6.04%	4.53%	3.02%	7.55%	9.06%
Interest	-	-	8/15/2023	7.66%	5.75%	3.83%	9.58%	11.49%

This sensitivity analysis is designed to measure market value changes on the financial instruments other market indicators being held constant..

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A summary of sensitivity scenarios for the next 12 months for financial instruments is presented below.

(*) annual average rates		Consolidated			Scenario I - Probable		Scenario I		Scenario II		Scenario I		Scenario II	
		At December 31, 2021					Decrease	-25%	Decrease	-50%	Increase	25%	Increase	50%
Operation	Risk	Balance (R\$)	Notional/ Position	Rate	Balance (R\$)	Rate	Balance (R\$)	Rate	Balance (R\$)	Rate	Balance (R\$)	Rate	Balance (R\$)	Rate
Short-term investments	CDI	754,162	-	9.15%	(19,985)	11.80%	(22,248)	8.85%	(44,496)	5.90%	22,248	14.75%	44,496	17.70%
Short-term investments	Selic	43,070	-	9.15%	(1,140)	11.80%	(1,274)	9.15%	(2,540)	5.90%	1,274	14.75%	2,540	17.70%
Marketable securities	CDI	6,890	-	9.15%	(183)	11.80%	(203)	8.85%	(407)	5.90%	203	14.75%	407	17.70%
Short-term investments	IPCA	52,191	-	2.60%	(2,001)	6.43%	(843)	4.82%	(1,676)	3.22%	843	8.04%	1,676	9.65%
Cash - USD	USD	47,472	8,507	5.58	(5,051)	6.17	(13,132)	4.63	(26,261)	3.09	13,132	7.72	26,261	9.26
Total cash and cash equivalents		903,785	8,507		(28,360)		(37,700)		(75,380)		37,700		75,380	

Financing in Paraguay	USD	(25,218)	(4,519)	5.58	(14,969)	6.17	38,926	4.63	77,850	3.09	(38,926)	7.72	(77,850)	9.26
Debentures	CDI	(324,311)	-	9.15%	(8,594)	11.80%	9,567	8.85%	19,134	5.90%	(9,567)	14.75%	(19,134)	17.70%
Agricultural costs	CDI	(41,033)	-	9.15%	(1,087)	11.80%	1,210	8.85%	2,421	5.90%	(1,210)	14.75%	(2,421)	17.70%
Total financing (b)		(390,562)	(4,519)		(24,650)		49,703		99,405		(49,703)		(99,405)	

Araucária IV	Soybean bags	5,035	32,375	161.03	-	161.03	(1,259)	120.77	(2,518)	80.51	1,259	201.29	2,518	241.54
Araucária V	Soybean bags	47,069	325,000	165.20	-	165.20	(11,767)	123.90	(23,535)	82.60	11,767	206.50	23,535	247.80
Jatobá II	Soybean bags	148,511	1,047,598	179.19	-	179.19	(37,128)	134.39	(74,256)	89.60	37,128	223.99	74,256	268.79
Jatobá III	Soybean bags	56,584	400,155	261.51	-	261.51	(14,146)	196.14	(28,292)	130.76	14,146	326.89	28,292	392.27
Jatobá IV	Soybean bags	20,738	146,000	176.57	-	176.57	(5,185)	132.42	(10,369)	88.28	5,185	220.71	10,369	264.85
Jatobá V	Soybean bags	41,671	300,000	183.60	-	183.60	(10,418)	137.70	(20,836)	91.80	10,418	229.50	20,836	275.40
Jatobá VI	Soybean bags	41,275	300,048	191.66	-	191.66	(10,319)	143.75	(20,638)	95.83	10,319	239.58	20,638	287.50
Alto Taquari I	Soybean bags	3,460	22,656	162.78	-	162.78	(865)	122.09	(1,730)	81.39	865	203.48	1,730	244.17
Alto Taquari II	Soybean bags	4,207	28,600	160.67	-	160.67	(1,052)	120.50	(2,104)	80.34	1,052	200.84	2,104	241.01
Alto Taquari III	Soybean bags	12,223	86,478	202.20	-	202.20	(3,056)	151.65	(6,112)	101.10	3,056	252.75	6,112	303.29
Alto Taquari IV	Soybean bags	198,825	1,525,226	202.20	-	202.20	(49,706)	151.65	(99,413)	101.10	49,706	252.75	99,413	303.29
Rio do Meio I	Soybean bags	87,369	114,374	202.20	-	202.20	(21,842)	151.65	(43,685)	101.10	21,842	252.75	43,685	303.29
Total receivables from farms		666,967	4,328,510		-		(166,743)		(333,488)		166,743		333,488	

Operations with derivatives	Grains (bags)	10,541	2,978,186	(a)	(10,541)	(a)	79,223	(a)	162,692	(a)	(82,378)	(a)	(178,423)	(a)
Operations with derivatives	USD	22,785	59,602	(a)	(22,785)	(a)	91,929	(a)	200,533	(a)	(129,210)	(a)	(247,726)	(a)
Operations with derivatives	Cattle (@)	-	12,540	(a)	-	(a)	1,047	(a)	2,095	(a)	(1,047)	(a)	(2,095)	(a)
Operations with derivatives	Cotton (@)	1,637	5,100,000	(a)	(1,637)	(a)	3,209	(a)	5,212	(a)	(798)	(a)	(2,802)	(a)
Operations with derivatives	Ethanol (m³)	4,118	22,050	(a)	(4,118)	(a)	13,135	(a)	23,024	(a)	(17,790)	(a)	(35,729)	(a)
Operations with derivatives	Swap (BRL)	58	6,093	(a)	(58)	(a)	282	(a)	512	(a)	(316)	(a)	(648)	(a)
Margin - LFT Socopa and XP	SELIC	15,924	-	0.09	(422)	0.12	(470)	0.09	(940)	0.06	470	0.15	940	0.18
Total Derivatives (a)		(23,215)			(39,561)		188,355		393,128		(231,069)		(466,483)	

Cresud, net	USD	(282)	(50)	5.58	(27)	6.17	77	4.63	154	3.09	(77)	7.72	(154)	9.26
Helmir, net	USD	438	78	5.58	44	6.17	(120)	4.63	(241)	3.09	120	7.72	241	9.26
Total related parties		156	28		17		(43)		(87)		43		87	

Serra Grande Farm	Soybean bags	(16,240)	108,000	160.07	-	160.07	4,060	120.05	8,120	80.03	(4,060)	200.08	(8,120)	240.10
Total acquisitions payable		(16,240)	108,000		-		4,060		8,120		(4,060)		(8,120)	

(*) SOURCE Risks: Bloomberg

(a) For sensitivity analysis of derivative positions, forward rates and prices at each maturity date of the operation were used.
(b) The sensitivity analyses do not consider financing transactions and agricultural receivables with fixed rate.

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b) Credit risk

Credit risk refers to the risk of the noncompliance by a counterparty of its contractual obligations, leading the Company to incur financial losses. The risk to which the Company is exposed arises from the possibility of not recovering the amounts receivable for the sale of sugarcane, sale of grains, leasing of land and receivables from farms.

To reduce credit risk in the commercial transactions, the Company sets credit limits in which it analyzes factors such as: incorporation date, commercial relationship with the Company, references and credit scores (Serasa). The Company also constantly monitors outstanding balances.

Currently, management does not expect losses due to the default of its counterparties and has no significant exposure to any individual counterparty.

c) Liquidity risk

The financial liabilities classified by maturity, discounted for contractual cash flows, in addition to the net derivative financial instruments with fair values, are as below.

Consolidated financial liabilities On December 31, 2021	Note	Less than one year	From one to two years	From three to five years	Over five years	Total
Derivatives	7	38,213	3,410	2,297	-	43,920
Leases payable	15	21,479	70,016	94,875	12,809	199,179
Trade accounts payable	16.1	141,307	-	-	-	141,307
Loans, financing and debentures	17	267,747	40,299	32,716	247,158	587,920
Acquisitions payable	19	44,432	7,744	-	-	52,176
Related-party transactions	30	7,330	3,244	-	-	10,574
On June 30, 2021						
Derivatives	7	48,574	645	1,320	-	50,539
Leases payables	15	30,545	70,683	86,319	11,448	198,995
Trade accounts payable	16.1	75,224	-	-	-	75,224
Loans, financing and debentures	17	322,046	55,984	38,355	246,796	663,181
Acquisitions payable	19	45,133	7,295	-	-	52,428
Related-party transactions	30	5,568	2,519	-	-	8,087

Debt maturities are mostly less than one year; the Company generates sufficient cash to satisfy its commitments, as described in the Capital management section below.

5.3. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to stockholders, return capital to stockholders or, also, issue new shares or sell assets to reduce, for example, debt.

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Consistent with others in the industry, the Company monitors capital on the basis of the leverage ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total loans, financing, debentures, acquisitions payable and derivatives, less cash and cash equivalents.

The Company presents net debt and does not have financial leverage:

	<u>Note</u>	<u>12/31/2021</u>	<u>Consolidated</u> <u>6/30/2021</u>
Derivative operations	7	23,215	14,001
Loans, financing and debentures	17	587,920	663,181
Acquisitions payable	19	52,176	52,428
		663,311	729,610
Cash and cash equivalents			
Marketable securities	6.1	(899,711)	(1,059,107)
	6.2	(12,752)	(10,455)
Net debt		<u>(912,463)</u>	<u>(1,069,562)</u>
Total equity		(249,152)	(339,952)
		2,451,476	2,182,601

5.4. Hierarchy of fair value

The balances of trade accounts receivable and payable at book value, less impairment, are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

The Company adopts CPC 40/ IFRS 7 for financial instruments that are measured in the balance sheet at fair value, which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted (unadjusted) prices in active markets for identical assets or liabilities (Level 1);
- Information, in addition to quoted prices, included in level 1 that are observable in the market for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for assets or liabilities that are not based on observable market data (that is, unobservable inputs) (Level 3).

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The following table presents the Group's assets and liabilities that are measured at fair value, as well as the level of hierarchy:

Consolidated - R\$ thousand	Note	Book value	Fair value	12/31/2021		
				Quoted prices in active markets (Level 1)	Significant observable data (Level 2)	Significant non-observable data (Level 3)
Financial assets measured at amortized cost						
Current						
Trade receivables, net	8.1	151,068	151,068	-	151,068	-
Non-current						
Related-party transactions	30	3,177	3,177	-	3,177	-
Financial assets measured at fair value through profit or loss						
Current						
Cash and cash equivalents	6.1	849,423	849,423	849,423	-	-
Receivables from sale of farm, net (c)	8.1	146,527	146,527	-	-	146,527
Derivative operations (b)	7	20,561	20,561	3,526	17,035	-
Non-current						
Marketable securities	6.2	12,752	12,752	12,752	-	-
Receivables from sale of farm, net (c)	8.1	527,321	527,321	-	-	527,321
Derivative operations (b)	7	144	144	1	143	-
Non-financial assets measured at fair value						
Current						
Biological assets	10	410,845	410,845	-	23,374	387,471
Non-current						
Biological assets	10	28,981	28,981	-	28,981	-
Non-financial assets measured at cost						
Non-current						
Investment properties	11	961,449	3,271,674	-	-	3,271,674
Total		3,112,248	5,422,473	865,702	223,778	4,332,993
Financial liabilities measured at amortized cost						
Current						
Trade payables	16.1	141,307	141,307	-	141,307	-
Loans, financing and debentures (a)	17	267,747	267,747	-	267,747	-
Related-party transactions	30	7,330	7,330	-	7,330	-
Non-current						
Related-party transactions	30	3,244	3,244	-	3,244	-
Loans, financing and debentures (a)	17.1	320,173	320,173	-	320,173	-
Financial liabilities measured at fair value through profit or loss						
Current						
Leases payable	15	21,479	21,479	-	21,479	-
Derivative operations (b)	7	38,213	38,213	17,652	20,561	-
Acquisitions payable	19	44,432	44,432	19,467	15,666	9,299
Non-current						
Leases payable	15	177,700	177,700	-	177,700	-
Derivative operations (b)	7	5,707	5,707	2,228	2,893	586
Acquisitions payable	19	7,744	7,744	-	-	7,744
Total		1,035,076	1,035,076	39,347	978,100	17,629

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					6/30/2021	
Consolidated - R\$ thousand	Note	Book value	Fair value	Quoted prices in active markets (Level 1)	Significant observable data (Level 2)	Significant non-observable data (Level 3)
Financial assets measured at amortized cost						
Current						
Trade receivables, net	8.1	84,950	84,950	-	84,950	-
Related-party transactions	30	488	488	-	488	-
Non-current						
Related-party transactions	30	2,680	2,680	-	2,680	-
Financial assets measured at fair value through profit or loss						
Current						
Cash and cash equivalents	6.1	1,000,892	1,000,892	1,000,892	-	-
Receivables from sale of farm, net (c)	8.1	77,540	77,540	-	-	77,540
Derivative operations (b)	7	32,657	32,657	17,047	15,610	-
Non-current						
Marketable securities	6.2	10,455	10,455	10,455	-	-
Receivables from sale of farm, net (c)	8.1	324,937	324,937	-	-	324,937
Derivative operations (b)	7	3,881	3,881	36	3,845	-
Non-financial assets measured at fair value						
Current						
Biological assets	10	210,489	210,489	-	11,727	198,762
Non-current						
Biological assets	10	34,585	34,585	-	34,585	-
Non-financial assets measured at cost						
Non-current						
Investment property	11	952,109	3,518,952	-	-	3,518,952
Total		2,735,663	5,302,506	1,028,430	153,885	4,120,191
Financial liabilities measured at amortized cost						
Current						
Trade payables	16.1	75,224	75,224	-	75,224	-
Loans, financing and debentures (a)	17	322,046	322,046	-	322,046	-
Related-party transactions	30	5,568	5,568	-	5,568	-
Non-current						
Related-party transactions	30	2,519	2,519	-	2,519	-
Loans, financing and debentures (a)	17	341,135	341,135	-	341,135	-
Financial liabilities measured at fair value through profit or loss						
Current						
Leases payable	15	30,545	30,545	-	30,545	-
Derivative operations (b)	7	48,574	48,574	45,368	3,206	-
Acquisitions payable	19	37,796	37,796	20,510	16,506	780
Non-current						
Leases payable	15	168,450	168,450	-	168,450	-
Derivative operations (b)	7	1,965	1,965	314	1,651	-
Acquisitions payable	19	7,295	7,295	-	-	7,295
Total		1,041,117	1,041,117	66,192	966,850	8,075

The book value of loans, financing and debentures presented in the financial statements approximates the fair value since the rates of these instruments are substantially subsidized and there is no intention of early settlement;

(b) The derivative transactions negotiated in active markets are measured at fair value at Level 1, over-the-counter transactions are measured at Level 2, as presented in the table above;

(c) Due to market volatility, one of the non-observable inputs became significant and the credits from the sale of the farm were reclassified from Level 2 to Level 3. The Company's policy is to recognize transfers from and to Level 3 on the date of the event or change in the circumstances that caused the transfer.

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The significant non-observable inputs used in the measurement of the fair value of the credits from the sale of the farm and of receivables from acquisition of farms, classified as Level 3 in the fair value hierarchy, along with an analysis of quantitative sensitivity on December 31, 2021, are as follows. The significant non-observable inputs used in the measurement of the fair value of biological assets and investment properties are disclosed in Notes 10 and 11, respectively:

Description	Evaluation method	Significant non-observable inputs	Variation of non-observable inputs	Sensitivity of inputs to fair value
Credits from sale of farm	Discounted cash flow	Premium (or Basis)	0.37 - 0.77 USD/bu	The increase or decrease of 0.20 USD/bu in the premium (or basis) paid for the soybean would result in an impact of R\$11,077. An increase or decrease of 1.6% in the receivables from the farm.
Payables due to acquisition of Serra Grande Farm	Discounted cash flow	Premium (or Basis)	0.37 - 0.77 USD/bu	The increase or decrease of 0.20 USD/bu in the premium (or basis) paid for the soybean would result in an impact of R\$263. An increase or decrease of 1.6% in payables for the farm.

6. Cash and cash equivalents and marketable securities

6.1. Cash and cash equivalents

	Indexer	Company		Consolidated	
		12/31/2021	6/30/2021	12/31/2021	6/30/2021
Cash and banks		23,735	28,228	50,288	58,215
Bank deposit certificates	CDI - 62% to 114%	393,670	838,909	703,034	1,000,892
Treasury notes (LFTs)	CDI - 114%	51,128	-	51,128	-
Treasury notes (LFTs)	Selic	43,070	-	43,070	-
Treasury notes (NTNs)	IPCA	52,191	-	52,191	-
		<u>563,794</u>	<u>867,137</u>	<u>899,711</u>	<u>1,059,107</u>

The Company has bank balances in foreign currencies which do not bear interest, of which R\$22,411 (R\$26,173 at June 30, 2021) in Company and R\$47,472 (R\$36,987 at June 30, 2021) in Consolidated.

6.2. Restricted securities - non-current

	CDI*	Consolidated	
		12/31/2021	6/30/2021
Bank deposit certificates (a)	CDI - 98 to 99%	6,890	5,224
Securities pledged as guarantee (b)		5,862	5,231
Total non-current		<u>12,752</u>	<u>10,455</u>

(*) Interbank Deposit Certificate.

- (a) The investments are held for the payment of BNB lines of credit and cannot be redeemed until the settlement date of the contracts, which mature at or after 12 months.
- (b) The amounts classified as "Securities pledged as guarantee" refer to a surety contracted by the subsidiary Ombú, which was pledged as guarantee in a labor lawsuit. The lawsuit is for the payment in Bolivia of social security charges for outsourced employees.

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7. Operations with derivatives

Risk	Maturity	Outstanding derivative instruments	Counterparty	12/31/2021 Consolidated				
				Receivable	Payable	Net balance	Short (long) position	Unit
Currency US\$	Jul/22	Put option	Bradesco / Itaú BBA	66	-	66	8,500	US\$
Currency US\$	Jul/22	Call option	Bradesco / Itaú BBA / XP	-	(2,672)	(2,672)	(8,500)	US\$
Currency US\$	May/23	Put option	Bradesco	3	-	3	1,023	US\$
Currency US\$	May/23	Call option	Bradesco	-	(67)	(67)	(1,023)	US\$
Currency US\$	Jun/23	Put option	Bradesco	6	-	6	1,606	US\$
Currency US\$	Jun/23	Call option	Bradesco	-	(131)	(131)	(1,606)	US\$
Currency US\$	Jul/23	Put option	XP	15	-	15	3,484	US\$
Currency US\$	Jul/23	Call option	XP	-	(348)	(348)	(3,484)	US\$
Currency US\$	Mar/24	Put option	Bradesco	13	-	13	2,500	US\$
Currency US\$	Mar/24	Call option	Bradesco	-	(882)	(882)	(2,500)	US\$
Currency US\$	Apr/24	Put option	Bradesco	3	-	3	802	US\$
Currency US\$	Apr/24	Call option	Bradesco	-	(222)	(222)	(802)	US\$
Currency US\$	May/24	Put option	Itaú BBA	15	-	15	1,000	US\$
Currency US\$	May/24	Call option	Itaú BBA	-	(216)	(216)	(1,000)	US\$
Currency US\$	Jul/24	Put option	XP	16	-	16	1,600	US\$
Currency US\$	Jul/24	Call option	XP	-	(505)	(505)	(1,600)	US\$
Currency US\$	Jul/24	Put option	XP	33	-	33	1,900	US\$
Currency US\$	Jul/24	Call option	XP	-	(472)	(472)	(1,900)	US\$
Currency US\$	Mar/22	NDF	Bradesco	-	(2,101)	(2,101)	(3,630)	US\$
Currency US\$	May/22	NDF	XP	-	(665)	(665)	(2,292)	US\$
Currency US\$	May/22	NDF	Macquarie	-	(55)	(55)	(430)	US\$
Currency US\$	May/22	NDF	Banco do Brasil	-	(97)	(97)	(2,800)	US\$
Currency US\$	May/22	NDF	Bradesco	291	-	291	(3,000)	US\$
Currency US\$	Jun/22	NDF	Itaú BBA	-	(2,894)	(2,894)	(8,400)	US\$
Currency US\$	Jun/22	NDF	Cargill	-	(866)	(866)	(2,000)	US\$
Currency US\$	Jun/22	NDF	Itaú BBA/ Bradesco/ ABC/Banco do Brasil	-	(7,115)	(7,115)	(17,200)	US\$
Currency US\$	Jul/22	NDF	Itaú BBA / Bradesco	100	(901)	(801)	(3,500)	US\$
Currency US\$	Jul/22	NDF	Banco do Brasil	310	(1,801)	(1,491)	(7,000)	US\$
Currency US\$	Nov/22	NDF	Bradesco / Banco do Brasil	344	(1,394)	(1,050)	(5,350)	US\$
Currency US\$	Jan/23	NDF	Banco do Brasil / Santander	40	(50)	(10)	(1,000)	US\$
Currency US\$	Jul/23	NDF	Banco do Brasil	-	(586)	(586)	(3,000)	US\$
Total currency risk				1,255	(24,040)	(22,785)	(59,602)	US\$
CBOT Soybean	Feb/22	Soybean put option	Trading Companies/Banks /CBOT	104	-	104	192,768	scs.
CBOT Soybean	Feb/22	Soybean call option	Trading Companies/Banks /CBOT	-	(54)	(54)	(192,768)	scs.
CBOT Soybean	Jun/22	Soybean put option	Trading Companies/Banks /CBOT	649	-	649	147,411	scs.
CBOT Soybean	Jun/22	Soybean call option	Trading Companies/Banks /CBOT	-	(430)	(430)	(249,464)	scs.
CBOT Soybean	Jun/22	Soybean call option	Trading Companies/Banks /CBOT	2,707	(2,101)	606	(233,589)	scs.
CBOT Soybean	Jun/22	Soybean futures	Trading Companies/Banks /CBOT	-	(8,424)	(8,424)	(786,946)	scs.
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks /CBOT	-	(1,583)	(1,583)	(374,196)	scs.
BMF Corn	Jan/22	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(8,100)	scs.
BMF Corn	Sep/22	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(1,140,300)	scs.
BMF Corn	Sep/22	Corn futures	Trading Companies/Banks /CBOT	-	(1,409)	(1,409)	(166,500)	scs.
BMF Corn	Sep/23	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(166,500)	scs.
Cotton	Jun/22	Accrual	Trading Companies/Banks /CBOT	-	(1,220)	(1,220)	(2,950,000)	lbs.
Cotton	Nov/22	Accrual	Trading Companies/Banks /CBOT	17	(2)	15	(600,000)	lbs.
Cotton	Nov/22	Cotton futures	Trading Companies/Banks /CBOT	-	(375)	(375)	(500,000)	lbs.
Cotton	Nov/22	Cotton futures	Trading Companies/Banks /CBOT	-	(57)	(57)	(1,050,000)	lbs.
Fed cattle	Jan/22	Fed cattle futures	OTC/Stock Exchange	-	-	-	(2,640)	@
Fed cattle	May/22	Fed cattle futures	OTC/Stock Exchange	-	-	-	(9,900)	@
BM&F Ethanol	Jan/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(18)	(18)	(600)	m ³
BM&F Ethanol	May/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(227)	(227)	(750)	m ³
BM&F Ethanol	Jun/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(195)	(195)	(750)	m ³
BM&F Ethanol	Jul/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(210)	(210)	(750)	m ³
BM&F Ethanol	Aug/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(177)	(177)	(750)	m ³
BM&F Ethanol	Sep/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(426)	(426)	(1,500)	m ³
BM&F Ethanol	Oct/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(487)	(487)	(1,350)	m ³
BM&F Ethanol	Nov/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(532)	(532)	(1,350)	m ³
BM&F Ethanol	Dec/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(594)	(594)	(1,350)	m ³
BM&F Ethanol	Jan/23	Ethanol call options	Trading Companies/Banks /CBOT	-	(418)	(418)	(750)	m ³
BM&F Ethanol	Apr/22	Ethanol futures	BM&F	-	-	-	(600)	m ³
BM&F Ethanol	May/22	Ethanol futures	BM&F	-	(101)	(101)	(750)	m ³
BM&F Ethanol	may/22	Ethanol futures	BM&F	-	-	-	(900)	m ³
BM&F Ethanol	Jun/22	Ethanol futures	BM&F	-	(49)	(49)	(750)	m ³
BM&F Ethanol	Jun/22	Ethanol futures	BM&F	-	-	-	(900)	m ³
BM&F Ethanol	Jul/22	Ethanol futures	BM&F	-	(49)	(49)	(750)	m ³
BM&F Ethanol	Aug/22	Ethanol futures	BM&F	-	(23)	(23)	(750)	m ³
BM&F Ethanol	Sep/22	Ethanol futures	BM&F	-	(98)	(98)	(750)	m ³
BM&F Ethanol	Sep/22	Ethanol futures	BM&F	30	-	30	(600)	m ³
BM&F Ethanol	Oct/22	Ethanol futures	BM&F	15	(116)	(101)	(1,350)	m ³
BM&F Ethanol	Nov/22	Ethanol futures	BM&F	4	(129)	(125)	(1,350)	m ³
BM&F Ethanol	Dec/22	Ethanol futures	BM&F	-	(149)	(149)	(1,350)	m ³
BM&F Ethanol	Jan/23	Ethanol futures	BM&F	-	(169)	(169)	(1,350)	m ³
			Margin deposited	15,924	-	15,924		
Total risk with commodities				19,450	(19,822)	(372)		
Interest R\$	Aug/23	Fixed DI SWAP	Bradesco	-	(58)	(58)	6,093	
Total risk with interest				-	(58)	(58)	6,093	
				20,705	(43,920)	(23,215)		
Current				20,561	(38,213)			
Non-current				144	(5,707)			
Result on December 31, 2021 (Note 26)				173,860	(230,815)			

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Risk	Maturity	Outstanding derivative instruments	Counterparty	6/30/2021				
				Consolidated			Volume/ position	Unit
				Receivable	Payable	Net balance		
Currency US\$	Jul/21	Put option	Itaú BBA/Santander	676	-	676	5,000	US\$
Currency US\$	Jul/21	Call option	Itaú BBA/Santander	-	(71)	(71)	(5,000)	US\$
Currency US\$	May/23	Put option	Bradesco	196	-	196	1,023	US\$
Currency US\$	May/23	Call option	Bradesco	-	(92)	(92)	(1,023)	US\$
Currency US\$	Jun/23	Put option	Bradesco	322	-	322	1,606	US\$
Currency US\$	Jun/23	Call option	Bradesco	-	(165)	(165)	(1,606)	US\$
Currency US\$	Jul/23	Put option	XP	716	-	716	3,484	US\$
Currency US\$	Jul/23	Call option	XP	-	(408)	(408)	(3,484)	US\$
Currency US\$	Mar/24	Put option	Bradesco	507	-	507	2,500	US\$
Currency US\$	Mar/24	Call option	Bradesco	-	(713)	(713)	(2,500)	US\$
Currency US\$	Apr/24	Put option	Bradesco	147	-	147	802	US\$
Currency US\$	Apr/24	Call option	Banco do Brasil	-	(199)	(199)	(802)	US\$
Currency US\$	Jul/21	NDF	Banco do Brasil	1,300	-	1,300	(2,000)	US\$
Currency US\$	Jul/21	NDF	Banco do Brasil/Rabobank	873	-	873	(2,890)	US\$
Currency US\$	Jul/21	NDF	Itaú BBA/Banco do Brasil	5,405	-	5,405	(9,500)	US\$
Currency US\$	Aug/21	NDF	XP	-	(189)	(189)	(3,733)	US\$
Currency US\$	Aug/21	NDF	Banco Bradesco/XP	95	(46)	49	(3,722)	US\$
Currency US\$	Aug/21	NDF	XP	-	(9)	(9)	(966)	US\$
Currency US\$	Sep/21	NDF	Itaú BBA/Rabobank/XP	1,798	(9)	1,789	(9,930)	US\$
Currency US\$	Nov/21	NDF	Rabobank/Bradesco	215	-	215	(1,490)	US\$
Currency US\$	Nov/21	NDF	Macquarie	213	-	213	(280)	US\$
Currency US\$	Mar/22	NDF	Bradesco	-	(273)	(273)	(3,630)	US\$
Currency US\$	May/22	NDF	XP	531	-	531	(2,292)	US\$
Currency US\$	May/22	NDF	Macquarie	171	-	171	(430)	US\$
Currency US\$	Jun/22	NDF	Itaú BBA	1,716	-	1,716	(8,400)	US\$
Currency US\$	Jun/22	NDF	Cargill	236	-	236	(2,000)	US\$
Currency US\$	Jun/22	NDF	Banco do Brasil/Bradesco/ABC	2,382	-	2,382	(17,200)	US\$
Currency US\$	Jul/22	NDF	Itaú BBA	658	-	658	(1,000)	US\$
Currency US\$	Jul/22	NDF	Banco do Brasil	46	-	46	(2,000)	US\$
Currency US\$	Nov/22	NDF	Bradesco	-	(76)	(76)	(850)	US\$
Currency US\$	Jan/23	NDF	Banco do Brasil/Santander	640	-	640	(1,000)	US\$
		Total currency risk		18,843	(2,250)	16,593	(69,313)	US\$
Soybean	Oct/21	Soybean put options	Trading Companies/Banks /CBOT	1,368	-	1,368	396,875	scs.
Soybean	Oct/21	Soybean call options	Trading Companies/Banks /CBOT	1,723	-	1,723	167,821	scs.
Soybean	out/21	Soybean put options	Trading Companies/Banks /CBOT	884	-	884	249,464	scs.
Soybean	Feb/22	Soybean put options	Trading Companies/Banks /CBOT	855	-	855	192,768	scs.
Soybean	Feb/22	Soybean call options	Trading Companies/Banks /CBOT	-	(1,201)	(1,201)	(192,768)	scs.
Soybean	Jun/22	Soybean put options	Trading Companies/Banks /CBOT	2,002	-	2,002	249,464	scs.
Soybean	Jun/22	Soybean call options	Trading Companies/Banks /CBOT	-	(1,401)	(1,401)	(249,464)	scs.
Soybean	Aug/21	Soybean futures	Trading Companies/Banks /CBOT	-	(644)	(644)	(49,893)	scs.
Soybean	Nov/21	Soybean futures	Trading Companies/Banks /CBOT	-	(26,688)	(26,688)	(478,518)	scs.
Soybean	Dec/21	Soybean futures	Trading Companies/Banks /CBOT	-	(784)	(784)	(20,411)	scs.
Corn	Aug/21	Corn put options	Trading Companies/Banks /CBOT	3	(187)	(184)	(254,011)	scs.
Corn	Aug/21	Corn call options	Trading Companies/Banks /CBOT	1,327	(3,765)	(2,438)	(84,670)	scs.
Corn	Aug/21	Corn put options	Trading Companies/Banks /CBOT	-	(218)	(218)	(254,011)	scs.
Corn	Aug/21	Corn futures	Trading Companies/Banks /CBOT	-	(7,213)	(7,213)	(254,011)	scs.
Corn	Sep/22	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(92,700)	scs.
Corn	Sep/22	Corn futures	Trading Companies/Banks /CBOT	-	(314)	(314)	(83,250)	scs.
Corn	Sep/21	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(9,000)	scs.
Corn	Sep/21	Accrual	Trading Companies/Banks /CBOT	-	(421)	(421)	(83,251)	scs.
Cotton	Nov/21	Cotton call options	Trading Companies/Banks /CBOT	-	(1,770)	(1,770)	(1,500,000)	lbs.
Cotton	Dec/21	Cotton futures	Trading Companies/Banks /CBOT	39	(793)	(754)	(1,150,000)	lbs.
Cotton	Nov/22	Cotton futures	Trading Companies/Banks /CBOT	36	-	36	(500,000)	lbs.
Cotton	Nov/21	Accrual	Trading Companies/Banks /CBOT	-	(282)	(282)	(441,000)	lbs.
Ethanol	Jul/21	Ethanol futures	OTC/Stock Exchange	-	-	-	(300)	m ³
Ethanol	Aug/21	Ethanol futures	OTC/Stock Exchange	-	-	-	(300)	m ³
Ethanol	Sep/21	Ethanol futures	OTC/Stock Exchange	-	-	-	(300)	m ³
Fed Cattle	Oct/21	Fed cattle futures	OTC/Stock Exchange	-	-	-	(4,950)	@
		Margin deposited		8,844	-	8,844		
		Total risk with commodities		17,081	(45,681)	(28,600)		
Interest R\$	Nov/21	Fixed DI EUR SWAP	Banks	-	(2,608)	(2,608)	25,000	BRL
Interest R\$	Aug/23	Fixed DI SWAP	Banks	614	-	614	9,482	BRL
		Total risk with interest		614	(2,608)	(1,994)	34,482	BRL
		Total risk		36,538	(50,539)	(14,001)		
		Non-current		32,657	(48,574)			
		Non-current		3,881	(1,965)			
		Result on December 31, 2020 (Note 26)		210,678	(306,627)			

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The Company uses derivative financial instruments as currency and forward contracts and forward commodities contracts to hedge against currency risk and commodities prices, respectively.

The deposit margins are for counterparties in operations with derivative instruments.

The total fair value of a derivative is classified as noncurrent assets or liabilities if the remaining maturity of the derivative is over one year, and as current assets or liabilities if the remaining maturity of the derivative is less than one year.

8. Accounts receivable and sundry credits

	Note	Company		Consolidated	
		12/31/2021	6/30/2021	12/31/2021	6/30/2021
Trade accounts receivable	8.1	67,908	40,503	297,595	162,490
Recoverable taxes	8.2	8,030	1,647	20,953	8,644
Advances to suppliers		4,130	15,413	5,001	19,329
Other receivables		3,558	1,590	2,121	2,143
Total current		83,626	59,153	325,670	192,606
Trade accounts receivable	8.1	-	-	527,321	324,937
Recoverable taxes	8.2	13,173	10,622	27,660	21,876
Judicial deposits	28	1,828	1,834	2,130	2,120
Total non-current		15,001	12,456	557,111	348,933

8.1 Trade accounts receivable

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Sale of sugarcane	21,103	13,680	84,090	43,233
Sale of grains	44,894	24,927	58,778	34,502
Sale of cattle	269	155	269	155
Leases and rentals	2,011	2,199	7,762	6,896
Sale of machinery	482	393	1,990	1,893
Sale of farms	-	-	146,527	77,540
	68,759	41,354	299,416	164,219
Allowance for doubtful accounts	(851)	(851)	(1,821)	(1,729)
Total current	67,908	40,503	297,595	162,490
Sale of farms	-	-	527,321	324,937
Total non-current	-	-	527,321	324,937

a) Changes in the allowance for doubtful accounts:

	Company	Consolidated
At June 30, 2021	851	1,729
Accruals	-	5
Exchange gain/loss	-	87
At December 31, 2021	851	1,821

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b) Receivables by maturity

	<u>Company</u>		<u>Consolidated</u>	
	<u>12/31/2021</u>	<u>6/30/2021</u>	<u>12/31/2021</u>	<u>6/30/2021</u>
Falling due:				
Up to 30 days	50,162	32,948	103,700	63,403
31 to 90 days	835	3,170	20,043	23,035
91 to 180 days	15,895	2,553	106,215	18,480
181 to 360 days	16	1,593	66,240	57,328
Over 360 days	-	-	527,321	324,937
Past due:				
Up to 30 days	467	200	864	205
31 to 90 days	533	39	533	39
181 to 360 days	-	-	-	456
Over 360 days	851	851	1,821	1,273
	<u>68,759</u>	<u>41,354</u>	<u>826,737</u>	<u>489,156</u>

c) Sale of sugarcane

The Company has two sugarcane supply agreements. The first agreement with Atvos S.A. and the second in the partnership IV Agreement, (Note 29 on Commitments), for which credit risks are assessed in accordance with the internal policy (Note 5.2b).

All the risks were covered during the period ended on December 31, 2021, and there is no record of default through date of issuance of these financial statements.

Sale of grains

For the period ended December 31, 2021, the main receivables from corn and soybean are from the clients Amaggi, Agroindustrial Campo Real and Humberg, and corn and soybean were sold mainly to the clients Amaggi, Bunge and Novaagri.

d) Receivables for sale of farm

Total amounts sold, received and receivables for sale of farm are as follows:

	<u>6/30/2021</u>	<u>Recording</u>	<u>Receipts</u>	<u>Restatement of fair value</u>	<u>Exchange gain/loss</u>	<u>12/31/2021</u>	<u>Current</u>	<u>Non-current</u>
Araucária IV	4,466	-	(728)	1,297	-	5,035	5,035	-
Araucária V	42,848	-	-	4,221	-	47,069	19,208	27,861
Jatobá II	146,953	-	(10,100)	11,658	-	148,511	40,477	108,034
Jatobá III	55,911	-	(3,858)	4,531	-	56,584	15,424	41,160
Jatobá IV	19,088	-	-	1,650	-	20,738	5,865	14,873
Jatobá V	40,887	-	(2,314)	3,098	-	41,671	9,206	32,465
Jatobá VI	38,442	-	-	2,833	-	41,275	7,693	33,582
Alto Taquari I	2,972	-	-	488	-	3,460	3,460	-
Alto Taquari II	3,780	-	-	427	-	4,207	2,201	2,006
Alto Taquari III	11,459	-	-	764	-	12,223	1,090	11,133
Alto Taquari IV	-	218,426	(26,676)	7,075	-	198,825	24,635	174,190
Bananal IX	15,622	-	(9,800)	148	-	5,970	5,970	-
Bananal X	19,234	-	(20,849)	1,615	-	-	-	-
Fon I	508	-	-	-	61	569	569	-
San Cayetano	307	-	-	-	35	342	342	-
Rio do Meio	-	97,748	(17,155)	6,776	-	87,369	5,352	82,017
Total	402,477	316,174	(91,480)	46,581	96	673,848	146,527	527,321

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Information on sales and the amounts received in the period ended December 31, 2021 is presented in Notes 2 and 22.b.

Variable consideration

For sales agreement with official measurement during or upon termination, the Company adopts the variable consideration concept set forth in CPC 47 - Revenue and does not recognize 2.3% of the sale until the measurement is made. This percentage, based on the highest historical deviation plus a safety margin, represents the risk of proportional reversion upon sale recognition if there is any difference between the area negotiated and the area delivered. The unrecognized portion of revenue (2.3%) will be recognized upon completion.

Receivables from the sale of farm without the reducing factor were as follows:

	12/31/2021	Variable consideration (2.3%)	12/31/2021
Jatobá III	56,584	1,301	57,885
Jatobá IV	20,738	477	21,215
Jatobá V	41,671	958	42,629
Jatobá VI	41,275	949	42,224
Alto Taquari IV	198,825	4,573	203,398
Rio do Meio	87,369	2,009	89,378
Total	446,462	10,267	456,729

8.2 Recoverable taxes

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Withholding income tax (IRRF) on financial investments to be offset	3,996	1,483	5,088	2,237
ICMS recoverable	-	-	624	-
PIS and COFINS to be offset	4,002	164	8,345	164
Tax on value added - IVA - (Paraguay/Bolivia)	-	-	6,762	6,226
Other recoverable taxes	32	-	134	17
Total current	8,030	1,647	20,953	8,644
ICMS recoverable	8,789	6,682	11,088	9,378
PIS and COFINS to be offset	3,934	3,934	3,934	3,934
IRRF on financial investments to be offset	449	6	1,148	82
INSS recoverable	1	-	1	21
Tax on value added - IVA - (Paraguay/Bolivia)	-	-	11,489	8,461
	13,173	10,622	27,660	21,876

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9. Inventories

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Soybean	2,175	123,602	3,237	169,927
Corn	1,673	36,586	1,789	40,678
Bean	3,492	11,969	3,493	11,969
Cotton	2,557	11,114	2,557	11,114
Other harvests	173	176	174	224
Agricultural products	10,070	183,447	11,250	233,912
Inputs	82,297	15,807	114,367	31,947
	92,367	199,254	125,617	265,859

9.1 Adjustment to recoverable value of inventories of products

	Company	Consolidated
At June 30, 2021	(19,679)	(23,484)
Recording of impairment of agricultural products	(17,277)	(15,415)
Write-offs/Reversals	36,591	38,521
At December 31, 2021	(365)	(378)

10. Biological assets

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Food cattle	496	130	23,374	11,727
Production cattle	28,981	34,585	28,981	34,585
Grain plantation	180,582	49,033	215,906	64,554
Cotton plantation	10,391	13,863	10,389	13,862
Sugarcane field	48,878	36,117	161,176	120,346
Total	269,328	133,728	439,826	245,074
Current	240,347	99,143	410,845	210,489
Non-current	28,981	34,585	28,981	34,585

Plantation and treatment of crops expenditure is substantially for crop formation such as seeds, fertilizers, pesticides, depreciation and labor.

The cultivation area to be harvested for the biological assets is as follows:

	Company		Consolidated	
	Planted area (hectares)		Planted area (hectares)	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Grains	14,423	9,360	15,680	9,836
Cotton	-	1,404	-	1,404
Sugarcane	7,432	10,513	25,134	26,959
	21,855	21,277	40,814	38,199

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Changes in agricultural activity

	Company			Consolidated		
	Current	Current	Current	Current	Current	Current
	Grains	Cotton	Sugarcane	Grains	Cotton	Sugarcane
At June 30, 2021	49,033	13,863	36,117	64,554	13,862	120,346
Increases due to planting	157,037	12,137	-	180,685	11,248	-
Increases due to handling	-	-	49,320	-	-	145,078
Change in fair value	42,141	(573)	50,911	67,430	315	171,813
Reductions due to harvesting	(67,629)	(15,036)	(87,470)	(98,504)	(15,036)	(276,357)
/Exchange gains/losses	-	-	-	1,741	-	296
At December 31, 2021	180,582	10,391	48,878	215,906	10,389	161,176

Changes in cattle raising activity

	Company	
	Heads of cattle (in number)	Cattle (\$)
At June 30, 2021	10,525	34,715
Acquisition/birth costs	2,579	904
Handling costs	-	5,977
Sales	(2,559)	(7,278)
Losses	(77)	(198)
Change in fair value	-	(4,643)
At December 31, 2021	10,468	29,477

	Consolidated	
	Heads of cattle (in number)	Cattle (\$)
At June 30, 2021	14,805	46,312
Acquisition/birth costs	5,898	10,429
Handling costs	-	7,577
Sales	(4,914)	(17,484)
Losses	(110)	(285)
Transfers in lieu of payment	1,235	5,719
Consumption	(25)	(106)
Exchange gains/losses	-	1,219
Change in fair value	-	(1,026)
At December 31, 2021	16,889	52,355

Quantitative data about cattle raising activity, expressed in heads of cattle

	Company		
	Consumable cattle	Production cattle	Total
At June 30, 2021	42	10,483	10,525
At December 31, 2021	120	10,348	10,468
	Consolidated		
	Consumable cattle	Production cattle	Total
At June 30, 2021	4,322	10,483	14,805
At December 31, 2021	5,306	11,583	16,889

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Fair value hierarchy at December 31, 2021

	<u>Company</u>	<u>Consolidated</u>	<u>Fair value</u>
	<u>Amount</u>	<u>Amount</u>	
Sugarcane	48,878	161,176	Level 3
Cattle	29,477	52,355	Level 2
Grains	180,582	215,906	Level 3
Cotton	10,391	10,389	Level 3

The significant non-observable inputs used in the measurement of the fair value of sugarcane, grains and cotton classified as Level 3 in the fair value hierarchy, along with an analysis of quantitative sensitivity on December 31, 2021, are as follows:

Description	Method	Significant non-observable inputs	Rate %	Variation of non-observable inputs	Increase in inputs	Decrease in inputs
Sugarcane	Discounted cash flow	Yield	13.19	Average yield: 84.8 tons per hectare	An increase in yield generates a positive result in the fair value of biological assets.	A decrease in yield generates a negative result in the fair value of biological assets.
		TRS (Kg of sugar per ton of sugarcane)	13.19	Total recoverable sugar: TRS 134 to 145 per ton of cane	An increase in TRS generates a positive result in the fair value of biological assets.	A decrease in TRS generates a negative result in the fair value of biological assets.
Soybean	Discounted cash flow	Yield	13.19	Average yield: 58.9 bags per hectare	An increase in yield generates a positive result in the fair value of biological assets.	A decrease in yield generates a negative result in the fair value of biological assets.
Corn	Discounted cash flow	Yield	13.19	Average yield: 170.0 bags per hectare	An increase in yield generates a positive result in the fair value of biological assets.	A decrease in yield generates a negative result in the fair value of biological assets.
Bean	Discounted cash flow	Yield	13.19	Average yield: 19.2 bags per hectare	An increase in yield generates a positive result in the fair value of biological assets.	A decrease in yield generates a negative result in the fair value of biological assets.

Changes in fair value in profit or loss

	<u>Company</u>		<u>Consolidated</u>	
	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
Grains	42,141	29,952	67,430	36,247
Cotton	(573)	11,724	315	12,269
Sugarcane	50,911	9,653	171,813	51,994
Cattle	(4,643)	785	(1,026)	(747)
	<u>87,836</u>	<u>52,114</u>	<u>238,532</u>	<u>99,763</u>

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11. Investment properties - noncurrent

	Company					
	Land - Farms	Buildings and improvements	Land preparation	Total in operation	Construction in progress	12/31/2021
At December 31, 2021						
Opening balance	22,493	26,701	43,727	92,921	28,564	121,485
Acquisitions	78	7,814	696	8,588	27,558	36,146
Write-offs	-	(935)	(15)	(950)	(33)	(983)
Transfers	-	1,882	4,882	6,764	(6,764)	-
(-) Depreciation / amortization	-	(280)	(2,716)	(2,996)	-	(2,996)
Book balance, net	22,571	35,182	46,574	104,327	49,325	153,652
At December 31, 2021						
Total cost	22,571	42,615	101,432	166,618	49,325	215,943
Accumulated depreciation	-	(7,433)	(54,858)	(62,291)	-	(62,291)
Book balance, net	22,571	35,182	46,574	104,327	49,325	153,652

Annual depreciation rates
(weighted average) - %

	3	5	-
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	Consolidated					
	Land - Farms	Buildings and improvements	Land preparation	Total in operation	Construction in progress	12/31/2021
At December 31, 2021						
Opening balance	781,251	66,614	100,781	948,646	48,454	997,100
Acquisitions	361	7,814	853	9,028	35,644	44,672
Write-offs	(55,513)	(7,850)	(15)	(63,378)	(33)	(63,411)
Transfers	-	3,436	13,571	17,007	(17,007)	-
(-) Depreciation / amortization	-	(1,854)	(4,768)	(6,622)	-	(6,622)
Effect from conversion	33,728	2,706	5,466	41,900	1,788	43,688
Net book value	759,827	70,866	115,888	946,581	68,846	1,015,427
At December 31, 2021						
Total cost	759,827	84,080	199,220	1,043,127	68,846	1,111,973
Accumulated depreciation	-	(13,214)	(83,332)	(96,546)	-	(96,546)
Book balance, net	759,827	70,866	115,888	946,581	68,846	1,015,427

Annual depreciation rates
(weighted average) - %

	3	5	-
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The table below shows the fair value of investment properties compared to their book values:

Farm	State	Hectares		Real estate	Acquisition	Fair value*		Cost Value**	
		12/31/2021	6/30/2021			12/31/2021	6/30/2021	12/31/2021	6/30/2021
Jatobá Farm	Bahia	13,276	13,276	Jaborandi Ltda	Mar-07	386,391	386,391	29,123	29,612
Alto Taquari Farm	Mato Grosso	1,380	5,103	Mogno Ltda	Aug-07	144,963	304,710	17,291	33,547
Araucária Farm	Goiás	5,534	5,534	Araucária Ltda	Apr-07	333,233	333,233	46,348	46,166
Chaparral Farm	Bahia	37,182	37,182	Cajueiro Ltda	Nov-07	766,971	766,971	97,545	91,737
Nova Buriti Farm	Minas Gerais	24,212	24,212	Flamboyant Ltda	Dec-07	33,829	33,829	23,527	23,448
Preferência Farm	Bahia	17,799	17,799	Cajueiro Ltda	Sep-08	89,436	89,436	31,954	28,350
São José Farm	Maranhão	17,566	17,566	Ceibo Ltda	Feb-17	407,025	407,025	113,524	112,463
Marangatu y Udra Farm	Boqueron Paraguay	59,585	59,585	Agropecuária Moroti S/A	Feb-18	449,590	449,590	235,768	211,362
Arrojadinho Farm	Bahia	16,642	16,642	Agrifirma Agro Ltda	Jan-20	214,208	214,208	107,299	96,076
Rio do Meio Farm	Bahia	7,715	12,288	Agrifirma Agro Ltda	Jan-20	164,797	252,328	78,525	117,912
Serra Grande Farm	Piauí	4,489	4,489	Imobiliária Cremaq	Apr-20	71,790	71,790	40,329	36,739
Acres del Sud Farm	Bolívia	9,875	9,875	Acres Del Sud	Feb-21	209,441	209,441	140,216	124,697
		215,255	223,551			3,271,674	3,518,952	961,449	952,109

(*) On June 30, 2021, the properties appraised by Deloitte Touche Tohmatsu Consultores Ltda. through an independent appraisal report presented a balance of R\$3,518,952. The comparable sales value of investment properties is adjusted considering the specific aspects of each property, where the price per hectare is the most relevant assumption. The fair value presented is considered as Level 3 in the fair value hierarchy and there were no reclassifications among levels in the year.

(**) At December 31, 2021 the cost value of R\$961,449 (R\$952,109 at June 30, 2021) is not comparable to that disclosed in the "Investment properties" note, since the note contemplates investments made in certain partnerships (leased farms), which are not an integral part of the Company's portfolio of owned farms.

(**) The fair value and the cost value presented for the Alto Taquari Farm includes the balance of 1,157 hectares sold in September 2021, and the Company will continue to operate on the area until the date it is delivered (September 2024), as shown in Note 2.1.

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On December 31, 2021, the Company had farms held as guarantee for loans and financing, which represent 54% of investment properties.

12. Investments

Investments were as follows:

	Company		Consolidated		Equity in results									
	12/31/2021	6/30/2021	12/31/2021	6/30/2021	Thousands of shares or units of interest held by the Company	Interest in total capital - %	Total assets	Total liabilities	Equity	IFRS adjustments 16/CPC 06	Percentage of interest in equity	Income (loss) for the year	IFRS adjustments 16/CPC 06 (*)	Equity in results
	12/31/2021	12/31/2021	12/31/2021	12/31/2021	12/31/2021	12/31/2021	12/31/2021	12/31/2021	12/31/2021	16/CPC 06	interest in equity	for the year	(*)	results
Investments	1,764,423	1,439,082	1,764,423	1,439,082										
Goodwill	47	47	47	47										
	<u>1,764,470</u>	<u>1,439,129</u>	<u>1,764,470</u>	<u>1,439,129</u>										
<i>Subsidiaries</i>														
Araucária	69,301	100.00	120,414	47,364	73,050	(698)	72,352	7,486	1,153			7,486	1,153	8,639
Cremaq	19,967	100.00	30,816	16,542	14,274	(544)	13,730	(718)	(170)			(718)	(170)	(888)
Engenho de Maracaju	282	100.00	43	-	43	-	43	(21)	-			(21)	-	(21)
Imobiliária Jaborandi	44,445	100.00	355,901	113,903	241,998	7,478	249,476	18,587	1,748			18,587	1,748	20,335
Cajueiro	59,219	100.00	68,556	2,758	65,798	1,281	67,079	6,890	3,752			6,890	3,752	10,642
Mogno	35,134	100.00	289,075	66,769	222,306	(656)	221,650	188,817	971			188,817	971	189,788
Ceibo	103,945	100.00	117,829	990	116,839	(1,433)	115,406	4,679	2,329			4,679	2,329	7,008
Flamboyant	843	100.00	643	-	643	-	643	(5)	-			(5)	-	(5)
Palmeiras	48,960	100.00	121,355	90,386	30,969	-	30,969	2,567	-			2,567	-	2,567
Moroti	69,962	100.00	247,700	13,880	233,820	-	233,820	(922)	(922)			(922)	-	(922)
Agrifirma	256,616	100.00	841,070	249,671	591,399	(442)	590,957	174,185	1,079			174,185	1,079	175,264
Acres	902	100.00	92,439	37,083	55,356	-	55,356	1,883	-			1,883	-	1,883
Ombú	484	100.00	53,822	17,598	36,224	-	36,224	2,717	-			2,717	-	2,717
Yuchán	97	100.00	37,730	34,476	3,254	-	3,254	(2,589)	-			(2,589)	-	(2,589)
Yatay	282	100.00	67,037	360	66,677	-	66,677	468	-			468	-	468
Avante	100	100.00	10	921	(911)	-	(911)	(921)	-			(921)	-	(921)
<i>Joint Venture and other investments</i>														
Cresca	-	50.00	1,955	378	1,577	-	1,577	(33)	-			(33)	-	(33)
Agrofy	-	1.66	-	-	6,121	-	6,121	-	-			-	-	-
			<u>2,446,395</u>	<u>693,079</u>	<u>1,759,437</u>	<u>4,986</u>	<u>1,764,423</u>	<u>403,070</u>	<u>10,862</u>			<u>403,070</u>	<u>10,862</u>	<u>413,932</u>

(*) The Company has land lease agreements with its subsidiaries. The adoption of IFRS 16 resulted in differences between the profit or loss of the company and the consolidated position that were adjusted in the Equity in results of the parent company, so that the profit or loss of the company and the consolidated position are the same, pursuant to ICPC 09 (R2) - Individual Accounting Statements, Separate Statements, Consolidated Statements and Application of Equity Method.

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a) Changes in investments

	<u>6/30/2021</u>	<u>Capital increase</u>	<u>Dividends</u>	<u>Equity in results</u>	<u>Translation effects</u>	<u>12/31/2021</u>
Cremaq	14,618	-	-	(888)	-	13,730
Engenho	64	-	-	(21)	-	43
Imobiliária Jaborandi	314,141	-	(85,000)	20,335	-	249,476
Araucária	86,696	-	(22,983)	8,639	-	72,352
Mogno	49,830	-	(17,968)	189,788	-	221,650
Cajueiro	68,536	-	(12,098)	10,642	-	67,080
Ceibo	108,398	-	-	7,008	-	115,406
Flamboyant	648	-	-	(5)	-	643
Palmeiras	22,591	2,614	-	2,567	3,197	30,969
Moroti	210,447	-	-	(922)	24,294	233,819
Agrifirma	415,693	-	-	175,264	-	590,957
Acres	47,561	-	-	1,883	5,912	55,356
Ombú	29,833	-	-	2,717	3,674	36,224
Yuchán	5,334	-	-	(2,589)	509	3,254
Yatay	59,073	-	-	468	7,136	66,677
Cresca	1,482	-	-	(33)	128	1,577
Agrofy	4,127	1,994	-	-	-	6,121
	<u>1,439,072</u>	<u>4,608</u>	<u>(138,049)</u>	<u>414,853</u>	<u>44,850</u>	<u>1,765,334</u>
Goodwill - Agrifirma	47	-	-	-	-	47
	<u>1,439,119</u>	<u>4,608</u>	<u>(138,049)</u>	<u>414,853</u>	<u>44,850</u>	<u>1,765,381</u>
Investment losses						
Avante	10	-	-	(921)	-	(911)
	10	-	-	(921)	-	(911)
	<u>1,439,129</u>	<u>4,608</u>	<u>(138,049)</u>	<u>413,932</u>	<u>44,850</u>	<u>1,764,470</u>

b) Indirectly controlled companies

The Company holds indirect interests in the capital of other companies through its subsidiary Agrifirma. The summarized assets and liabilities and profit or loss of the Agrifirma Group consolidated at December 31, 2021 were:

	<u>Interest (%)</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Profit (loss) of the period</u>
Agrifirma Bahia Agropecuária Ltda.	99.99	169,109	5,174	163,935	77,566
I.A. Agro Ltda.	99.99	252	4,101	(3,849)	-
GL Empreendimentos e Participações Ltda.	99.99	4,112	6	4,106	-
		<u>173,473</u>	<u>9,281</u>	<u>164,192</u>	<u>77,566</u>

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c) Interest in joint venture

Cresca's summarized financial information, based on the financial statements prepared in accordance with the accounting practices adopted in Brazil and with IFRS, and the reconciliation with the book value of the investment in the consolidated financial statements are presented below at fair value on the acquisition date up to December 31, 2021:

	<u>12/31/2021</u>	<u>6/30/2021</u>
Assets	3,407	3,207
Current		
Cash and cash equivalents	150	146
Accounts receivable, inventories and other receivables	3,214	3,021
Non-current		
Other non-current assets	43	40
Liabilities	253	244
Current		
Trade payables, taxes and loans	253	244
Total net assets	<u>3,154</u>	<u>2,963</u>
Company's interest - 50%	<u>1,577</u>	<u>1,482</u>
	<u>12/31/2021</u>	<u>12/31/2020</u>
Administrative expenses	-	(4)
Other income/expenses	1	2
Financial expenses	(67)	(46)
Loss for the period /year	<u>(66)</u>	<u>(48)</u>
Company's interest - 50%	<u>(33)</u>	<u>(24)</u>

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13. Property, plant and equipment

								Company
	Buildings and improvements	Equipment and facilities	Agricultural vehicles and machinery	Furniture and fixtures	Total in operation	Property, plant and equipment in progress	Sugarcane	Total property, plant and equipment
Opening balance	136	6,033	2,315	912	9,396	-	20,980	30,376
Acquisitions	-	1,214	880	144	2,238	5,738	1,632	9,608
Write-offs	-	-	(44)	-	(44)	-	(185)	(229)
Transfers	17	5,934	-	-	5,951	(5,738)	(213)	-
Depreciation	(57)	281	(241)	(74)	(91)	-	(5,426)	(5,517)
Book balance, net	96	13,462	2,910	982	17,450	-	16,788	34,238
At December 31, 2021								
Total cost	1,058	18,124	5,345	1,892	26,419	-	71,187	97,606
Accumulated depreciation	(962)	(4,662)	(2,435)	(910)	(8,969)	-	(54,399)	(63,368)
Accounting balance, net	96	13,462	2,910	982	17,450	-	16,788	34,238
Annual depreciation rates (weighted average) - %	3	7	7	10			20	
								Consolidated
	Buildings and improvements	Equipment and facilities	Agricultural vehicles and machinery	Furniture and fixtures	Total in operation	Property, plant and equipment in progress	Sugarcane	Total property, plant and equipment
Opening balance	108	16,887	20,157	2,350	39,502	-	70,888	110,390
Acquisitions	-	1,394	9,809	241	11,444	10,274	7,725	29,443
Write-offs	-	(130)	(231)	-	(361)	-	(185)	(546)
Transfers	17	10,471	(1)	-	10,487	(10,274)	(213)	-
Depreciation	(57)	(967)	1,878	(342)	512	-	(18,144)	(17,632)
Effect from conversion	-	169	285	28	482	-	385	867
Book balance, net	68	27,824	31,897	2,277	62,066	-	60,456	122,522
At December 31, 2021								
Total cost	1,058	37,361	64,198	4,638	107,255	-	180,227	287,482
Accumulated depreciation	(990)	(9,537)	(32,301)	(2,361)	(45,189)	-	(119,771)	(164,960)
Accounting balance, net	68	27,824	31,897	2,277	62,066	-	60,456	122,522
Annual depreciation rates (weighted average) - %	3	7	7	10			20	

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14. Right-of-use asset

	Company			
	Land - Farms	Buildings and improvements	Vehicles and Agricultural Machinery	Right-of-use Total
At December 31, 2021				
Opening balance	170,004	1,113	2,598	173,715
New contracts	2,911	-	324	3,235
(-) Depreciation / Amortization	(20,907)	(163)	(293)	(21,363)
Effect from conversion	-	-	-	-
Book balance, net	<u>152,008</u>	<u>950</u>	<u>2,629</u>	<u>155,587</u>
At December 31, 2021				
Total cost	235,126	1,823	3,902	240,851
Cumulative depreciation	(83,118)	(873)	(1,273)	(85,264)
Book balance, net	<u>152,008</u>	<u>950</u>	<u>2,629</u>	<u>155,587</u>
Rate % (weighted average)	10	3	7	
	Consolidated			
	Land - Farms	Buildings and improvements	Vehicles and Agricultural Machinery	Right-of-use Total
At December 31, 2021				
Opening balance	75,876	1,225	2,931	80,032
New contracts	2,731	-	1,261	3,992
(-) Depreciation / Amortization	(14,585)	(206)	(1,007)	(15,798)
Effect from conversion	-	9	45	54
Book balance, net	<u>64,022</u>	<u>1,028</u>	<u>3,230</u>	<u>68,280</u>
At December 31, 2021				
Total cost	121,684	2,066	7,858	131,608
Cumulative depreciation	(57,662)	(1,038)	(4,628)	(63,328)
Book balance, net	<u>64,022</u>	<u>1,028</u>	<u>3,230</u>	<u>68,280</u>
Rate % (weighted average)	10	3	7	

15. Leases payable

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Operating leases - IFRS 16	38,226	57,194	21,479	30,545
	<u>38,226</u>	<u>57,194</u>	<u>21,479</u>	<u>30,545</u>
Financial lease sugarcane fields	-	-	100,561	97,223
Operating leases - IFRS 16	168,232	159,344	77,139	71,227
	<u>168,232</u>	<u>159,344</u>	<u>177,700</u>	<u>168,450</u>
	<u>206,458</u>	<u>216,538</u>	<u>199,179</u>	<u>198,995</u>

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Changes in leases

					Company	
	6/30/2021	Exchange gains/losses	Monetary variation	Payments	New contracts	12/31/2021
Operating leases - IFRS 16	216,538	-	(12,838)	(477)	3,235	206,458
	216,538	-	(12,838)	(477)	3,235	206,458
						Consolidated
	6/30/2021	Exchange gains/losses	Monetary variation	Payments	New contracts	12/31/2021
Financial lease - Parceria III	97,223	-	3,338	-	-	100,561
Operating leases - IFRS 16	101,772	36	(6,106)	(1,076)	3,992	98,618
	198,995	36	(2,768)	(1,076)	3,992	199,179

The Company's main contracts subject to IFRS 16/CPC 06 (R2) are currently for agricultural partnership and land lease operations, as well as other less significant contracts that involve leases of machinery, vehicles and properties.

Liabilities include changes occur upon effective payment of the lease as well as periodic updating for changes in the soybean or sugarcane price and adjustment to present value. The adjustments to present value are recognized under Financial Income (Loss), net.

At December 31, 2021, the Company and its subsidiaries had the following agreements for leases from third parties and of buildings:

Description	Location	Company	
		Currency	(under IFRS 16)
Parceria II	Ribeiro Gonçalves - PI	R\$	11,352
Parceria III	Alto Taquari - MT	R\$	25,717
Parceria V	São Félix do Xingu - MT	R\$	24,583
Parceria VII	Baixa Grande do Ribeiro - PI	R\$	28,278
Intercompany leases	N.A.	R\$	109,497
Vehicle leases	N.A.	R\$	735
Services with identified assets	N.A.	R\$	2,049
Land - Other	N.A.	R\$	4,247
		R\$	206,458

Description	Location	Consolidated	
		Currency	(under IFRS 16)
Parceria II	Ribeiro Gonçalves - PI	R\$	11,352
Parceria III	Alto Taquari - MT	R\$	25,717
Parceria IV - Field lease	São Raimundo de Mangabeira	R\$	100,561
Parceria V	São Félix do Xingu - MT	R\$	24,583
Parceria VII	Baixa Grande do Ribeiro - PI	R\$	28,278
Vehicle lease	N.A.	R\$	1,996
Services with identified assets	N.A.	R\$	2,049
Land - Other	N.A.	R\$	4,248
Lease of vehicles and office in Paraguay	Asunción - Paraguay	R\$	395
		R\$	199,179

The above lease liabilities, consistent with IFRS 16, were presented using discount rates from 4.80% to 14.28%.

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The lease agreements with third parties of the Company are indexed to the price of the soybean bag in the region where each unit is located, except for Partnership III, where the price is determined via Consecana. For the cases where payments are indexed to the soybean bag, future minimum payments are estimated in number of soybean bags and translated into local currency using the soybean price of each region, on the base date of first-time adoption of IFRS 16 / CPC 06, and adjusted to the current price at time of payment. Payments indexed to the Consecana price are stipulated in tons of cane and translated into local currency based on the Consecana price in effect at the time.

For third party lease agreements:

- (i) these contain no contingent payment clause; the lease agreements of Partnership II, V and Araucária are, for mostly indexed to the variation in the soybean bag price, and, in the case of Partnership II, include a clause for adjustment of payment for yield bonus; there are no restrictions imposed, such as those related to dividends and interest on equity, additional debt or any other that requires additional disclosure.

The settlement flow for leases are as below:

	<u>Company</u>	<u>Consolidated</u>
1 year	38,226	21,479
2 years	33,468	70,016
3 years	39,597	68,743
4 years	33,797	17,163
5 years	20,418	8,969
Above 5 years	40,952	12,809
	<u>206,458</u>	<u>199,179</u>

16. Trade accounts payable and other liabilities

	<u>Note</u>	<u>Company</u>		<u>Consolidated</u>	
		<u>12/31/2021</u>	<u>6/30/2021</u>	<u>12/31/2021</u>	<u>6/30/2021</u>
Trade accounts payable	16.1	95,932	27,849	141,307	75,224
Taxes payable	16.2	2,037	441	49,089	16,254
Dividends payable		22	75,441	22	75,441
Advances to clients*		965	10,873	3,968	19,141
Other liabilities		1,641	270	1,884	830
Total current		<u>100,597</u>	<u>114,874</u>	<u>196,270</u>	<u>186,890</u>
Taxes payable	16.2	-	-	25,107	30,110
Advances from clients		-	-	20,741	-
Other payables		-	-	7,876	4,792
Total non-current		<u>-</u>	<u>-</u>	<u>53,724</u>	<u>34,902</u>

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16.1 Trade accounts payable

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Inputs and services	95,932	27,849	141,307	75,224
	<u>95,932</u>	<u>27,849</u>	<u>141,307</u>	<u>75,224</u>

16.2. Taxes payable

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
ISS payable	222	162	545	316
Withholding taxes	286	150	835	261
PIS and COFINS payable	-	-	17,366	5,108
IRPJ and CSLL payable	1,096	-	23,449	6,095
Tax on value added - IVA (Paraguay/Bolivia)	-	-	6,178	4,187
Other taxes payable	433	129	716	287
Total current	<u>2,037</u>	<u>441</u>	<u>49,089</u>	<u>16,254</u>
PIS and COFINS payable in the long term	-	-	7,855	11,165
IRPJ and CSLL payable in the long term	-	-	6,627	9,421
Tax on value added - IVA (Paraguay/Bolivia)	-	-	10,625	9,524
Total non-current	<u>-</u>	<u>-</u>	<u>25,107</u>	<u>30,110</u>

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17. Loans, financing and debentures

	Index	Annual interest rates and charges - %		Company		Consolidated	
		12/31/2021	6/30/2021	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Financing for agricultural costs							
	Fixed rate +						
	CDI	1.80% + 100%	1.80% + 100%	41,033	40,561	41,033	40,561
	Fixed rate	3.24%	3.24%	-	-	-	8,055
	Fixed rate	6.30%	6.30%	115,130	111,590	115,130	111,590
	Fixed rate	6.34%	6.34%	-	-	1,984	2,436
	Fixed rate	3.50%	3.50%	-	3,078	-	3,078
	Fixed rate	7.64%	7.64%	7,642	9,779	7,642	9,779
	Fixed rate	4.91%	4.91%	-	25,716	-	25,716
				<u>163,805</u>	<u>190,724</u>	<u>165,789</u>	<u>201,215</u>
Financing for agricultural costs (USD)							
	Fixed rate	7.39%	7.00%	-	-	2,860	2,564
	Fixed rate	3.66%	-	-	-	22,358	-
				<u>-</u>	<u>-</u>	<u>25,218</u>	<u>2,564</u>
Financing for agricultural costs (PYG)							
	Fixed rate	8.25%	8.25%	-	-	19,842	18,101
	Fixed rate	9.50%	9.50%	-	-	6,901	8,191
	Fixed rate	8.75%	-	-	-	11,069	-
				<u>-</u>	<u>-</u>	<u>37,812</u>	<u>26,292</u>
Bahia Project Financing							
	Fixed rate	3.50%	3.50%	-	-	9,499	10,373
				<u>-</u>	<u>-</u>	<u>9,499</u>	<u>10,373</u>
Financing of working capital (EUR)							
	Fixed rate	1.32%	1.32%	-	23,230	-	23,230
				<u>-</u>	<u>23,230</u>	<u>-</u>	<u>23,230</u>
Financing of sugarcane							
	Fixed rate	6.76%	6.76%	1,360	1,963	1,360	1,963
	Fixed rate	6.34%	6.34%	-	-	31,715	31,879
	Fixed rate	3.76%	3.76%	-	-	-	28,150
				<u>1,360</u>	<u>1,963</u>	<u>33,075</u>	<u>61,992</u>
Debentures							
	CDI	106.50%	106.50%	29,213	58,045	29,213	58,045
	CDI	110.00%	110.00%	29,348	43,717	29,348	43,717
	Fixed rate +						
	IPCA	5.37% + 100%	5.37% + 100%	265,750	244,565	265,750	244,565
				<u>324,311</u>	<u>346,327</u>	<u>324,311</u>	<u>346,327</u>
(-)Transaction costs				<u>(7,784)</u>	<u>(8,812)</u>	<u>(7,784)</u>	<u>(8,812)</u>
Current				<u>481,692</u>	<u>553,432</u>	<u>587,920</u>	<u>663,181</u>
Non-current				211,011	252,151	267,747	322,046
				270,681	301,281	320,173	341,135

Keys:

TJLP - Long Term Interest Rate

FINAME - Financing of Machinery and Equipment (BNDES)

BNB - Banco do Nordeste

PYG - Paraguayan currency (Guarani)

IPCA - National consumer price index

*The loan in EUR is backed by a swap linked to CDI + 1.85% p.a.

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Debt by index

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Fixed rate	116,348	143,314	222,576	253,063
CDI and Fixed rate + CDI	99,594	165,553	99,594	165,553
Fixed rate + IPCA	265,750	244,565	265,750	244,565
	<u>481,692</u>	<u>553,432</u>	<u>587,920</u>	<u>663,181</u>

Maturities of short- and long-term loans, financing and debentures are as follows:

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
1 year	211,011	252,151	267,747	322,046
2 years	15,110	42,341	40,299	55,984
3 years	6,226	15,205	12,656	21,904
4 years	3,679	3,097	10,108	9,448
5 years	3,679	652	9,952	7,003
Above 5 years	241,987	239,986	247,158	246,796
	<u>481,692</u>	<u>553,432</u>	<u>587,920</u>	<u>663,181</u>

Changes in loans, financing and debentures

	Company					
	6/30/2021	Payment of principal	Payment Interest	Appropriation of interest	Foreign exchange gains/losses	12/31/2021
Agricultural cost financing	190,724	(30,141)	(3,282)	6,504	-	163,805
Working capital financing	23,230	(24,421)	(325)	142	1,374	-
Sugarcane financing	1,963	(549)	(105)	51	-	1,360
Debentures	346,327	(42,651)	(2,618)	23,253	-	324,311
Transaction costs	(8,812)	-	-	1,028	-	(7,784)
At December 31, 2021	553,432	(97,762)	(6,330)	30,978	1,374	481,692

	Consolidated						
	6/30/2021	Contracting	Payment of principal	Payment Interest	Appropriation of interest	Foreign exchange gains/losses	12/31/2021
Agricultural cost financing	201,215	-	(38,469)	(3,696)	6,739	-	165,789
Agricultural cost financing overseas	28,856	36,465	(5,628)	(818)	1,671	2,484	63,030
Bahia project financing	10,373	-	(912)	(141)	179	-	9,499
Working capital financing	23,230	-	(24,421)	(325)	142	1,374	-
Machinery and equipment financing - FINAME	-	-	-	-	-	-	-
Sugarcane financing	61,992	8,183	(36,473)	(2,495)	1,868	-	33,075
Debentures	346,327	-	(42,651)	(2,618)	23,253	-	324,311
Transaction costs	(8,812)	-	-	-	1,028	-	(7,784)
At December 31, 2021	663,181	44,648	(148,554)	(10,093)	34,880	3,858	587,920

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(a) Loans and Financing

Covenants

All loans and financing contracts above are in Reais and have specific terms and conditions defined in the respective contracts with governmental economic and development agencies that directly or indirectly grant those loans. At December 31, 2021 and June 30, 2021 the Company's financing had no financial covenants; operating clauses are specified for which the Company is not in default.

(b) Debentures

1st Issue

On May 25, 2018, 142,200 non-convertible debentures were placed, subscribed and paid in, with security interest, for R\$142,200 (R\$85,200 for the first series and R\$57,000 for the second).

The maturity date of the first-series debentures is August 1, 2022 ("maturity date of the first series") and their unit face value will be paid in three annual installments, the first on July 30, 2020 and the final on the maturity date of the first series. Interest accrues at 106.50% of the DI rate on the unit face value of first-series debentures, which will be paid on July 30 of each year or on the maturity date of the first series. The maturity date of the second-series debentures is July 31, 2023 ("maturity date of the second series") and their unit face value will be paid in four annual installments, the first on July 30, 2020 and the final on the maturity date of the second series. Interest accrues at 110.00% of overnight DI rate on the unit face value of second-series debentures, which will be paid on July 30 of each year or on the maturity date of the second series.

The Debentures were linked to a securitization transaction, serving as guarantee for the issue of Certificates of Agribusiness Receivables ("CRA") pursuant to Law 11,076/2004 and CVM Instruction 414/2004, which were the object of a public distribution offer with restricted efforts, under CVM Instruction 476/2009 ("Restricted Offer").

The Debentures are backed by security interest in the form of fiduciary sale of properties owned by the Company and registered under no. 6,254, 6,267 and 6,405, all of which with the Property Records Office of Correntina in the State of Bahia.

2nd Issue

On May 5, 2021, the Company placed 240,000 non-convertible debentures in the aggregate amount of R\$240,000, in a single series, with total duration of seven years.

The debentures will be amortized in two equal installments due on April 13, 2027 and April 12, 2028, remunerated by the Broad National Consumer Price Index (IPCA) plus 5.3658% p.a., to be paid in seven annual instalments.

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The Debentures were linked to a securitization transaction and backed by the issue of Certificates of Agribusiness Receivables ("CRA"), pursuant to CVM Instruction 400/03 and CVM Instruction 600/18. The Debentures are backed by security interest in the form of fiduciary sale of the properties owned by the Company and registered under numbers 6,257, 6,335, 6,377, 6,405 and 6,462, all at the Real Estate Registry Office of Correntina, Bahia.

Covenants

The debentures have covenants related to the maintenance of certain financial indicators, based on the ratio of net debt to fair value of properties for investment. Failure by the Company to attain these indicators during the term of the debentures may result in accelerated maturity of the debt.

On December 31, 2021, the Company was in compliance with the covenants.

18. Income and social contribution taxes

18.1. Deferred taxes

Deferred income and social contribution tax assets and liabilities are offset when there is a legal right to offset tax credits against tax liabilities, and provided that they refer to the same tax authority and the same legal entity.

The fiscal year for income tax and social contribution calculation purposes ends on December 31 and is different from that adopted by the Company, which ends on June 30.

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Deferred income and social contribution tax assets and liabilities as of December 31, 2021 and June 30, 2021 are as follows:

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Assets				
Non-current				
Tax losses	43,200	69,513	60,865	141,860
Biological assets	-	-	3,621	2,133
Leases payable (CPC 06/IFRS 16)	17,272	14,535	26,163	24,820
Present value adjustment and other provisions	2,311	2,648	27,389	26,709
Hedge	13,307	7,767	13,307	7,767
Allowance for doubtful accounts	289	305	759	775
Difference in cost of farms	170	170	170	170
Other accounts payable	1,773	2,073	1,930	2,182
Fair value of other significant liabilities	4,033	4,665	4,033	4,665
	<u>82,355</u>	<u>101,676</u>	<u>138,237</u>	<u>211,081</u>
Liabilities				
Non-current				
Biological assets	33,631	66,025	53,435	87,901
Investment gain	1,733	1,733	1,733	1,733
Transaction costs	2,647	2,996	2,647	2,996
Temporary differences related to PPE	1,016	521	4,385	2,592
Accelerated depreciation of assets for rural activity	21,358	17,679	46,353	43,516
Deferred taxes on surplus value of PPE and investment property - Acquisition of Agrifirma	-	-	21,541	26,714
	<u>60,385</u>	<u>88,954</u>	<u>130,094</u>	<u>165,452</u>
Deferred assets, net	21,970	12,722	29,684	72,343
Deferred liabilities, net	-	-	(21,541)	(26,714)
Net balance	<u>21,970</u>	<u>12,722</u>	<u>8,143</u>	<u>45,629</u>

The net change in deferred income tax is as follows:

	Company	Consolidated
At June 30, 2021	12,722	45,629
Tax losses	(26,313)	(80,995)
Biological assets	32,394	35,954
Leases payable (CPC 06/IFRS 16)	2,737	1,343
Present value adjustment and other provisions	(337)	680
Hedge	5,540	5,540
Costs of transactions	349	349
Allowance for doubtful accounts	(16)	(16)
Provision for other accounts payable	(300)	(252)
Accelerated depreciation of assets for rural activity	(3,679)	(2,837)
Fair value of other significant liabilities	(632)	(632)
Deferred taxes on surplus value	-	5,173
Temporary differences related to PPE	(495)	(1,793)
At December 31, 2021	21,970	8,143

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The estimated years of realization of deferred tax assets are as follows:

	12/31/2021	
	Company	Consolidated
2022	38,961	65,723
2023	19,546	19,729
2024	20,473	20,657
2025 to 2030	3,147	3,285
2026 to 2031	228	28,843
	<u>82,355</u>	<u>138,237</u>

On August 31, 2021, the Audit Committee approved the estimate that confirms the expected realization of deferred tax assets.

18.2. Income and social contribution expenses

	Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Income before income and social contribution taxes	401,744	27,824	469,265	42,254
Combined nominal statutory rate of income and social contribution taxes - %	34%	34%	34%	34%
	<u>(136,593)</u>	<u>(9,460)</u>	<u>(159,550)</u>	<u>(14,366)</u>
Equity in results/Investment losses	140,737	34,199	(11)	(8)
Management bonuses	(447)	(157)	(447)	(157)
Non-deductible expenses	-	-	-	(6)
Net effect of subsidiaries taxed on a percentage of gross revenue (*)	-	-	92,496	27,214
Other	1,767	(214)	5,455	(2,739)
Income and social contribution taxes on P&L for the year	<u>5,464</u>	<u>24,368</u>	<u>(62,057)</u>	<u>9,938</u>
Current	(3,784)	(524)	(24,317)	(17,827)
Deferred	9,248	24,892	(37,740)	27,765
	<u>5,464</u>	<u>24,368</u>	<u>(62,057)</u>	<u>9,938</u>
Effective rate	1%	88%	-13%	24%

(*) For some real estate entities, income tax is measured based on the regime whereby profit is computed as a percentage of gross revenue, i.e., income tax is determined on a simplified base to calculate the taxable profit (32% for lease revenues, 8% from sale of farms and 100% for other earnings). This results effectively in taxing the profit of subsidiaries at rate a lower rate than if taxable profit were based on pretax results in the accounting records.

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19. Other liabilities

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Serra Grande Farm (a)	-	-	16,240	14,632
Agrifirma (b)	35,936	37,796	35,936	37,796
	<u>35,936</u>	<u>37,796</u>	<u>52,176</u>	<u>52,428</u>
Current	35,936	37,796	44,432	45,133
Non-current	-	-	7,744	7,295

- a) On May 18, 2020, the Company acquired 4,489 hectares of Serra Grande Farm for R\$25,047. On December 31, 2021, the liability mainly refers to the delivery of 108,000 bags of soybean divided into two annual installments of 54,000 bags each. The Company maintains its liability measured at fair value through profit or loss.
- b) The consideration transferred in exchange for control of Agrifirma is divided into four classes, classified in the financial statement in accordance to their characteristics. Restricted shares and warrants, given their variation factor, were recorded as liabilities and measured at fair value through profit or loss (Note 26).

The maturities of acquisitions payable are broken down as follows:

	Company	Consolidated
1 year	35,936	44,432
2 years	-	7,744
	<u>35,936</u>	<u>52,176</u>

The composition of the consideration transferred in exchange for the control of Agrifirma is shown below:

	12/31/2021	6/30/2021
Restricted shares	19,467	20,510
Warrants	15,666	16,506
Warrant dividends	803	780
Total	<u>35,936</u>	<u>37,796</u>

20. Equity

a) Capital (number of shares)

	Number of shares	
	12/31/2021	6/30/2021
Shareholder		
Cresud S.A.C.I.F.Y.A.	39,758,177	40,366,917
Board of Directors	189,700	190,800
Executive Board	257,853	263,353
Officers	<u>447,553</u>	<u>454,153</u>
Treasury	3,185,087	3,185,087
Other	58,986,191	58,370,851
Total shares of paid-up capital	<u>102,377,008</u>	<u>102,377,008</u>
Total outstanding shares	58,986,191	58,370,851
Outstanding shares as percentage of total shares (%)	58	57

(*) Cresud maintains an interest in the Company's capital through other subsidiaries that are wholly controlled by it. On the reporting date, 13,942,265 shares were held by Cresud and 25,815,912 by these subsidiaries.

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The Board of Directors is authorized to increase capital without amending its statutes up to the limit of R\$3,000,000. On December 31, 2021, the subscribed and paid-up shareholders' capital was R\$1,587,985 (R\$1,587,985 on June 30, 2021).

b) Capital reserve

Capital Reserves are composed of amounts received that are not registered under profit or loss as revenue since they refer to amounts allocated to capital reinforcement, without delivery of goods or services.

Share premium

The share premium reserve arose upon the issue of shares on the acquisition of the subsidiary Agrifirma, on January 27, 2020. The transaction was conducted via the transfer of shares and generated a difference between the capital increase and the shareholders' equity increase. The capital increase was calculated based on the shareholders' equity of Agrifirma Holding (company merged in the process) as at June 30, 2019, while the equity increase considers only one of the three share classes involved in the agreement (Unrestricted shares). The other two classes are classified under liabilities (Note 19).

	<u>Number of shares</u>	<u>Amount (R\$)</u>
Unrestricted shares	4,402,404	97,569
Restricted shares	812,981	18,018
Shares issued in the initial exchange ratio / Capital increase	<u>5,215,385</u>	<u>115,587</u>
Unrestricted shares (final exchange ratio) / Equity increase	<u>4,044,654</u>	<u>82,021</u>
Reserve of goodwill on share issue		<u>(33,566)</u>
Return of shares - Acquisition of Agrifirma		<u>8,584</u>
		<u>(24,982)</u>

This agreement establishes indemnity obligations if certain contractually indemnifiable losses occur within two years as from the transaction date. Consequently, the selling partners must return an additional number of shares and warrants on January 27, 2022, as indemnification for a contingency valued at R\$3,500.

Share-based payment

The compensation plan in force falls due on June 30, 2023 and accrues provisions for share-based payments in the amount of R\$3,926 on December 31, 2021 (Note 24.a). The debit balance of R\$726 presented on July 1, 2020 is composed of residual differences strictly of an accounting nature that were accrued during the creation and payment of former share-based compensation plans.

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Capital transactions between partners

On February 4, 2021, the Company assumed control of the acquired companies "Acre del Sud" (subsidiaries indirectly controlled by Cresud S.A.C.I.F.Y.A), in which the parties negotiated a down payment of R\$160,399 based on the preliminary net assets calculated on June 30, 2020. The agreement set forth an adjustment in price to reflect the equity variation of the Bolivian companies from June 30, 2020 to the base date of the transaction. In accordance with criteria established by the parties, the difference between the net assets of the companies acquired and the consideration transferred was recognized directly in shareholders' equity, as the transaction involves the combination of businesses under shared control, as below:

Total consideration	165,764
Net assets acquired	<u>(154,733)</u>
Goodwill	<u>11,031</u>

c) Profit reserves

Legal reserve

Pursuant to article 193 of Law No. 6,404/76 and article 36, item (a), 5% of the Company's net income at the end of each year, before any other allocation, shall be used to set up a legal reserve, not exceeding 20% of share capital.

The Company may not constitute a legal reserve in the fiscal year if the balance of reserve, plus the capital reserve set forth in item 1, of article 182, of Law No. 6,404/76, exceeds 30% of the share capital. The legal reserve aims to preserve the Company capital and may only be used to offset losses or increase capital.

Reserve for investment and expansion

Pursuant to article 36, subparagraph (c), of its articles of incorporation and article 196 of Law No. 6,404/76, the Company may allocate the remaining portion of adjusted net income for the year ended to the reserve for investment and expansion, based on the capital budget approved at the Shareholders Meeting.

d) Dividends

At the Annual and Extraordinary Shareholders Meeting, held on October 27, 2021, the Company approved the payment of dividends related to the financial statements of June 30, 2021. The amount of R\$75,441 refers to the minimum mandatory dividends and R\$184,559 to supplemental dividends proposed, with the dividends declared paid on November 9, 2021. In accordance with article 40 of the Bylaws, dividends not received or claimed will prescribe after three years from the date they were made available to the shareholder, and will revert to the Company.

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e) Other comprehensive income

At December 31, 2021, the effects from cumulative translation adjustment of financial statements of companies abroad amounted to R\$44,850 (loss of R\$12,399 on December 31, 2020), and the accumulated total of R\$124,272 (R\$79,422 on June 30, 2021).

f) Treasury shares

Under article 20, item XII of the Bylaws of the Company, the Board of Directors is responsible, among others established in the law or the Bylaws, for deliberating on the acquisition of Company issued shares to be held in treasury and/or later cancellation or sale. The Company approved three Share Repurchase Programs at the Board of Directors meetings held on: (i) September 2, 2013; (ii) June 25, 2016; and, finally, (iii) the last Share Repurchase Program of the Company, approved at the Board of Directors meeting held on September 20, 2016, whose term of 18 months ended on March 21, 2018. Currently there is no Share Repurchase Program in force, and the number of treasury shares at December 31, 2021 is 3,185,087, corresponding to R\$40,085.

21. Segment information

The segment information is presented in a manner consistent with internal reports provided to the chief operating decision maker, that is the Executive Board, responsible for allocating resources, assessing the performance of the operating segments, and for taking strategic decisions.

The segment information is based on information used by BrasilAgro management to assess the performance of the operating segments and to make decisions on the investment of funds. The Company has six segments, namely: (i) real estate, (ii) grains, (iii) sugarcane, (iv) cattle raising, (v) cotton and (vi) other. The operating assets related to these segments are located in Brazil, Paraguay and Bolivia.

The main activity of the grains segment is the production and sale of soybean, corn and beans.

The Sugarcane segment includes the sale of the raw product.

The Real Estate segment presents the P&L from operations carried out in the Company's subsidiaries.

The cattle raising segment consists of producing and selling beef calves after weaning, from the breeding and fattening of cattle.

The cotton segment is engaged primarily in the production and sale of cotton lint and seed.

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The selected statement of income and asset/ liability information by segment, which were measured in accordance with the same accounting practices used in the preparation of the financial statements, are as follows:

	Consolidated							Not allocated
	12/31/2021							
	Agricultural activity							
Total	Real estate	Grains	Cotton	Sugarcane	Cattle raising	Other		
Net revenue	641,460	1,680	315,552	21,089	281,642	19,310	2,187	-
Gain from sale of farm	251,534	251,534	-	-	-	-	-	-
Changes in fair value of biological assets	238,532	-	68,997	315	171,813	(1,027)	(1,566)	-
Reversal of provision for agricultural products after harvest	(15,415)	-	(13,981)	(1,434)	-	-	-	-
Cost of sales	(586,343)	(3,542)	(302,454)	(21,766)	(234,559)	(16,781)	(7,241)	-
Gross profit (losses)	529,768	249,672	68,114	(1,796)	218,896	1,502	(6,620)	-
Operating income (expenses)								
Selling expenses	(16,544)	-	(7,876)	(467)	(843)	(790)	(6,568)	-
General and administrative expenses	(25,992)	-	-	-	-	-	-	(25,992)
Other operating income	9,772	-	-	-	-	-	-	9,772
Equity in losses	(33)	-	-	-	-	-	-	(33)
Operating income (loss)	496,971	249,672	60,238	(2,263)	218,053	712	(13,188)	(16,253)
Net financial income								
Financial income	323,162	118,016	131,629	12,400	1,523	2,529	-	57,065
Financial expenses	(350,868)	(93,360)	(162,115)	(19,452)	(2,649)	(2,452)	-	(70,840)
Net income (loss) before taxes	469,265	274,328	29,752	(9,315)	216,927	789	(13,188)	(30,028)
Income and social contribution taxes	(62,057)	(29,784)	(10,116)	3,167	(73,755)	(269)	4,484	44,216
Net income (loss) for the year	407,208	244,544	19,636	(6,148)	143,172	520	(8,704)	14,188
Total assets	3,629,165	1,765,318	358,363	13,278	293,336	53,954	115,801	1,029,115
Total liabilities	1,177,689	251,354	252,300	1,655	37,242	-	-	635,138

	Consolidated							Not allocated
	12/31/2020							
	Agricultural activity							
Total	Real estate	Grains	Cotton	Sugarcane	Cattle raising	Other		
Net revenue	341,115	2,821	143,333	9,514	169,741	16,361	(655)	-
Gain from sale of farm	5,795	5,795	-	-	-	-	-	-
Changes in fair value of biological assets	99,763	-	37,072	12,269	51,994	(747)	(825)	-
Reversal of provision for agricultural products after harvest	2,270	-	2,270	-	-	-	-	-
Cost of sales	(306,074)	(221)	(138,725)	(11,957)	(133,283)	(13,936)	(7,952)	-
Gross profit (loss)	142,869	8,395	43,950	9,826	88,452	1,678	(9,432)	-
Operating income (expenses)								
Selling expenses	(10,552)	(491)	(9,684)	(92)	-	(285)	-	-
General and administrative expenses	(17,211)	-	-	-	-	-	-	(17,211)
Other operating income	(11,326)	-	-	-	-	-	-	(11,326)
Equity in losses	(24)	-	-	-	-	-	-	(24)
Operating income (loss)	103,756	7,904	34,266	9,734	88,452	1,393	(9,432)	(28,561)
Net financial income								
Financial income	365,220	146,328	175,764	1,463	5,923	5,633	8,940	21,169
Financial expenses	(426,722)	(91,037)	(257,426)	(4,576)	(6,293)	(8,233)	(36,455)	(22,702)
Net income (loss) before taxes	42,254	63,195	(47,396)	6,621	88,082	(1,207)	(36,947)	(30,094)
Income and social contribution taxes	9,938	(5,436)	16,115	(2,251)	(29,948)	410	12,562	18,486
Net income (loss) for the period	52,192	57,759	(31,281)	4,370	58,134	(797)	(24,385)	(11,608)
Total assets	3,428,318	1,486,493	392,283	25,289	218,017	47,587	33,238	1,225,411
Total liabilities	1,245,717	251,423	283,420	2,563	61,992	-	-	646,319

The balance sheet accounts are represented by "Accounts receivable and sundry credits", "Biological assets," "Inventories of agricultural products" and "Investment properties".

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a) Information on concentration of clients

In the period ended December 31, 2021, the Company has four clients which individually representing 10% or more of the consolidated revenues, representing in total 67.4% of the total sales of the Company. Of these four clients, two account for 98.1% of the revenues from the sugarcane segment and two accounts for 46.4% of the revenues from the grains/cotton segment. There are no clients in other segments that represent 10% or more of revenue of total sales.

b) Consolidated geographic information

Revenues and non-current assets, excluding financial instruments, income tax and social contribution, deferred assets, post-employment benefits and rights arising from insurance contracts of the Consolidated, are distributed as follows:

	In Brazil		Subsidiaries abroad	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Net income	594,142	330,646	47,318	10,469
	In Brazil		Subsidiaries abroad	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Non-current assets	834,578	865,060	439,107	387,754

22. Revenues

a) Operating sales

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Sales of grains	226,026	125,190	318,713	146,187
Sales of cotton	21,420	9,602	21,420	9,602
Sales of sugarcane	86,372	62,683	281,822	169,743
Revenue from cattle raising	7,982	5,280	19,959	16,896
Revenue from leases	2,476	2,454	8,875	6,791
Other revenues	3,495	648	3,563	968
Gross operating revenue	347,771	205,857	654,352	350,187
Sales deductions				
Taxes on sales	(4,119)	(3,159)	(12,892)	(9,072)
Net revenue	343,652	202,698	641,460	341,115

b) Sales of farms

	Consolidated	
	12/31/2021	12/31/2020
Sale of farm	461,615	8,492
Present value adjustment	(145,441)	(1,630)
Gross revenue from sale of farm	316,174	6,862
Taxes on sales	(7,973)	(251)
Residual value from sale of farm	(56,667)	(816)
Gain from sale of farm	251,534	5,795
Selling expenses	(6,553)	-
Income and social contribution taxes	(11,110)	(211)
Net income from sale of farm	233,871	5,584

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23. Expenses by nature

	Company				Consolidated			
	Cost of goods sold	Selling expenses	General and administrative expenses	Total	Cost of products sold	Selling expenses	General and administrative expenses	Total
Depreciation and amortization	32,885	-	466	33,351	68,058	-	579	68,637
Personnel expenses	15,373	1,306	12,512	29,191	25,348	1,403	16,012	42,763
Expenses with service providers	37,591	-	3,087	40,678	91,012	-	3,919	94,931
Leases and rentals (i)	9,070	-	322	9,392	32,407	-	417	32,824
Cost of raw material	57,965	-	-	57,965	63,918	-	-	63,918
Fair value of cost of agricultural products	166,295	-	-	166,295	291,571	-	-	291,571
Freight and storage	-	4,462	-	4,462	-	8,606	-	8,606
(Reversal) of allowance for doubtful accounts	-	(45)	-	(45)	-	(33)	-	(33)
Sale of farm	-	-	-	-	-	6,568	-	6,568
Maintenance, travel expenses and others	6,820	-	3,281	10,101	14,029	-	5,065	19,094
At December 31, 2021	325,999	5,723	19,668	351,390	586,343	16,544	25,992	628,879
Depreciation and amortization	22,872	-	405	23,277	41,242	-	664	41,906
Personnel expenses	6,313	1,198	8,704	16,215	10,471	1,267	10,468	22,206
Expenses with service providers	47,795	-	1,783	49,578	92,659	-	2,417	95,076
Leases and rentals	3,690	-	161	3,851	(6,183)	-	150	(6,033)
Cost of raw material	32,881	-	-	32,881	63,849	-	-	63,849
Fair value of cost of agricultural products	63,375	-	-	63,375	97,456	-	-	97,456
Freight and storage	-	8,138	-	8,138	-	9,090	-	9,090
(Reversal) of allowance for doubtful accounts	-	(245)	-	(245)	-	195	-	195
Maintenance, travel expenses and other	4,078	-	1,900	5,978	6,580	-	3,512	10,092
At December 31, 2020	181,004	9,091	12,953	203,048	306,074	10,552	17,211	333,837

24. Management compensation and share-based compensation

Management compensation was recorded under "General and administrative expenses", as follows:

	Consolidated	
	12/31/2021	6/30/2021
Board of directors and Executive board compensation	2,009	1,927
Bonus	1,314	462
Overall compensation	3,323	2,389
Share grants	701	-
	4,024	2,389

On October 27, 2021, the Annual and Extraordinary Shareholders Meeting approved the global compensation of the Company's officers in the amount of R\$14,082 for the current fiscal year.

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a) Share-based compensation

On October 2, 2017, the Shareholders Meeting approved the creation of the Long-term Share-based Incentive Plan ("ILPA Plan"), a compensation program in which participants will be entitled to receive a certain number of shares issued by the Company if the objectives established in the agreement are achieved. The ILPA plan, which was divided into three programs, requires that beneficiaries remain in the Company for the vesting period and has cumulative key performance indicators ("KPIs") that can define, increase or decrease the number of shares, classifying the result in accordance with the three categories of the plan. The first compensation plan was approved by the Board of Directors on June 18, 2018 and terminated during the fiscal year ended June 30, 2020. The accrued expenses of the plan reached R\$6,020 with compensation and R\$4,193 with charges.

On May 6, 2021, the Board of Directors approved the terms of the second share-based compensation plan ("ILPA 2"), in continuity to the ILPA Plan, establishing the general characteristics and rules of the new plan, such as the maximum number of shares and the list of eligible employees, which are indicated by a committee appointed and approved by the Board of Directors. The structure of the second program follows ILPA Plan's basic guidelines, which include, basically, the requirement that employees must remain in the Company during the vesting period and achieve key performance indicators ("KPIs") cumulatively from July 1, 2020 to June 30, 2023 (vesting period).

The ILPA Plan is classified under CPC 10 - Share-based Payment, given that the Company receives services from the participants and as consideration assumes the commitment of delivering shares issued by itself if the conditions are met. The standard establishes that share-based benefits be measured at fair value on the date that the benefit is granted, defined as June 30, 2021, and no longer be measured (except in the case of remeasurement events, such as a change in the plan's terms), with the expense recognized during the vesting period. On the reporting date, the accumulated expenses of ILPA 2 amounted to R\$3,926 (R\$2,550 on June 30, 2021).

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25. Other operating income (expenses), net

	Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Gain (loss) on sale of PPE	(892)	15	(1,180)	(443)
Expenses with legal claims	(307)	350	(359)	224
Agricultural insurance claims (i)	-	-	8,708	-
Unused tax credits	-	-	-	(3,964)
Warrants and restricted shares (ii)	1,860	(5,685)	1,860	(5,685)
Other	(15)	(498)	743	(1,458)
	646	(5,818)	9,772	(11,326)

(i) On October 13, 2021, the subsidiary Palmeiras S.A. received indemnification in the amount of R\$8,708, paid by the insurance company, corresponding to the multiple-risk agricultural policy for the 2020/21 crop year, which covers possible losses in soybean and corn production. The generating factor of such indemnification was the severe drought that occurred in the first half of 2021, which affected the region of Mariscal Estigarribia, in Boquerón, where the company's farm is located. The indemnification was paid in full, with no amounts left to receive.

(ii) The main variation is explained by the acquisition of a subsidiary with warrants and restricted shares in the comparison period.

26. Financial income (expenses)

	Notes	Company		Consolidated	
		12/31/2021	12/31/2020	12/31/2021	12/31/2020
Financial income					
Short-term investment income		26,052	790	33,404	1,578
Interest receivable		122	217	819	313
Foreign exchange gains/losses (ii)		7,971	5,103	10,514	6,323
Lease income (iii)		-	-	-	2,894
Adjustments to farm receivables/acquisitions (iv)		-	-	104,565	143,434
Realized results from derivatives (v)	7	36,997	64,001	37,402	64,001
Unrealized results from derivatives (vi)	7	136,480	146,677	136,458	146,677
		207,622	216,788	323,162	365,220
Financial Expenses					
Short-term investment expenses		(1,216)	(275)	(1,434)	(624)
Banking fees		(656)	(1,141)	(648)	(1,498)
Interest payable		(30,998)	(7,355)	(36,124)	(12,023)
Indexation charges (i)		-	-	(72)	(343)
Foreign exchange gains/losses (ii)		(11,651)	(13,601)	(13,758)	(14,570)
Lease expenses (iii)		(7,941)	(8,122)	(3,969)	(30,418)
Adjustments to farm receivables/acquisitions (iv)		-	-	(64,048)	(60,619)
Realized results from derivatives (v)	7	(78,039)	(79,107)	(78,039)	(79,107)
Unrealized results from derivatives (vi)	7	(152,776)	(227,520)	(152,776)	(227,520)
		(283,277)	(337,121)	(350,868)	(426,722)
		(75,655)	(120,333)	(27,706)	(61,502)

Net balances are as follows:

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Indexation charges (i)	-	-	(72)	(343)
Foreign exchange gains/losses (ii)	(3,680)	(8,498)	(3,244)	(8,247)
Leases income/expenses (iii)	(7,941)	(8,122)	(3,969)	(27,524)
Adjustments to farm receivables/acquisitions (iv)	-	-	40,517	82,815
Results from derivatives (v)	(41,042)	(15,106)	(40,637)	(15,106)
Unrealized results from derivatives (vi)	(16,296)	(80,843)	(16,318)	(80,843)

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27. Earnings per share

	<u>12/31/2021</u>	<u>6/30/2021</u>
Profit attributed to controlling shareholders	407,208	52,192
Weighted average number of common shares issued	99,192	59,195
Dilution effects - shares (in thousands)	513	532
Weighted average number of common shares issued adjusted by the dilution effect	<u>99,705</u>	<u>59,727</u>
Basic earnings per share	<u>4.1053</u>	<u>0.8817</u>
Diluted earnings per share	<u>4.0841</u>	<u>0.8738</u>

28. Provision for contingencies

The Company and its subsidiaries are involved in civil, environmental, labor and tax lawsuits. The provision for probable losses is estimated by management under the advice of the Company's internal and external legal counsel.

Probable risk of loss

	<u>Company</u>			<u>Consolidated</u>			
	<u>Labor</u>	<u>Tax</u>	<u>Total</u>	<u>Labor</u>	<u>Tax</u>	<u>Environmental</u>	<u>Total</u>
At June 30, 2021	174	-	174	1,013	-	432	1,445
Additions	119	203	322	166	203	-	369
Accruals	10	1	11	53	1	24	78
Reversals	(26)	-	(26)	(108)	-	-	(108)
Payments	(116)	-	(116)	(145)	-	-	(145)
At December 31, 2021	161	204	365	979	204	456	1,639

Possible risk of loss

The Company and its subsidiaries are parties to legal suits of civil, labor, environmental and tax natures, and administrative tax proceedings. No provisions are recorded; the possible risk of loss amount is estimated by management under the advice of the Company's internal and external legal, as follows:

	<u>Company</u>		<u>Consolidated</u>	
	<u>12/31/2021</u>	<u>6/30/2021</u>	<u>12/31/2021</u>	<u>6/30/2021</u>
Civil	5,698	5,303	12,774	10,570
Tax	3,035	3,426	3,144	3,532
Labor	-	-	825	825
	<u>8,733</u>	<u>8,729</u>	<u>16,743</u>	<u>14,927</u>

Judicial deposits

	<u>Company</u>		<u>Consolidated</u>	
	<u>12/31/2021</u>	<u>6/30/2021</u>	<u>12/31/2021</u>	<u>6/30/2021</u>
Labor	-	53	302	339
Tax	1,214	1,195	1,214	1,195
Environmental	459	434	459	434
Civil	155	152	155	152
(Note 7)	<u>1,828</u>	<u>1,834</u>	<u>2,130</u>	<u>2,120</u>

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29. Commitments

a) Sale agreements for future delivery

BrasilAgro and its subsidiaries have sale agreements for future delivery with certain clients, as shown below:

						Company
Crop	Delivery date	Amount	Agreements	Unit	Currency	Price
<u>2021/22 crop year</u>						
Cotton lint	Jul/22-Nov/22	1,070	1	ton	US\$	1,842.63
Soybean	Feb/22-Apr/22	391,667	6	bags	R\$	146.10
Soybean	Feb/22-Jun/22	608,333	8	bags	US\$	26.28
Corn	Jan/22-Jul/22	220,000	3	bags	R\$	67.00
						Consolidated
Crop	Delivery date	Amount	Agreements	Unit	Currency	Price
<u>2021/22 crop year</u>						
Cotton lint	Jul/22-Nov/22	1,070	1	ton	US\$	1,842.63
Soybean	Feb/22-Apr/22	441,667	7	bags	R\$	146.85
Soybean	Feb/22-Jun/22	725,000	10	bags	US\$	26.36
Corn	Jan/22-Jul/22	220,000	3	bags	R\$	67.00

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30. Related-party transactions

	Company		Consolidated	
	12/31/2021	6/30/2021	12/31/2021	6/30/2021
Current assets				
Accounts receivable	-	-	-	488
Dividends receivable (a)	151,017	85,791	-	-
	<u>151,017</u>	<u>85,791</u>	<u>-</u>	<u>488</u>
Non-current assets				
Other	1,010	-	285	79
Stock Options (e)	1,594	1,546	1,594	1,546
ILPA (f)	530	325	-	-
Moroti	255	229	-	-
Cresud (b)	860	546	860	546
Cresca	-	-	-	116
Helmir (b)	438	393	438	393
	<u>4,687</u>	<u>3,039</u>	<u>3,177</u>	<u>2,680</u>
Current liabilities				
Other	1,828	488	1,835	488
Accounts payable - companies in Bolivia (d)	-	-	5,495	5,080
	<u>1,828</u>	<u>488</u>	<u>7,330</u>	<u>5,568</u>
Non-current liabilities				
Accounts payable - Cresca (c)	-	-	1,739	1,583
Cresud (b)	1,082	882	1,142	936
Palmeiras	22	-	-	-
Moroti	670	601	-	-
Others	-	-	363	-
	<u>1,774</u>	<u>1,483</u>	<u>3,244</u>	<u>2,519</u>

(*) Helmir S.A. is wholly owned subsidiary of Cresud and maintains ownership interest in Company's capital stock.

- a) Dividends receivable from its subsidiaries Araucária, Mogno, Ceibo and Jaborandi, in the amounts of R\$43,484, R\$22,033, R\$500 and R\$85,000, respectively.
- b) Expenses and revenue related to technology support, implementation of systems and reimbursement of general expenses.
- c) Acquisition of biological assets and other items related to the operation.
- d) The subsidiaries in Bolivia acquired on February 4, 2021 have debts with the Cresud Group acquired before the business combination.
- e) Shares exercised under the compensation plan completed in the fiscal year ended June 30, 2020.
- f) Expense related to the second Long-Term Incentive Program (Note 24.a).

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Notes to the separate and consolidated interim financial statements

December 31, 2021

(In thousands of reais, except as stated otherwise)

31. Insurance - (not reviewed by independent accountants)

The Company and its subsidiaries maintain (i) civil liability insurance for all employees working at the farms, (ii) insurance for machinery, (iii) life insurance for all the employees, as well as (iv) insurance for Directors and Officers (D&O) and for other Board members. The coverage amount is considered sufficient by management to cover risks, if any, over its assets and/or liabilities. The Company assessed the risk of farm buildings and facilities owned by the Group, as well as its inventories and biological assets, concluding that there is no need for other types of insurance due to low likelihood of risks.

Below is the table of the liabilities covered by insurance and the related amounts at December 31, 2021:

<u>Insurance type</u>	<u>Coverage R\$</u>
Civil liability (D&O)	30,000
Civil, professional and general liability	11,139
Machinery/Automobiles	10,718
Performance bond	10,420
Fire/lightning/explosion/electrical damage	14,388
Rural multi-risk	164,392
	<u>241,057</u>
