

(A free translation of the original in Portuguese)

**BrasilAgro - Companhia
Brasileira de
Propriedades Agrícolas**
Quarterly Information (ITR) at
December 31, 2022
and report on review of
quarterly information



(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Shareholders
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, 2022, comprising the balance sheet at that date and the statements of operations, and comprehensive income for the quarter and six month period then ended, and 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 notes.

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 does 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, 2022. 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.

São Paulo, February 7, 2023


PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5


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

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BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Parent company (separate) and consolidated quarterly financial statements

December 31, 2022

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BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Balance Sheets

December 31, 2022 and June 30, 2022

(In thousands of reais)

(A free translation of the original in Portuguese)

	Notes	Company			Consolidated
		12/31/2022	6/30/2022	12/31/2022	6/30/2022
Assets					
Current assets					
Cash and cash equivalents	6.1	65,259	192,629	294,117	435,493
Marketable securities	6.2	26,248	82,338	26,248	94,870
Operations with derivatives	7	60,419	61,013	60,419	61,013
Accounts receivable and other credits	8	53,499	176,288	282,026	442,313
Inventories	9	166,731	234,260	203,447	289,899
Biological assets	10	265,151	110,880	403,720	264,976
Related-party transactions	30	18,123	136,235	-	-
		655,430	993,643	1,269,977	1,588,564
Non-current asset held for sale	2.1	-	-	5,814	-
Noncurrent assets					
Restricted marketable securities	6.2	2,626	5,348	19,085	19,580
Operations with derivatives	7	957	2,744	957	2,744
Accounts receivable and other credits	8	24,586	21,572	382,905	411,351
Biological assets	10	46,460	57,906	46,460	57,906
Deferred taxes	18.1	12,956	-	23,160	4,360
Investment properties	11	208,716	159,066	1,298,537	1,004,380
Related-party transactions	30	3,004	2,620	1,866	1,839
Investments	12	1,633,316	1,597,167	7,642	7,642
Property, plant and equipment	13	49,442	43,365	134,222	128,131
Intangible assets		563	647	701	812
Right-of-use assets	14	292,238	189,950	177,632	117,954
		2,274,864	2,080,385	2,093,167	1,756,699
Total assets		2,930,294	3,074,028	3,368,958	3,345,263

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

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Balance Sheets

December 31, 2022 and June 30, 2022

(In thousands of reais)

(continued)

Liabilities and equity	Notes	Company		Consolidated	
		12/31/2022	6/30/2022	12/31/2022	6/30/2022
Current liabilities					
Accounts payable and other liabilities	16	95,400	190,871	159,742	253,440
Loans, financing and debentures	17	70,477	57,453	238,539	123,411
Labor obligations		8,981	18,964	13,001	25,652
Operations with derivatives	7	38,662	34,064	38,662	34,064
Acquisitions payable	19	16,117	20,687	159,146	28,846
Related-party transactions	30	25	482	-	-
Leases payable and associated liabilities	15	47,402	37,541	30,979	18,581
		<u>277,064</u>	<u>360,062</u>	<u>640,069</u>	<u>483,994</u>
Noncurrent liabilities					
Accounts payable and other liabilities	16	-	-	23,949	23,833
Loans, financing and debentures	17	285,861	286,380	324,694	329,630
Operations with derivatives	7	9,775	5,272	9,775	5,272
Deferred taxes	18.1	-	5,395	21,619	34,925
Investment losses	12	702	-	-	-
Related-party transactions	30	914	926	7,247	7,472
Acquisitions payable	19	-	12,402	-	12,402
Leases payable and associated liabilities	15	304,765	187,331	289,282	230,570
Provision for legal claims	28	37	212	1,147	1,117
		<u>602,054</u>	<u>497,918</u>	<u>677,713</u>	<u>645,221</u>
Total liabilities		<u>879,118</u>	<u>857,980</u>	<u>1,317,782</u>	<u>1,129,215</u>
Equity					
Share capital	20.a	1,587,985	1,587,985	1,587,985	1,587,985
Share issue costs		(11,343)	(11,343)	(11,343)	(11,343)
Capital reserve	20.b	(15,063)	(21,348)	(15,063)	(21,348)
Treasury shares	20.f	(50,807)	(49,761)	(50,807)	(49,761)
Income reserves		416,352	416,352	416,352	416,352
Additional dividends proposed	20.d	-	196,476	-	196,476
Comprehensive income	20.e	94,931	97,687	94,931	97,687
Retained earnings		29,121	-	29,121	-
Total equity		<u>2,051,176</u>	<u>2,216,048</u>	<u>2,051,176</u>	<u>2,216,048</u>
Total liabilities and equity		<u>2,930,294</u>	<u>3,074,028</u>	<u>3,368,958</u>	<u>3,345,263</u>

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

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Statements of operations

Six-month period ended December 31, 2022 and 2021

(In thousands of reais, except as stated otherwise)

(A free translation of the original in Portuguese)

		Company		Consolidated	
	Notes	7/1/2022 to 12/31/2022	7/1/2021 to 12/31/2021	7/1/2022 to 12/31/2022	7/1/2021 to 12/31/2021
Net revenue	22.a	248,947	343,652	455,024	641,460
Gain from sale of farm	22.b	-	-	17,500	251,534
Changes in fair value of biological assets and agricultural products	10	(6,516)	87,836	16,201	238,532
(Reversal) of impairment of agricultural products, net	9.1	(2,209)	(17,277)	(2,241)	(15,415)
Cost of sales	23	(220,091)	(325,999)	(434,800)	(586,343)
Gross profit		20,131	88,212	51,684	529,768
Selling expenses	23	(11,607)	(5,723)	(17,667)	(16,544)
General and administrative expenses	23	(24,127)	(19,668)	(31,044)	(25,992)
Other operating income (expenses), net	25	4,591	646	2,269	9,772
Equity in the results of investees	12.a	51,660	413,932	-	(33)
Operating profit before financial results and taxes		40,648	477,399	5,242	496,971
Financial income	26	100,412	112,215	161,747	176,937
Financial expenses	26	(119,781)	(187,870)	(133,628)	(204,643)
Profit before taxes on income		21,279	401,744	33,361	469,265
Income and social contribution taxes	18.2	7,842	5,464	(4,240)	(62,057)
Net income for the period		29,121	407,208	29,121	407,208
Basic earnings per share - Reais	27	0.2947	4.1053	0.2947	4.1053
Diluted earnings per share - Reais	27	0.2931	4.0841	0.2931	4.0841

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

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas

Statements of operations

Three-month period ended December 31, 2022 and 2021

(In thousands of reais)

(continued)

	Company		Consolidated	
	10/1/2022 to 12/31/2022	10/1/2021 to 12/31/2021	10/1/2022 to 12/31/2022	10/1/2021 to 12/31/2021
Net revenue	70,961	150,734	156,700	263,374
Gain from sale of farm	-	-	16,598	251,534
Changes in fair value of biological assets and agricultural products	730	40,747	(2,098)	92,692
(Reversal of) Provision for impairment of agricultural products, net	(110)	(6,437)	337	(6,650)
Cost of sales	(64,283)	(103,888)	(153,850)	(204,164)
Gross profit	7,298	81,156	17,687	396,786
Selling expenses (net of reversal of provisions)	(5,728)	(3,110)	(10,161)	(12,233)
General and administrative expenses	(14,101)	(9,698)	(16,710)	(12,215)
Other operating income (expenses), net	1,835	996	1,636	1,105
Equity in the results of investees	22,183	285,964	-	5
Operating profit before financial results and taxes	11,487	355,308	(7,548)	373,448
Financial income	(60,260)	(9,001)	(43,943)	(8,721)
Financial expenses	21,371	(39,628)	22,604	(32,207)
Profit (loss) before taxes on income	(27,402)	306,679	(28,887)	332,520
Income and social contribution taxes	14,521	(7,342)	16,006	(33,183)
Net income (loss) for the period	(12,881)	299,337	(12,881)	299,337
Basic earnings per share - Reais	(0.1304)	3.0178	(0.1304)	3.0178
Diluted earnings per share - Reais	(0.1297)	3.0022	(0.1297)	3.0022

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, 2022 and 2021

(In thousands of reais, unless stated otherwise)

(A free translation of the original in Portuguese)

		Company and Consolidated	
		7/1/2022 to	7/1/2021 to
	Notes	12/31/2022	12/31/2021
Net income for the period		29,121	407,208
Comprehensive income to be reclassified to income in subsequent years:			
Cumulative translation adjustment - investments abroad	20.e	(2,756)	44,850
Total comprehensive income		<u>26,365</u>	<u>452,058</u>

		Company and Consolidated	
		10/1/2022 to	10/1/2021 to
	Notes	12/31/2022	12/31/2021
Net income (loss) for the period		(12,881)	299,337
Comprehensive income to be reclassified to income in subsequent years:			
Cumulative translation adjustment - investments abroad		(14,574)	11,100
Total comprehensive income (loss)		<u>(27,455)</u>	<u>310,437</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, 2022 and 2021

(In thousands of reais)

(A free translation of the original in Portuguese)

Note	Capital reserve					Income reserve			Comprehensive income	Retained earnings	Total equity
	Capital	Share issue costs	Premium on share issue	Share-based payments	Capital transactions between partners	Treasury shares	Legal reserve	Reserve for investment and expansion			
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
Net income for the period	-	-	-	-	-	-	-	-	-	407,208	407,208
Payment of additional dividends	-	-	-	-	-	-	-	-	(184,559)	-	(184,559)
Share-based payment plan	-	-	-	1,376	-	-	-	-	-	-	1,376
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	2,451,476
At June 30, 2022	1,587,985	(11,343)	(15,306)	4,989	(11,031)	(49,761)	73,422	342,930	196,476	97,687	2,216,048
Net income for the period	-	-	-	-	-	-	-	-	-	29,121	29,121
Payment of additional dividends	-	-	-	-	-	-	-	-	(196,476)	-	(196,476)
Return of shares due to indemnity from business combination	20.b	-	1,046	-	-	(1,046)	-	-	-	-	-
Transfer of shares under business combination agreement	20.b	-	951	-	-	-	-	-	-	-	951
Share-based payment plan	24	-	-	4,288	-	-	-	-	-	-	4,288
Cumulative translation adjustment - investments abroad	20.e	-	-	-	-	-	-	-	-	(2,756)	(2,756)
At December 31, 2022	1,587,985	(11,343)	(13,309)	9,277	(11,031)	(50,807)	73,422	342,930	-	94,931	2,051,176

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, 2022 and 2021

(In thousands of reais)

(A free translation of the original in Portuguese)

		Company		Consolidated	
	Note	7/1/2022 to 12/31/2022	7/1/2021 to 12/31/2021 (Note 3.4)	7/1/2022 to 12/31/2022	7/1/2021 to 12/31/2021 (Note 3.4)
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period		29,121	407,208	29,121	407,208
Adjustment to reconcile net income in the period					
Depreciation and amortization	23	21,968	33,351	44,961	68,637
Gain from sale of farm		-	-	4,027	(213,422)
Property, plant and equipment and intangible assets disposed of		912	229	3,680	546
Write-offs of investment properties		640	983	231	6,744
Equity in the results of investees	12.a	(51,660)	(413,932)	-	33
Unrealized loss on derivatives, net	26	14,126	16,296	14,126	16,318
Accrued income on investments, foreign exchange and indexation and other financial charges, net		14,639	16,567	(2,922)	9,933
Changes in the fair value of receivables from sale of farms and other financial liabilities		(3,797)	(1,860)	(33,636)	(42,377)
Share-based incentive plan (ILPA)		3,921	1,165	4,288	1,376
Deferred income and social contribution taxes	18.2	(18,351)	(9,248)	(32,106)	37,740
Fair value of unrealized biological assets and agricultural products	10	6,516	(87,836)	(16,201)	(238,532)
Reversal of impairment of agricultural products, net	9.1	2,209	17,277	2,241	15,415
(Reversal of) provision for expected credit loss	23	-	(45)	2,190	(33)
Provision for (reversal of) legal claims	28	(27)	307	239	339
		20,217	(19,538)	20,239	69,925
Changes in assets and liabilities					
Trade accounts receivable		87,931	(27,360)	89,429	(74,295)
Inventories		56,051	89,610	74,791	125,915
Biological assets		(139,051)	(51,096)	(112,378)	24,351
Taxes recoverable		(4,477)	(8,933)	(7,124)	5,136
Operations with derivatives		(2,644)	(7,082)	(2,644)	(7,050)
Other receivables		36,321	9,320	41,039	(6,866)
Trade accounts payable		44,220	64,827	42,918	57,335
Related parties		(609)	194	(1,856)	1,715
Taxes payable		7,620	1,596	13,252	24,167
Labor charges		(9,983)	(10,286)	(12,636)	(11,961)
Advances from customers		(6,957)	(9,908)	(6,007)	5,564
Leases payable		(4,377)	(21,256)	(1,765)	(7,884)
Other liabilities		(11,766)	1,371	18,311	4,136
Payment of legal claims	28	(148)	(116)	(209)	(145)
Proceeds from sale of farms		-	-	94,337	53,368
Acquisitions of investment properties		(54,719)	(36,146)	(58,176)	(44,672)
Acquisitions of farms	2.2	-	-	(142,211)	-
Net cash provided by (used in) operating activities		17,629	(24,803)	49,310	218,739
Income and social contribution taxes paid		(15,058)	-	(38,368)	(5,937)
Net cash provided by (used in) operating activities		2,571	(24,803)	10,942	212,802
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of property, plant and equipment and intangible assets		(12,193)	(9,667)	(23,118)	(29,502)
Redemption of marketable securities, net		70,901	26,052	95,947	31,544
Dividends received		286,624	72,823	-	-
Increase in investments and interests held	12.a	(154,933)	(4,608)	-	(1,994)
Net cash provided by (used in) investing activities		190,399	84,600	72,829	48
CASH FLOWS FROM FINANCING ACTIVITIES					
Loans, financing and debentures raised	17	57,310	-	169,031	44,648
Interest paid on loans, financing and debentures	17	(6,768)	(6,330)	(9,820)	(10,093)
Repayment of loans, financing and debentures	17	(50,048)	(97,762)	(63,387)	(148,554)
Dividends paid		(319,975)	(259,978)	(319,975)	(259,978)
Net cash used in financing activities		(319,481)	(364,070)	(224,151)	(373,977)
Decrease in cash and cash equivalents		(126,511)	(304,273)	(140,380)	(161,127)
Cash and cash equivalents at beginning of period	6.1	192,629	867,137	435,493	1,059,107
Effect of exchange rate changes on cash and cash equivalents		(859)	930	(996)	1,731
Cash and cash equivalents at end of period	6.1	65,259	563,794	294,117	899,711

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, 2022 and 2021

(In thousands of reais)

(A free translation of the original in Portuguese)

	Notes	Company		Consolidated	
		7/1/2022 to 12/31/2022	7/1/2021 to 12/31/2021	7/1/2022 to 12/31/2022	7/1/2021 to 12/31/2021
Revenues		251,621	419,021	497,588	1,138,808
Gross operating revenue	22	255,755	347,771	466,049	654,352
Gain on sale of farm	22	-	-	17,500	251,534
Change in fair value of biological assets and agricultural products	10	(6,516)	87,836	16,201	238,532
Provision for impairment of agricultural products, net	9.1	(2,209)	(17,277)	(2,241)	(15,415)
Other (expenses) and revenues	25	4,591	646	2,269	9,772
Reversal (provision) of allowance for doubtful accounts	23	-	45	(2,190)	33
Inputs acquired from third parties		(215,807)	(305,167)	(412,637)	(542,427)
Cost of sales		(198,668)	(293,115)	(390,458)	(518,286)
Materials, energy, outsourced services and other		(17,139)	(12,052)	(22,179)	(24,141)
Gross value added		35,814	113,854	84,951	596,381
Depreciation and amortization	23	(21,968)	(33,351)	(44,961)	(68,637)
Net value added produced by the Company		13,846	80,503	39,990	527,744
Value added received through transfer		152,072	526,147	161,747	176,904
Equity in the results of investees	12.a	51,660	413,932	-	(33)
Financial income	26	100,412	112,215	161,747	176,937
Total value added to be distributed		165,918	606,650	201,737	704,648
Distribution of value added		165,918	606,650	201,737	704,648
Personnel and charges		16,199	11,295	18,831	14,303
Direct compensation		14,073	9,441	16,296	12,032
Benefits		1,779	1,587	2,146	1,947
Severance fund (FGTS).		347	267	389	324
Taxes, charges and contributions		1,229	1,171	21,021	79,512
Federal (includes deferred income and social contribution taxes)		(2,160)	(629)	17,254	77,121
State		3,311	1,718	3,390	2,094
Local		78	82	377	297
Financing		119,369	186,976	132,764	203,625
Financial expenses (i)		119,198	186,654	132,441	203,208
Rentals		171	322	323	417
Interest on own capital		29,121	407,208	29,121	407,208
Net income retained for the period		29,121	407,208	29,121	407,208

(i) Taxes on financial income are presented as "Federal."

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, 2022

(In thousands of reais, unless stated otherwise)

1. General information

BrasilAgro - Companhia Brasileira de Propriedades Agrícolas ("BrasilAgro") or ("Company") was incorporated on September 23, 2005 and is headquartered at Avenida Brigadeiro Faria Lima, 1309, in São Paulo with 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 agricultural production and the development for sale of real estate. The Company is direct and indirect parent company of closely held companies and its corporate purpose includes: (i) the development for sale, import and export of agriculture activities and inputs, cattle raising and forestry activities; (ii) the purchase, sale and rental of real estate in rural and/or urban areas; real estate brokerage involving any type of operations; and (iii) management of its own and third-party assets.

The Company and its subsidiaries operate 20 farms covering a total area of 283,428 hectares, being 223,271 hectares of own land and 60,157 hectares of leased land. Seventeen farms are located in six states in Brazil, one farm in Paraguay and two farms in Bolivia. This total does not include the 2,520 hectares of the Alto Taquari and Rio Meio Farms (1,157 ha and 1,393 ha, respectively), both subject to completion of contractual conditions for transfer of possession in the short and long term. Comparable information on the portfolio is disclosed in Note 11.

2. Main events

2.1. Sale of farms

Rio do Meio II Farm

On November 8, 2022, the subsidiary Agrifirma Bahia entered into an agreement for the sale of 1,964 hectares (1,422 arable hectares) of the Rio do Meio Farm, a rural property located in the municipality of Correntina, Bahia, for 414,097 soybean bags, equivalent to R\$62,428 on the transaction date. The agreement envisages a timetable for the transfer of possession, with the proceeds being recognized in four phases. In the first phase, concluded on November 14, 2022, income of R\$20,518 was recognized at present value, for an area of 521 arable hectares (details of the gain presented in Note 22.b), with the remaining phases planned for completion in July of each year through 2025. The transfer, due in one year, will be maintained in the balance sheet under Non-current assets held for sale, measured at its historical cost of R\$ 5,814, pursuant to CPC 31 - Non-current asset held for sale and discontinued operation. As of June 6, 2022, the buyer had effected payment of R\$17,641 for the first and second installments (Note 8.1.f.).

Marangatu I Farm

On October 6, 2022, the subsidiary Agropecuária Moroti S/A entered into a sale agreement for 863.3 hectares (498 useful hectares) of the Marangatu Farm ("Marangatu I"), a property located in Mariscal Estigarribia, Boquerón, Paraguay, for US\$1,497 (US\$ 3 per useful hectare) equivalent to R\$7,786 on the sale date. On October 21, 2022, the buyer made the initial payment of US\$749 (R\$3,886), and the remaining balance will be paid in three fixed annual installments (Note 8.1.f.). The conditions precedent for transfer of possession were met (Note 22.b.).

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2.2. Acquisition of farm

Panamby Farm

On August 10, 2022, the Company signed a Purchase Agreement for 10,844 hectares of the Panamby Farm, a rural property located in Querência, Mato Grosso. The transaction price was R\$285,600, equivalent to 302 soybean bags per useful hectare, divided into two installments. On September 12, 2022, the Company paid the first installment of R\$142,211 (R\$140,000 for the principal and R\$2,211 for transaction costs) having met the conditions to obtain possession of the land. On December 31, 2022, the liability reflects the second installment maturing on August 21, 2023 of R\$134,212 adjusted to present value (Note 19). The balance of R\$271,636 includes the value of the farm in cash plus other transaction costs, and is recorded under "Acquisitions" (Note 11).

2.3. Leases

Agricultural partnership

On July 21, 2022, the Company signed an agricultural partnership agreement with the São Domingos Farm, located in Comodoro, Mato Grosso. The Company will develop an arable area of approximately 6,070 hectares under a 12-year agreement and possession will be granted in two phases of 3,035 hectares each, the first of which was concluded in December 2022 and the second to be concluded in December 2023.

2.4. Other performance aspects

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

Given that the current geopolitical scenario has been significantly affected by the armed conflict between Russia and Ukraine, initiated on February 24, 2022, management monitors daily the prices of commodities and fertilizers. During the first quarter of the current year it concluded 100% of the acquisitions of inputs and fertilizers for the 2022/23 crop year, which has already been delivered.

The business has benefitted from increased demand for exports favored by the appreciation of the U.S. dollar. Higher freight prices from fuel costs have affected the logistics supply chain. However, no significant disruptions have occurred for export operations and logistics nor inbound shipments of inputs, most of which have already been acquired and delivered. As to sales commitments for clients, the Company has not identified any material changes, since origination is based on a traditional negotiation model with carefully selected counterparties; no matters related to these commitments have been noted.

Short- and long-term liquidity is sufficient and inbound and outbound shipments do not significantly affect the Company's financial position. BrasilAgro has not identified significant risks with regard to its capacity 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 applied in preparing these financial statements are consistent with the policies used for the financial statements as of June 30, 2022.

3.1. Basis of preparation

The Company's parent company (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 issued by the International Accounting Standards Board ("IASB") and presented in accordance with the standards issued by the Brazilian Securities Commission ("CVM"). The disclosures are limited to all matters of significance to the financial statements, which is consistent with the information used by management in the performance of its duties.

The accounting practices, policies and main assumptions for estimates used by the Company in preparing the parent company (individual/separate) and consolidated quarterly financial statements are consistent with Notes 3.1 to 3.31 and Note 4 to the financial statements as at and for the year ended June 30, 2022, which were issued on September 1, 2022.

Hence, the condensed quarterly financial statements should be read together with the financial statements for the year ended June 30, 2022.

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

The non-financial data included in this quarterly information, such as number of hectares, among others, has not been included in the scope of the audit or review procedures performed by the independent auditors.

The individual and consolidated interim financial statements as at December 31, 2022 were approved by the Executive Board on February 7, 2023.

Basis of consolidation

The consolidated financial information include the financial statements of the Company and its subsidiaries as of December 31, 2022 and June 30, 2022. The table below shows the Company's ownership interest in the other companies of the group.

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Subsidiaries (%)	Domicile	12/31/2022	6/30/2022
Imobiliária Jaborandi Ltda.	Brazil	100	100
Imobiliária Cremaq Ltda.	Brazil	100	100
Imobiliária Engenho Ltda. (iii)	Brazil	-	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. (i)	Brazil	100	100
I.A. Agro Ltda. (i) (ii)	Brazil	-	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

(i) Subsidiary of Agrifirma Agro (indirect control).

(ii) Company incorporated on July 23, 2022 by the indirect subsidiary Agrifirma Bahia (Note 11).

(iii) Company dissolved on October 6, 2022 (Note 12).

The subsidiaries are fully consolidated from the date control was obtained, being consolidated up to the date on which control ceases. The investor controls the investee when it is exposed to, or has rights over, variable returns arising from its involvement with the investee and has capacity to affect such returns through its power over the investee.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company's, using consistent accounting policies. All intragroup balances, revenues and expenses are fully eliminated in the consolidated financial statements (the group companies are referred to as the "BrasilAgro Group").

3.2. Notes included in the financial statements at June 30, 2022 not presented in this quarterly financial information

The preparation of this condensed quarterly financial information requires management to exercise its judgment for disclosures or changes presented in the notes to the financial statements. Accordingly, this interim information includes only selected notes and not the full notes to the financial statements as were presented for the year ended June 30, 2022 (Note 3.1).

3.3. New standards, alterations and interpretations of standards

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

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3.4. Reclassifications - Statement of cash flows

The Company holds investment properties for capital appreciation recovering the amounts through sales in the normal course of business. At December 31, 2022, cash inflows and outflows related to investment properties are classified under cash flows from operating activities. At December 31, 2021, certain cash flows related to investment properties were presented under cash flows from investing activities. Although the effect of changing the classification of these cash flows from investing to operating activities is not significant, management has re-presented these periods retrospectively for comparison purposes.

The retrospective changes for the comparative period are summarized as follows:

	Company			Consolidated		
	As originally presented	Adjustments	Reclassified	As originally presented	Adjustments	Reclassified
Net income for the period	407,208	-	407,208	407,208	-	407,208
Gain from sale of farms	-	-	-	(251,534)	38,112	(213,422)
Other operating cash flows	(395,865)	-	(395,865)	84,615	-	84,615
Trade accounts payable	-	-	-	(20,927)	(53,368)	(74,295)
Proceeds from sale of farms	-	-	-	-	53,368	53,368
Acquisitions of investment properties	-	(36,146)	(36,146)	-	(44,672)	(44,672)
Net cash from operating activities	11,343	(36,146)	(24,803)	219,362	(6,560)	212,802
Other cash flows from investment activities	84,600	-	84,600	48	-	48
Acquisitions of investment properties	(36,146)	36,146	-	(44,672)	44,672	-
Cash received from sale of farms	-	-	-	38,112	(38,112)	-
Net cash from investing activities	48,454	36,146	84,600	(6,512)	6,560	48

4. Significant accounting estimates and judgments

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

The Company prepares projections based on assumptions. The accounting estimates will, by definition, seldom equal the related actual amounts, though no significant adjustments are expected. The more sensitive estimates and assumptions 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 for judicial lawsuits with a probable risk of loss (present obligations from past events and probable outflow of resources that incorporate economic benefits to settle the obligation, which are reasonably estimable). The likelihood of cash outflows from probable losses is made by management, under the advice of internal and external legal counsel. 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. Inputs are based on observable factors in the market, whenever possible; when not feasible, a certain level

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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 considerations as to data e.g. price, productivity, crop cost and production cost.

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

c) Variable consideration

For sales requiring official measurement during or upon termination of the agreement, the Company adopts the variable consideration concept set forth in CPC 47/IFRS 15 - Revenue and does not recognize 2.3% of the sale until the measurement is made. This percentage is based on the highest historical variance plus a safety margin, representing the risk of a reversal of sale revenue from differences between the negotiated and delivered product. The unrecognized portion of revenue (2.3%) is generally recognized upon completion of the process.

d) Investment properties

The fair value of investment properties disclosed in the notes to financial statements was obtained through the valuation of farms, performed by appraisers. The valuation are performed under 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.

e) Deferred income tax

The Company recognizes deferred tax assets and liabilities (Note 18) for the differences between the carrying amount presented in the financial statements and the tax basis of assets and liabilities applying the tax rates. The Company regularly revises the deferred tax assets for recoverability, based on historical profit and the forecast future taxable profit, in a technical feasibility study.

f) Leases

The Company analyzes its agreements pursuant to IFRS 16/CPC 06 (R2) and recognizes right-of-use assets and lease liabilities for the lease operations when these 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 6.56% and 16.76% (6.56% to 16.52% on June 30, 2022) per annum.

For the cases where payments are quoted in terms of a number of bags of soybean, future minimum payments reflect the estimated number of soybean bags multiplied by the soybean price of each region, on the 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. Payments made in products (soybean bags) are recognized in the statement of cash flow as operating cash flows.

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5. Financial risk management

The financial risk management adopted in the preparation of the quarterly financial information is consistent with that described in Note 5 to the annual financial statements for June 30, 2022, issued on September 1, 2022 with no significant changes.

5.1. Analysis of exposure to financial asset and liability risks

a) Foreign currency risk

This risk arises from fluctuations in exchange rates affecting the nominal values of assets/ liabilities. This risk also arises with respect to commitments to sell existing products in inventories or in formation, at prices yet to be determined, depending on the exchange rate.

b) Interest rate and indices risk

This risk arises from the interest rate or index volatility, which may increase financial expenses with respect to contracts for the acquisition of farms, indexed by the IPCA.

c) Commodities risks

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

The Company evaluates its exposures to these risks and contracts financial instruments to mitigate them upon a careful evaluation by the 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 the variables such as foreign exchange rates, interest rates or commodities prices which may generate loss on assets and/or liabilities with hedges or, in the case of derivative financial instruments related to transactions not recorded in the balance sheet, in the fair value of the contracted derivatives.

The sensitivity analysis aims at measuring the impact from the changes in the market variables on the financial instruments, other market indicators being held constant. Upon their settlement, such amounts may differ from those stated below, due to the estimates used in their preparation.

This analysis contemplates five distinct scenarios at different stressed levels in relation to the current market. At December 31, 2022, these are: probable scenarios for the coming 12 months, I, II, III and IV stressed by 0%, -25%, -50%, +25%, +50%.

The preparation of the Probable Scenario took into consideration the market prices of each one of the reference assets of derivative instruments held by the Company at the balance sheet date. Since all these assets are negotiated in competitive and open markets, the current market price is a satisfactory point of reference for the expected price of these assets. The current market price was the reference for the calculation of both book value of derivatives and the Probable Scenario, the result of the latter being the

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same because the rates and prices of each operation maturity were used. The assumptions and scenarios are as follows:

				12/31/2022				
Product	Price	Market	Maturity	Probable scenario	Scenario I -25%	Scenario II -50 %)	Scenario III +25%	Scenario IV +50%
Soybean	R\$/bag	CBOT	2/14/2023	175.31	131.48	87.66	219.14	262.97
Soybean	R\$/bag	CBOT	2/24/2023	175.31	131.48	87.66	219.14	262.97
Soybean	R\$/bag	CBOT	2/27/2023	175.31	131.48	87.66	219.14	262.97
Soybean	R\$/bag	CBOT	2/28/2023	175.31	131.48	87.66	219.14	262.97
Soybean	R\$/bag	CBOT	4/28/2023	176.00	132.00	88.00	220.00	264.00
Soybean	R\$/bag	CBOT	6/23/2023	176.38	132.29	88.19	220.48	264.57
Cotton	R\$/pounds	CBOT	11/10/2023	139.55	104.66	69.78	174.44	209.33
Cotton	R\$/pounds	CBOT	11/14/2023	139.55	104.66	69.78	174.44	209.33
Cotton	R\$/pounds	CBOT	11/23/2023	139.55	104.66	69.78	174.44	209.33
Cotton	R\$/pounds	CBOT	11/24/2023	139.55	104.66	69.78	174.44	209.33
Corn	R\$/bag	OTC/Stock Exchange	3/15/2023	94.07	70.55	47.04	117.59	141.11
Corn	R\$/bag	OTC/Stock Exchange	9/15/2023	89.36	67.02	44.68	111.70	134.04
Ethanol	R\$/m^3	CBOT	1/4/2023	2,971.50	2,228.63	1,485.75	3,714.38	4,457.25
Ethanol	R\$/m^3	CBOT	1/31/2023	2,875.00	2,156.25	1,437.50	3,593.75	4,312.50
Ethanol	R\$/m^3	CBOT	2/3/2023	2,875.00	2,156.25	1,437.50	3,593.75	4,312.50
Ethanol	R\$/m^3	CBOT	2/28/2023	2,815.00	2,111.25	1,407.50	3,518.75	4,222.50
Ethanol	R\$/m^3	CBOT	3/3/2023	2,815.00	2,111.25	1,407.50	3,518.75	4,222.50
Ethanol	R\$/m^3	CBOT	3/31/2023	2,685.00	2,013.75	1,342.50	3,356.25	4,027.50
Ethanol	R\$/m^3	CBOT	4/5/2023	2,685.00	2,013.75	1,342.50	3,356.25	4,027.50
Sugarcane	R\$/Kg	CBOT	3/31/2023	1.10	0.83	0.55	1.38	1.66
Fed Cattle	R\$/@	OTC/Stock Exchange	1/31/2023	289.65	217.24	144.83	362.06	434.48
Fed Cattle	R\$/@	OTC/Stock Exchange	2/28/2023	291.50	218.63	145.75	364.38	437.25
USD	-	-	1/30/2023	5.31	3.98	2.65	6.64	7.96
USD	-	-	5/30/2023	5.44	4.08	2.72	6.80	8.16
USD	-	-	5/31/2023	5.44	4.08	2.72	6.80	8.16
USD	-	-	6/30/2023	5.47	4.10	2.74	6.84	8.21
USD	-	-	7/31/2023	5.50	4.13	2.75	6.88	8.25
USD	-	-	10/31/2023	5.59	4.19	2.80	6.99	8.39
USD	-	-	11/30/2023	5.62	4.21	2.81	7.02	8.43
Interest	-	-	8/15/2023	13.39%	10.04%	6.70%	16.74%	20.09%
Interest	-	-	4/17/2028	12.39%	9.29%	6.20%	15.49%	18.59%

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				6/30/2022				
Product	Price	Market	Maturity	Probable scenario	Scenario I -25%	Scenario II -50 %	Scenario III +25%	Scenario IV +50%
Soybean	R\$/bag	CBOT	2/14/2023	167.84	125.88	83.92	209.80	251.76
Soybean	R\$/bag	CBOT	2/24/2023	167.84	125.88	83.92	209.80	251.76
Soybean	R\$/bag	CBOT	2/27/2023	167.84	125.88	83.92	209.80	251.76
Soybean	R\$/bag	CBOT	2/28/2023	167.84	125.88	83.92	209.80	251.76
Soybean	R\$/bag	CBOT	4/28/2023	167.49	125.62	83.75	209.36	251.24
Soybean	R\$/bag	CBOT	6/30/2023	166.88	125.16	83.44	208.60	250.32
Cotton	R\$/pounds	CBOT	11/11/2022	171.19	128.39	85.60	213.99	256.79
Cotton	R\$/pounds	CBOT	11/16/2022	171.19	128.39	85.60	213.99	256.79
Cotton	R\$/pounds	CBOT	11/14/2023	143.34	107.51	71.67	179.18	215.01
Corn	R\$/bag	OTC/Stock Exchange	9/15/2022	87.10	65.33	43.55	108.88	130.65
Corn	R\$/bag	OTC/Stock Exchange	9/19/2022	87.10	65.33	43.55	108.88	130.65
Corn	R\$/bag	OTC/Stock Exchange	3/15/2023	94.63	70.97	47.32	118.29	141.95
Corn	R\$/bag	OTC/Stock Exchange	9/15/2023	86.96	65.22	43.48	108.70	130.44
Ethanol	R\$/m^3	CBOT	7/5/2022	3,080.00	2,310.00	1,540.00	3,850.00	4,620.00
Ethanol	R\$/m^3	CBOT	8/2/2022	2,900.00	2,175.00	1,450.00	3,625.00	4,350.00
Ethanol	R\$/m^3	CBOT	9/2/2022	2,880.00	2,160.00	1,440.00	3,600.00	4,320.00
Ethanol	R\$/m^3	CBOT	10/4/2022	2,875.00	2,156.25	1,437.50	3,593.75	4,312.50
Ethanol	R\$/m^3	CBOT	11/3/2022	2,925.00	2,193.75	1,462.50	3,656.25	4,387.50
Ethanol	R\$/m^3	CBOT	12/2/2022	3,015.00	2,261.25	1,507.50	3,768.75	4,522.50
Ethanol	R\$/m^3	CBOT	1/4/2023	3,120.00	2,340.00	1,560.00	3,900.00	4,680.00
Ethanol	R\$/m^3	CBOT	2/3/2023	3,200.00	2,400.00	1,600.00	4,000.00	4,800.00
Ethanol	R\$/m^3	CBOT	3/3/2023	3,200.00	2,400.00	1,600.00	4,000.00	4,800.00
Ethanol	R\$/m^3	CBOT	4/5/2023	3,150.00	2,362.50	1,575.00	3,937.50	4,725.00
Ethanol	R\$/m^3	OTC/Stock Exchange	7/5/2022	3,080.00	2,310.00	1,540.00	3,850.00	4,620.00
Ethanol	R\$/m^3	OTC/Stock Exchange	8/2/2022	2,900.00	2,175.00	1,450.00	3,625.00	4,350.00
Ethanol	R\$/m^3	OTC/Stock Exchange	9/2/2022	2,880.00	2,160.00	1,440.00	3,600.00	4,320.00
Ethanol	R\$/m^3	OTC/Stock Exchange	9/5/2022	2,880.00	2,160.00	1,440.00	3,600.00	4,320.00
Ethanol	R\$/m^3	OTC/Stock Exchange	10/4/2022	2,875.00	2,156.25	1,437.50	3,593.75	4,312.50
Ethanol	R\$/m^3	OTC/Stock Exchange	11/3/2022	2,925.00	2,193.75	1,462.50	3,656.25	4,387.50
Ethanol	R\$/m^3	OTC/Stock Exchange	12/2/2022	3,015.00	2,261.25	1,507.50	3,768.75	4,522.50
Ethanol	R\$/m^3	OTC/Stock Exchange	1/4/2023	3,120.00	2,340.00	1,560.00	3,900.00	4,680.00
Ethanol	R\$/m^3	OTC/Stock Exchange	1/31/2023	3,200.00	2,400.00	1,600.00	4,000.00	4,800.00
Ethanol	R\$/m^3	OTC/Stock Exchange	2/28/2023	3,200.00	2,400.00	1,600.00	4,000.00	4,800.00
Ethanol	R\$/m^3	OTC/Stock Exchange	3/31/2023	3,150.00	2,362.50	1,575.00	3,937.50	4,725.00
Fed cattle	R\$/@	OTC/Stock Exchange	10/31/2022	334.85	251.14	167.43	418.56	502.28
USD	-	-	7/26/2022	5.26	3.95	2.63	6.58	7.89
USD	-	-	07/28/2022	5.27	3.95	2.63	6.58	7.90
USD	-	-	10/31/2022	5.40	4.05	2.70	6.75	8.09
USD	-	-	11/23/2022	5.42	4.07	2.71	6.78	8.14
USD	-	-	1/30/2023	5.52	4.14	2.76	6.90	8.28
USD	-	-	5/31/2023	5.66	4.25	2.83	7.08	8.50
USD	-	-	6/30/2023	5.70	4.28	2.85	7.13	8.55
USD	-	-	7/31/2023	5.74	4.31	2.87	7.18	8.61
USD	-	-	11/30/2023	5.88	4.41	2.94	7.35	8.82
Interest	-	-	8/15/2023	13.70%	10.28%	6.85%	17.13%	20.55%
Interest	-	-	4/17/2028	12.74%	9.55%	6.37%	15.92%	19.11%

The sensitivity analysis measure the hypothetical impact of changes in market variables on the financial instruments, all other variables held constant. Upon settlement, such amounts may differ due to the inherent processes for preparing estimates.

In addition, the Company presents a summary of financial instrument possible scenarios for the coming 12 months . Reliable sources were used for the rates in the "probable scenario."

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(*) average annual rates		Consolidated			Scenario I - Probable		Scenario I - Possible		Scenario II - Remote		Scenario I - Possible		Scenario II - Remote	
		At December 31, 2022					Decrease		Decrease		Increase		Increase	
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	267,999	-	13.65%	(1,662)	13.03%	(8,737)	9.77%	(17,474)	6.52%	8,737	16.29%	17,474	19.55%
Marketable securities	IPCA	25,926	-	10.94%	(19)	11.01%	(715)	8.26%	(1,428)	5.51%	715	13.77%	1,428	16.52%
Cash - USD	USD	23,387	4,482	5.22	(1,900)	5.64	(6,323)	4.23	(12,643)	2.82	6,323	7.05	12,643	8.46
Total cash and cash equivalents		317,312	4,482		(3,581)		(15,775)		(31,545)		15,775		31,545	
Financing in Paraguay	USD	(17,006)	(3,259)	5.22	(7,214)	5.64	23,987	4.23	47,974	2.82	(23,987)	7.05	(47,974)	8.46
Financing in Bolivia	USD	(10,941)	(2,097)	5.22	(4,641)	5.64	15,432	4.23	30,866	2.82	(15,432)	7.05	(30,866)	8.46
Debentures	CDI	(297,939)	-	13.65%	1,847	13.03%	9,716	9.77%	19,396	6.52%	(9,716)	16.29%	(19,396)	19.55%
Total financing (b)		(325,886)	(5,356)		(10,008)		49,135		98,236		(49,135)		(98,236)	
Araucária V	Soybean bags	30,149	200,000	165.67	-	165.67	(7,537)	124.25	(15,075)	82.84	7,537	207.09	15,075	248.51
Jatobá II	Soybean bags	109,759	785,698	171.53	-	171.53	(27,440)	128.65	(54,880)	85.76	27,440	214.41	54,880	257.29
Jatobá III	Soybean bags	41,819	300,116	171.53	-	171.53	(10,455)	128.65	(20,910)	85.76	10,455	214.41	20,910	257.29
Jatobá IV	Soybean bags	15,277	108,000	169.50	-	169.50	(3,819)	127.13	(7,639)	84.75	3,819	211.88	7,639	254.25
Jatobá V	Soybean bags	32,127	240,000	172.81	-	172.81	(8,032)	129.61	(16,064)	86.41	8,032	216.02	16,064	259.22
Jatobá VI	Soybean bags	32,522	250,040	178.18	-	178.18	(8,131)	133.63	(16,261)	89.09	8,131	222.72	16,261	267.27
Alto Taquari II	Soybean bags	2,312	14,300	168.57	-	168.57	(578)	126.43	(1,156)	84.29	578	210.71	1,156	252.86
Alto Taquari III	Soybean bags	11,549	79,478	166.92	-	166.92	(2,887)	125.19	(5,775)	83.46	2,887	208.65	5,775	250.39
Alto Taquari IV	Soybean bags	146,003	1,110,703	166.85	-	166.85	(36,501)	125.14	(73,002)	83.43	36,501	208.57	73,002	250.28
Rio do Meio I	Soybean bags	76,416	571,868	179.92	-	179.92	(19,104)	134.94	(38,208)	89.96	19,104	224.90	38,208	269.88
Rio do Meio II	Soybean bags	4,963	38,205	162.63	-	162.63	(1,241)	121.97	(2,482)	81.32	1,241	203.29	2,482	243.95
Marangatu	USD	3,649	699	5.22	295	5.64	(986)	4.23	(1,972)	2.82	986	7.05	1,972	8.46
Total receivables from farms		506,545	3,699,107		295		(126,711)		(253,424)		126,711		253,424	
Operations with derivatives	Grains (bags)	(24,362)	(2,109,482)	(a)	(24,361)	(a)	126,837	(a)	48,844	(a)	(95,825)	(a)	(173,815)	(a)
Operations with derivatives	USD	7,770	(39,600)	(a)	7,771	(a)	212,191	(a)	104,266	(a)	(85,235)	(a)	(191,400)	(a)
Operations with derivatives	Cattle (@)	-	(9,900)	(a)	-	(a)	1,608	(a)	890	(a)	(547)	(a)	(1,266)	(a)
Operations with derivatives	Cotton (pounds)	1,403	(6,594,950)	(a)	1,403	(a)	7,312	(a)	4,205	(a)	(2,009)	(a)	(5,116)	(a)
Operations with derivatives	Ethanol (m³)	1,586	(15,780)	(a)	1,587	(a)	15,052	(a)	8,667	(a)	(7,444)	(a)	(18,493)	(a)
Operations with derivatives	Swap (BRL)	(8,688)	-	(a)	(8,688)	(a)	(3,811)	(a)	(6,235)	(a)	(11,166)	(a)	(13,662)	(a)
Operations with derivatives	Sugarcane (Kg)	(417)	17,800,000	(a)	(417)	(a)	9,404	(a)	4,494	(a)	(5,327)	(a)	(10,237)	(a)
Margin - Macquarie XP	SELIC	35,647	-	0.14	(221)	0.13	(1,162)	0.10	(2,324)	0.07	1,162	0.16	2,324	0.20
Total Derivatives (a)		12,939	9,030,288		(22,926)		367,431		162,807		(206,391)		(411,665)	
Cresca, net	USD	(1,386)	(266)	5.22	(115)	5.64	375	4.23	750	2.82	(375)	7.05	(750)	8.46
Cresud, net	USD	(272)	(52)	5.22	(21)	5.64	73	4.23	147	2.82	(73)	7.05	(147)	8.46
Helmir, net	USD	(5,449)	(1,044)	5.22	(441)	5.64	1,473	4.23	2,945	2.82	(1,473)	7.05	(2,945)	8.46
Total related parties		(7,107)	(1,362)		(577)		1,921		3,842		(1,921)		(3,842)	
Serra Grande Farm	Soybean bags	(8,817)	54,000	170.09	-	170.09	2,204	127.57	4,409	85.05	(2,204)	212.61	(4,409)	255.14
Total acquisitions payable		(8,817)	54,000		-		2,204		4,409		(2,204)		(4,409)	

(*) SOURCE Risks: Bloomberg

(a) For sensitivity analysis of derivative positions, forward rates and prices at each maturity date of the operation were used, according to the table above.

(b) The sensitivity analyses do not consider financing transactions and agricultural receivables with fixed rate.

b) Credit risk

Credit risk refers to the risk of the noncompliance by a counterparty of its contractual obligations, leading to the Company incurring 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, land leases receivable and receivables from farms.

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To reduce credit risk from commercial transactions, the Company adopts credit limits for which it analyzes factors such as: date since incorporation, history of the business with the Company, commercial references and credit ratings. The Company also constantly monitors the outstanding balances.

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

c) Liquidity risk

The table below shows the Company's financial liabilities by maturity grouping. The amounts in the table are the discounted contractual cash flows, except for "Loans, financing and debentures and Leases payable lines," in addition to the net derivative financial instruments, whose fair value is disclosed.

Consolidated financial liabilities	Nota	Book value	Book value	Less than one year	From one to two years	From three to five years	Over five years
On December 31, 2022							
Derivatives	7	48,437	48,437	38,662	1,123	8,652	-
Leases payable	15	212,863	360,935	31,577	89,837	100,709	138,812
Trade accounts payable	16	123,252	123,252	123,252	-	-	-
Loans, financing and debentures	17	563,233	785,943	260,118	31,071	353,703	141,051
Acquisitions payable	19	159,146	159,146	159,146	-	-	-
Related-party transactions	30	7,247	7,247	-	7,247	-	-
On June 30, 2022							
Derivatives	7	39,336	39,336	34,064	2,878	2,394	-
Leases payables	15	137,434	247,412	35,801	59,130	64,473	88,008
Trade accounts payable	16	80,426	80,426	80,426	-	-	-
Loans, financing and debentures	17	453,041	648,267	137,919	48,666	323,929	137,753
Acquisitions payable	19	41,248	41,248	28,846	-	-	12,402
Related-party transactions	30	7,472	7,472	-	7,472	-	-

5.3. Capital management

The Group's objectives when managing capital are to safeguard its 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 issue new shares or sell assets to reduce, for example, debt.

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.

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The Company presents net financial debt and leverage ratio:

		Consolidated	
	Note	12/31/2022	6/30/2022
Derivative operations	7	(12,939)	(24,421)
Loans, financing and debentures	17	563,233	453,041
Acquisitions payable	19	159,146	41,248
		709,440	469,868
Cash and cash equivalents	6.1	(294,117)	(435,493)
Marketable securities	6.2	(45,333)	(114,450)
		(339,450)	(549,943)
Net coverage		369,990	(80,075)
Total equity		2,051,176	2,216,048
Leverage ratio		18.04%	

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 under the 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 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).

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

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					12/31/2022	
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	79,479	79,479	-	79,479	-
Non-current						
Related-party transactions	30	1,866	1,866	-	1,866	-
Financial assets measured at fair value through profit or loss						
Current						
Cash and cash equivalents	6.1	254,366	254,366	254,366	-	-
Marketable securities	6.2	26,248	26,248	26,248	-	-
Receivables from sale of farm, net (c)	8.1	169,206	169,206	-	-	169,206
Derivative operations (b)	7	60,419	60,419	47,072	13,347	-
Non-current						
Marketable securities	6.2	19,085	19,085	19,085	-	-
Receivables from sale of farm, net (c)	8.1	338,186	338,186	-	-	338,186
Derivative operations (b)	7	957	957	-	957	-
Non-financial assets measured at fair value						
Current						
Biological assets	10	403,720	403,720	-	12,115	391,605
Non-current						
Biological assets	10	46,460	46,460	-	46,460	-
Non-financial assets measured at cost						
Non-current						
Investment properties	11	1,218,246	3,535,015	-	-	3,535,015
Total		2,618,238	4,935,007	346,771	154,224	4,434,012
Financial liabilities measured at amortized cost						
Current						
Trade payables	16	123,252	123,252	-	123,252	-
Loans, financing and debentures (a)	17	238,539	238,539	-	238,539	-
Accounts payable due to acquisition of farm	19	134,212	134,212	-	134,212	-
Non-current						
Related-party transactions	30	7,247	7,247	-	7,247	-
Loans, financing and debentures (a)	17	324,694	324,694	-	324,694	-
Financial liabilities measured at fair value through profit or loss						
Current						
Leases payable and associated liabilities	15	30,979	30,979	-	30,979	-
Derivative operations (b)	7	38,662	38,662	32,798	5,864	-
Accounts payable due to acquisition of farm	19	24,934	24,934	9,158	6,959	8,817
Non-current						
Leases payable and associated liabilities	15	289,282	289,282	-	289,282	-
Derivative operations (b)	7	9,775	9,775	417	9,358	-
Total		1,221,576	1,221,576	42,373	1,170,386	8,817

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				6/30/2022		
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	184,260	184,260	-	184,260	-
Non-current						
Related-party transactions	30	1,839	1,839	-	1,839	-
Financial assets measured at fair value through profit or loss						
Current						
Cash and cash equivalents	6.1	397,001	397,001	397,001	-	-
Receivables from sale of farm, net	6.2	94,870	94,870	94,870	-	-
Derivative operations (b)	8.1	183,342	183,342	-	-	183,342
Non-current	7	61,013	61,013	49,124	11,889	-
Marketable securities						
Receivables from sale of farm, net	6.2	19,580	19,580	19,580	-	-
Derivative operations (b)	8.1	373,954	373,954	-	-	373,954
Non-financial assets measured at fair value	7	2,744	2,744	690	2,054	-
Current						
Biological assets						
Non-current	10	264,976	264,976	-	9,711	255,265
Biological assets						
Non-financial assets measured at cost	10	57,906	57,906	-	57,906	-
Non-current						
Investment property	11	946,778	3,308,718	-	-	3,308,718
Total		2,588,263	4,950,203	561,265	267,659	4,121,279
Financial liabilities measured at amortized cost						
Current						
Trade payables						
Loans, financing and debentures (a)	16	80,426	80,426	-	80,426	-
Non-current	17	123,411	92,651	-	92,651	-
Related-party transactions						
Loans, financing and debentures (a)	30	7,472	7,472	-	7,472	-
Financial liabilities measured at fair value through profit or loss	17	329,630	323,608	-	323,608	-
Current						
Derivative operations (b)						
Leases payable and associated liabilities	7	34,064	34,064	25,055	9,009	-
Acquisitions payable	15	18,581	18,581	-	18,581	-
Non-current	19	28,846	28,846	10,221	2,402	16,223
Derivative operations (b)						
Leases payable and associated liabilities	7	5,272	5,272	-	3,270	2,002
Acquisitions payable	15	230,570	230,570	-	230,570	-
Total	19	12,402	12,402	1,928	1,811	8,663
		870,674	833,892	37,204	769,800	26,888

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

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

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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, 2022, 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)	0.25 - 0.65 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\$7,706. An increase or decrease of 1.2% in the receivables from the farm.
Payables upon acquisition of the Serra Grande Farm	Discounted cash flow	Premium (or Basis)	0.10 - 0.50 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\$123. An increase or decrease of 1.4% in payables for the farm.

6. Cash and cash equivalents and marketable securities

6.1. Cash and cash equivalents

	Return	Company		Consolidated	
		12/31/2022	6/30/2022	12/31/2022	6/30/2022
Cash and banks (a)		22,734	25,631	39,751	38,492
Treasury notes (LFTs)	CDI - 103% to 114%	10,780	53,801	64,936	93,557
Bank deposit certificate	CDI - 70% to 114%	31,745	113,197	189,430	303,444
Cash and cash equivalents		65,259	192,629	294,117	435,493

(*) Interbank Deposit Certificate.

(a) Includes amounts in foreign currencies, of which R\$23,065 (R\$12,001 at June 30, 2022) in Company and R\$37,403 (R\$24,291 at June 30, 2022) in Consolidated.

6.2. Restricted securities

	Return	Parent Company		Consolidated	
		12/31/2022	6/30/2022	12/31/2022	6/30/2022
Treasury notes (LFTs)	Selic - 100%	-	2,485	-	2,485
Treasury notes (LTNs)	IPCA + 4.85%	25,926	79,853	25,926	92,385
Other notes	Fixed rate - 4.23%	322	-	322	-
Total current		26,248	82,338	26,248	94,870
Bank deposit certificate (a)	CDI - 95% to 100.25%	2,626	5,348	13,633	14,059
Securities pledged as guarantee (b)		-	-	5,452	5,521
Total non-current		2,626	5,348	19,085	19,580

(a) The investments are held for the payment of financing lines contracted from BNB.

(b) The amount refers to a surety letter contracted by the subsidiaries Ombú and Acres, as guarantee in a labor lawsuit. These Bolivian lawsuits, reflect claims for social security charges for outsourced employees.

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7. Operations with derivatives

						12/31/2022		
						Parent Company/Consolidated		
Risk	Maturity	Outstanding derivative instruments	Counterparty	Receivable	Payable	Net balance	Volume/Position	Unit
Currency US\$	May/23	Put option	Bradesco/BR Partners/Itaú BBA	1,330	-	1,330	10,523	US\$
Currency US\$	May/23	Call option	Bradesco/BR Partners/Itaú BBA	-	(1,130)	(1,130)	(10,523)	US\$
Currency US\$	May/23	Put option	Banco do Brasil/Marex/Itaú BBA	1,203	-	1,203	8,000	US\$
Currency US\$	May/23	Call option	Banco do Brasil/Marex/Itaú BBA	-	(660)	(660)	(8,000)	US\$
Currency US\$	Jun/23	Put option	Banco XP/Bradesco/Itaú BBA	1,978	-	1,978	12,606	US\$
Currency US\$	Jun/23	Call option	Banco XP/Bradesco/Itaú BBA	-	(1,341)	(1,341)	(12,606)	US\$
Currency US\$	Jul/23	Put option	Banco do Brasil/Banco XP	494	-	494	5,484	US\$
Currency US\$	Jul/23	Call option	Banco do Brasil	-	(398)	(398)	(5,484)	US\$
Currency US\$	Oct/23	Put option	Itaú BBA	216	-	216	1,500	US\$
Currency US\$	Oct/23	Call option	Itaú BBA	-	(458)	(458)	(1,500)	US\$
Currency US\$	Mar/24	Put option	Bradesco	178	-	178	2,500	US\$
Currency US\$	Mar/24	Call option	Bradesco	-	(236)	(236)	(2,500)	US\$
Currency US\$	Apr/24	Put option	Bradesco	49	-	49	802	US\$
Currency US\$	Apr/24	Call option	Bradesco	-	(65)	(65)	(802)	US\$
Currency US\$	May/24	Put option	Itaú BBA	132	-	132	1,000	US\$
Currency US\$	May/24	Call option	Itaú BBA	-	(64)	(64)	(1,000)	US\$
Currency US\$	Jul/24	Put option	Banco XP	169	-	169	1,600	US\$
Currency US\$	Jul/24	Call option	Banco XP	-	(175)	(175)	(1,600)	US\$
Currency US\$	Jul/24	Put option	Banco XP	429	-	429	1,900	US\$
Currency US\$	Jul/24	Call option	Banco XP	-	(166)	(166)	(1,900)	US\$
Currency US\$	Jan/23	NDF	Banco do Brasil/Santander	886	-	886	(1,000)	US\$
Currency US\$	May/23	NDF	Banco do Brasil/Banco XP	428	-	428	(3,000)	US\$
Currency US\$	May/23	NDF	Banco do Brasil/Banco XP	17	(693)	(676)	(5,000)	US\$
Currency US\$	Jun/23	NDF	Banco do Brasil/Banco XP/Bradesco	3,639	(436)	3,203	(18,500)	US\$
Currency US\$	Jul/23	NDF	Banco do Brasil/Banco XP	2,090	(619)	1,471	(6,500)	US\$
Currency US\$	Oct/23	NDF	Banco do Brasil/Banco XP	781	-	781	(2,600)	US\$
Currency US\$	Nov/23	NDF	Banco do Brasil	285	(93)	192	(3,000)	US\$
Total Currency Risk				14,304	(6,534)	7,770	(39,600)	US\$
CBOT Soybean	Feb/23	Soybean put option	Trading Companies/Banks/CBOT	57	-	57	260,804	bags
CBOT Soybean	Feb/23	Soybean call option	Trading Companies/Banks/CBOT	6,441	(3,326)	3,115	(260,804)	bags
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks/CBOT	-	(3,718)	(3,718)	(430,893)	bags
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks/CBOT	-	(16,361)	(16,361)	(498,929)	bags
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks/CBOT	1,259	(198)	1,061	254,000	bags
CBOT Soybean	Jun/23	Soybean futures	Trading Companies/Banks/CBOT	91	(3,343)	(3,252)	(582,839)	bags
CBOT Soybean	Apr/23	Soybean futures	Trading Companies/Banks/CBOT	-	(2,713)	(2,713)	(199,571)	bags
CBOT Soybean	Jun/23	Structured products	Trading Companies/Banks/CBOT	-	(2,408)	(2,408)	(280,000)	bags
BMF Corn	Mar/23	Corn futures	Trading Companies/Banks/CBOT	-	(51)	(51)	(40,500)	bags
BMF Corn	Sep/23	Corn futures	Trading Companies/Banks/CBOT	-	(92)	(92)	(330,750)	bags
Cotton	Nov/23	Structured products	Trading Companies/Banks /CBOT	313	(8)	305	(3,650,000)	pounds
Cotton	Nov/23	Cotton futures	Trading Companies/Banks /CBOT	29	-	29	(60,000)	pounds
Cotton	Nov/23	Cotton futures	Trading Companies/Banks /CBOT	816	-	816	(2,250,000)	pounds
Cotton	Nov/23	Cotton futures	Trading Companies/Banks /CBOT	245	-	245	(384,950)	pounds
Cotton	Nov/23	Cotton futures	Trading Companies/Banks /CBOT	8	-	8	(250,000)	pounds
Fed cattle	Jan/23	Fed cattle futures	BM&F	-	-	-	(6,600)	@
Fed cattle	Feb/23	Fed cattle futures	BM&F	-	-	-	(3,300)	@
BM&F Ethanol	Jan/23	Ethanol call options	Trading Companies/Banks/CBOT	-	(1)	(1)	(1,800)	m³
BM&F Ethanol	Feb/23	Ethanol call options	Trading Companies/Banks/CBOT	-	(95)	(95)	(1,500)	m³
BM&F Ethanol	Mar/23	Ethanol call options	Trading Companies/Banks/CBOT	-	(169)	(169)	(1,950)	m³
BM&F Ethanol	Apr/23	Ethanol call options	Trading Companies/Banks/CBOT	-	(56)	(56)	(1,500)	m³
BM&F Ethanol	Jan/23	Ethanol futures	BM&F	510	-	510	(1,800)	m³
BM&F Ethanol	Jan/23	Ethanol futures	BM&F	366	(86)	280	(2,430)	m³
BM&F Ethanol	Feb/23	Ethanol futures	BM&F	443	(36)	407	(2,400)	m³
BM&F Ethanol	Mar/23	Ethanol futures	BM&F	710	-	710	(2,400)	m³
TRS Consecana	Apr/24	TRS Consecana	Trading Companies/Banks/CBOT	-	(417)	(417)	17,800,000	kg
		Margin deposited		35,784	(137)	35,647		
Total risk with commodities				47,072	(33,215)	13,857		
SWAP	Aug/23	Fixed DI SWAP	Bradesco	-	(36)	(36)	14,810	
SWAP	Apr/28	IPCA-DI SWAP	Bradesco/BR Partners/Itaú BBA	-	(8,652)	(8,652)	135,000	
Total risk with interest				-	(8,688)	(8,688)	149,810	
Total risks				61,376	(48,437)	12,939		
Current				60,419	(38,662)			
Non-current				957	(9,775)			
Result on December 31, 2022 (Note 26)				56,931	(60,196)			

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Risk	Maturity	Outstanding derivative instruments	Counterparty	6/30/2022				
				Parent Company/Consolidated				
				Receivable	Payable	Net balance	Volume/ position	Unit
Currency US\$	Jul/22	Put option	Bradesco / Banco XP / Itaú BBA	572	-	572	8,500	US\$
Currency US\$	Jul/22	Call option	Bradesco / Banco XP / Itaú BBA	-	(25)	(25)	(8,500)	US\$
Currency US\$	May/23	Put option	Bradesco	44	-	44	1,023	US\$
Currency US\$	May/23	Call option	Bradesco	-	(21)	(21)	(1,023)	US\$
Currency US\$	May/23	Put option	Banco do Brasil / Itaú BBA / Marex	506	-	506	5,500	US\$
Currency US\$	May/23	Call option	Banco do Brasil / Itaú BBA / Marex	-	(1,883)	(1,883)	(5,500)	US\$
Currency US\$	Jun/23	Put option	Bradesco / Banco XP / Itaú BBA	1,104	-	1,104	10,106	US\$
Currency US\$	Jun/23	Call option	Bradesco / Banco XP / Itaú BBA	-	(3,028)	(3,028)	(10,106)	US\$
Currency US\$	Jul/23	Put option	Banco XP	172	-	172	3,484	US\$
Currency US\$	Jul/23	Call option	Banco XP	-	(150)	(150)	(3,484)	US\$
Currency US\$	Mar/24	Put option	Bradesco	122	-	122	2,500	US\$
Currency US\$	Mar/24	Call option	Bradesco	-	(605)	(605)	(2,500)	US\$
Currency US\$	Apr/24	Put option	Bradesco	33	-	33	802	US\$
Currency US\$	Apr/24	Call option	Bradesco	-	(165)	(165)	(802)	US\$
Currency US\$	May/24	Put option	Itaú BBA	88	-	88	1,000	US\$
Currency US\$	May/24	Call option	Itaú BBA	-	(171)	(171)	(1,000)	US\$
Currency US\$	Jul/24	Put option	Banco XP	113	-	113	1,600	US\$
Currency US\$	Jul/24	Call option	Banco XP	-	(392)	(392)	(1,600)	US\$
Currency US\$	Jul/24	Put option	Banco XP	184	-	184	1,900	US\$
Currency US\$	Jul/24	Call option	Banco XP	-	(388)	(388)	(1,900)	US\$
Currency US\$	Jul/22	NDF	Bradesco / Banco XP / Itaú BBA / Banco do Brasil	2,761	-	2,761	-	US\$
Currency US\$	Jul/22	NDF	Bradesco / Banco do Brasil	3,035	(90)	2,945	700	US\$
Currency US\$	Oct/22	NDF	Banco ABC	-	(860)	(860)	(2,900)	US\$
Currency US\$	Nov/22	NDF	Bradesco / Banco do Brasil	2,443	(81)	2,362	(5,350)	US\$
Currency US\$	Jan/23	NDF	Banco do Brasil / Santander	642	-	642	(1,000)	US\$
Currency US\$	May/23	NDF	Banco do Brasil	-	(1,831)	(1,831)	(6,000)	US\$
Currency US\$	Jun/23	NDF	Bradesco / Banco XP / Banco do Brasil	782	(1,190)	(408)	(16,500)	US\$
Currency US\$	Jul/23	NDF	Banco do Brasil / Banco XP	1,342	(1,300)	42	(6,500)	US\$
Currency US\$	Nov/23	NDF	Banco do Brasil	-	(482)	(482)	(3,000)	US\$
				13,943	(12,662)	1,281	(40,550)	US\$
CBOT Soybean	Feb/23	Soybean put option	Trading Companies/Banks /CBOT	1,768	-	1,768	260,804	bags
CBOT Soybean	Feb/23	Soybean call option	Trading Companies/Banks /CBOT	5,815	(6,092)	(277)	(260,804)	bags
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks /CBOT	-	(224)	(224)	(430,893)	bags
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks /CBOT	-	(12,361)	(12,361)	(498,929)	bags
CBOT Soybean	Feb/23	Soybean futures	Trading Companies/Banks /CBOT	174	(658)	(484)	(195,036)	bags
CBOT Soybean	Jun/23	Soybean futures	Trading Companies/Banks /CBOT	1,235	-	1,235	(113,393)	bags
CBOT Soybean	Apr/23	Soybean futures	Trading Companies/Banks /CBOT	-	(1,138)	(1,138)	(283,482)	bags
Corn	Sep/22	Corn put option	Trading Companies/Banks /CBOT	2,818	-	2,818	231,321	bags
Corn	Sep/22	Corn put option	Trading Companies/Banks /CBOT	-	(139)	(139)	(231,321)	bags
BMF Corn	Sep/22	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(184,950)	bags
BMF Corn	Sep/22	Corn futures	Trading Companies/Banks /CBOT	-	(1,807)	(1,807)	(166,500)	bags
BMF Corn	Mar/23	Corn futures	Trading Companies/Banks /CBOT	-	(74)	(74)	(40,500)	bags
BMF Corn	Sep/23	Corn futures	Trading Companies/Banks /CBOT	-	-	-	(263,250)	bags
Cotton	Nov/22	Accrual	Trading Companies/Banks /CBOT	-	(146)	(146)	(600,000)	pounds
Cotton	Nov/22	Cotton call option	Trading Companies/Banks /CBOT	67	(42)	25	-	pounds
Cotton	Nov/22	Cotton futures	Trading Companies/Banks /CBOT	-	(276)	(276)	300,000	pounds
Cotton	Nov/22	Cotton futures	Trading Companies/Banks /CBOT	-	(535)	(535)	600,000	pounds
Cotton	Nov/23	Cotton futures	Trading Companies/Banks /CBOT	690	-	690	(1,250,000)	pounds
Cotton	Nov/22	Cotton futures	Trading Companies/Banks /CBOT	-	(394)	(394)	(1,050,000)	pounds
BM&F Fed Cattle	Oct/22	Fed cattle futures	BM&F	-	-	-	(27,720)	@
BM&F Ethanol	Jul/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(10)	(10)	(900)	m³
BM&F Ethanol	Aug/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(14)	(14)	(1,500)	m³
BM&F Ethanol	Sep/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(42)	(42)	(2,400)	m³
BM&F Ethanol	Oct/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(56)	(56)	(1,950)	m³
BM&F Ethanol	Nov/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(115)	(115)	(2,400)	m³
BM&F Ethanol	Dec/22	Ethanol call options	Trading Companies/Banks /CBOT	-	(187)	(187)	(1,800)	m³
BM&F Ethanol	Jan/23	Ethanol call options	Trading Companies/Banks /CBOT	-	(373)	(373)	(1,800)	m³
BM&F Ethanol	Feb/23	Ethanol call options	Trading Companies/Banks /CBOT	-	(119)	(119)	(600)	m³
BM&F Ethanol	Mar/23	Ethanol call options	Trading Companies/Banks /CBOT	-	(135)	(135)	(600)	m³
BM&F Ethanol	Apr/23	Ethanol call options	Trading Companies/Banks /CBOT	-	(118)	(118)	(600)	m³
BM&F Ethanol	Jul/22	Ethanol futures	BM&F	117	-	117	(1,200)	m³
BM&F Ethanol	Aug/22	Ethanol futures	BM&F	561	-	561	(1,800)	m³
BM&F Ethanol	Sep/22	Ethanol futures	BM&F	383	-	383	(1,200)	m³
BM&F Ethanol	Sep/22	Ethanol futures	BM&F	446	-	446	(1,050)	m³
BM&F Ethanol	Oct/22	Ethanol futures	BM&F	844	-	844	(2,250)	m³
BM&F Ethanol	Nov/22	Ethanol futures	BM&F	822	-	822	(2,400)	m³
BM&F Ethanol	Dec/22	Ethanol futures	BM&F	476	-	476	(1,950)	m³
BM&F Ethanol	Jan/23	Ethanol futures	BM&F	243	-	243	(1,800)	m³
BM&F Ethanol	Jan/23	Ethanol futures	BM&F	108	-	108	(930)	m³
BM&F Ethanol	Feb/23	Ethanol futures	BM&F	108	-	108	(900)	m³
BM&F Ethanol	Mar/23	Ethanol futures	BM&F	138	-	138	(900)	m³
			Margin deposited	33,001	-	33,001	-	
		Total risk with commodities		49,814	(25,055)	24,759		
SWAP	Aug/23	Fixed DI SWAP	Bradesco	-	(5)	(5)	6,323	
SWAP	Apr/28	Fixed DI SWAP		-	(1,614)	(1,614)	135,000	
		Total risk with interest		-	(1,619)	(1,619)	141,323	
		Total risks		63,757	(39,336)	24,421		
		Current		61,013	(34,064)			
		Non-current		2,744	(5,272)			
		Result on December 31, 2021 (Note 26)		78,475	(135,429)			

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

The margin deposits for derivatives operations refer to counterparties to the 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 other credits

		Company		Consolidated	
	Note	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Trade accounts receivable	8.1	32,873	120,804	248,685	367,602
Recoverable taxes	8.2	7,453	6,103	17,959	18,371
Advances to suppliers (a)		11,589	48,201	13,206	54,258
Other receivables		1,584	1,180	2,176	2,082
Total current		53,499	176,288	282,026	442,313
Trade accounts receivable	8.1	-	-	338,186	373,954
Recoverable taxes	8.2	22,641	19,514	42,432	35,019
Judicial deposits	28	1,945	1,895	2,287	2,215
Other receivables		-	163	-	163
Total non-current		24,586	21,572	382,905	411,351

(a) In June 2022, the balance included advances to suppliers for the acquisition of inputs for use in the 2022/23 crop year.

8.1 Trade accounts receivable

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Sale of sugarcane	11,731	16,786	47,664	43,297
Sale of grains	9,564	100,220	17,279	127,875
Sale of cattle	269	491	269	491
Sale of cotton	9,100	-	9,100	-
Leases and rentals	2,893	3,941	7,683	11,969
Sale of machinery	167	217	1,421	2,406
Sale of farms	-	-	169,206	183,342
	33,724	121,655	252,622	369,380
Allowance for doubtful accounts	(851)	(851)	(3,937)	(1,778)
Total current	32,873	120,804	248,685	367,602
Sale of farms	-	-	338,186	373,954
Total non-current	-	-	338,186	373,954

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a) Changes in trade accounts receivable:

	Company			Consolidated		
	Grains	Cotton	Sugarcane	Grains	Cotton	Sugarcane
At June 30, 2022	100,220	-	16,786	127,875	-	43,297
Sales in the period	160,659	25,090	57,706	224,037	29,806	281,822
Receivables	(251,315)	(15,990)	(62,761)	(332,474)	(20,706)	(277,455)
(-) Expected losses	-	-	-	(2,159)	-	-
At December 31, 2022	9,564	9,100	11,731	17,279	9,100	47,664

b) Changes in the allowance for doubtful accounts:

	Company	Consolidated
At June 30, 2022	851	1,778
Accrual of provision	-	2,177
Exchange variation	-	(18)
At December 31, 2022	851	3,937

c) Receivables by maturity

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Falling due:				
Up to 30 days	18,922	107,087	47,002	159,476
31 to 90 days	396	943	16,818	84,922
91 to 180 days	11,734	9,297	115,300	16,586
181 to 360 days	-	2,709	67,169	105,435
Over 360 days	-	-	338,186	373,954
Past due:				
Up to 30 days	592	440	1,052	855
31 to 90 days	1,229	328	1,344	328
Over 360 days	851	851	3,937	1,778
	33,724	121,655	590,808	743,334

d) Sale of sugarcane

The main source of revenue for sugarcane is from two supply agreements: (i) Atvos S.A. and (ii) the partnership IV Agreement. These 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, 2022 and there was no record of default up to the date of issuance of these financial statements.

e) Sale of grain

For the period ended December 31, 2022, the main receivables from corn and soybean are from the CDI do Brasil, Agroindustrial and Novaagri, and corn and soybean were sold mainly to Bunge, Cargill and Viterro.

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f) Receivables for sale of farm

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

	6/30/2022	Recorded	Receipts	Restatement of fair value	Exchange variation	12/31/2022	Current	Non- current
Araucária V	27,917	-	(233)	2,465	-	30,149	16,291	13,858
Jatobá II	147,852	-	(47,142)	9,049	-	109,759	41,750	68,009
Jatobá III	56,332	-	(18,007)	3,494	-	41,819	15,909	25,910
Jatobá IV	14,243	-	-	1,034	-	15,277	6,103	9,174
Jatobá V	40,597	-	(10,800)	2,330	-	32,127	9,539	22,588
Jatobá VI	39,439	-	(9,001)	2,084	-	32,522	7,971	24,551
Alto Taquari II	2,174	-	(92)	230	-	2,312	2,312	-
Alto Taquari III	10,735	-	-	814	-	11,549	4,907	6,642
Alto Taquari IV	137,261	-	-	8,742	-	146,003	45,017	100,986
Bananal IX	6,269	-	(6,551)	282	-	-	-	-
Fon Fon I	536	-	-	-	(7)	529	529	-
San Cayetano	322	-	-	-	(4)	318	318	-
Rio do Meio I	73,619	1,481	(2,511)	3,827	-	76,416	17,262	59,154
Rio do Meio II	-	20,518	(17,641)	2,086	-	4,963	33	4,930
Marangatu	-	7,786	(3,886)	(258)	7	3,649	1,265	2,384
Total	557,296	29,785	(115,864)	36,179	(4)	507,392	169,206	338,186

Variable consideration

The receivables from the sale of farm before deducting the variable consideration (Note 4.c) were:

	12/31/2022	Variable consideration (2.3%)	12/31/2022
Jatobá III	41,819	962	42,781
Jatobá IV	15,277	351	15,628
Jatobá V	32,127	739	32,866
Jatobá VI	32,522	748	33,270
Alto Taquari IV	146,003	3,358	149,361
Rio do Meio II	4,963	114	5,077
Total	272,711	6,272	278,983

8.2 Recoverable taxes

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Withholding income tax (IRRF) on financial investments to be offset	4,304	5,809	6,162	8,658
ICMS recoverable	-	-	624	624
PIS and COFINS to be offset	3,111	151	4,552	152
Tax on value added - IVA - (Paraguay/Bolivia)	-	-	6,511	8,644
Other recoverable taxes	38	143	110	293
Total current	7,453	6,103	17,959	18,371
ICMS recoverable	9,121	6,983	12,080	8,910
PIS and COFINS to be offset	11,058	11,058	12,506	12,506
IRRF on financial investments to be offset	2,461	1,472	4,610	1,991
INSS recoverable	1	1	106	70
Tax on value added - IVA - (Paraguay/Bolivia)	-	-	13,130	11,542
Total non-current	22,641	19,514	42,432	35,019

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9. Inventories

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Soybean	1,452	53,573	1,452	54,793
Corn	9,348	50,166	9,354	60,970
Bean	2,710	8,553	2,731	8,773
Cotton	8,534	21,363	9,442	22,186
Other harvests	375	503	375	509
Agricultural products	22,419	134,158	23,354	147,231
Inputs	144,312	100,102	180,093	142,668
	<u>166,731</u>	<u>234,260</u>	<u>203,447</u>	<u>289,899</u>

9.1 Adjustment to recoverable value of inventories of products

	Company	Consolidated
At June 30, 2022	<u>(7,034)</u>	<u>(7,775)</u>
Reversal of impairment of agricultural products	(2,209)	(2,241)
Write-offs	8,103	8,876
At December 31, 2022	<u>(1,140)</u>	<u>(1,140)</u>

10. Biological assets

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Beef cattle	3,964	787	12,115	9,711
Cattle for breeding	46,460	57,906	46,460	57,906
Grain plantation	213,552	47,493	252,807	67,358
Cotton plantation	10,958	15,348	13,020	15,347
Sugarcane field	36,677	47,252	125,778	172,560
Total	<u>311,611</u>	<u>168,786</u>	<u>450,180</u>	<u>322,882</u>
Current	265,151	110,880	403,720	264,976
Non-current	46,460	57,906	46,460	57,906

Plantation and crop treatment expenses are substantially for crop formation such as seeds, fertilizers, pesticides, depreciation and agricultural labor.

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 of R\$2,781 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 of R\$3,441.

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

	Company		Consolidated	
	Planted area (hectares)		Planted area (hectares)	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Grains	10,824	7,650	11,846	10,097
Cotton	-	1,450	-	2,113
Sugarcane	7,572	7,177	26,013	24,640
	<u>18,396</u>	<u>16,277</u>	<u>37,859</u>	<u>36,850</u>

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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, 2022	47,493	15,348	47,252	67,358	15,347	172,560
Increases - planting	205,882	14,179	-	260,305	13,876	-
Increases - handling	-	-	48,303	-	-	152,687
Change in fair value	17,670	(10,666)	(4,938)	32,452	(9,822)	2,962
Harvesting	(57,493)	(7,903)	(53,940)	(107,169)	(6,381)	(202,367)
Exchange variation	-	-	-	(139)	-	(64)
At December 31, 2022	213,552	10,958	36,677	252,807	13,020	125,778

Changes in cattle raising activity

	Company	
	Heads of cattle (in number)	Cattle (\$)
At June 30, 2022	18,042	58,693
Acquisition/birth costs	4,180	1,768
Handling costs	-	6,069
Sales	(2,686)	(7,019)
Deaths	(198)	(505)
Change in fair value	-	(8,582)
At December 31, 2022	19,338	50,424

	Consolidated	
	Heads of cattle (in number)	Cattle (\$)
At June 30, 2022	21,168	67,617
Acquisition/birth costs	5,414	4,600
Handling costs	-	9,267
Sales	(3,915)	(12,336)
Deaths	(221)	(628)
Consumption	(18)	(38)
Exchange variation	-	(516)
Change in fair value	-	(9,391)
At December 31, 2022	22,428	58,575

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

	Beef cattle	Cattle for breeding	Company Total
At June 30, 2022	28	18,014	18,042
At December 31, 2022	1,109	18,229	19,338

	Beef cattle	Cattle for breeding	Total
At June 30, 2022	3,154	18,014	21,168
At December 31, 2022	4,199	18,229	22,428

Fair value hierarchy at December 31, 2022

	Company Amount	Consolidated Amount	Fair value
Sugarcane	36,677	125,778	Level 3
Cattle	50,424	58,575	Level 2
Grains	213,552	252,807	Level 3
Cotton	10,958	13,020	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, 2022, are as follows:

Description	Evaluation method	Significant non-observable inputs	Average rate %	Variation of non-observable inputs	Increase in inputs	Decrease in inputs
Biological Asset - Sugarcane	Discounted cash flow	- Yield	18.12	Average yield: 78.2 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)	18.12	Total recoverable sugar: TRS 115 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	18.12	Average yield: 61.6 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

	Company 12/31/2022	Company 12/31/2021	Consolidated 12/31/2022	Consolidated 12/31/2021
Grains	17,670	42,141	32,452	67,430
Cotton	(10,666)	(573)	(9,822)	315
Sugarcane	(4,938)	50,911	2,962	171,813
Cattle	(8,582)	(4,643)	(9,391)	(1,026)
	(6,516)	87,836	16,201	238,532

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11. Investment properties - noncurrent

	Company					
	Land - Farms	Buildings and improvements	Clearances	Total in operation	Construction in progress	12/31/2022
At December 31, 2022						
Opening balance	23,266	36,503	63,241	123,010	36,056	159,066
Acquisitions	-	117	1,931	2,048	52,671	54,719
Write-offs	-	(637)	-	(637)	(3)	(640)
Transfers	-	2,130	19,314	21,444	(21,444)	-
(-) Depreciation / amortization	-	(635)	(3,794)	(4,429)	-	(4,429)
Book balance, net	23,266	37,478	80,692	141,436	67,280	208,716
At December 31, 2022						
Total cost	23,266	44,964	142,710	210,940	67,280	278,220
Accumulated depreciation	-	(7,486)	(62,018)	(69,504)	-	(69,504)
Book balance, net	23,266	37,478	80,692	141,436	67,280	208,716
Annual depreciation rates (weighted average) - %		4-20	5-20			

	Consolidated					
	Land - Farms	Buildings and improvements	Clearances	Total in operation	Construction in progress	12/31/2022
At December 31, 2022						
Opening balance	741,380	72,371	133,324	947,075	57,305	1,004,380
Acquisitions	271,924	117	1,938	273,979	55,833	329,812
Write-offs	(16,115)	(637)	(1,572)	(18,324)	(6)	(18,330)
Transfers	-	2,205	20,168	22,373	(29,177)	(6,804)
(-) Depreciation / amortization	-	(1,463)	(6,307)	(7,770)	-	(7,770)
Translation effects	(2,197)	(196)	(190)	(2,583)	(168)	(2,751)
Net book value	994,992	72,397	147,361	1,214,750	83,787	1,298,537
At December 31, 2022						
Total cost	994,992	86,947	237,062	1,319,001	83,787	1,402,788
Accumulated depreciation	-	(14,550)	(89,701)	(104,251)	-	(104,251)
Book balance, net	994,992	72,397	147,361	1,214,750	83,787	1,298,537
Annual depreciation rates (weighted average) - %		4-20	5-20			

The fair value of investment properties compare to their book value as follows

Farm	State	Hectares		Real estate	Acquisition	Fair value*		Cost **	
		12/31/2022	6/30/2022			12/31/2022	6/30/2022	12/31/2022	6/30/2022
Jatobá Farm	Bahia	13,276	13,276	Jaborandi Ltda	Mar-07	429,713	429,713	28,358	28,971
Alto Taquari Farm	Mato Grosso	1,380	1,380	Mogno Ltda	Aug-07	30,574	30,574	17,261	17,273
Araucária Farm	Goiás	5,534	5,534	Araucária Ltda	Apr-07	333,360	333,360	46,633	46,269
Chaparral Farm	Bahia	37,182	37,182	Cajueiro Ltda	Nov-07	796,111	796,111	110,032	102,313
Nova Buriti Farm	Minas Gerais	24,212	24,212	Flamboyant Ltda	Dec-07	49,787	49,787	24,288	24,298
Preferência Farm	Bahia	17,799	17,799	Cajueiro Ltda	Sep-08	136,262	136,262	33,900	32,849
São José Farm	Maranhão	17,566	17,566	Ceibo Ltda	Feb-17	464,248	464,248	114,684	114,448
Marangatu y Udra Farm	Boqueron Paraguay	58,722	59,585	Agropecuária Moroti S/A	Feb-18	329,603	337,786	214,068	220,755
Arrojadinho Farm	Bahia	16,642	16,642	Agrifirma Agro Ltda	Jan-20	256,921	256,921	121,123	100,521
Rio do Meio Farm	Bahia	5,750	7,715	Agrifirma Agro Ltda	Jan-20	153,088	201,908	61,838	78,998
Serra Grande Farm	Piauí	4,489	4,489	Imobiliária Cremaq	Apr-20	82,558	82,558	42,277	42,149
Acres del Sud Farm	Bolivia	9,875	9,875	Acres Del Sud	Feb-21	189,490	189,490	129,507	137,934
Panamby Farm	Mato Grosso	10,844	-	Mogno Ltda	Sep-22	283,300	-	274,277	-
		223,271	215,255			3,535,015	3,308,718	1,218,246	946,778

(*) At June 30, 2022, the properties were appraised by the Company's technical team. The comparable sales value of investment properties is adjusted considering the specific characteristics 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, 2022 the cost of R\$1,218,246 (R\$946,778 at June 30, 2022) 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 cost presented for the Alto Taquari and Rio do Meio farms include 1,157 and 1,393 hectares sold; the Company will continue to operate these until the delivery date (Note 1).

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On December 31, 2022, the Company had four farms offered as guarantee for loans and financing, which represent 28 of total investment properties in the consolidated results.

12. Investments

The investments were as follows:

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Investments	1,632,567	1,597,120	7,642	7,642
Goodwill	47	47	-	-
	<u>1,632,614</u>	<u>1,597,167</u>	<u>7,642</u>	<u>7,642</u>

	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 period	IFRS adjustments 16/CPC 06 (*)	Equity in the results of investees
	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022					
<i>Subsidiaries</i>										
Araucária	69,301	100.00	75,981	20,371	55,610	(536)	55,074	4,301	(1,570)	2,731
Cremaq	26,489	100.00	32,978	9,243	23,735	(663)	23,072	335	(313)	22
Engenho de Maracaju (**)	-	-	-	-	-	-	-	(4)	-	(4)
Imobiliária Jaborandi	44,445	100.00	249,291	3,353	245,938	10,184	256,122	18,584	(34)	18,550
Cajueiro	59,219	100.00	68,806	663	68,143	2,508	70,651	6,647	(4,663)	1,984
Mogno	179,676	100.00	449,719	151,748	297,971	4,400	302,371	4,314	3,769	8,083
Celbo	103,945	100.00	110,906	660	110,246	(1,032)	109,214	4,358	(3,239)	1,119
Flamboyant	843	100.00	646	-	646	-	646	(5)	-	(5)
Palmeiras	48,960	100.00	94,513	71,535	22,978	-	22,978	(7,773)	-	(7,773)
Moroti	13,166	100.00	230,543	13,600	216,943	-	216,943	(709)	-	(709)
Agrifirma	256,616	100.00	786,258	371,122	415,136	330	415,466	26,874	(1,427)	25,447
Acre	902	100.00	150,009	96,869	53,140	-	53,140	1,223	-	1,223
Ombú	484	100.00	95,976	57,925	38,051	-	38,051	2,378	-	2,378
Yuchán	97	100.00	55,517	56,219	(702)	-	(702)	(1,781)	-	(1,781)
Yatay	282	100.00	64,552	2,653	61,899	-	61,899	395	-	395
Investment at cost:										
Joint Venture and other investments										
Cresca	-	50.00	1,645	124	1,521	-	1,521	-	-	-
Agroly	-	-	-	-	6,121	-	6,121	-	-	-
			<u>2,467,340</u>	<u>856,085</u>	<u>1,617,376</u>	<u>15,191</u>	<u>1,632,567</u>	<u>59,137</u>	<u>(7,477)</u>	<u>51,660</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 adjusted in the Equity in the results of investees of the parent company, so that the profit or loss of the company and the consolidated position are the same, in accordance with ICPC 09 (R2) - Individual Accounting Statements, Separate Statements, Consolidated Statements and Application of Equity Method.

** Consistent with its strategic plan to achieve a streamlined corporate structure, the Company concluded the dissolution of the subsidiary Imobiliária Engenho de Maracaju on October 6, 2022, with no effect on the consolidated financial statements of the Company.

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a) Changes in investments

	6/30/2022	Write -off	Capital (decrease) increase	Dividends	Equity in the results of investees	Translation effects	12/31/2022
Cremaq	23,050	-	-	-	22	-	23,072
Engenho	20	(16)	-	-	(4)	-	-
Imobiliária Jaborandi	250,072	-	-	(12,500)	18,550	-	256,122
Araucária	71,733	-	-	(19,390)	2,731	-	55,074
Mogno	149,746	-	144,542	-	8,083	-	302,371
Cajueiro	68,666	-	-	-	1,985	-	70,651
Ceibo	124,596	-	-	(16,500)	1,118	-	109,214
Flamboyant	652	-	-	-	(6)	-	646
Palmeiras	20,344	-	10,407	-	(7,772)	(1)	22,978
Moroti	218,494	-	-	-	(708)	(843)	216,943
Agrifirma	510,019	-	-	(120,000)	25,447	-	415,466
Acres	52,580	-	-	-	1,223	(663)	53,140
Ombú	36,125	-	-	-	2,379	(453)	38,051
Yatay	62,289	-	-	-	394	(784)	61,899
Cresca	1,521	-	-	-	-	-	1,521
Agrofy	6,121	-	-	-	-	-	6,121
	<u>1,596,028</u>	<u>(16)</u>	<u>154,949</u>	<u>(168,390)</u>	<u>53,442</u>	<u>(2,744)</u>	<u>1,633,269</u>
Goodwill - Agrifirma	<u>47</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47</u>
	<u>1,596,075</u>	<u>(16)</u>	<u>154,949</u>	<u>(168,390)</u>	<u>53,442</u>	<u>(2,744)</u>	<u>1,633,316</u>
Investment losses							
Yuchán	1,092	-	-	-	(1,782)	(12)	(702)
	<u>1,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,782)</u>	<u>(12)</u>	<u>(702)</u>
	<u>1,597,167</u>	<u>(16)</u>	<u>154,949</u>	<u>(168,390)</u>	<u>51,660</u>	<u>(2,756)</u>	<u>1,632,614</u>

b) Indirectly controlled company

The Company holds indirect interests in Agrifirma Bahia Agropecuária through its subsidiary Agrifirma. The table below shows the assets, liabilities and profit or loss of Agrifirma consolidated on December 31, 2022:

	Interest (%)	Assets	Liabilities	Equity	Profit (loss) of the period
Agrifirma Bahia Agropecuária Ltda.	99.99	157,042	5,742	151,300	60,577

To simplify the Group's corporate structure and create synergies for capturing operating efficiency gains, on July 23, 2022, the shareholders approved the merger of I.A. Agro Ltda. by the subsidiary Agrifirma Bahia Agropecuária ("Agrifirma Bahia"), both indirectly controlled by BrasilAgro on the date of the event. As a result of the merger, Agrifirma Bahia assumed all rights and obligations of I.A. Agro with no effect on the consolidated financial statements of BrasilAgro.

The table below shows the equity of I.A. Agro on the merger date:

	Assets	Liabilities	Equity	Profit (loss) for the period
I.A. Agro Ltda	252	10	242	-

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c) Interest in joint venture

Cresca's condensed financial information, based on the financial statements prepared in accordance with the accounting practices adopted in Brazil and with IFRS, and the reconciliation to 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, 2022:

	<u>12/31/2022</u>	<u>6/30/2022</u>
Assets	3,291	3,291
Current	3,248	3,248
Cash and cash equivalents	134	134
Accounts receivable, inventories and other receivables	3,114	3,114
Non-current	43	43
Other non-current assets	43	43
Liabilities	249	249
Current	249	249
Trade payables, taxes and loans	249	249
Total net assets	3,042	3,042
Company's interest - 50%	50%	50%
Company's interest in net assets at their estimated fair value	1,521	1,521
	<u>12/31/2022</u>	<u>12/31/2021</u>
Other income/expenses	-	1
Financial expense	-	(67)
Loss for the period	-	(66)
Company's interest - 50%	-	(33)

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	Total property, plant and equipment
At December 31, 2022							
Opening balance	216	16,111	3,307	1,122	20,756	-	43,365
Acquisitions	13	1,648	7,675	380	9,716	218	12,152
Write-offs	(10)	(898)	-	(4)	(912)	-	(912)
Transfers	149	69	-	-	218	(218)	-
Depreciation	(70)	(943)	(382)	(92)	(1,487)	-	(5,163)
Net	<u>298</u>	<u>15,987</u>	<u>10,600</u>	<u>1,406</u>	<u>28,291</u>	<u>-</u>	<u>49,442</u>
At December 31, 2022							
Total cost	1,393	22,445	14,059	2,464	40,361	-	122,531
Accumulated depreciation	(1,095)	(6,458)	(3,459)	(1,058)	(12,070)	-	(73,089)
Net	<u>298</u>	<u>15,987</u>	<u>10,600</u>	<u>1,406</u>	<u>28,291</u>	<u>-</u>	<u>49,442</u>
Annual depreciation rates (weighted average) - %	3	7	7	10		20	

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								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
At December 31, 2022								
Opening balance	188	29,038	28,983	2,377	60,586	-	67,545	128,131
Acquisitions	13	3,988	9,375	545	13,921	218	8,938	23,077
Write-offs	(10)	(898)	(188)	(4)	(1,100)	-	(2,580)	(3,680)
Transfers	149	69	-	-	218	(218)	6,804	6,804
Depreciation	(70)	(1,800)	(1,752)	(186)	(3,808)	-	(16,251)	(20,059)
Translation effects	-	(17)	(19)	(2)	(38)	-	(13)	(51)
Net	270	30,380	36,399	2,730	69,779	-	64,443	134,222
At December 31, 2022								
Total cost	1,393	44,486	70,334	5,350	121,563	-	208,227	329,790
Accumulated depreciation	(1,123)	(14,106)	(33,935)	(2,620)	(51,784)	-	(143,784)	(195,568)
Accounting balance, net	270	30,380	36,399	2,730	69,779	-	64,443	134,222
Annual depreciation rates (weighted average) - %	3	7	7	10			20	

14. Right-of-use asset

	Company			
	Land - Farms	Buildings and improvements	Vehicles and Agricultural Machinery	Right-of-use Total
At December 31, 2022				
Opening balance	186,442	1,058	2,450	189,950
New contracts	122,749	-	349	123,098
Remeasurement	1,731	-	-	1,731
(-) Depreciation / Amortization	(21,888)	(219)	(434)	(22,541)
Book balance, net	289,034	839	2,365	292,238
At December 31, 2022				
Total cost	409,602	2,234	4,399	416,235
Cumulative depreciation	(120,568)	(1,395)	(2,034)	(123,997)
Book balance, net	289,034	839	2,365	292,238
Rate % (weighted average)	10	3	7	
	Consolidated			
	Land - Farms	Buildings and improvements	Vehicles and Agricultural Machinery	Right-of-use Total
At December 31, 2022				
Opening balance	113,743	1,100	3,111	117,954
New contracts	75,068	-	680	75,748
(-) Depreciation / Amortization	(14,868)	(219)	(868)	(15,955)
Translation effects	(116)	-	1	(115)
Book balance, net	173,827	881	2,924	177,632
At December 31, 2022				
Total cost	256,140	2,471	9,189	267,800
Cumulative depreciation	(82,313)	(1,590)	(6,265)	(90,168)
Book balance, net	173,827	881	2,924	177,632
Rate % (weighted average)	10	3	7	

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15. Leases payable and associated liabilities

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Operating leases - IFRS 16	47,402	37,541	30,979	18,581
	47,402	37,541	30,979	18,581
Financial lease of sugarcane fields	-	-	107,398	111,717
Operating leases - IFRS 16	304,765	187,331	181,884	118,853
	304,765	187,331	289,282	230,570
	352,167	224,872	320,261	249,151

Changes in leases and associated liabilities

	Company					
	6/30/2022	Interest	Payments	New contracts	Remeasurement	12/31/2022
Operating leases - IFRS 16	224,872	16,112	(13,646)	123,098	1,731	352,167
	224,872	16,112	(13,646)	123,098	1,731	352,167

	Consolidated						
	6/30/2022	Interest	Exchange variation	Variation	Payments	New contracts	12/31/2022
Cost with recovery of sugarcane fields - Parceria IV	111,717	-	-	(4,319)	-	-	107,398
Operating leases - IFRS 16	137,434	10,440	(385)	289	(10,663)	75,748	212,863
	249,151	10,440	(385)	(4,030)	(10,663)	75,748	320,261

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

The Company has an agricultural partnership agreement for the planting of sugarcane (Parceria IV) covering 15,000 arable hectares, which establishes an obligation to recover sugarcane fields upon termination of the agreement. The term of the agreement is 15 years, with termination estimated for 2032, and may be extended for the same period.

Write-offs occur upon effective payment of the lease as well as periodic adjustments for soybean or sugarcane prices. The present value adjustment are recognized under Financial income (expense), net.

On December 31, 2022, the Company and its subsidiaries had the following lease agreements with third parties for buildings:

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			Company
			(under IFRS 16)
Description	Location	Currency	
Parceria II	Ribeiro Gonçalves - PI	R\$	7,791
Parceria III	Alto Taquari - MT	R\$	19,631
Parceria V	São Félix do Xingu - MT	R\$	41,296
Parceria VII	Baixa Grande do Ribeiro - PI	R\$	26,878
Parceria IX	São José do Xingu - MT	R\$	53,732
Parceria X	São Félix do Araguaia - MT	R\$	20,403
Parceria XI	Comodoro - MT	R\$	25,762
Intercompany leases	N.A.	R\$	150,907
Vehicle leases	N.A.	R\$	717
Services with identified assets	N.A.	R\$	1,898
Land - Other	N.A.	R\$	3,152
			R\$ 352,167

			Consolidated
			(under IFRS 16)
Description	Location	Currency	
Parceria II	Ribeiro Gonçalves - PI	R\$	7,791
Parceria III	Alto Taquari - MT	R\$	19,631
Parceria IV - Field lease	São Raimundo de Mangabeira	R\$	107,398
Parceria V	São Félix do Xingu - MT	R\$	41,296
Parceria VII	Baixa Grande do Ribeiro - PI	R\$	26,878
Parceria VIII	Santa Cruz - Bolívia	R\$	10,004
Parceria IX	São José do Xingu - MT	R\$	53,732
Parceria X	São Félix do Araguaia - MT	R\$	20,403
Parceria XI	Comodoro - MT	R\$	25,762
Vehicle lease	N.A.	R\$	2,209
Services with identified assets	N.A.	R\$	1,898
Land - Other	N.A.	R\$	3,152
Lease of vehicles and office in Paraguay	Assunción - Paraguay	R\$	107
			R\$ 320,261

The lease liabilities, measured under IFRS 16, use discount rates that ranges from 6.56% to 16.76%.

The lease agreements with third parties of the Company are indexed to the price of soybean bags 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 soybean bags, future minimum payments are estimated by the 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 Consecana are stipulated in tons of cane and translated into local currency based on the Consecana price in effect at the time.

The lease agreements of third parties, specify that:

- (i) they contain no contingent payment clause; the lease agreements of Partnership II, V and Araucária are, for the most part, indexed to the variation in the soybean bag price, and, in the case of Partnership II, there is 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 payment flow for these leases is shown below:

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	Company	Consolidated
1 year	47,402	30,979
2 years	61,340	53,504
3 years	59,677	51,601
4 years	59,252	51,790
5 years	32,679	31,391
Over 5 years	91,817	100,996
	352,167	320,261

16. Accounts payable and other liabilities

		Company		Consolidated	
	Note	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Trade accounts payable		83,112	41,147	123,252	80,426
Taxes payable	16.1	1,178	8,616	18,423	25,894
Dividends payable		41	123,540	41	123,540
Advances to clients*		10,370	17,327	15,946	21,953
Other liabilities		699	241	2,080	1,627
Total current		95,400	190,871	159,742	253,440
Taxes payable	16.1	-	-	17,871	17,742
Other payables		-	-	6,078	6,091
Total non-current		-	-	23,949	23,833

16.1 Taxes payable

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
ISS payable	482	537	613	681
Withholding taxes	402	234	480	368
FUNRURAL payable	-	36	-	36
PIS and COFINS payable	-	-	3,177	3,988
IRPJ and CSLL payable	-	7,352	9,208	15,456
Tax on value added - IVA (Paraguay/Bolivia)	-	-	4,416	4,743
Other taxes payable	294	457	529	622
Total current	1,178	8,616	18,423	25,894
PIS and COFINS payable	-	-	4,435	4,213
IRPJ and CSLL payable	-	-	3,741	3,556
Tax on value added - IVA (Paraguay/Bolivia)	-	-	9,695	9,973
Total non-current	-	-	17,871	17,742

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17. Loans, financing and debentures

	Index	Annual rate (%)		Company		Consolidated	
		12/31/2022	6/30/2022	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Agricultural cost financing							
	Fixed rate	9.40	-	24,554	-	24,554	-
	Fixed rate	15.80	-	18,501	-	18,501	-
	Fixed rate	-	4.26	-	3,057	-	6,106
	Fixed rate	6.34	6.34	-	-	920	1,493
	Fixed rate	7.64	7.64	5,543	7,930	5,543	7,930
	Fixed rate	9.53	-	-	-	83,855	-
	Fixed rate	15.66	-	-	-	20,748	-
	Fixed rate	9.54	-	-	-	8,379	-
	Fixed rate	-	9.85	-	2,085	-	4,147
				48,598	13,072	162,500	19,676
Agricultural cost financing (USD)							
	Fixed rate	3.66	3.66	-	-	17,006	16,760
				-	-	17,006	16,760
Agricultural cost financing (PYG)							
	Fixed rate	9.60	9.60	-	-	15,477	16,628
	Fixed rate	9.50	9.50	-	-	5,455	6,815
	Fixed rate	8.75	8.75	-	-	8,659	9,206
				-	-	29,591	32,649
Bahia Project Financing							
	Fixed rate	3.50	3.50	-	-	8,736	9,661
	Fixed rate	9.05	-	12,437	-	12,437	-
				12,437	-	21,173	9,661
Working capital financing (USD)							
	Fixed rate	4.40	4.40	-	-	10,941	10,840
				-	-	10,941	10,840
FINAME							
	Fixed rate	9.05	-	2,691	-	2,691	-
				2,691	-	2,691	-
Sugarcane financing							
	Fixed rate	6.76	6.76	720	1,230	720	1,230
	Fixed rate	6.34	6.34	-	-	26,719	32,694
				720	1,230	27,439	33,924
Debentures							
	CDI	-	106.50	-	30,897	-	30,897
	CDI	110.00	110.00	15,114	31,096	15,114	31,096
	Fixed rate + IPCA	5.37+100.00	5.37+100.00	282,825	274,396	282,825	274,396
				297,939	336,389	297,939	336,389
(-)Transaction costs				(6,047)	(6,858)	(6,047)	(6,858)
				356,338	343,833	563,233	453,041
Current				70,477	57,453	238,539	123,411
Non-current				285,861	286,380	324,694	329,630

Keys:

USD - United States currency (Dollar)

PYG - Paraguayan currency (Guarani)

IPCA - National consumer price index

CDI - Interbank deposit certificate.

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Debt groupings by index

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Fixed rate	58,399	7,444	265,292	116,652
CDI and Fixed rate + CDI	15,114	61,993	15,114	61,993
Fixed rate + IPCA (*)	282,825	274,396	282,827	274,396
	<u>356,338</u>	<u>343,833</u>	<u>563,233</u>	<u>453,041</u>

(*) The Company has R\$135.000 placed as debentures secured by CDI-indexed swaps (Note 7).

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

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
1 year	70,477	57,453	238,539	123,411
2 years	56,340	70,340	68,089	81,571
3 years	57,600	55,712	69,349	66,568
4 years	57,600	52,957	69,349	63,813
5 years	58,402	53,069	59,298	59,735
Over 5 years	55,919	54,302	58,609	57,943
	<u>356,338</u>	<u>343,833</u>	<u>563,233</u>	<u>453,041</u>

Changes in loans, financing and debentures

	Company					
	6/30/2022	Contracting	Payment of principal	Payment of interest	Accruals for interest	12/31/2022
Agricultural cost financing	13,072	42,358	(7,141)	(685)	994	48,598
Bahia project financing	-	12,292	-	-	145	12,437
Machinery and equipment financing - FINAME	-	2,660	-	-	31	2,691
Sugarcane financing	1,230	-	(256)	(265)	11	720
Debentures	336,389	-	(42,651)	(5,818)	10,019	297,939
Transaction costs	(6,858)	-	-	-	811	(6,047)
At December 31, 2022	343,833	57,310	(50,048)	(6,768)	12,011	356,338

	Consolidated						
	6/30/2022	Contracting	Payment of principal	Payment of interest	Accruals for interest	Foreign exchange variation	12/31/2022
Agricultural cost financing	19,676	154,079	(12,621)	(868)	2,234	-	162,500
Agricultural cost financing overseas	49,409	-	(613)	(1,641)	1,784	(2,342)	46,597
Bahia project financing	9,661	12,292	(1,045)	(46)	311	-	21,173
Working capital financing (USD)	10,840	-	-	-	237	(136)	10,941
Machinery and equipment financing - FINAME	-	2,660	-	-	31	-	2,691
Sugarcane financing	33,924	-	(6,457)	(1,447)	1,419	-	27,439
Debentures	336,389	-	(42,651)	(5,818)	10,019	-	297,939
Transaction costs	(6,858)	-	-	-	811	-	(6,047)
At December 31, 2022	453,041	169,031	(63,387)	(9,820)	16,846	(2,478)	563,233

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(a) Loans and Financing

Covenants

All loans and financing contracts above are in Reais regulated under terms and conditions stipulated by governmental economic and development agencies that directly or indirectly grant the loans. At December 31, 2022 and June 30, 2022 the Company's financing have no financial covenants, but include operating clauses; the Company was not in default.

(b) Debentures

1st Issue

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

On August 1, 2022, the Company paid the last installment on the first series. The maturity date of the second-series debentures is July 31, 2023 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% of the 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 a lien over the fiduciary sale of properties owned by the Company and registered under no. 6,254, 6,267 and 13,458 with the Property Records Office of Correntina in the state of Bahia.

2nd Issue

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

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

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 a lien over the fiduciary sale of the properties owned by the Company and registered under numbers 6,257, 6,377, 6,405 and 6,462 with the Real Estate Registry Office of Correntina, Bahia.

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Covenants

The debentures contain covenants, based on the ratio of net debt to fair value of investment properties. The ratio cannot be less than 30% over the duration of the agreement and adjusted according to the respective covenants. Any default may result in early amortization of the debt.

On December 31, 2022, and during the term of the debentures, 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 is the calendar year which is different from the Company's accounting year which ends on June 30.

Deferred income and social contribution tax assets and liabilities as of December 31, 2022 and June 30, 2022 are as follows:

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	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Assets				
Non-current				
Tax losses	36,258	39,479	38,145	43,362
Biological assets	-	-	3,841	3,966
Leases payable (CPC 06/IFRS 16)	20,351	11,849	29,513	19,299
Present value adjustment and other provisions	4,330	4,104	32,390	33,737
Hedge accounting	7,720	2,917	7,720	2,917
Allowance for doubtful accounts	289	289	759	759
Difference in cost of farms	170	170	170	170
Other accounts payable	27	2,582	42	2,732
Fair value of other significant liabilities	1,503	4,475	1,503	4,475
	<u>70,648</u>	<u>65,865</u>	<u>114,083</u>	<u>111,417</u>
Liabilities				
Non-current				
Biological assets	25,802	41,322	32,860	61,764
Investment gain	1,733	1,733	1,733	1,733
Transaction costs	2,056	2,332	2,056	2,332
Temporary differences related to PPE	1,527	1,277	5,569	5,017
Accelerated depreciation of assets for rural activity	26,574	24,541	50,600	50,514
Deferred taxes on surplus value of PPE and investment property - Acquisition of Agrifirma	-	-	19,724	20,567
Indemnification assets	-	55	-	55
	<u>57,692</u>	<u>71,260</u>	<u>112,542</u>	<u>141,982</u>

The balances are presented in the balance sheet as follows:

Deferred assets, net	12,956	-	23,160	4,360
Deferred liabilities, net	-	(5,395)	(21,619)	(34,925)
Net balance	<u>12,956</u>	<u>(5,395)</u>	<u>1,541</u>	<u>(30,565)</u>

The net change in deferred income tax is as follows:

	Company	Consolidated
At June 30, 2022	(5,395)	(30,565)
Tax losses	(3,221)	(5,217)
Biological assets	15,520	28,779
Leases payable (CPC 06/IFRS 16)	8,502	10,214
Present value adjustment and other provisions	226	(1,347)
Hedge accounting	4,803	4,803
Costs of transactions	276	276
Provision for other accounts payable	(2,555)	(2,690)
Accelerated depreciation of assets for rural activity	(2,033)	(86)
Fair value of other significant liabilities	(2,972)	(2,972)
Deferred taxes on surplus value	-	843
Long-term Share-based Incentive Plan (ILPA)	(250)	(552)
Indemnity assets	55	55
At December 31, 2022	<u>12,956</u>	<u>1,541</u>

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The estimated period for realization of deferred tax assets is as follows:

	12/31/2022	
	Company	Consolidated
2023	23,824	58,029
2024	6,013	6,701
2025	9,558	10,246
2026	12,702	13,390
2027 to 2032	18,551	25,717
	<u>70,648</u>	<u>114,083</u>

On September 1, 2022, the Audit Committee approved management's estimate for the expected realization of deferred tax assets.

18.2. Income and social contribution expenses

	Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Income before income and social contribution taxes	21,279	401,744	33,361	469,265
Combined nominal rate of income and social contribution taxes - %	34%	34%	34%	34%
	(7,235)	(136,593)	(11,343)	(159,550)
Equity in the results of investees/Investment losses	17,563	140,737	-	(11)
Management bonuses	(301)	(447)	(301)	(447)
Changes in fair value of accounts receivable from sale of farms	-	-	5,821	-
Net effect of profit taxed abroad	(1,459)	-	(1,459)	-
Net effect of subsidiaries taxed based on a percentage of gross revenue (*)	-	-	6,306	92,496
Other	(726)	1,767	(3,264)	5,455
Income and social contribution taxes on P&L for the year	<u>7,842</u>	<u>5,464</u>	<u>(4,240)</u>	<u>(62,057)</u>
Current	(10,509)	(3,784)	(36,346)	(24,317)
Deferred	<u>18,351</u>	<u>9,248</u>	<u>32,106</u>	<u>(37,740)</u>
	<u>7,842</u>	<u>5,464</u>	<u>(4,240)</u>	<u>(62,057)</u>
Effective rate	37%	1%	-13%	-13%

(*) For some real estate entities, income tax is measured based on the presumed tax 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 had it been applied to pretax profit in the accounting records.

19. Acquisitions payable

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Serra Grande Farm (a)	-	-	8,817	8,159
Agrifirma (b)	16,117	33,089	16,117	33,089
Panamby Farm (c)	-	-	134,212	-
	<u>16,117</u>	<u>33,089</u>	<u>159,146</u>	<u>41,248</u>
Current	16,117	20,687	159,146	28,846
Non-current	-	12,402	-	12,402

a) On May 18, 2020, the Company acquired 4,489 hectares of Serra Grande Farm for R\$25,047. On December 31, 2022, the liability refers to the delivery of 54,000 bags of soybean maturing in June 2023. The Company maintains its liability measured at fair value through profit or loss.

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- b) The consideration transferred in exchange for control of Agrifirma was divided into four classes, classified in the financial statement in accordance with their characteristics. Restricted shares and warrants, given their variation factor, were recorded as liabilities and measured at fair value through profit or loss (Note 25).
- c) The second installment for the acquisition of the Panamby Farm is scheduled for August 21, 2023. The Company recorded this obligation at present value and the difference from the nominal value will be booked as financial result during the term of maturity.

20. Equity

a) Capital (number of shares)

	Number of shares	
	12/31/2022	6/30/2022
Shareholder		
Cresud S.A.C.I.F.Y.A.	39,107,565	39,159,930
Board of Directors	189,700	189,700
Executive Board	237,453	249,653
Officers	427,153	439,353
Treasury	3,571,179	3,533,499
Other	59,271,111	59,244,226
Total shares of paid-up capital	102,377,008	102,377,008
Total outstanding shares	59,271,111	59,244,226
Outstanding shares as percentage of total shares (%)	58	58

(*) Cresud maintains an interest in the Company's capital through its wholly-owned subsidiaries. At the balance sheet date, 13,942,265 shares were held by Cresud and 25,165,300 by these subsidiaries.

The Company is authorized to increase its capital, without first seeking a change to its statutes, up to R\$3,000,000, upon approval of the Board of Directors. On December 31, 2022, the subscribed and paid-up shareholders' capital of the Company was R\$1,587,985 (R\$1,587,985 on June 30, 2022).

b) Capital reserve

Capital reserves comprise amounts received by the Company which do not flow through profit or loss and are intended to preserve equity for financing, not requiring the delivery of goods or services.

Share premium

The share premium reserve was created upon the acquisition of the subsidiary Agrifirma on January 27, 2020. The transaction was conducted via transfer of shares and generated a difference between the capital increase and the equity increase that gave rise to the reserve. 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 considered only one of the three share classes involved in the agreement (Unrestricted shares). The other two classes of shares that comprise the price were classified under liabilities (Note 19).

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The table shows the composition of the reserve:

	Number of shares	Amount (R\$)
Unrestricted shares	4,402,404	97,569
Restricted shares	812,981	18,018
Shares issued in the initial exchange ratio / Capital increase	5,215,385	115,587
Unrestricted shares (final exchange ratio) / Equity increase	4,044,654	82,021
Share premium reserve		(33,566)
Transfer/return of shares under business combination agreement		20,257
		(13,309)

The agreement for acquisition of Agrifirma envisages a price adjustment if certain contingencies, identified on the transaction date crystalize causing losses to the Company or to the selling shareholders. The agreement allows the obligation to be settled in cash or in shares of the Company. Hence, a certain number of shares as specified in the agreement are blocked for this purpose.

From January 27, 2020 (acquisition date) to December 31, 2022, the agreement resulted in a return of 809,358 shares, which were allocated to be held in treasury, a balance of R\$14,260, with 37,680 shares and R\$1,046 recognized this period. During the first quarter of 2022, the parties negotiated the release of some of these shares for contingencies that had not crystalized, resulting in a gain of R\$930 to the Company (Note 25). On September 29, 2022, 33,729 restricted shares were released to selling shareholders, in the amount of R\$951, upon the conditions prescribing.

Share-based payment

On December 31, 2022, the plan presented a balance of R\$9,277, which includes the accounting balance effects of the former plan (R\$726) and an accrued amount of R\$10,003 related to the current plan with maturity on June 30, 2023 (Note 24.a).

Capital transactions between partners

On February 4, 2021, the Company assumed control of "Acres 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 at June 30, 2020. The agreement contemplates a price adjustment to reflect the equity variation of the Bolivia-based 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 under shareholders' equity, given that the transaction involves the combination of businesses under common control, as shown below:

	12/31/2022
Net assets acquired	154,733
Consideration	(165,764)
	(11,031)

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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 profit at the end of each year, before any other allocation, is appropriated to a legal reserve, which cannot exceed 20% of share capital.

No appropriations are made if the balance of the reserve, plus the amount of 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 is intended to preserve equity 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 profit for the year 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, 2022, the Company approved the payment of dividends related to the financial statements at June 30, 2022. The minimum mandatory dividends was R\$123,524 and R\$196,476 refers to the additional dividends proposed, as declared for payment on November 16, 2022. In accordance with article 40 of the Bylaws, dividends not received or claimed will be forfeited after three years from the date they were made available to the shareholder, and will revert to the Company.

e) Other comprehensive income

At December 31, 2022, the cumulative translation adjustment arising from the translation of the financial statements of investees abroad amounted to an expense in the period of R\$2,756 (R\$44,850 on December 31, 2021), totaling an accumulated balance of R\$94,931 (R\$97,687 on June 30, 2022).

f) Treasury shares

Under article 20, item XII of the Bylaws of the Company, the Board of Directors is responsible, among others established in law or the Bylaws, for deliberating the acquisition by the Company of its own shares, to be held in treasury and/or later cancellation or sale.

Treasury shares

At June 30, 2022

Transfer of shares - Agrifirma Acquisition

At December 31, 2022

Number of shares	Amount (R\$)
3,533,498	49,761
37,681	1,046
3,571,179	50,807

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21. Segment information

The segment information is presented consistently with the internal report 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 making the Company's 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 for 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 by the Company's subsidiaries.

The cattle raising segment consists of producing and selling beef calves after weaning, which characterizes the activity as breeding and fattening of cattle.

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

The selected P&L and assets information by segment, which were measured in accordance with the same accounting practices used in the preparation of the financial statements, are as follows:

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	Consolidated						
	12/31/2022						
	Agricultural activity						Not allocated
	Total	Real estate	Grains	Cotton	Sugarcane	Cattle raising	Other
Net revenue	455,024	10,520	218,903	29,360	183,875	11,567	799
Gain from sale of farm	17,500	17,500	-	-	-	-	-
Changes in fair value of biological assets	16,201	-	33,707	(9,822)	2,962	(9,391)	(1,255)
Reversal of provision for agricultural products after harvest	(2,241)	-	(1,710)	(509)	-	-	(22)
Cost of sales	(434,800)	(4,392)	(208,288)	(26,255)	(179,365)	(11,520)	(4,980)
Gross profit (losses)	51,684	23,628	42,612	(7,226)	7,472	(9,344)	(5,458)
Operating income (expenses)							
Selling expenses	(17,667)	(2,190)	(10,791)	(3,311)	(1,034)	(270)	(71)
General and administrative expenses	(31,044)	-	-	-	-	-	-
Other operating income	2,269	-	-	-	-	-	-
Operating income (loss)	5,242	21,438	31,821	(10,537)	6,438	(9,614)	(5,529)
Financial income	161,747	60,830	19,957	2,148	10,834	1,777	-
Financial expenses	(133,628)	(28,269)	(32,510)	(1,852)	(1,050)	(527)	-
Net income (loss) before taxes	33,361	53,999	19,268	(10,241)	16,222	(8,364)	(5,529)
Income and social contribution taxes	(4,240)	(27)	(6,551)	3,482	(5,515)	2,844	1,880
Net income (loss) for the year	29,121	53,972	12,717	(6,759)	10,707	(5,520)	(3,649)
Total assets	3,368,958	1,486,690	368,749	24,231	228,764	60,471	189,548
Total liabilities	1,317,782	479,407	215,835	8	325,137	-	-

	Consolidated						
	12/31/2021						
	Agricultural activity						Not allocated
	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	171,812	(1,024)	(1,568)
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 (loss)	529,768	249,672	68,114	(1,796)	218,895	1,505	(6,622)
Operating income (expenses)							
Selling expenses	(16,544)	-	(7,876)	(467)	(843)	(790)	(6,568)
General and administrative expenses	(25,992)	-	-	-	-	-	-
Other operating income	9,772	-	-	-	-	-	-
Equity in the results of investees	(33)	-	-	-	-	-	-
Operating income (loss)	496,971	249,672	60,238	(2,263)	218,052	715	(13,190)
Net financial income	176,937	60,999	63,336	1,971	80	340	-
Financial income	(204,643)	(56,215)	(80,827)	(9,023)	(1,205)	(264)	-
Net income (loss) before taxes	469,265	254,456	42,747	(9,315)	216,927	791	(13,190)
Income and social contribution taxes	(62,057)	(29,784)	(10,116)	3,167	(73,755)	(269)	4,485
Net income (loss) for the period	407,208	224,672	32,631	(6,148)	143,172	522	(8,705)
Total assets	3,345,263	1,691,599	402,120	38,625	274,605	69,749	144,916
Total liabilities	1,129,215	290,399	101,239	1,393	35,093	-	-

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

a) Information on concentration of clients

In the period ended December 31, 2022, the Company has four clients individually representing 10% or more of the consolidated revenues, representing 61.3% of the total sales of the Company. Of these four clients, two account for 95.0% of the revenues from the sugarcane segment and two accounts for 42.0% of the revenues from the grains/cotton segments. 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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Net income	406,443	594,142	48,581	47,318

	In Brazil		Subsidiaries abroad	
	12/31/2022	12/31/2022	12/31/2022	12/31/2022
Non-current assets	1,284,709	834,578	420,955	439,107

22. Revenues

a) Operating sales

	Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Sales of grains	160,659	226,026	224,037	318,713
Sales of cotton	25,090	21,420	29,806	21,420
Sales of sugarcane	57,706	86,372	184,194	281,822
Revenue from cattle raising	7,009	7,982	12,200	19,959
Revenue from leases	4,066	2,476	13,393	8,875
Other revenues	1,225	3,495	2,419	3,563
Gross operating revenue	255,755	347,771	466,049	654,352
Taxes on sales	(6,808)	(4,119)	(11,025)	(12,892)
Net revenue	248,947	343,652	455,024	641,460

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b) Sales of farms

				Consolidated
	Rio do Meio I (*)	Rio do Meio II	Marangatu I	12/31/2022
Sale of farm	1,999	22,474	7,927	32,400
Present value adjustment	(518)	(1,956)	(352)	(2,826)
Gross revenue from sale of farm	1,481	20,518	7,575	29,574
Taxes on sale	-	-	(116)	(116)
Residual value from sale of farm	(579)	(6,371)	(5,008)	(11,958)
Gain from sale of farm	902	14,147	2,451	17,500
Taxes on net income	-	(4,857)	(233)	(5,090)
Net income from sale of farm	902	9,290	2,218	12,410

				Consolidated
	Rio do Meio I	Alto Taquari IV		12/31/2021
Sale of farm	131,952	329,663	461,615	
Present value adjustment	(34,203)	(111,238)	(145,441)	
Gross revenue from sale of farm	97,748	218,426	316,174	
Taxes on sale	-	(7,973)	(7,973)	
Residual value from sale of farm	(40,056)	(16,611)	(56,667)	
Gain from sale of farm	57,692	193,842	251,534	
Selling expenses	-	(6,553)	(6,553)	
Income tax and social contribution	(4,382)	(6,728)	(11,110)	
Net income from sale of farm	53,310	180,561	233,871	

(*) In compliance with the obligations related to the sale of farms from prior years, the proceeds from the sale of a farm of R\$902 was recognized in the period related to the measurement of the Rio do Meio I Farm. This condition refers to the variable consideration concept established in CPC 47 - Revenue (Note 4.c).

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	21,423	-	545	21,968	44,341	-	620	44,961
Personnel expenses	9,678	1,876	17,800	29,354	18,791	2,037	20,765	41,593
Expenses with service providers	45,366	-	1,869	47,235	108,574	-	2,438	111,012
Leases and rentals (i)	1,887	-	171	2,058	15,773	-	323	16,096
Cost of raw material	92,856	-	-	92,856	151,779	-	-	151,779
Fair value of cost of agricultural products	44,525	-	-	44,525	85,985	-	-	85,985
Freight and storage	-	9,731	-	9,731	-	13,369	-	13,369
Allowance for doubtful accounts	-	-	-	-	-	2,190	-	2,190
Sale of farm	-	-	-	-	-	71	-	71
Maintenance, travel expenses and others	4,356	-	3,742	8,098	9,557	-	6,898	16,455
At December 31, 2022	220,091	11,607	24,127	255,825	434,800	17,667	31,044	483,511
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	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 other	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

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24. Management compensation and share-based compensation

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

	Consolidated	
	12/31/2022	12/31/2021
Board of directors and executive board compensation	4,483	2,009
Bonus	885	1,314
Overall compensation	5,368	3,323
Share-based compensation	2,631	701
	7,999	4,024

On October 27, 2022, the Annual and Extraordinary Shareholders Meeting approved the global compensation of the Company's officers in the amount of R\$16,110 for the current year.

a) Share-based compensation

On October 2, 2017, the Shareholders Meeting approved the creation of the long-term share-based compensation plan ("ILPA Plan"). As per the ILPA Plan, participants are entitled to a certain number of shares if they remain with the Company during the vesting period and achieve certain key performance indicators ("KPIs"). The ILPA Plan establishes that the Board of Directors will have broad powers to implement it. The shares to be granted under the ILPA Plan cannot exceed the cumulative limit of 2% of shares issued by the Company.

The shares are granted if participants remain with the Company until the end of the vesting period and achieve certain KPIs. Appreciation of the AGRO3 stock is one of the pillars of the program and if a minimum percentage is not reached, participants will not be entitled to receive any shares. If the stock appreciation KPI is achieved, the number of shares to be granted will be divided in three ranges based on the level of achievement of three other KPIs, and are adjusted by the dividends per share distributed during the vesting period. Apart from the AGRO3 stock price, performance indicators include operating profitability, sales of farms and capitalization of resources.

The tranche in force was approved on May 6, 2021 and the fair value of the benefit is estimated at R\$25.23 and R\$30.18, depending on the participant's profile. The measurement of fair value of the benefit considered the AGRO3 stock price on the grant date and the probable range of the share price at the end of the vesting period was projected. The expense amount is adjusted due to this revision and the effects are recognized prospectively.

The ILPA Plan is booked in accordance with IFRS 2, since the Company receives services from the participants and, in exchange, undertakes to deliver its shares. On December 31, 2022, ILPA 2-related expenses totaled R\$4,288 (R\$1,376 on December 31, 2021).

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25. Other operating income (expenses), net

	Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Gain (loss) on sale of PPE	(580)	(892)	(1,201)	(1,180)
Expenses with acquisitions of new businesses (i)	(2,228)	-	(2,228)	-
Expenses with legal claims	28	(307)	(239)	(359)
Agricultural insurance claims (ii)	-	-	-	8,708
Agricultural losses (iii)	-	-	(2,591)	-
Donations to BrasilAgro Institute	(3,500)	-	(3,500)	-
Gain from indemnities (iv)	7,526	-	7,526	-
Warrants and restricted shares (v)	3,797	1,860	3,797	1,860
Other	(452)	(15)	705	743
	4,591	646	2,269	9,772

(i) Refer to commission on lease agreements.

(ii) On October 13, 2021, the subsidiary Palmeiras S.A. received an indemnification of R\$8,708, corresponding to the multiple-risk agricultural policy for the 2020/21 crop year, which covers possible losses in soybean and corn production. The losses were caused by the severe drought that occurred in the first half of 2021, which affected the region of Mariscal Estigarribia, in Boquerón, where the farm is located. The indemnification was paid in full.

(iii) Operating losses in sugarcane harvesting due to adverse climate conditions in the subsidiary Yuchan.

(iv) Indemnity received due to the early settlement under the Agrifirma agreement (Note 20.b).

(v) The gains and losses reflect the residual liabilities from the acquisition of Agrifirma, measured at fair value. The liabilities correspond to a number of warrants and restricted shares (Note 19) that may vary and, therefore, is classified as financial instruments, under liabilities, and measured at fair value based on the Company's share price.

26. Financial income (expenses)

	Notes	Company		Consolidated	
		12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial income					
Short-term investment income		12,089	26,052	26,900	33,404
Interest receivable		432	122	1,532	819
Indexation credits (i)		316	-	476	-
Foreign exchange variation (ii)		30,644	7,971	33,204	10,514
Lease income (iii)		-	-	4,320	-
Income on adjustment of farm receivables/acquisitions (iv)		-	-	38,384	53,725
Realized profit from derivatives (v)	7	25,004	27,715	25,004	28,120
Unrealized profit from derivatives (vi)	7	31,927	50,355	31,927	50,355
		100,412	112,215	161,747	176,937
Financial expenses					
Short-term investment expenses		(583)	(1,216)	(1,186)	(1,434)
Bank charges		(1,487)	(655)	(2,053)	(647)
Interest payable		(12,270)	(30,998)	(18,216)	(36,124)
Indexation charges (i)		(143)	-	(146)	(72)
Foreign exchange variation (ii)		(28,990)	(11,652)	(32,846)	(13,758)
Expenses from restatement of leases (iii)		(16,112)	(7,941)	(10,440)	(7,308)
Expense adjustment of farm receivables/acquisitions (iv)		-	-	(8,545)	(9,870)
Realized profit from derivatives (v)	7	(14,143)	(68,757)	(14,143)	(68,757)
Unrealized profit from derivatives (vi)	7	(46,053)	(66,651)	(46,053)	(66,673)
		(119,781)	(187,870)	(133,628)	(204,643)
		(19,369)	(75,655)	28,119	(27,706)

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Net balances are as follows:

	Company		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Indexation (i)	173	-	330	(72)
Foreign exchange variation (ii)	1,654	(3,681)	358	(3,244)
Leases (iii)	(16,112)	(7,941)	(6,120)	(7,308)
Adjustment of farm receivables/acquisitions (iv)	-	-	29,839	43,855
Income from derivatives (v)	10,861	(41,042)	10,861	(40,637)
Unrealized income from derivatives (vi)	(14,126)	(16,296)	(14,126)	(16,318)

27. Earnings per share

	12/31/2022	12/31/2021
Profit attributed to controlling shareholders	29,121	407,208
Weighted average number of common shares issued	98,806	99,192
Dilution effect - shares (in thousands)	550	513
Weighted average number of common shares issued adjusted by the dilution effect	99,356	99,705
Basic earnings per share	0.2947	4.1053
Diluted earnings per share - in R\$	0.2931	4.0841

28. Provision for contingencies

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

Provisions for administrative proceedings and lawsuits include:

Labor

The Company is defendant in a labor lawsuit that involves employment relationship. Further administrative proceedings in which the parties discuss official notifications were issued by the Ministry of Labor and Employment.

Tax

The Company is a party to administrative proceedings for the collection of supplementary Rural Land Tax (ITR) referring to the Clear Land Value declared and not demonstrated.

Environmental

The Company is a party to administrative proceedings on notices of violation issued by the Institute of the Environment and Water Resources (INEMA) related to alleged lack of adoption of preventive measures to avoid fire that occurred on the Bananal Farm and on the provision of information on the Rural and Environmental Registration.

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Civil

The Company is a party to a lawsuit contesting a promissory note pledged as guarantee, guarantees offered to the Company in connection with an admission of debt by third parties and indemnities related to pecuniary and personal damages.

Probable risks

	Company		
	Labor	Tax	Total
At June 30, 2022	212	-	212
Additions	36	-	36
Accruals	1	-	1
Reversals	(190)	126	(64)
Payments	(22)	(126)	(148)
At December 31, 2022	37	-	37

	Consolidated			
	Labor	Tax	Environmental	Total
At June 30, 2022	319	344	454	1,117
Additions	85	269	-	354
Accruals	2	33	3	38
Reversals	(279)	126	-	(153)
Payments	(83)	(126)	-	(209)
At December 31, 2022	44	646	457	1,147

Possible risks

The Company and its subsidiaries are parties to legal suits of civil, labor, environmental and tax natures, and administrative tax proceedings for which no provisions were set up, since they involve risk of loss classified as possible by management under the advice of its external legal counsel. The contingencies are as follows:

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Civil	6,266	6,110	8,040	7,789
Tax	3,751	3,576	59,758	14,997
Labor	-	7	-	7
	10,017	9,693	67,798	22,793

Judicial deposits

	Company		Consolidated	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Labor	-	-	342	320
Tax	1,295	1,250	1,295	1,250
Environmental	487	485	487	485
Civil	163	160	163	160
(Note 7)	1,945	1,895	2,287	2,215

29. Commitments

a) Sale agreements for future delivery

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

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						Company
Crop	Delivery date	Amount	Agreements	Unit	Currency	Price
2021/22 crop year						
Cotton lint	Jul/22-Mar/23	849	5	ton	US\$	2,148.07
Corn	Dez/22-Jan/23	123,409	3	bags	R\$	72.56
2022/23 crop year						
Cotton lint	Aug/23-Oct/23	950	2	ton	US\$	1,982.68
Soybean	Feb/23-Apr/23	66,667	2	bags	R\$	160.75
Soybean	Jan/23-May/23	663,000	11	bags	US\$	28.53

						Consolidated
Crop	Delivery date	Amount	Agreements	Unit	Currency	Price
2021/22 crop year						
Cotton lint	Jul/22-Mar/23	849	5	ton	US\$	2,148.07
Corn	Dez/22-Jan/23	123,409	3	bags	R\$	72.56
2022/23 crop year						
Cotton lint	Aug/23-Oct/23	950	2	ton	US\$	1,982.68
Soybean	Feb/23-Apr/23	66,667	2	bags	R\$	160.75
Soybean	Jan/23-May/23	796,333	14	bags	US\$	28.76

30. Related-party transactions

	Assets		Liabilities		Company	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022	12/31/2022	Profit or loss 6/30/2022
Dividends receivable						
Imobiliária Jaborandi	-	31,735	-	-	-	-
Imobiliária Araucária	18,000	84,000	-	-	-	-
Imobiliária Mogno	-	18,000	-	-	-	-
Imobiliária Cajueiro	-	2,500	-	-	-	-
	18,000	136,235	-	-	-	-
Agricultural inputs and services						
Agrifirma	123	-	25	482	285	1,523
	123	-	25	482	285	1,523
Compensation plans						
Management	1,726	1,680	-	-	-	-
Palmeiras	558	357	-	-	-	-
Agrifirma	461	295	-	-	-	-
	2,745	2,332	-	-	-	-
Shared expenses						
Palmeiras	21	21	21	21	-	-
Moroti	237	266	626	628	-	-
Acres	1	1	14	14	-	-
Ombú	-	-	44	20	-	-
Cresud (b)	-	-	209	243	-	-
	259	288	914	926	-	-
Total related parties	21,127	138,855	939	1,408	285	1,523
Current	18,123	136,235	25	482	-	-
Non-current	3,004	2,620	914	926	-	-
Land leases						
Agrifirma Bahia	27,604	29,444	32,647	31,498	2,989	5,457
Imobiliária Cremaq	6,267	6,685	8,725	8,418	725	850
Imobiliária Araucária	8,503	9,276	10,721	10,312	1,182	3,905
Imobiliária Mogno	54,635	7,261	60,133	7,882	4,877	3,025
Imobiliária Cajueiro	27,549	30,054	38,680	40,755	3,981	12,478
	124,558	82,720	150,906	98,865	13,754	25,715

BrasilAgro – Companhia Brasileira de Propriedades Agrícolas

Notes to the separate and consolidated interim financial statements

December 31, 2022

(In thousands of reais, except as stated otherwise)

	Assets		Consolidated Liabilities	
	12/31/2022	6/30/2022	12/31/2022	6/30/2022
Compensation plans				
Management	1,726	1,717	-	-
	1,726	1,717	-	-
Other				
Cresca (a)	140	122	1,526	1,642
Cresud (b)	-	-	272	312
Helmir (c)	-	-	5,449	5,518
	140	122	7,247	7,472
Total related parties	1,866	1,839	7,247	7,472
Non-current	1,866	1,839	7,247	7,472

- a) Acquisition of biological assets and other fixed assets by Palmeiras, from the spin-off of Cresca.
- b) Expenses mainly refer to the implementation, development and maintenance of systems.
- c) During the process of acquisition of the subsidiaries in Bolivia, the parties entered into an agreement to maintain the blocked contingency amount to protect the Company.

31. Insurance

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, 2022:

Insurance type	Coverage R\$
Civil liability (D&O)	30,000
Civil, professional and general liability	10,740
Machinery/Automobiles	33,818
Performance bond	354
Fire/lightning/explosion/electrical damage	13,154
Rural multi-risk	131,057
