(Convenience Translation into English from the
Original Previously Issued in Portuguese)

Biosev S.A.

Individual and Consolidated
Financial Statements
For the Year Ended
March 31, 2021

Financial Statements

March 31, 2021

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Tel.: +55 11 3848 5880
Fax: + 55 11 3045 7363
www.bdo.com.br

Rua Major Quedinho 90
Consolação – São Paulo, SP - Brasil
01050-030

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INDEPENDENT AUDITOR´S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the
Board of Directors and Shareholders
Biosev S.A.
São Paulo – SP

Opinion

We have audited the individual and consolidated financial statements of **Biosev S.A. ("the Company")**, respectively referred to as "Company" and "Consolidated", which comprise the balance sheet as of March 31, 2021 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising the significant accounting policies and other explanatory information.

In our opinion, financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of **Biosev S.A.** as of March 31, 2021, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB").

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements of the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council ("CFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Material uncertainty as to the ability to continue as a going concern

We draw your attention to Note 1 to the individual and consolidated financial statements, which states that the Company as of March 31, 2021 had negative net working capital of R$ 2.876.887 thousand in the individual and R$ 5.791.115 thousand in the consolidated, respectively, and presented individual and consolidated shareholder´s equity deficiency of R$ 853.187 thousand and R$ 847.034 thousand, respectively. As disclosed at this same Note 1, Management has been implementing actions to reestablish the economic-financial situation and the equity position of the Company, mainly through the change of control with the capital contribution by new shareholders and the renegotiation of debt agreements. Additionally, we draw your attention to Note 15 that states that the Company has breached covenants contained within their debt agreements, which could allow creditors to declare the entire unpaid principal and interest balances due and payable upon demand if the Company does not obtain a Waiver from those creditors. As of March 31, 2021, the eventual non-confirmation of the mentioned business plan, the need to complete the transfer of control and get the capital contribution from the new shareholders, failure to obtain a Waiver from creditors along with other matters, indicate the existence of material uncertainty, which could raise significant doubts as to the Company's ability to continue as a going concern. Our opinion is not qualified regarding this matter.

Emphasis of matter

Transactions with related parties

The Company and its subsidiaries have carried out significant transactions with related parties of the Louis Dreyfus Company Group. The effects on results of these transactions and the corresponding assets and liabilities are disclosed in Note 19. Our opinion is not modified with respect to this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the subject described in the section "Material uncertainty as to the ability to continue as a going concern", we have determined that the following matters are the main audit matters to be communicated in our report.

Biological assets measured at fair value

As disclosed in Note 7 to the financial statements, the Company quarterly calculates the fair value of its biological assets through the discounted cash flow method. This method determines that Management adopt assumptions, also quarterly reviewed, based on information generated by internal reports and external sources.

Adjustments to the assumptions used in the calculation of the biological assets may produce significant effects on the financial statements, in the captions "Biological assets" under Current Assets and in "Cost of goods sold" in Income (loss) for the year.

Our audit response to the matter of "Biological assets measured at fair value"

We have evaluated for the current year the calculation of the discounted cash flow method, analyzed the integrity of information, tested and evaluated the internal controls involved in the preparation of the information used and also the adequacy of the methodology applied in the calculation of prices used by the Company.

Our work revealed that the assumptions and methodology used for the valuation of biological assets are reasonably consistent with the market practice, as well as with the prior period.

Management of risks, derivatives and hedge accounting

According to Note 26 to the financial statements, the Company uses certain strategies to hedge its future cash flows against the impact of relevant variables, such as exchange rate fluctuations and volatility of prices in the market. These strategies consist in hiring specific derivative financial instruments for each type of risk (future, swap, forward, etc.).

Some of these financial instruments are called hedging instruments linked to a specific, determined and documented risk, for the purpose of recognizing at the same point in time the result of the impacts of the instrument (derivative or non-derivative) and of the object, which is known as hedge accounting.

Our audit response to the matter of "Management of risks, derivatives and hedge accounting"

We obtained knowledge on the financial instruments used by the Company, on its controls over the process of planning and designation of instruments for hedge accounting. We sent external confirmation letter to financial institutions, reviewed the documentation and recalculated the valuation of derivatives. Additionally, we evaluated the adequacy of the disclosures made by Management in the Company's financial statements.

Based on the evidences found, we have considered the valuation and accounting of the hedging derivatives, as well as their disclosure in the notes, acceptable in the context of the financial statements.

Other matters

Statements of value added

The individual and consolidated statements of value added for the year ended March 31, 2021, prepared under the responsibility of the Company's Management and disclosed as supplemental information for IFRS purposes, were subject to audit procedures performed together with the audit of the Company's financial statements. In forming our opinion, we assess whether these individual and consolidated statements of value added are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement NBC TG 09 – 'Statement of Value Added'. In our opinion, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

Management is responsible for the other information. The other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is a material misstatement in the Management Report, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and the IFRS, issued by the IASB, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and international standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.
We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, when applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, June 04, 2021.

BDO RCS Auditores Independentes SS
CRC 2 SP 013846/O-1

Francisco de Paula dos Reis Júnior
Accountant CRC 1 SP 139268/O-6

Biosev S.A.

BALANCE SHEET
AS AT MARCH 31, 2021
(In thousands of Brazilian reais - R$)

		Company		Consolidated	
ASSETS	**Note**	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
CURRENT ASSETS					
Cash and cash equivalents	3	186,905	396,124	812,304	1,174,943
Short-term investments	4	97,608	42,052	169,303	52,245
Derivative financial instruments	26	156,801	225,787	169,636	225,787
Trade receivables	5	299,853	210,771	349,268	202,050
Inventories	6	216,780	1,105,650	460,993	2,948,633
Biological assets	7	933,321	303,621	1,598,906	663,908
Recoverable taxes	8	26,147	50,274	68,944	158,777
Other receivables		59,249	44,364	71,767	88,170
		1,976,664	**2,378,643**	**3,701,121**	**5,514,513**
Assets held for sale		-	45,165	-	45,165
Total current assets		**1,976,664**	**2,423,808**	**3,701,121**	**5,559,678**
NON-CURRENT ASSETS					
Long-term receivables					
Long-term investments	4	25,006	-	33,256	-
Advances to suppliers		23,574	34,719	40,657	56,602
Escrow deposits	9	103,731	192,166	230,598	385,413
Recoverable taxes	8	54,175	11,502	147,166	57,529
Derivative financial instruments	26	10,191	-	30,519	55,885
Deferred income tax and social contribution	10.1	136,066	418,029	488,486	872,971
Other receivables		571,829	335,939	388,303	320,012
Asset use right - lease operations	11.1	861,113	700,306	2,186,598	1,577,379
Investments	12	1,231,373	1,240,462	152,107	160,393
Property, plant and equipment	13	1,670,179	1,635,433	3,524,460	3,477,391
Intangible assets	14	7,152	11,856	916,413	921,964
Total non-current assets		**4,694,389**	**4,580,412**	**8,138,563**	**7,885,539**
TOTAL ASSETS		**6,671,053**	**7,004,220**	**11,839,684**	**13,445,217**

		Company		Consolidated	
LIABILITIES AND EQUITY	**Note**	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
CURRENT LIABILITIES					
Borrowings and financing	15	3,475,444	2,935,559	7,561,956	7,225,234
Lease liabilities	11.2	176,808	215,257	488,415	498,932
Advances from domestic customers		15,870	7,611	81,827	28,128
Advances from foreign customers	19	417,799	968,764	240	2,585,641
Trade payables	16	350,676	309,104	761,772	798,903
Accrued payroll and related taxes		56,275	47,218	106,083	90,483
Taxes payable	17	51,856	21,314	108,311	75,152
Derivative financial instruments	26	199,026	575,188	221,574	586,843
Other payables		109,797	80,594	162,058	118,051
Total current liabilities		**4,853,551**	**5,160,609**	**9,492,236**	**12,007,367**
NON-CURRENT LIABILITIES					
Borrowings and financing	15	46,490	67,484	74,936	96,191
Lease liabilities	11.2	798,995	516,857	1,939,126	1,182,337
Advances from foreign customers	19	368,520	802,505	675,794	626,116
Trade payables	16	4,492	5,733	4,741	5,965
Deferred income tax and social contribution	10.1	-	-	34,862	36,883
Derivative financial instruments	26	6,861	-	13,672	16,596
Provision for tax, labor, civil and enviromental contingencies	18	105,402	108,081	277,474	294,668
Taxes payable	17	18,670	18,501	18,670	18,501
Other payables		75,982	86,047	155,207	167,247
Provision for investment loss	12	1,245,277	1,251,234	-	-
Total non-current liabilities		**2,670,689**	**2,856,442**	**3,194,482**	**2,444,504**
EQUITY					
Capital	20	6,077,674	6,077,674	6,077,674	6,077,674
Capital reserve	20	1,353,937	1,353,937	1,353,937	1,353,937
Accumulated losses		(8,004,216)	(8,167,310)	(8,004,216)	(8,167,310)
Other comprehensive loss		(280,582)	(277,132)	(280,582)	(277,132)
Total equity attributable to the Company's owners		**(853,187)**	**(1,012,831)**	**(853,187)**	**(1,012,831)**
Non-controlling interests		-	-	6,153	6,177
Total equity		**(853,187)**	**(1,012,831)**	**(847,034)**	**(1,006,654)**
TOTAL LIABILITIES AND EQUITY		**6,671,053**	**7,004,220**	**11,839,684**	**13,445,217**

The accompanying notes are an integral part of these financial statements

Biosev S.A.

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2021
(In thousands of Brazilian reais - R$)

		Company		Consolidated	
	Note	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
NET REVENUE	21	3,901,991	2,902,584	10,329,992	6,538,086
Cost of sales and services	21 and 22	(2,410,064)	(2,307,142)	(7,645,118)	(5,780,635)
GROSS PROFIT		**1,491,927**	**595,442**	**2,684,874**	**757,451**
OPERATING INCOME (EXPENSES)		**(236,963)**	**(1,211,441)**	**(956,114)**	**(392,934)**
General, administrative and selling expenses	22	(212,194)	(192,115)	(599,243)	(454,735)
Equity in subsidiaries	12	92,366	(1,109,447)	(9,163)	(8,952)
Other operating income	24	26,754	195,994	38,294	351,164
Other operating expenses	24	(143,889)	(105,873)	(386,002)	(280,411)
OPERATING INCOME (LOSS) BEFORE FINANCE INCOME (COSTS)		**1,254,964**	**(615,999)**	**1,728,760**	**364,517**
Finance income	23	22,114	23,972	22,382	33,385
Finance costs	23	(320,899)	(346,202)	(612,052)	(667,702)
Derivatives	23	(250,295)	127,306	75,876	42,542
Exchange rate changes	23	(325,525)	(839,385)	(664,145)	(1,785,809)
PROFIT (LOSS) BEFORE TAXES		**380,359**	**(1,650,308)**	**550,821**	**(2,013,067)**
INCOME TAX AND SOCIAL CONTRIBUTION	10.2	(217,265)	99,218	(387,779)	461,819
PROFIT (LOSS) FOR THE YEAR		**163,094**	**(1,551,090)**	**163,042**	**(1,551,248)**
Attributable to:					
Company's owners	25	163,094	(1,551,090)	163,094	(1,551,088)
Non-controlling interests		-	-	(52)	(158)
EARNINGS (LOSS) PER SHARE - R$					
Basic	25	0.31173	(3.41229)	0.31173	(3.41229)
Diluted	25	0.31173	(3.41229)	0.31173	(3.41229)

The accompanying notes are an integral part of these financial statements.

Biosev S.A.

STATEMENT OF COMPREHENSIVE INCOME (LOSS)
FOR THE YEAR ENDED MARCH 31, 2021
(In thousands of Brazilian reais - R$)

		Company		Consolidated	
	Note	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
PROFIT (LOSS) FOR THE YEAR		**163,094**	**(1,551,090)**	**163,042**	**(1,551,248)**
OTHER COMPREHENSIVE INCOME (LOSS)					
Items subsequently reclassified to profit or loss:					
Financial instruments - hedge accounting of futures	26	(288,499)	161,331	(288,499)	161,331
Financial instruments - hedge accounting of Libor swap	26	7,475	(17,383)	7,475	(17,383)
Financial instruments - hedge accounting of Non-Deliverable Forward (NDF)	26	195,359	(392,989)	195,359	(392,989)
Financial instruments - hedge accounting of exchange differences	26	79,173	266,201	79,173	266,201
Deferred income tax and social contribution related to components of other comprehensive income (loss)	10.3	2,207	(5,835)	2,207	(5,835)
Equity pick up in investees - other comprehensive income (loss)		835	(551)	835	(551)
		(3,450)	**10,774**	**(3,450)**	**10,774**
COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		**159,644**	**(1,540,316)**	**159,592**	**(1,540,474)**
Attributable to:					
Company's owners		159,644	(1,540,316)	159,644	(1,540,316)
Non-controlling interests		-	-	(52)	(158)

The accompanying notes are an integral part of these financial statements.

Biosev S.A.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2021
(In thousands of Brazilian reais - R$)

	Capital	Capital reserve	Other comprehensive income (loss)	Accumulated losses	Company's equity	Non-controlling interests	Total consolidated equity
BALANCES AS AT MARCH 31, 2019	**6,077,674**	**1,353,937**	**(287,906)**	**(6,617,139)**	**526,566**	**6,280**	**532,846**
Loss for the year	-	-	-	(1,551,090)	(1,551,090)	(158)	(1,551,248)
Other comprehensive income (loss):							
Adjusted derivatives (hedge accounting), net of taxes	-	-	10,774	-	10,774	-	10,774
Comprehensive income (loss) for the year	**-**	**-**	**10,774**	**(1,551,090)**	**(1,540,316)**	**(158)**	**(1,540,474)**
Acquisition of non-controlling interests	-	-	-	-	-	55	55
Termination of indirect subsidiary	-	-	-	919	919	-	919
BALANCES AS AT MARCH 31, 2020	**6,077,674**	**1,353,937**	**(277,132)**	**(8,167,310)**	**(1,012,831)**	**6,177**	**(1,006,654)**
BALANCES AS AT MARCH 31, 2020	**6,077,674**	**1,353,937**	**(277,132)**	**(8,167,310)**	**(1,012,831)**	**6,177**	**(1,006,654)**
Profit (loss) for the year	-	-	-	163,094	163,094	(52)	163,042
Other comprehensive income (loss):							
Adjusted derivatives (hedge accounting), net of taxes	-	-	(3,450)	-	(3,450)	-	(3,450)
Comprehensive income (loss) for the year	**-**	**-**	**(3,450)**	**163,094**	**159,644**	**(52)**	**159,592**
Acquisition of non-controlling interests	-	-	-	-	-	28	28
BALANCES AS AT MARCH 31, 2021	**6,077,674**	**1,353,937**	**(280,582)**	**(8,004,216)**	**(853,187)**	**6,153**	**(847,034)**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2021
(In thousands of Brazilian reais - R$)

		Company		Consolidated	
	Note	03.31.21	03.31.20	03.31.21	03.31.20
CASH FLOW FROM OPERATING ACTIVITIES					
Profit (loss) for the year		163,094	(1,551,090)	163,042	(1,551,248)
Non-cash transactions:					
Depreciation and amortization	22	1,140,352	922,114	2,200,918	1,898,027
Income (loss) from sale of property, plant and equipment	24	7,590	(10,347)	4,568	(15,037)
Income from investments sold		-	62,418	-	62,418
Equity in subsidiaries	12	(91,531)	1,108,896	9,998	8,401
Interest, exchange rate changes and inflation adjustments, net		515,014	883,474	1,146,766	2,215,369
Exchange, interest rate and commodities risk management		155,867	13,564	151,155	26,889
Recognition (reversal) of provision for tax, labor, civil and enviromental contingencies		12,160	(24,922)	54,267	27,413
Recognition (reversal) of estimated losses on doubtful accounts	5	59	591	(394)	797
Recognition of estimated losses on doubtful accounts	14	264	-	374	-
Reversal of impairment loss	13	23,110	(706)	24,521	(522)
Impairment of assets held for sale		-	(53,726)	-	(53,726)
Allow ance for other losses	24	69	191	23,237	65,287
Recognition (reversal) of allow ance for negative margin and realization of storeroom inventories	6	(3,143)	(3,561)	(14,112)	(5,529)
Gains on changes in fair value less estimated costs to sell biological assets	21 and 22	(879,100)	(120,821)	(1,290,193)	(222,448)
Deferred income tax and social contribution	10.2	213,423	(105,759)	384,671	(477,113)
Hedge operations		64,255	(124,404)	(6,492)	17,160
Derecognition of operating leases		13,437	10,497	23,564	18,986
Dissolution of indirect subsidiary		-	919	-	974
Participation in subsidiaries		-	-	25	-
		1,334,920	**1,007,328**	**2,875,915**	**2,016,098**
Decrease (increase) in assets:					
Trade receivables	5	(88,227)	(120,272)	(145,090)	(83,871)
Inventories	6	913,386	(774,103)	2,539,056	(2,237,884)
Derivative financial instruments	26	58,795	(202,311)	81,517	(242,256)
Escrow deposits	9	88,435	17,942	154,815	(18,025)
Recoverable taxes	8	(18,546)	35,247	196	28,342
Advances to suppliers		11,145	(4,340)	15,945	(14,175)
Other receivables		(195,036)	(123,591)	(19,750)	(139,911)
		769,952	**(1,171,428)**	**2,626,689**	**(2,707,780)**
Increase (decrease) in liabilities:					
Trade payables	16	40,409	(16,188)	(38,225)	150,572
Advances from foreign customers		(984,950)	976,743	(2,535,723)	2,402,236
Accrued payroll and related taxes		9,057	(1,635)	15,600	(1,517)
Taxes payable	17	30,711	11,665	33,328	14,985
Advances from domestic customers		8,259	2,019	53,699	14,141
Payments of labor, civil, tax and environmental contingencies	18	(14,839)	(5,076)	(71,461)	(19,982)
Derivative financial instruments	26.1	(525,168)	404,661	(519,348)	409,326
Other payables		19,138	44,427	31,967	97,118
		(1,417,383)	**1,416,616**	**(3,030,163)**	**3,066,879**
Cash used in operating activities, net interest		**687,489**	**1,252,516**	**2,472,441**	**2,375,197**
Interest on borrow ings and financing		(156,488)	(217,053)	(378,800)	(483,198)
Cash used in operating activities		**531,001**	**1,035,463**	**2,093,641**	**1,891,999**
CASH FLOW FROM INVESTING ACTIVITIES					
Decrease (increase) in short and Long - term investments	4	(80,387)	(5,024)	(149,426)	89,206
Decrease (increase) in investments (provision for investment loss)	12	136,498	(279,168)	(877)	569
Increase in property, plant and equipment	13	(435,845)	(295,043)	(897,247)	(678,306)
Additions to biological assets	7	(284,437)	(265,691)	(511,435)	(470,081)
Additions to intangible assets	14	(925)	(9,678)	(1,286)	(10,747)
Advance for future capital increase in investees	12	(41,000)	-	-	-
Cash used in investing activities		**(706,096)**	**(854,604)**	**(1,560,271)**	**(1,069,359)**
CASH FLOW FROM FINANCING ACTIVITIES					
Payment of lease operations	11	(261,685)	(221,208)	(587,234)	(521,309)
Borrow ings and financing	15	1,091,998	1,816,064	1,844,963	4,408,209
Payment of borrow ings and financing	15	(864,437)	(1,957,114)	(2,153,738)	(4,723,709)
Cash provided by financing activities		**(34,124)**	**(362,258)**	**(896,009)**	**(836,809)**
DECREASE IN CASH AND CASH EQUIVALENTS		**(209,219)**	**(181,399)**	**(362,639)**	**(14,169)**
Cash and cash equivalents at the beginning of the year	3	396,124	577,523	1,174,943	1,189,112
Cash and cash equivalents at the end of the year	3	**186,905**	**396,124**	**812,304**	**1,174,943**
Non-cash items					
Transfer from depreciation and amortization to inventories		(246,003)	(83,833)	(358,093)	(44,842)
Transfer from assets held for sale to property, plant and equipment		45,165	(3,824)	45,165	(7,329)
Acquisition of financed property, plant and equipment		-	24,271	7,700	51,235
Additions to lease right of use		(444,420)	(905,908)	(1,195,336)	(2,089,251)
Additions to lease liability		444,068	906,138	1,194,550	2,089,397
Sublease		(56,160)	-	(56,160)	-

The accompanying notes are an integral part of these financial statements.

Biosev S.A.

STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED MARCH 31, 2021
(In thousands of Brazilian reais - R$)

		Company		Consolidated	
	Note	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
1 - REVENUE		**4,053,248**	**3,294,281**	**10,674,503**	**7,409,055**
1.1) Sales	21	4,026,553	3,098,878	10,635,815	7,058,688
1.2) Reversal of estimated losses on doubtful accounts	24	(59)	(591)	394	(797)
1.3) Other operating income	24	26,754	195,994	38,294	351,164
2 - INPUTS PURCHASED FROM THIRD PARTIES		**(1,201,361)**	**(1,257,020)**	**(5,482,817)**	**(3,705,075)**
2.1) Cost of sales and services		(333,491)	(265,300)	(1,594,741)	(1,217,315)
2.2) Materials, electric pow er, external services and other		(1,746,970)	(1,112,541)	(5,178,269)	(2,710,207)
2.3) Gains on changes in fair value of biological assets and other		879,100	120,821	1,290,193	222,447
3 - GROSS VALUE ADDEED (1-2)		**2,851,887**	**2,037,261**	**5,191,686**	**3,703,980**
4 - DEPRECIATION AND AMORTIZATION	22	**(1,140,352)**	**(922,114)**	**(2,200,918)**	**(1,898,027)**
5 - VALUE ADDED CREATED BY THE ENTITY (3-4)		**1,711,535**	**1,115,147**	**2,990,768**	**1,805,953**
6 - VALUE ADDED RECEIVED IN TRANSFER		**114,481**	**(958,169)**	**89,095**	**66,975**
6.1) Equity in subsidiaries	13	92,366	(1,109,447)	(9,163)	(8,952)
6.2) Finance income		22,115	151,278	98,258	75,927
7 - VALUE ADDED FOR DISTRIBUTION (5+6)		**1,826,016**	**156,978**	**3,079,863**	**1,872,928**
8 - DISTRIBUTION OF VALUE ADDED		**1,826,016**	**156,978**	**3,079,863**	**1,872,928**
8.1) Personnel and payroll taxes	22	253,706	265,844	581,285	587,324
Direct compensation		179,550	189,172	406,064	413,656
Benefits		56,206	54,893	136,172	125,619
Severance pay fund (FGTS)		17,950	21,779	39,049	48,049
8.2) Taxes, rates and contributions		354,096	99,751	707,189	51,370
Federal		243,028	(39,822)	531,237	(215,237)
State		110,836	139,571	175,633	266,434
Municipal		232	2	319	173
8.3) Third-party capital use		1,055,120	1,342,473	1,628,347	2,785,482
Rentals		158,401	156,886	352,150	331,971
Interest and exchange rate changes		896,719	1,185,587	1,276,197	2,453,511
8.4) Equity capital		163,094	(1,551,090)	163,042	(1,551,248)
Profit (loss) for the year		163,094	(1,551,090)	163,042	(1,551,248)

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

Biosev S.A. (“Company”), headquartered at Avenida Brigadeiro Faria Lima, 1355, 11º andar, Pinheiros, São Paulo, SP, and its subsidiaries (collectively “Group”) are mainly engaged in the production, processing and sale of agricultural products, primarily sugarcane and its by-products; the agricultural operations in Company-owned or third-party land; the export, import and sale of petroleum by-products, lubricants, fuel, grease and hydrated ethyl alcohol; the purchase, sale, import and export of agricultural products and its by-products; and the generation and sale of electricity and its by-products.

The Group comprises the activities of Biosev S.A. and Biosev Bioenergia S.A. (“Biosev Bioenergia”), based in Brazil, and Biosev Bioenergia International S.A. (“Biosev Bioenergia International”), based in Switzerland. Additionally, the Group consists of the subsidiaries of such companies, including Biosev Comercializadora S.A., a special-purpose entity established to produce and sell ethanol by-products, sugar and electric power arising from the cogeneration assets of the Santa Elisa and Passa Tempo units, located in the States of São Paulo and Mato Grosso do Sul.

The Group is organized in industrial clusters, composed as follows, with their corresponding branches:

- North Ribeirão Preto Agri-Industrial Cluster: Continental (located in the State of São Paulo) and Lagoa da Prata (located in the State of Minas Gerais) plants;
- South Ribeirão Preto Agri-Industrial Cluster: Santa Elisa, Leme, Vale do Rosário and MB (Morro Agudo) (located in the State of São Paulo) plants;
- Mato Grosso do Sul Agri-Industrial Cluster: Passa Tempo and Rio Brilhante (located in the State of Mato Grosso do Sul) plants.

The Company is a subsidiary of the Louis Dreyfus Company Group, directly controlled by Hédera Investimentos e Participações Ltda., which holds 79.43% of its shares.

As at March 31, 2021, the Company recorded a net debt of (R$6,622,029), arising from the classification in current liabilities of the total borrowings and financing, considering the non-performance of covenants, associated with the financial indicator commitments, on the balance sheet date.

The Company’s Management had adopted measures to adjust the debt profile. Specifically, the Company has maintained its strategy to maximize the use of its assets, aligned with strict financial discipline, in order to increase the operational efficiency and the generation of positive free cash flow.

The Company recorded net profit, in the amount of R$163,094, in the year ended March 31, 2021. The Company’s capacity to continue as a going concern depends on the obtaining of additional capital, renewal and extension of the credit facilities and, finally, generation of profitable transactions, similarly to this year to reverse the historical losses incurred over the last years. Specifically, the Company’s and its subsidiaries’ debt levels may significantly impact the business, inclusive in relation to working capital financing and recurring capital disbursements, taking into account the necessary funds to pay the debt service.

Although there is no guarantee that the Company will be able to generate sufficient cash flow to finance the transactions and pay its debt, Management continues to implement actions to improve the operational activities and reduce costs and expenses, in addition to the negotiations in progress with the financial institutions that historically have supported the Company’s activities.

Amongst the initiatives adopted, the Company entered into, under the terms of the material fact disclosed on February 8, 2021, the Acquisition Agreement (“Agreement”) with Hédera, Raízen S.A. and Raízen Combustíveis S.A. (collectively, “Raízen”), in order to define the terms and conditions of the business combination between Biosev and Raízen, which will result in the transformation of Biosev in a subsidiary of each of the Raízen’s companies (or, depending on the implementation of a Raízen’s corporate reorganization, one of such companies or a holding acting as the owner of such companies) and the receipt, by the Biosev’s shareholders, of an indirect minority equity (through Hédera) represented by preferred shares, with no voting rights, in each of the Raízen’s companies (or one of such companies or a holding acting as the owner of such companies, however the case may be) (“Transaction”).

The closing of the Transaction is subject to the performance of certain conditions precedent established in the Agreement, namely (i) the approval of the Transaction by the National Council for Economic Defense (CADE); (ii) roll-up of the Company’s shareholders to Hédera through the merger of the Company’s shares into Hédera, which may result in the following: (a) Hédera will hold 100% of the Company’ shares; (b) the Company’s shareholders will become the Hédera’s shareholders;

and (c) the Company's registry as a publicly-held Company will be cancelled and the Company will no longer be listed in the B3's Novo Mercado segment; (iii) the reorganization of the Company's financial debt; and (iv) the transfer to Hédera of the equity interest held by the Company in Crystalsev Comércio e Representação Ltda. (and its subsidiaries) and Biosev Terminais Portuários e Participações Ltda. (and its subsidiaries).

For purposes of implementation of the Transaction, the Agreement also provides for the increase of the Raízen's capital, to be fully subscribed and paid by Hédera, upon contribution of the total shares issued by the Company. As a result of the capital increase, Hédera will become the holder of the preferred shares and preferred shares subject to redemption and issued by Raízen; and Raízen will hold the Company's shareholding control.

Considering the abovementioned events, as at March 31, 2021:

(i) according to the material fact disclosed by the Company on March 18, 2021, the Transaction had been approved by CADE, on a final and definitive basis and, therefore, such condition precedent in connection with the Transaction was complied;

(ii) according to the material facts disclosed by the Company on March 25, 2021, the merger of the Company's shares into Hédera was in progress and was submitted to the appreciation of the Company's Board of Directors, which, at the meeting held on March 23, 2021, accepted the recommendation of the Company's non-statutory strategic committee and (i) authorized the signature of the merger agreement; (ii) approved the management proposal; and (iii) determined the call of the shareholders' meeting to resolve on the matter. On April 8, 2021, the Company's extraordinary shareholders' meeting, by unanimous decision of the attending shareholders (representing approximately 84% of the Company's total outstanding shares): (i) approved the terms and conditions of the merger of shares, in which case the Company will become the Hédera's wholly-owned subsidiary; and (ii) agreed with the fact that Hédera will not request the listing in the B3's Novo Mercado. Such matter was accompanied by the controlling shareholders, and the matters of the agenda were approved by unanimous decision by the attending shareholders; and

(iii) the Company negotiated with the financial institutions (creditors) to restructure the debt profile, which was in progress, and must include: (a) the assumption, by Hédera, of a portion of the Company's financial debt, through the signature of new financing instruments with the creditors; and (b) the acquisition, by Raízen, of the shares issued by the Company and owned by Hédera, with the subsequent capitalization of the Company by Raízen, in the amount of R$3.6 billion, subject to certain adjustments, for purposes of payment of a portion of the Company's debt. The Hédera's minority shareholders will be entitled to the preemptive right in the acquisition of the Company's shares, under the terms and conditions offered by Raízen, as set forth in article 253, item I, of the Brazilian Corporate Law.

Management believes that such actions for improvement, the current cash balances, the favorable developments relating to the liquidity and credit lines, and the results from operations, as well as the implementation of the Transaction, including the restructuring of the debt profile, will be sufficient to meet the working capital needs, capital expenses, debt service and other needs in the subsequent year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

2.1 Statement of compliance and basis of preparation

The individual and consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs), issued by the International Accounting Standards Board (IASB), and the accounting practices adopted in Brazil.

The accounting practices adopted in Brazil include those established in the Brazilian Corporate Law, as well as the Pronouncements, Instructions and Interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM).

The financial statements have been prepared based on the historical cost, except for certain financial instruments, held-for-sale assets, and biological assets measured at their fair values as described in the accounting practices described below. The historical cost is generally based on the fair value of the consideration paid in exchange for assets on the transaction date.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

Management is required to use, at the end of each fiscal year, certain accounting practices that incorporate judgments and estimates about the carrying amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience of the Company's management and other factors that are considered to be relevant. Actual results may differ from these estimates.

Management undertakes that all relevant information related to the financial statements, and only such information, is being highlighted and corresponds to the information used by Management in its management.

The main accounting practices applied to the preparation of these financial statements are outlined below. These practices have been consistently applied in the previous financial statements presented, except as otherwise indicated.

2.1.1 Changes in the main accounting practices

These financial statements adopted the same accounting practices applied in the financial statements as at March 31, 2020.

2.1.2 New and revised standards and interpretations

a) Amendments effective for the year beginning January 1, 2020:

Standards	Main requirements	Effective date
IAS 1/ CPC 26	Presentation of Financial Statements	January 1, 2020
IAS 8/ CPC 23	Accounting Policies, Changes in Accounting Estimates and Errors (Amendment: Definition of material	January 1, 2020
IFRS 3/ CPC 15	Business Combinations (Change of Business) Structure reviewed for financial reports	January 1, 2020
IFRS 16/ CPC 06 (R2)	Leases (set forth the changes by virtue of the benefits relating to Covid-19 granted to lessors under lease agreements)	June 30, 2020

The Company analyzed the above mentined changes and did not identified any impacts.

b) Standards, interpretations and amendments to standards not yet effective and which were not early adopted by the Company (and for which the Company does not expect significant impacts upon initial adoption):

Standards	Main requirements	Effective date (for periods beginning on or after)
Standards improvement	Definition of reference interest rates for application of IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 rules.	January 1, 2021
IAS 37	Burdensome agreement: Classification of the costs related to the performance of the burdensome agreement.	January 1, 2022
IAS 16	Property, Plant and Equipment: Classification of items before operation of fixed assets	January 1, 2022
IFRS 3	Conceptual structure .	January 1, 2022
Standard improvement IFRS 1	Aspects relating to the first-time adoption in a subsidiary; IFRS 9 – Test criteria for a reversal of 10% of the financial liabilities; IFRS 16 – Lease examples and IAS 41 – Measurement at fair value. .	January 1, 2022
IAS 1	Classification of liabilities as current or non-current.	January 1, 2023

2.2 Basis of consolidation and investments in subsidiaries

Subsidiaries are all the entities with financial and operating policies of which the Company has the power to govern in order to benefit from their activities and in which it owns interest above 50%. In the applicable cases, the existence and the effect of potential voting rights, currently exercisable or convertible, are taken into consideration to determine whether the Company controls or not another entity. Subsidiaries are fully consolidated from the date in which share control is transferred to the Company and cease to be consolidated, when applicable, when control no longer exists. The subsidiaries' financial statements are prepared for the same reporting period of their parent, using accounting practices consistent with those adopted by the Company.

In those cases where control is jointly held, consolidation is made by the equity method of accounting and those entities are initially recognized at their cost amount.

The subsidiaries included in the consolidated financial statements are described in Note nº 1. The main consolidation criteria adopted by the Company are: (a) sum of the balances of assets, liabilities, revenues and expenses, according to their accounting nature; (b) elimination of intragroup balances and transactions; and (c) elimination of the balances of investment in subsidiaries.

In the individual and consolidated financial statements, the changes in the Company's equity interests in subsidiaries that do not result in loss of control by the Company are recognized as capital transactions. The carrying amounts of the Company's interests and non-controlling interests are adjusted to reflect the changes in their interests in the subsidiaries. The difference between the amount based on which non-controlling interests are adjusted and the fair values of considerations paid or received are recognized directly in equity and attributed to the Company's owners.

When the Company loses the control over a subsidiary, the gain or loss from the disposal of control is calculated based on the difference between: (a) the sum of the fair value of considerations received and the fair value of the residual interest; and (b) the prior-year balance of the subsidiary's assets (including goodwill) and liabilities and non-controlling interests, if any. When the subsidiary's assets are recognized at fair values and the corresponding accumulated gain or loss was recognized in line item "Other comprehensive income (loss)" and accumulated in equity, the amounts previously recognized in "Other comprehensive income (loss)" and accumulated in equity are accounted for as if the Company had directly disposed of the corresponding assets (i.e., reclassified to profit or loss or directly transferred to line item "Retained earnings (accumulated losses)"). The fair value of any investment held in the former subsidiary on the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting in accordance with CPC 48 - *Instrumentos Financeiros*: *Reconhecimento e Mensuração*/IFRS 9 - Financial Instruments: Recognition and Measurement, or, when applicable, the cost at the initial recognition of an investment in an associate or jointly-controlled entity.

2.3 Business combination

After the initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment test purposes, goodwill acquired in a business combination is, as from the acquisition date, allocated to the Company's cash-generating unit that is expected to benefit from the combination's synergy, regardless of any other acquiree's assets or liabilities to be allocated to this unit.

The cash-generating unit to which goodwill has been allocated is annually tested for impairment or more frequently when there is indication that the cash-generating unit may be impaired. If the recoverable amount of a cash-generating unit is lower than its carrying amount, the impairment loss is first allocated to reduce the carrying amount of any goodwill allocated to the unit, and subsequently to the other assets of the cash-generating unit, proportionally to the carrying amount of each of its assets. Impairment losses on goodwill are directly recorded in statement of operations for the year. Impairment losses are not reversed in subsequent periods.

When the goodwill is a part of the cash generating unit, and a portion of such unit is sold, the goodwill associated to such sold portion must be included in the operational costs when calculating the gain or loss from sale. The goodwill sold under these circumstances is determined based on the proportional amounts of the portion sold in relation to the cash-generating unit maintained.

No impairment loss has been identified on the Company's goodwill for the year ended March 31, 2021.

2.4 Segment information

The information reported to the key decision maker to base the allocation of funds and assess the performance of the segment focuses on the types of products delivered. However, as the products have similar economic features and production processes, the Company's management aggregated the products in a single operating segment. Therefore, the Company's reportable segment pursuant to CPC 22 – Informações por Segmento/IFRS 8 – Operating Segments is "Sugar, Ethanol, Energy and Other Products".

The segment information is based on the information used by Management, where the Company and its subsidiaries were defined as a single business segment, even though margin performance monitoring is carried out separately on the main Company products.

The chief operating decision maker assesses the performance of operating segments based on the products' margin and geographical information.

According to the Company and its subsidiaries' structure, the analyses are conducted on the following products of the reportable segment:

- Sugar;
- Ethanol;
- Energy;
- Other products.

2.5 Functional and reporting currency

Items included in the financial statements of each Group Company are measured using the currency of the main economic environment in which the Company operates ("functional currency"). The Company's individual and consolidated financial statements are presented in Brazilian reais (R$), which is the Company's functional and reporting currency.

2.6 Foreign currency-denominated transactions and balances

Foreign currency-denominated transactions are recorded at the foreign exchange rate prevailing on the transaction date. Foreign currency-denominated assets and liabilities are translated using the foreign exchange rate prevailing at the end of the reporting periods and the related changes are recorded in the statement of operations when incurred. Any transaction in a currency different from the Group's functional currency (Brazilian real) is considered a foreign currency transaction.

Exchange rate differences on monetary items are recognized in profit or loss in the period they incur, except for:

- exchange differences arising on translating foreign currency-denominated borrowings and financing related to assets under construction for future use in production, which are part of these assets cost when considered as adjustments to interest costs on said borrowings;

- exchange differences arising on foreign currency-denominated transactions designated as hedges against risks of exchange rate fluctuations; and

- exchange differences arising on monetary items receivable or payable regarding a foreign operation, whose settlement is not estimated or probable (and is, therefore, part of the net investment in the foreign operation), initially recognized in "Other comprehensive income (loss)" and reclassified from equity to the profit or loss on amortization of monetary items.

All other foreign exchange gains or losses, including the foreign exchange gains or losses relating to loans, cash and cash equivalent are recorded in the statement of operations as finance income or finance costs.

In the individual and consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Brazilian reais at exchange rates prevailing at the end of the reporting period Income and expenses are translated using the average exchange rates for the period, unless exchange rates fluctuate significantly; in this case the exchange rate prevailing on transaction date is used. Exchange differences arising on these translations, if any, are classified in "Other comprehensive income (loss)" and accumulated in equity and are attributed to non-controlling interests as appropriate.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash, demand deposits and short-term investments, and all investments classified as "Cash and cash equivalents" are highly liquid and/or can be redeemed within less than 90 days and are adjusted by the income earned through the end of the financial statements, not exceeding the negotiated amount.

2.8 Short-and long-term investments

Consist of temporary investments held to maturity, which exceed 90 days, and are stated at cost plus income earned through the end of the financial statements, not exceeding fair or realizable values.

2.9 Trade receivables and allowance for doubtful accounts

Trade receivables are stated at their original amounts, less the allowance for doubtful accounts. Trade receivables from foreign customers are adjusted based on exchange rates prevailing at end of the financial statements.

- Estimated losses on allowance for doubtful accounts (PECLD)

The model adopts the double coverage, whereby the provision will be measured for estimated credit losses for 12 months or over the entire useful life of the asset.

The PECLD is recorded in line items “Other operating income” and “Other operating expenses”, in the statement of operations. When recovery of additional cash is not expected, the amounts credited to line item “Allowance for doubtful accounts” are reversed against the definitive write-off of a receivable against profit or loss, according to CPC 48.

Delayed payments and losses incurred are assessed based on the aging and maturity date of at least two past crops. Accordingly, the default percentage is determined from falling due balances to balances overdue for more than 365 days.

Delayed payments and losses incurred are assessed on an annual basis to adjust the default percentages to be considered.

For each aging risk range, the following calculation is applicable:

$$\% \ PECLD = \frac{Losses}{(Received + Losses)}$$

Where: *Losses:* is the volume of settled notes relating to the historical period analyzed.
Received: is the volume of notes received classified as overdue in the respective range.

2.10 Inventories

Inventory balances are substantially composed of raw materials, finished products and auxiliary products, and are stated at average purchase or production cost, which does not exceed the net realizable value.

- Allowance for inventory losses

The allowance for inventory losses was set up based on the history of losses incurred on the goods handling to estimate possible losses on existing inventories in the Agri-Industrial cluster. Additionally, the Company recognized allowances for losses on inventory items whose estimated sales price is lower than the purchase price and/or the production cost, and also for slow-moving and possibly obsolete items.

2.11 Property, plant and equipment

Stated at cost of purchase, production or construction, less accumulated depreciation, except for land, which is not depreciated. Depreciation is calculated on a straight-line basis, based on the estimated useful lives of the assets, as described in Note nº 13. Interest on borrowings and financing is capitalized to construction in progress.

An item of property, plant and equipment is written off upon disposal or when there is no future economic benefits resulting from its continuous use. Any gain or loss from the sale or write-off of an item of property, plant and equipment is determined by the difference between the sales amount received and the carrying value of the asset sold, recognized in profit or loss.

The Group conducts the main scheduled maintenances of its plants on an annual basis. Scheduled maintenances are conducted between December and March in the States of São Paulo (SP), Minas Gerais (MG) and Mato Grosso do Sul (MS), for the purpose of inspecting and replacing components. Maintenance costs which do not impact the useful lives of assets are recognized as expenses when incurred. Items subject to wear and tear during the crop are recorded as (deferred manufacturing costs) assets when replaced and are depreciated over the following crop period.

The sugarcane plantation (ratoons) will be reclassified to property, plant and equipment, measured by the amortized cost and depreciated over its useful live, in a descending order, based on the expected productivity under CPC 27.

- Useful lives of property, plant and equipment

The Company reviews the useful lives of property, plant and equipment items on an annual basis at the end of each financial statements. The estimated useful lives of the main property, plant and equipment items may or may not change as a result of this review. The impacts of the review of the estimated useful lives of these items are recognized prospectively in the Company's financial statements.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which necessarily take a substantial amount of time to be ready for the intended use or sale, are added to the cost of such assets until they are ready for the intended use or sale.

Income on investments earned on the short-term investment of funds of specific borrowings not yet spent on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss for the year they are incurred.

The Company did not identify borrowing costs attributable directly to the acquisition, construction or production of qualifying assets in these financial statements.

2.13 Biological assets

CPC 29 - Ativo Biológico e Produto Agrícola/*IAS* 41 – *Agriculture* addresses the accounting treatment of the activities that involve biological assets, except for bearer plants and agricultural products (during harvest). Biological assets and the related agricultural produce are recognized at fair value less estimated point-of-sale costs in current assets considering that the sugarcane matures within twelve months and can be harvested up to eighteen months.

To meet this requirement, the Company adopted the economic and financial valuation of sugarcane biological assets using the discounted cash flow method; the main assumptions used to determine the fair values of biological assets are: production estimates and productivity by area, sugar quantity (sucrose) per ton of sugarcane, sugar price, ethanol price, plantation costs, and sugarcane maintenance costs, foreign exchange rate, freight, harvest and transportation costs, and interest rate.

The change in the fair value of biological assets is recognized in the statement of operations, in line item "Cost of sales and services". The realized portion results from the consumption of the portion at fair value allocated to inventories.

When determining the fair value, the Company takes the following into consideration:

Valuation methodology

The Company adopted in the economic and financial valuation of sugarcane biological assets the discounted cash flow method.

Discount rate

The discount rate adopted in the calculation of the discounted cash flow is 8,57% and reflects the Weighted Average Cost of Capital (WACC). This rate is applicable to the future cash flows of biological assets.

Market overview

The sugarcane processed may be owned by the plants or distilleries or acquired from third parties. Own sugarcane has two different origins: (a) from plantation in own land; and (b) from plantation in leased land, when the plant leases the land from third parties and is responsible for the agricultural activities. These lease agreements are effective for six years (one cycle). The sugarcane from third parties is acquired by the plant with suppliers. The sugarcane may be transported to the plant by the supplier or the plant itself.

The formula adopted by the Sugarcane, Sugar and Ethanol Producers Council ("CONSECANA") calculates the sugarcane ton based on the following:

a) ATR/KG delivered by the sugarcane supplier.

b) Sugarcane production cost as a percentage of the sugar, ethanol residue, anhydrous ethanol and hydrated ethanol.

c) Net sugar prices in domestic and international markets, and price of anhydrous ethanol, ethyl ethanol fuel and hydrated ethanol, as well as ethanol for other purposes.

d) Segregation of the finished products for the respective crop.

CONSECANA reference price is published on a monthly basis.

2.14 Investments in subsidiaries and jointly-controlled entities

Investments in subsidiaries and jointly-controlled entities are accounted for and measured in the individual financial statements by the equity method of accounting and are initially recognized at cost. The gains or losses are recognized in profit or loss as operating revenue (or expenses) in the individual financial statements. Other investments are recognized and maintained at cost or fair value.

When necessary, the subsidiaries' and jointly-controlled entities' accounting practices are changed to ensure the consistency and uniformity of criteria with the accounting practices adopted by the Company.

2.15 Intangible assets

Separately acquired intangible asset

Separately acquired intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses.

Amortization is recognized on a straight-line basis, based on the estimated useful lives of the assets. The estimated useful life and amortization method are reviewed at the end of each annual financial statements, and the effect of any changes in estimates is accounted for on a prospective basis.

Separately acquired intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is derecognized.

Software

Software licenses purchased are capitalized based on the costs incurred to purchase the software and make it ready for use. These costs are amortized on a straight-line basis over their estimated useful lives of 4 years.

2.16 Impairment of tangible and intangible assets excluding goodwill

At the end of each year, the Group reviews the carrying amounts of its tangible and intangible assets to determine if there is any indication that such assets might be impaired. If there is such an indication, the recoverable amount of the asset is estimated to measure the amount of impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent allocation basis can be identified, corporate assets are also allocated to the cash-generating units or the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable value of an asset (or cash-generating unit) is lower than its carrying amount, then the carrying amount of the asset (or cash-generating unit) is written down to its recoverable amount. The impairment losses are immediately recognized in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or a cash-generating unit) in prior years. The reversal of the impairment loss is promptly recognized in profit or loss.

As at March 31, 2021, the Company has not identified evidence that the value of its assets is less than the realizable value.

2.17 Other current and non-current assets and liabilities

Carried at cost, adjusted for inflation and net of allowance for non-realization, if applicable.

- <u>Adjustment to present value of assets and liabilities</u>

Fixed-price credit purchase and sale transactions or other assets and liabilities, when applicable, are discounted to their present value taking into consideration their related realization terms. In order to calculate their present value, the Company estimates future cash flows generated by the related cash-generating units, using an appropriate discount rate, according to the Company's management.

The Company analyzed the present value of long-term assets and liabilities based on the abovementioned assumptions as at March 31, 2021 and adjusted some assets and liabilities to present value. In relation to the assets and liabilities resulting from short-term operations, the effects are not significant and, therefore, no adjustments were recorded.

2.18 Related parties

The Company has internal rules and policies to regulate and perform the related-party transactions at usual market prices, conditions and costs, or according to the business conditions previously performed on a commutative basis or, in the absence of usual market conditions and previous business, contracted on a commutative basis, according to the Company's best interests and clearly disclosed in the financial statements.

For purposes of related-party transaction policy, market conditions are those carried out according to the market principles, such as competition (service prices and conditions compatible to the market, if applicable or possible); adequacy (adhesion of the services to the Company's contractual terms and responsibilities, as well as proper information security control); and transparency (proper disclosure of the agreed conditions and correct application, as well as respective effects in the Company's financial statements).

2.19 Borrowings and financing

Liabilities originated from borrowings and financing are recognized at fair value, less incremental transactions costs directly attributable to the financial liability. These liabilities are subsequently measured using the effective interest rate method, which takes into consideration the transaction costs and the contractual interest allocated until maturity. For floating rate borrowings, the effective interest rate is periodically re-calculated when the effect of the remeasured contractual effective interest rate is material.

Under CPC 08 (R1) – Transaction Costs, the transaction costs incurred with the funds raised by means of borrowings and/or financing are recorded as a reduction of such funds in profit or loss over the agreement at amortized cost under the effective interest method.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

2.20 Leases

An agreement is, or includes any lease, if the agreement transfers the right to control the use of an identified asset for a specific period upon receipt of any compensation, in relation to which the following is considered:

(i) the agreement involves the use of an identified asset, which may be directly or indirectly indicated, and may be physically different or significantly represent the capacity of a physically different asset. If the supplier is entitled to the right to replace the asset and, therefore, the asset is not identified;

(ii) the Company is entitled to the right to obtain all economic benefits from the use of the asset over the agreement; and

(iii) the Company is entitled to the right to direct the use of the asset. The Company is entitled to the right to change how and for which purpose the asset is used, if the Company:

- has the right to operate the asset, or

- projected the asset, in which case the Company has previously determined how and for which purpose the asset may be used.

For the agreements in effect on the initial adoption date, the use right asset and the lease liability that represents the obligation to perform the payments relating to the underlying lease asset at the same amount measured at present value of the future obligations set forth in the agreement were recognized.

The use right asset is depreciated subsequently on a straight-line basis from the initial date to the lease maturity date.

The gross lease liability of PIS/COFINS is initially measured at present value, discounted based on the notional rate of the incremental loan.

The lease liability is measured at amortized cost based on the effective interest method. It is measured upon changes in the:

(i) future payments arising from any change in indices or rates;

(ii) estimated expected amount payable in the guaranteed residual value; or

(iii) evaluation whether the Company may exercise the purchase, extension or termination option.

The present value of the lease liabilities was calculated based on the incremental interest rate, over the contractual term.

Maturity date	Nominal rate p.a.(%)	Real rate p.a. (%)
Up to 1 year	6.36%	5.10%
2 years	7.38%	5.34%
3 years	8.61%	5.54%
4 years	9.39%	5.96%
5 years	9.95%	6.31%
6 years	10.34%	6.57%
7 years	10.67%	6.72%
From 8 years	10.91%	6.81%

After the initial date, the lease liability of agricultural partnership and lease agreements subject to variation will be remeasured to reflect the change in lease payments. Such remeasurement will be recognized as adjustment to the use right asset.

The Company applied the exemption provided for in the standard for non-recognition of the use right and lease liability for low-value assets and agreements falling due within less than 12 months. For these agreements, the Company will continue to recognize the lease expenses on a straight-line basis.

2.21 Income tax and social contribution

Current and deferred income tax and social contribution are calculated based on the tax law enacted or substantially enacted at the end of the financial statements, including the countries where the Group entities operate and generate profits. Management periodically assesses the positions assumed in the tax calculations with respect to situations where applicable tax regulations are open to interpretations. The Company recognizes provisions, when appropriate, based on the estimated payments to tax authorities.

The income tax and social contribution expenses comprise deferred and current taxes. The current and deferred taxes are recognized in profit or loss unless they are related to business combinations or items directly recognized in equity.

Current tax is the expected tax payable or receivable on taxable profit or loss for the year at tax rates that have been enacted or substantially enacted at the end of the financial statements and any adjustment to taxes payable in relation to prior years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used for tax calculation purposes. Deferred taxation is not accounted for on the following temporary differences: (i) initial recognition of assets and liabilities in a transaction that is not a business combination and does not affect either the accounting or taxable profit or loss; and (ii) differences associated with investments in subsidiaries and controlled entities when it is probable that they will not reverse in the foreseeable future. Moreover, a deferred tax liability is not recognized for taxable temporary differences resulting in the initial recognition of goodwill. The deferred tax is measured at the rates that are expected to be applied on temporary differences when they reverse, based on the laws that have been enacted or substantially enacted at the end of the financial statements.

Current income tax and social contribution are carried at their net amounts by the taxpayer, in liabilities when there are amounts payable or in assets when prepaid amounts exceed the total payable at the end of the financial statements.

Deferred tax assets and liabilities may be netted if there is a legal right to offset the current tax asset and liability amounts and they relate to the same taxing authority.

Deferred tax assets on tax loss carryforwards from prior years are limited to 30% to the extent that it is probable that taxable income will be available for use upon effective payment and/or realization of the respective additions/exclusions of temporary differences, in which case these temporary differences will become deductible/taxable for purposes of calculation of taxable income, based on the assumptions and conditions set forth in the Company’s business model.

The carrying amount of deferred tax assets is reviewed at the end of each financial statement and reduced to the extent that their realization is no longer probable.

2.22 Provision for tax, labor, civil and environmental contingencies

The Company recognizes a provision only when it has a current legal or constructive obligation as a result of a past event, when it is probable that a disbursement of resources will be required to settle the obligation and when such disbursement can be reliably and accurately made. When any of these criteria is not met, the Company does not recognize any provision.

The Company recognizes provisions to cover future disbursements resulting from ongoing civil, environmental, tax and labor lawsuits. The provision is recognized based on a case-by-case analysis made by the Company’s legal counsel of the ongoing lawsuits and the estimated unfavorable outcomes that would entail a future disbursement. Potential contingent assets are not recognized until there is a final and unappealable decision favorable to the Company and when it is certain that the asset will be realized. Taxes whose collection is being challenged in courts are recorded taking into consideration the legal obligation concept. The escrow deposits made for the ongoing lawsuits are recorded in line item “Escrow deposits”, in non-current assets.

Provisions maintained in the balance sheet refer to losses arising from disputes, based on the estimated probabilities according to the assessment of its legal counsel, assessed as probable loss or when required by the accounting standards in effect, and based on the loss in similar cases in history. Updating of provisions occurs monthly, plus applicable interest.

Provisions is reviewed at the end of financial statements and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed, as described in Note nº 18.

As at March 31, 2021, the Group was a party to several lawsuits or administrative proceedings arising in the normal course of its business, which includes labor, civil, environmental and tax proceedings.

2.23 Financial instruments

2.23.1 Classification

Under CPC 48 (IFRS 9), the financial assets are initially classified based on the business model adopted by the Company to manage its financial assets and the contractual characteristics of the respective cash flows.

The financial assets and financial liabilities may be classified into three categories: (i) at amortized cost; (ii) at fair value through profit or loss; and (iii) at fair value through other comprehensive income (loss).

A financial asset is classified and measured at amortized cost or at fair value through other comprehensive income (loss) if such financial asset generates cash flows that are "exclusively from payments of principal and interest" (also referred to as the "SPPI" test) on the outstanding principal amount. Such assessment is performed at the instrument level.

The Company's business model to manage the financial assets reflects how the financial assets are managed to generate the cash flows. The business model determines whether the cash flows will result from the collection of contractual cash flows, sale of financial assets or both.

The purchases or sales of financial assets that require delivery within the timeframe established by regulation or market practice (regular trading) are recognized on the trading date, that is, on the date in which the Company has agreed to purchase or sell the asset.

The business models reflect how the Company manages the financial assets to generate cash flows based on scenarios reasonably expected by the Company to occur.

The table below classifies the financial assets according to the business model adopted:

Business model - purpose	Classification
Payments received over the instrument	Amortized cost
Contractual cash flows received to be sold	Fair value through other comprehensive income (loss)
Held for trading or stated at fair value	Fair value through profit or loss

As at March 31, 2021, the financial assets and financial liabilities are further described in Note nº 26.6.

<u>Financial assets stated at fair value through profit or loss</u>

The financial assets classified under this category comprise:

i) financial assets held for trading to be sold or repurchased in the short term (fixed-income investment funds and accounts receivable – subject to advanced receipt);
ii) financial assets initially recognized at fair value through profit or loss; and
iii) derivative financial instruments, except for those designated for cash flow hedge accounting, stated at fair value through other comprehensive income (loss).

<u>Financial assets stated at amortized cost</u>

The financial assets classified under this category comprise:

i) short-term investments and debentures that back repurchase agreements;
ii) cash and cash equivalents (short-term deposits, short-term investments and debentures that back repurchase agreements);
iii) accounts receivable (receivables from energy sold, receivables from customers that have not authorized advanced receipt or transfer, and securities provided as collateral); and
iv) other financial assets.

Financial assets stated at fair value through other comprehensive income (loss)

The financial assets classified under this category comprise:

i) Derivative financial instruments designated for cash flow hedge accounting, as described in item 2.23.4.

Financial liabilities stated at fair value through profit or loss

The financial liabilities classified under this category comprise:

i) derivative financial instruments, except for those designated for cash flow hedge accounting, stated at fair value through other comprehensive income (loss).
ii) Financial liabilities initially recognized at fair value through profit or loss, under CPC 48, as described below.

A financial liability other than those held for trading can be designated at fair value through profit or loss upon initial recognition if:

- This designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- The financial liability forms part of a group of financial assets or financial liabilities or both, which performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis.

Financial liabilities stated at amortized cost

The financial liabilities classified under this category comprise:

i) borrowings and financing;
ii) trade payables; and
iii) other financial liabilities.

Financial liabilities stated at fair value through other comprehensive income (loss)

Derivative financial instruments designated for cash flow hedge accounting, as described in item 2.23.4.

As at March 31, 2021, the item above is included and may be classified in current and non-current liabilities, as applicable.

2.23.2 Initial and subsequent recognition of financial assets and financial liabilities, including derivative financial instruments

Financial assets	**Derivative financial instruments are measured:** At fair value through profit or loss, except for those designated for cash flow hedge accounting – which are classified at fair value through other comprehensive income (loss). **Non-derivative Financial Instruments are measured:** **i)** At fair value through profit or loss plus transaction costs that are directly attributed to the respective application; **ii)** At amortized cost measured based on the effective interest method, subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired; and **iii)** At fair value through other comprehensive income (loss), except for losses or reversals of impairment, which are recognized in the statement of operations and calculated similarly to the financial assets measured at amortized cost. The remaining fair value variations are recognized in other comprehensive income (loss). Upon derecognition, the accumulated fair value variations recognized in other comprehensive income (loss) are reclassified to profit or loss.

Financial liabilities	**Derivative financial instruments are measured:** At fair value through profit or loss, except for those designated for cash flow hedge accounting – which are classified at fair value through other comprehensive income (loss). **Non-derivative Financial Instruments are measured:** **i)** At fair value through profit or loss for those designated in the initial recognition under CPC 48 (as at March 31, 2020, no items were classified under this designation); and **ii)** At amortized cost measured based on the effective interest rate, which is calculated considering any negative goodwill or goodwill in the acquisition, and rates or costs that are an integral part of the effective interest rate method. Gains and losses are recognized in profit or loss as finance costs when liabilities are derecognized, as well as based on the effective interest rate amortization method.

2.23.3 Derecognition of financial assets and financial liabilities

Financial assets

A financial asset or, where applicable, part of a financial asset or part of a group of similar financial assets, is written off when the right to receive the cash flows from the financial asset expires or if the Company transfers its right to receive the cash flows from the financial asset or assumes the obligation to fully pay the cash flows received to a third party under the “transfer” agreement.

Financial liabilities

A financial liability is derecognized when the obligation is revoked or discharged, or when it expires.

When an existing financial liability is replaced with another from the same lender with terms and conditions substantially different, or the terms of an existing liability are significantly modified, such replacement or modification is recognized as write-off of the original liability and recognition of a new liability, and the difference in the carrying amounts is recognized in the statement of operations.

2.23.4 Financial instruments and hedge activities

The classifications below are used for purposes of hedge accounting:

- **Fair value hedge -** hedge for exposure to changes in fair value of recognized assets or liabilities, or unrecognized firm commitment.

- **Cash flow hedge -** hedge for exposure to changes in cash flows attributable to a specific risk associated with recognized assets or liabilities, or any highly probable transactions that may impact the Company’s profit or loss.

At the beginning of the hedge relation, the Company formally designates and documents the hedge relation in which it intends to apply the hedge accounting, as well as the Company’s purpose and risk management strategy for the hedge. Such documentation includes: identification of the hedge instrument, identification of the hedged item or transaction, nature of the risk to be covered and the risks not covered, and analysis of the hedge effectiveness, indicating the economic relation between the hedged item and the hedge instrument, that the credit risk does not impact the changes in fair value arising from the hedge relation and how the hedge index is determined to evaluate the hedge effectiveness, including possible ineffective sources, which may be both qualitative (provided the terms of the hedged item are identical to the hedge instrument – notional amount, maturity dates, indices) and quantitative.

The hedge that complies with the hedge accounting criteria is recorded as follows:

Fair value hedge: gains or losses arising from changes in fair value of a hedge instrument (for derivative hedge instrument) or exchange rate changes under CPC 02 (IAS 21) (for non-derivative hedge instrument) are recorded in finance income (costs) or in other comprehensive income (loss) (if the hedge instrument is protecting any equity instrument for which the Company recorded the changes in fair value in other comprehensive income (loss)).

When an unrecognized firm commitment is designated as a hedged item in the hedge relation, the change in fair value of the firm commitment attributable to the covered risk is recognized as a financial asset or a financial liability, as applicable, upon recognition of the corresponding gain or loss in the statement of operations.

Cash flow hedge: the effective portion of the gain or loss of the hedge instrument is recognized directly in equity, in line item "Other comprehensive income (loss)" and, in the event the protection does not comply with the hedge index, however the risk management purpose remains unchanged, the Company may "recover" the hedge index to comply with the qualification criteria.

The amounts recorded in other comprehensive income (loss) are immediately transferred to the statement of operations, in conjunction with the hedged transaction, when profit or loss is changed; for example, upon recognition of the finance income or finance costs or upon conclusion of any sale. When the hedged item is stated at cost of the non-financial asset or liability, the amounts recorded in equity are transferred at the initial carrying amount of the non-financial asset or liability.

The Company must prospectively discontinue the hedge accounting if the hedge relation no longer complies with the qualification criteria (after taking into consideration any recovery of the hedge relation), as follows:

a) The hedge relation no longer complies with the risk management purpose based on which the hedge relation was qualified for hedge accounting (that is, the entity no longer seeks for such risk management purpose);
b) The hedge instrument was sold/terminated (in relation to the total volume subject to the hedge relation); or
c) There is no economic relation between the hedged item and the hedge instrument, or the respective amounts are significantly changed by the credit risk as a result of this economic relation.

The management of the contracted positions is monitored on a continuous basis, for purposes of adjustments to the goals and strategies according to the market conditions, especially because a significant portion of the Company's revenues and, consequently, the cash generation, are expressed in US dollars.

2.23.5 Measurement of derivative financial instruments

The Company uses valuation techniques that include the use of inputs that are not based on observable market data to estimate the fair values of certain types of financial instruments.

The Company uses appropriate valuation techniques and assumptions to determine the fair values of financial instruments and derivatives, and appropriate projection and monitoring tools.

2.24 Capital

Total shares are classified in equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction of the amount added to capital, net of taxes.

2.25 Revenue recognition

On April 1, 2018, the Company adopted CPC 47/IFRS 15 under the cumulative method, however, such standard has not changed the amounts previously recognized as revenue, taking into consideration that all revenue recognition criteria had already been complied by IAS 18 (CPC 30) and there are no performance obligations after the delivery of the assets; accordingly, the performance obligation will be complied upon the transfer of the product to the customer, both in domestic and foreign markets.

The Company adopts the conceptual framework for revenue recognition based on the five-step model: (i) identification of customers' agreements; (ii) identification of performance obligations set forth in the agreements; (iii) definition of the transaction price; (iv) allocation of the transaction price to the performance obligation set forth in the agreements; and (v) revenue recognition upon compliance with the performance obligation.

For the bill-and-hold agreements, whereby the delivery of goods is postponed as requested by the purchaser, revenue is recognized when (i) the Company is entitled to receive the payment for the asset; (ii) the customer is the lawful owner of the asset; and (iii) the customer assumes the significant risks and benefits of the asset and, in addition, the following criteria is met: (i) the reason for the bill-and-hold agreement is relevant; (ii) the product is separately identified as owned by the customer; (iii) on the date, the product is ready for physical transfer to the customer; and (iv) the Company cannot use or direct the product to another customer.

2.26 Finance income (expenses)

Finance income includes interest income from funds invested (excluding available-for-sale financial assets), gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets measured at fair value through profit or loss, and gains on hedging instruments that are recognized in profit or loss. Interest income is recognized in profit or loss under the effective interest method. Distributions received from investees accounted for by the equity method reduce the investment value.

Finance expenses comprise interest expenses on borrowings, net of the discount to present value of the provisions, losses in the fair value of financial instruments measured at fair value through profit or loss, impairment losses recognized in financial assets, and losses on hedging instruments that are recognized in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are measured through profit or loss under the effective interest method.

2.27 Loss per share

Basic and diluted earnings (loss) per share are calculated by means of the net profit (loss) for the year attributable to the Company's owners and the weighted average number of common shares outstanding in the related year. For basic and diluted earnings (loss) per share calculation purposes, preferred shares were given the same treatment as the common shares, as they have the same characteristic and differ only as to the right to vote on some matters and the priority in receiving their equity value in case of Company liquidation, without premium.

2.28 Employees' benefit

i) Employees' benefit

The Company offers its employees a pension plan defined contribution to allow people to accumulate funds to receive a monthly pension in the future, so that an employee can maintain a dignified standard of living after retirement. The Company's pension plan is optional for all employees and officers.

An employee can elect to join the pension plan and choose one of the two types of plans: 1 - a defined contribution plan (PGBL) or 2 - a life insurance benefit plan (VGBL). Under the plan's approved rules, an employee can make basic or supplemental contributions, and the Company matches the basic contributions made by each employee, limited to 6.5% of the contribution salary. Additionally, an employee can make extraordinary contributions, which are not matched by the Company.

ii) Profit sharing and bonuses

Employees' profit sharing and executives' variable compensation are linked to the achievement of operating and financial targets. The Company recognizes a liability and an expense allocated to production costs and general and administrative expenses when such goals are met.

2.29 Statement of value added (DVA)

The purpose of this statement is to disclose the wealth created by the Company and its distribution during a certain financial statements, and is presented by the Company, as required by the Brazilian Corporate Law, as an integral part of its individual financial statements, and as additional disclosures to the consolidated financial statements, since this statement is not required by IFRSs.

The statement of value added was prepared using information obtained in the same accounting records used to prepare the financial statements and pursuant to the provisions of CPC 09 – Demonstração do Valor Adicionado. The first part of the DVA presents the wealth created by the Company, represented by revenues (gross sales revenue, including taxes levied thereon, other income and the effects of the allowance for doubtful accounts), inputs purchased from third parties (cost of sales and purchases of materials, energy and services from third parties, including the taxes included upon purchase, the effects of impairment and recovery of assets, and depreciation and amortization) and the value added received from third parties (share of profits (losses) of subsidiaries, finance income and other income). The second part of the DVA presents the distribution of wealth among employees, taxes and contributions, compensation to third parties and shareholders.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

For better presentation purposes, the Company's management reclassified some line items in the comparative amounts disclosed in the Statement of Value Added (DVA).

3. CASH AND CASH EQUIVALENTS

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Cash and banks	68,165	21,625	523,495	364,024
Short-term investments	719	3,004	22,153	41,792
Debentures	118,021	371,495	266,656	769,127
	186,905	**396,124**	**812,304**	**1,174,943**

Short-and long-term investments refer to floating rate Certificates of Bank Deposit (CDBs) and/or CDBs indexed at rates ranging from 95% to 100.5% of the Interbank Deposit Rate (CDI) as at March 31, 2021 (95% to 96% as at March 31, 2020). The CDBs investments are subject to repurchase commitments by the financial institutions issuers and/or custodians.

Debentures not subject to Tax on Financial Transactions (IOF) are issued from local prime financial institutions indexed at rates ranging from 50% to 73% of the CDI rate as at March 31, 2021 (73% to 80% as at March 31, 2020).

4. SHORT- AND LONG-TERM INVESTMENTS

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Short-term investments	122,614	42,052	202,559	52,245
Current assets	**97,608**	**42,052**	**169,303**	**52,245**
Noncurrent assets	**25,006**	**-**	**33,256**	**-**

Short-and long-term investments refer to restricted deposits and are operations represented by (i) floating rate Certificates of Bank Deposit (CDBs) and/or CDBs indexed at rates ranging from 95% to 100,5% of the Interbank Deposit Rate (CDI) as at March 31, 2021 (95% to 96% as at March 31, 2020); (ii) margin deposits in derivative transactions; and (iii) foreign currency-denominated deposits related to prepayments of exports indexed at average rate of 0.10% p.a. performed by subsidiary Biosev Bioenergia Internacional S.A. These deposits may be considered, together with future agricultural production and sugar and ethanol inventories, for purposes of calculation of the indices set forth in the prepaid export agreements.

5. TRADE RECEIVABLES

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Related parties (Note nº 19)				
In Brazil	31,070	7,498	2,658	-
Abroad	98,515	133,503	4,124	2,505
	129,585	**141,001**	**6,782**	**2,505**
Third parties				
In Brazil	160,589	67,955	254,465	191,167
Abroad	10,504	2,581	101,819	22,570
	171,093	**70,536**	**356,284**	**213,737**
	300,678	**211,537**	**363,066**	**216,242**
(-) Estimated loss for doubtful accounts	(825)	(766)	(13,798)	(14,192)
	299,853	**210,771**	**349,268**	**202,050**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

The aging list of overdue receivables is as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Overdue				
Up to 30 days	1,583	24,648	5,648	3,457
31 to 60 days	8,734	2,083	783	6,462
61 to 90 days	58,970	20,887	43	452
91 to 180 days	18,226	20,455	193	325
Over 180 days	874	17,001	16,369	16,874
	88,387	**85,074**	**23,036**	**27,570**

The change in the estimated loss for doubtful accounts is as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
At the beginning of the year	(766)	(175)	(14,192)	(13,395)
Reversal (recognition) of estimated loss for doubtful accounts	(59)	(591)	394	(797)
	(825)	**(766)**	**(13,798)**	**(14,192)**

6. INVENTORIES

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Finished products				
Sugar	6,629	4,218	8,274	14,838
Ethanol	26,013	20,676	53,219	79,839
Sugar syrup	800	317	4,685	1,241
Other	69	247	145	331
Allowance for negative inventory margin	(111)	(3,298)	(1,595)	(18,985)
	33,400	**22,160**	**64,728**	**77,264**
Raw materials and packaging materials	1,964	1,033	1,974	1,166
Storeroom supplies	34,074	37,492	67,357	76,476
Allowance for realization of storeroom inventories	(4,163)	(4,119)	(10,375)	(7,097)
Advances to suppliers (*)	151,505	1,049,084	337,309	2,800,824
	183,380	**1,083,490**	**396,265**	**2,871,369**
	216,780	**1,105,650**	**460,993**	**2,948,633**

(*) Refer to advances to sugarcane suppliers that are adjusted on a monthly basis according to the specific conditions and indices set forth in the agreements.

The changes in the allowance for negative inventory margin and realization of storeroom inventories are broken down as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Negative inventory margin				
Opening balance	(3,298)	(7,410)	(18,985)	(25,793)
Additions	(111)	(3,298)	(1,595)	(18,985)
Reversals	3,298	7,410	18,985	25,793
	(111)	**(3,298)**	**(1,595)**	**(18,985)**
Realization of storeroom inventories				
Opening balance	(4,119)	(3,568)	(7,097)	(5,818)
Additions	(4,163)	(4,119)	(10,375)	(7,097)
Reversals	4,119	3,568	7,097	5,818
	(4,163)	**(4,119)**	**(10,375)**	**(7,097)**

The allowance for negative inventory margin is calculated by analyzing the average production cost of finished products as compared to their realizable value in the market, less costs to sell.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

The allowance for realization of storeroom inventories, considering obsolete and slow-moving items, is recognized on a quarterly basis based on inventory management procedure of storeroom inventories duly approved by the Company.

7. BIOLOGICAL ASSETS

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Opening balance	303,621	264,480	663,908	501,124
Increases arising from expenses on sugarcane crops and crop treatments	477,069	430,597	978,228	911,744
	780,690	**695,077**	**1,642,136**	**1,412,868**
Gains on changes in fair value less estimated costs to sell	879,100	120,821	1,290,193	222,448
Transfer to assets held for sale	904	(13,682)	904	(13,682)
Sugarcane harvest at fair value in the year	(727,373)	(490,374)	(1,332,506)	(945,620)
Write-off	-	(8,221)	(1,821)	(12,106)
	933,321	**303,621**	**1,598,906**	**663,908**

The following assumptions were used to determine the fair value:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Estimated harvest area (in hectares)	128,256	123,816	223,353	222,421
Expected yields (in ton of sugarcane per hectare)	90,63	85,88	89,82	89,07
Total volume of recoverable sugar (in kilogram per ton of sugarcane)	131,1	126,29	134,42	129,9
Value of a kilogram of total recoverable sugar (in R$) - CONSECANA	1,05	0,66	1,05	0,66
Discount rate	8,57%	10,21%	8,57%	10,21%

As at March 31, 2021, the Company provided as guarantee for the export prepayment 158,608 hectares (158,608 hectares as at March 31, 2020), equivalent to approximately 14,246,534 tons of sugarcane (14,127,348 as at March 31, 2020), at fair value of R$1,135,421 (R$473,432 as at March 31, 2020). Such prepayment falls due between March 2023 and April 2023.

The Company is exposed to certain risks related to its plantations, such as (i) offer and demand, based on which the Company continuously monitors the market of its products and analysis the trends that regularly support the selling strategy in order to define and/or adjust the purchase and sale volumes of products or raw materials; (ii) regulatory and environmental risks, subject to specific laws and regulations, which are monitored by establishing policies and procedures to ensure the compliance with these rules; and (iii) climate risks, which expose the Company to the damages arising from climate changes, which are mitigated by monitoring the progress of these risks in the Company's routine and operating strategically in the sugarcane crops in order to minimize the damages to its biological assets. The Company seeks to optimize the crop sequence in order to avoid dry and frost periods, use the irrigation system in periods of shortage of water, handle of varied products in accordance with the edaphoclimatic environments, and adopt good agricultural practices in the field to maintain the sugarcane crop productivity.

8. RECOVERABLE TAXES

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
State VAT (ICMS)	68,238	39,859	91,461	60,952
Taxes on revenue (PIS and COFINS) (a)	2,050	16,166	34,645	75,050
Witholding Income Tax (IRRF) on short-term investments and prepayments	7,487	2,978	63,692	55,466
Tax on manufactured products (IPI) and other taxes	2,547	2,773	26,312	24,838
	80,322	**61,776**	**216,110**	**216,306**
Current assets	**26,147**	**50,274**	**68,944**	**158,777**
Non-current assets	**54,175**	**11,502**	**147,166**	**57,529**

a) Refers to taxes on revenues (PIS and COFINS) relating to: Law 10637/02, which addresses the non-cumulativeness of PIS/PASEP; (ii) Law 10833/03, which addresses the non-cumulativeness of COFINS, PIS and PASEP; (iii) Law 11774/2008, which addresses the obtaining of PIS/COFINS credits on property, plant and equipment; (iv) Law 13043/14, which addresses the REINTEGRA.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

9. ESCROW DEPOSITS

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Civil	1,533	3,500	3,341	7,365
Environmental	2,342	2,442	7,418	7,548
	3,875	**5,942**	**10,759**	**14,913**
Tax				
Tax on manufactured products (IPI)	-	-	18,846	18,673
Income tax (IRPJ) and social contribution (CSLL)	16,366	16,235	33,427	33,262
ICMS, PIS and COFINS	9,924	9,758	40,124	46,344
Social security contributions	21,703	21,738	27,439	27,419
Other	-	-	3,285	3,054
	47,993	**47,731**	**123,121**	**128,752**
Tax				
Labor appeals	51,863	138,493	96,718	241,748
	51,863	**138,493**	**96,718**	**241,748**
	103,731	**192,166**	**230,598**	**385,413**

The changes in the Company's escrow deposits are as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Opening balance	192,166	210,108	385,413	367,388
Additions	9,560	31,563	21,948	81,534
Offsets/redemptions	(97,995)	(49,505)	(176,763)	(63,509)
	103,731	**192,166**	**230,598**	**385,413**

10. CURRENT AND DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

10.1 Deferred income tax and social contribution assets and liabilities disclosed in balance sheet

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Deferred income tax and social contribution assets	136,066	418,029	488,486	872,971
Deferred income tax and social contribution liabilities	-	-	(34,862)	(36,883)
	136,066	**418,029**	**453,624**	**836,088**

10.2 Income tax and social contribution recognized in profit or loss for the year

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Income (loss) from current income tax and social contribution	(3,842)	(6,541)	(3,108)	(15,294)
Income (loss) from deferred income tax and social contribution related to the origin and reversal of temporary differences and tax loss carryforwards	(213,423)	105,759	(384,671)	477,113
	(217,265)	**99,218**	**(387,779)**	**461,819**

10.3 Income tax and social contribution recognized in other comprehensive income (loss)

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Income (loss) from deferred income tax and social contribution recognized in other comprehensive income (loss):				
Financial instruments - hedge accounting of futures	44,986	13,844	98,090	(54,853)
Financial instruments - hedge accounting of Swap Libor	-	-	(2,541)	5,910
Financial instruments - hedge accounting of Non-Deliverable Forward (NDF)	(113,526)	144,938	(66,422)	133,616
Financial instruments - hedge accounting of exchange differences	-	(23,053)	(26,920)	(90,508)
	(68,540)	**135,729**	**2,207**	**(5,835)**
Effects on subsidiaries	**70,747**	**(141,564)**	**-**	**-**
	2,207	**(5,835)**	**2,207**	**(5,835)**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

10.4 Reconciliation of income tax and social contribution expenses at statutory and effective rates

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Income (loss) before taxation	**380,360**	**(1,650,308)**	**550,821**	**(2,013,067)**
Statutory rate	**34%**	**34%**	**34%**	**34%**
Income (loss) from income tax and social contribution at statutory rate	(129,322)	561,105	(187,279)	684,443
Equity in subsidiaries	31,404	(377,212)	(3,115)	(3,044)
Unrecognized deferred income tax and social contribution credits	(93,888)	(79,204)	(136,627)	(216,506)
Tax revenue (grants)	33,758	33,427	33,758	33,427
Rate difference of foreign subsidiary	-	-	(5,348)	25,431
Loss from foreign subsidiary	(30,168)	(7,508)	(30,168)	(7,508)
Subcapitalization rules	(29,538)	(25,029)	(49,628)	(52,633)
Other	489	(6,361)	(9,372)	(1,791)
Income (loss) from income tax and social contribution at effective rate	**(217,265)**	**99,218**	**(387,779)**	**461,819**
Statutory rate	**-**	**6%**	**-**	**23%**

10.5 Balances of deferred income tax and social contribution assets and liabilities

Company	Opening balance as at 03.31.20	Recognized in profit or loss for the year	Recognized in other comprehensive income (loss)	Closing balance as at 03.31.21
Temporary differences:				
Provision for tax, labor, civil and environmental contingencies	37,028	(911)	-	36,117
Adjustment at fair value of biological assets	(16,585)	(207,906)	-	(224,491)
Other receivables (AVP)	14,162	(2,324)		11,838
Hedge accounting of Libor swap, NDF and exchange rate changes	63,527	100,207	(68,540)	95,194
Unrealized exchange rate changes	412,077	37,924	-	450,001
Amortization of tax goodwill	(245,277)	-	-	(245,277)
Accelerated depreciation	(39,048)	(31,424)	-	(70,472)
Impairment of fixed assets	65,310	7,858	-	73,168
Mark-to-market of derivatives	2,363	(134,531)	-	(132,168)
Leases	10,859	9,041	-	19,900
Other	11,661	8,643	-	20,304
	316,077	**(213,423)**	**(68,540)**	**34,114**
Unutilized tax losses and credits				
Tax loss carryforwards	74,616	-	-	74,616
Social contribution tax loss carryforwards	27,336	-	-	27,336
	418,029	**(213,423)**	**(68,540)**	**136,066**

Company	Opening balance as at 03.31.19	Recognized in profit or loss for the year	Recognized in other comprehensive income (loss)	Closing balance as at 03.31.20
Temporary differences:				
Provision for tax, labor, civil and environmental contingencies	47,227	(10,199)	-	37,028
Adjustment at fair value of biological assets	(15,389)	(1,196)	-	(16,585)
Other receivables (AVP)	1,795	12,367	-	14,162
Hedge accounting of Libor swap, NDF and exchange rate changes	7,817	(80,019)	135,729	63,527
Unrealized exchange rate changes	209,867	202,210	-	412,077
Amortization of tax goodwill	(245,277)	-	-	(245,277)
Accelerated depreciation	(25,179)	(13,869)	-	(39,048)
Impairment	65,746	(436)	-	65,310
Mark-to-market of derivatives	(16,095)	18,458	-	2,363
Impairment of assets held for sales	18,003	(18,003)	-	-
Leases	-	10,859	-	10,859
Other	26,074	(14,413)	-	11,661
	74,589	**105,759**	**135,729**	**316,077**
Unutilized tax losses and credits				
Tax loss carryforwards	74,616	-	-	74,616
Social contribution tax loss carryforwards	27,336	-	-	27,336
	176,541	**105,759**	**135,729**	**418,029**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

Consolidated	Opening balance as at 03.31.20	Recognized in profit or loss for the year	Recognized in other comprehensive income (loss)	Closing balance as at 03.31.21
Temporary differences:				
Provision for tax, labor, civil and environmental contingencies	100,468	(5,846)	-	94,622
Adjustment at fair value of biological assets	(71,630)	(304,654)	-	(376,284)
Other receivables (AVP)	14,162	(2,324)	-	11,838
Hedge accounting of Libor sw ap, NDF and exchange rate changes	159,955	-	2,207	162,162
Unrealized exchange rate changes	827,139	54,583	-	881,722
Amortization of tax goodw ill	(245,277)	-	-	(245,277)
Accelerated depreciation	(39,048)	(73,947)	-	(112,995)
Mark-to-market of derivatives	(10,244)	(95,891)	-	(106,135)
Impairment of property, plant and equipment	76,443	7,711	-	84,154
Appreciation of acquired assets	(231,020)	23,805	-	(207,215)
Impairment of fixed assets	906	(906)	-	-
Fair value of financial debts	1,161	(1,161)	-	-
Leases	35,367	27,459	-	62,826
Other	60,563	(19,872)	-	40,691
	678,945	**(391,043)**	**2,207**	**290,109**
Unutilized tax losses and credits				
Tax loss carryforw ards	115,532	4,685	-	120,217
Social contribution tax loss carryforw ards	41,611	1,687	-	43,298
	836,088	**(384,671)**	**2,207**	**453,624**

Consolidated	Opening balance as at 03.31.19	Recognized in profit or loss for the year	Recognized in other comprehensive income (loss)	Closing balance as at 03.31.20
Temporary differences:				
Provision for tax, labor, civil and environmental contingencies	97,941	2,527	-	100,468
Adjustment at fair value of biological assets	(32,728)	(38,902)	-	(71,630)
Other receivables (AVP)	1,795	12,367		14,162
Hedge accounting of Libor sw ap, NDF and exchange rate changes	165,790	-	(5,835)	159,955
Unrealized exchange rate changes	439,388	387,751	-	827,139
Amortization of tax goodw ill	(245,277)	-	-	(245,277)
Accelerated depreciation	(25,179)	(13,869)	-	(39,048)
Mark-to-market of derivatives	(82,228)	71,984	-	(10,244)
Impairment	77,177	(734)	-	76,443
Appreciation of acquired assets	(253,050)	22,030	-	(231,020)
Impairment of assets held for sale	18,896	(17,990)	-	906
Fair value of financial debts	1,161	-	-	1,161
Leases	-	35,367	-	35,367
Other	50,545	10,018	-	60,563
	214,231	**470,549**	**(5,835)**	**678,945**
Unutilized tax losses and credits				
Tax loss carryforw ards	109,760	5,772	-	115,532
Social contribution tax loss carryforw ards	40,819	792	-	41,611
	364,810	**477,113**	**(5,835)**	**836,088**

As at March 31, 2021, the Company has tax loss carryforwards in the amount of R$3,391,676, in Company, and R$6,771,657 in Consolidated (R$3,115,535 and R$6,369,813 as at March 31, 2020, respectively) for which no deferred income tax and social contribution assets have been recognized.

10.6 Management's projections for realization of deferred income tax and social contribution balances

The Company's deferred income tax and social contribution balances are reviewed on a periodical basis, while the projections, limited to a five-year period, are reviewed on an annual basis. The studies on the realization of such balances are primarily based on the expected realization (use) of tax loss carryforwards.

The projected future taxable income includes estimates on the Brazilian and international economy performance, exchange rate changes, sales volume, sales price and tax rates, and judgements and estimates based on the sugarcane production, production capacity, industrial efficiency and specific cost reduction projects, among others, which may differ from actual data and amounts.

The technical feasibility studies that support the recovery of deferred tax credits, prepared by Management and approved by the Board of Directors, take into consideration the operational and financial improvement process to adjust the capital structure and debt level to a new business model.

In this regard, according to the Management's projections, deferred income tax and social contribution on tax loss carryforwards, based on the technical feasibility study, will be performed as follows:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
2020/2021 crop	-	-	-	6,424
2021/2022 crop	-	15,334	2,336	34,768
2022/2023 crop	4,096	33,855	55,199	63,188
2023/2024 crop	9,315	52,763	11,651	52,763
2024/2025 crop	36,271	-	38,607	-
Up to April/ 2025	52,270	-	55,722	-
	101,952	**101,952**	**163,515**	**157,143**

11. LEASES

11.1 Asset use right in leases

This line item includes the amounts that correspond to the right to use the current agreements; the amount is equivalent to the present value of the obligations assumed with the counterparties. These agreements are payable on the respective maturity dates (between 1 and 10 years).

The balances for the year ended March 31, 2021 are broken down as follows:

	Company					
	Equipment	Land	Buildings	Vehicles	Agricultural partnerships	Total
03.31.20	121,329	134,947	1,533	2,488	440,009	**700,306**
Additions/adjustments	51,533	64,185	-	3,817	324,885	444,420
Write-off	(11,481)	-	-	(1,956)	-	(13,437)
Amortization	(57,565)	(29,367)	(1,022)	(2,004)	(124,058)	(214,016)
Sublease	-	(5,332)	-	-	(50,828)	(56,160)
03.31.21	**103,816**	**164,433**	**511**	**2,345**	**590,008**	**861,113**

	Company					
	Equipment	Land	Buildings	Vehicles	Agricultural partnerships	Total
03.31.19						
Initial adoption on April 1, 2019	142,669	112,768	2,554	4,845	393,697	**656,533**
Additions/adjustments	55,367	50,499	-	-	143,509	**249,375**
Write-off	(19,991)	-	-	-	-	**(19,991)**
Amortization	(56,716)	(28,320)	(1,021)	(2,357)	(97,197)	**(185,611)**
03.31.20	**121,329**	**134,947**	**1,533**	**2,488**	**440,009**	**700,306**

	Consolidated					
	Equipment	Land	Buildings	Vehicles	Agricultural partnerships	Total
03.31.20	254,249	137,257	1,533	5,174	1,179,166	**1,577,379**
Additions/adjustments	132,414	67,183	-	8,158	987,581	1,195,336
Write-off	(19,516)	-	-	(4,048)	-	(23,564)
Amortization	(124,120)	(31,144)	(1,022)	(4,200)	(345,907)	(506,393)
Sublease	-	(5,332)	-	-	(50,828)	(56,160)
03.31.21	**243,027**	**167,964**	**511**	**5,084**	**1,770,012**	**2,186,598**

	Consolidated					
	Equipment	Land	Buildings	Vehicles	Agricultural partnerships	Total
03.31.19						
Initial adoption on April 1, 2019	296,896	115,195	2,554	10,075	1,068,666	**1,493,386**
Additions/adjustments	118,960	51,556	-	-	425,349	**595,865**
Write-off	(34,675)	-	-	-	-	**(34,675)**
Amortization	(126,932)	(29,494)	(1,021)	(4,901)	(314,849)	**(477,197)**
03.31.20	**254,249**	**137,257**	**1,533**	**5,174**	**1,179,166**	**1,577,379**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

11.2 Lease liabilities

Lease liabilities include the amounts corresponding to the effective lease agreements, stated at present value based on discount rates.

As at March 31, 2021, the potential recoverable PIS/COFINS, at the rate of 9.25%, included in the lease compensation levied on the agreements entered into with legal entities, is R$23,477, in Company, and R$36,608, in Consolidated (R$21,901 and R$34,502 as at March 31, 2020, respectively)

The incremental interest rate of the lease liability varies between 5.10% and 11.25% per year.

The balances for the year ended March 31, 2021 are broken down as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Present value of liability	975,803	732,114	2,427,541	1,681,269
	975,803	**732,114**	**2,427,541**	**1,681,269**
Classification:				
Current	176,808	215,257	488,415	498,932
Non-current	798,995	516,857	1,939,126	1,182,337
Total	**975,803**	**732,114**	**2,427,541**	**1,681,269**

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Opening balance	732,114	656,533	1,681,269	1,493,386
Additions	444,068	249,605	1,194,550	596,011
Write-off	-	(4,065)	-	(6,065)
Payments	(261,685)	(221,208)	(587,234)	(521,309)
Financial charges	61,306	51,249	138,956	119,246
Closing balance	**975,803**	**732,114**	**2,427,541**	**1,681,269**

The future payments are broken down as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Up to 1 year	176,808	215,257	488,415	498,932
Up to 2 years	204,059	161,243	484,572	365,273
Up to 3 years	166,459	109,793	408,102	260,574
Up to 4 years	147,361	87,311	343,142	210,009
Up to 5 years	156,585	86,462	334,036	193,298
Above 5 years	124,531	72,048	369,274	153,183
	975,803	**732,114**	**2,427,541**	**1,681,269**

12. INVESTMENTS (PROVISION FOR INVESTMENT LOSS)

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Investments in subsidiaries and jointly-controlled subsidiaries	1,228,871	1,237,960	149,605	157,891
Other investments	2,502	2,502	2,502	2,502
Investments	**1,231,373**	**1,240,462**	**152,107**	**160,393**
Provision for investment loss	**(1,245,277)**	**(1,251,234)**	**-**	**-**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

a) Interest in subsidiaries and jointly-controlled entities

	Company			Consolidated
	Biosev Bioenergia S.A.	Biosev Bioenergia International S.A.	Biosev Comercializadora S.A.	TEAG
Capital	2,985,044	175	55,365	44,701
Profit (loss) for the year	142,467	(30,091)	(19,980)	(1,529)
Equity	(1,244,135)	295,906	27,520	38,837
Elimination of gains on the sale of property, plant and equipment with related parties	(1,111)	-	-	-
Shareholding interest	100%	100%	100%	50%
Value of investments in subsidiaries under equity method	**(1,245,246)**	**295,906**	**27,520**	**19,419**
Goodwill/realization of concession value, net	494,079	-	-	130,186
Elimination of gains on the sale of property, plant and equipment with related parties	(30)	-	-	-
Investments	**(751,197)**	**295,906**	**27,520**	**149,605**
Provision for investment loss	**(1,245,277)**	**-**	**-**	**-**
Equity pick up in subsidiaries	**142,437**	**(30,091)**	**(19,980)**	**(765)**

b) Changes in investments in subsidiaries, jointly-controlled entities and non-controlled entities

	Company							
				Goodwill				
	Biosev Bioenergia S.A.	Biosev Bioenergia International S.A.	Biosev Comercializadora S.A.	Tavares de Melo (*)	Ampla (*)	Other	03.31.21	03.31.20
Opening balance	(1,251,233)	326,014	6,500	-	-	2,502	**(916,217)**	**(85,938)**
Capital increase	-	-	41,000	-	-	-	**41,000**	**4,000**
Equity pick up in subsidiaries	142,437	(30,091)	(19,980)	-	-	-	**92,366**	**(1,109,447)**
Other comprehensive income (loss)	(136,481)	(17)	-	-	-	-	**(136,498)**	**274,249**
Other	-	-	-	-	-	-	**-**	**919**
Value of investments in subsidiaries under equity method	**(1,245,277)**	**295,906**	**27,520**	**-**	**-**	**2,502**	**(919,349)**	**(916,217)**
Goodwill	**494,079**	**-**	**-**	**407,675**	**3,691**	**-**	**905,445**	**905,445**
Value of investments	**494,079**	**295,906**	**27,520**	**407,675**	**3,691**	**2,502**	**1,231,373**	**1,240,461**
Provision for investment loss	**(1,245,277)**	**-**	**-**	**-**	**-**	**-**	**(1,245,277)**	**(1,251,233)**

(*) Companies merged in prior years.

	Consolidated			
	TEAG	Other	03.31.21	03.31.20
Opening balance	157,891	2,502	**160,393**	**169,913**
Equity pick up in subsidiaries	(9,163)	-	**(9,163)**	**(8,952)**
Profit (loss)	(765)	-	**(765)**	**(553)**
Realization of concession value, net	(8,399)	-	**(8,399)**	**(8,399)**
Other comprehensive loss	877	-	**877**	**(568)**
Value of investments	**149,605**	**2,502**	**152,107**	**160,393**
Value of investments	**149,605**	**2,502**	**152,107**	**160,393**

c) Investments in direct subsidiaries

- **Biosev Comercializadora S.A. (“Biosev Comercializadora”) – Direct subsidiary**

On January 12, 2021, the Extraordinary Shareholders’ Meeting of Biosev Comercializadora S.A. approved the conversion, in capital, of the total advance for future capital increase under the Agreement of Advance for Future Capital Increase (“AFAC”), entered into between the Company and Biosev S.A. on September 30, 2020. The Company’s capital, in the amount of R$41,000, increased from R$14,365 to R$55,365 upon issuance of 4,100,000,000 registered common shares, at the issuance price of R$0.01 per share, calculated based on the net equity value of the share, currently negative, under the terms of article 170, paragraph 1, item II, of the Brazilian Corporate Law.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

d) Investments in jointly-controlled entities

- **Terminal de Exportação de Açúcar do Guarujá Ltda. ("TEAG")**

Due to the Company's control over Crystalsev Comércio e Representação Ltda. ("Crystalsev") on December 28, 2011, the Company recognized, through its indirect subsidiary Sociedade Operadora Portuária (SOP), for accounting purposes, 50% of TEAG's capital. This investment results from a joint venture between SOP and Cargill Agrícola S.A., a Company headquartered in Guarujá, SP, engaged in the undertaking of operations typical of a port operator and shipping agency; the road transportation of goods for own account or for third parties; the provision of services for own account or for third parties, and the provision of specialized, commercial and industrial assistance to other local or foreign entities; and the holding of interests in other entities as shareholder.

TEAG operates under the concession agreement entered into with Companhia Docas do Estado de São Paulo (CODESP), falling due on July 6, 2038.

The balances of the balance sheet and statement of operations of the Company are broken down as follows:

	TEAG	
	03.31.21	03.31.20
Balance sheet		
Assets		
Total current assets	28,440	47,820
Long-term receivables	3,861	3,032
Property, plant and equipment and intangible assets	135,076	124,014
Total non-current assets	138,937	127,046
Total assets	**167,377**	**174,866**
Liabilities		
Total current liabilities	17,463	18,286
Total non-current liabilities	111,077	117,970
Equity		
Total equity	38,837	38,610
Total liabilities and equity	**167,377**	**174,866**

	TEAG	
	03.31.21	03.31.20
Statement of operations		
Net revenue	**67,200**	**52,971**
Operating expenses		
General, administrative and selling expenses	(61,275)	(51,652)
Other operating income	(2,061)	4,541
Operating income (loss) before finance income (costs)	**3,864**	**5,860**
Finance income (costs), net	(6,199)	(7,529)
Loss before taxation	**(2,335)**	**(1,669)**
Income tax and social contribution	806	563
Loss for the year	**(1,529)**	**(1,106)**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

13. PROPERTY, PLANT AND EQUIPMENT

	Company					
	03.31.21			03.31.20		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Land	14,730	-	14,730	15,095	-	15,095
Buildings	261,662	(132,149)	129,513	259,775	(92,431)	167,344
Improvements	26,261	(14,339)	11,922	25,587	(13,501)	12,086
Facilities	360,613	(220,613)	140,000	351,848	(208,192)	143,656
Furniture and fixtures	12,491	(8,729)	3,762	12,186	(8,193)	3,993
IT equipment	32,308	(30,246)	2,062	30,927	(28,672)	2,255
Machinery and equipment (*)	2,624,092	(1,717,399)	906,693	2,246,767	(1,388,282)	858,485
Vehicles	10,011	(8,207)	1,804	10,615	(8,567)	2,048
Agricultural machinery and implements (**)	1,004,039	(868,911)	135,128	960,728	(805,016)	155,712
Bearer plant	1,757,681	(1,466,483)	291,198	1,627,300	(1,366,804)	260,496
	6,103,888	**(4,467,076)**	**1,636,812**	**5,540,828**	**(3,919,658)**	**1,621,170**
Construction in progress (Note nº 13.1)	33,367	-	33,367	14,263	-	14,263
	6,137,255	**(4,467,076)**	**1,670,179**	**5,555,091**	**(3,919,658)**	**1,635,433**

	Consolidated					
	03.31.21			03.31.20		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Land	22,840	-	22,840	21,084	-	21,084
Buildings	479,814	(234,787)	245,027	475,559	(184,730)	290,829
Improvements	129,143	(63,870)	65,273	128,777	(60,118)	68,659
Facilities	565,173	(344,324)	220,849	545,312	(320,850)	224,462
Furniture and fixtures	21,487	(15,261)	6,226	20,731	(14,443)	6,288
IT equipment	62,961	(56,270)	6,691	60,607	(53,128)	7,479
Machinery and equipment (*)	6,135,547	(4,184,117)	1,951,430	5,595,046	(3,657,614)	1,937,432
Vehicles	31,408	(31,204)	204	35,459	(34,121)	1,338
Agricultural machinery and inputs (**)	1,844,818	(1,561,269)	283,549	1,734,333	(1,426,694)	307,639
Bearer Plant	3,192,070	(2,600,937)	591,133	2,966,966	(2,427,778)	539,188
	12,485,261	**(9,092,039)**	**3,393,222**	**11,583,874**	**(8,179,476)**	**3,404,398**
Construction in progress (Note nº 13.1)	131,238	-	131,238	72,993	-	72,993
	12,616,499	**(9,092,039)**	**3,524,460**	**11,656,867**	**(8,179,476)**	**3,477,391**

(*) Includes deferred manufacturing costs.
(**) Includes deferred agricultural costs.

The changes in the net value of property, plant and equipment are as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Opening balance	1,635,433	1,697,433	3,477,391	3,641,525
Acquisitions and additions	430,282	378,970	899,829	793,991
Residual value of write-offs	(9,084)	(53,726)	(14,668)	(58,913)
Transfer to assets held for sale (*)	44,261	19,312	44,261	22,818
Reversal (recognition) of allowance for impairment losses (*)	(23,251)	706	(24,772)	522
Depreciation for the year	(407,462)	(407,262)	(857,581)	(922,552)
	1,670,179	**1,635,433**	**3,524,460**	**3,477,391**

(*) See Note nº 13.4.

13.1 Construction in progress

Construction in progress is broken down by plant as follows:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company		Consolidated	
Plant	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
Leme	8,035	7,959	8,035	7,959
Passatempo	11,917	2,497	11,917	2,497
Lagoa da Prata	10,464	2,294	10,464	2,294
Rio Brilhante	2,911	1,513	2,911	1,513
Santa Elisa	-	-	38,016	16,295
Vale do Rosário	-	-	35,436	18,635
MB	-	-	10,006	7,647
Continental	-	-	14,413	16,153
Corporativo	40	-	40	-
	33,367	**14,263**	**131,238**	**72,993**

The balance of construction in progress refers basically to the adaptation of industrial facilities, increase in sugar production and refurbishment of administrative facilities.

13.2 Depreciation

As at March 31, 2021, assets were depreciation based on their estimated useful lives, as follows:

	Average useful life in
Buildings	51
Leasehold improvements	26
Facilities	18
Furniture and fixtures	12
IT equipment	7
Machinery and equipment	20
Vehicles	6
Agricultural machinery and inputs	8
Bearer plant	7

13.3 Fixed assets given in guarantee and commitments for acquisition of fixed assets

As at March 31, 2021, the Company had agreements with suppliers for acquisition of fixed assets, amounting to R$26,204 (R$21,607 as at March 31, 2020), and total fixed assets given in guarantee in the amount of R$1.057.572 (R$809,362 as at March 31, 2020).

13.4 Impairment

As at March 31, 2021, the impairment was reversed in the amount of R$23,251, in Company, and R$24,772, in Consolidated (R$706, in Company, and R$522, in Consolidated, as at March 31, 2010), due the sales and/or transfers of fixed assets between industrial clusters of the Group.

As at March 31, 2021, the accumulated balance of impairment is R$159,597, in Company, and R$290,587 in Consolidated (R$61,492 and R$190,961 as at March 31, 2020, respectively).

The main impaired assets comprise land, buildings, furniture and fixtures, computers, machinery and equipment, vehicles, and agricultural machinery and implements.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

14. INTANGIBLE ASSETS

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Goodwill				
Biosev Bioenergia	-	-	494,079	494,079
Usinas Tavares de Melo	-	-	407,675	407,675
Ampla	-	-	3,691	3,691
	-	**-**	**905,445**	**905,445**
Software				
Licenses	7,152	11,856	8,141	12,997
	7,152	**11,856**	**8,141**	**12,997**
Other	-	-	2,827	3,522
	-	**-**	**2,827**	**3,522**
	7,152	**11,856**	**916,413**	**921,964**

The changes in intangible assets are as follows:

	Company					
	03.31.20	Additions	Write-off	Amortization	Reversal Impairment	03.31.21
Software						
Licences	11,856	925	(264)	(5,506)	141	7,152
	11,856	**925**	**(264)**	**(5,506)**	**141**	**7,152**

	Company			
	03.31.19	Additions	Amortization	03.31.20
Software				
Licences	9,126	9,678	(6,948)	11,856
	9,126	**9,678**	**(6,948)**	**11,856**

	Consolidated					
	03.31.20	Additions	Write-off	Amortization	Reversal Impairment	03.31.21
Goodwill						
Biosev Bioenergia	494,079	-	-	-	-	494,079
Usinas Tavares de Melo	407,675	-	-	-	-	407,675
Ampla	3,691	-	-	-	-	3,691
Software						
Licences	12,997	1,286	(374)	(6,019)	251	8,141
Other						
Other	3,522	-	-	(695)	-	2,827
	921,964	**1,286**	**(374)**	**(6,714)**	**251**	**916,413**

	Consolidated			
	03.31.19	Additions	Amortization	03.31.20
Goodwill				
Biosev Bioenergia	494,079	-	-	494,079
Usinas Tavares de Melo	407,675	-	-	407,675
Ampla	3,691	-	-	3,691
Software				
Licences	9,726	10,747	(7,476)	12,997
Other				
Other	4,489	-	(967)	3,522
	919,660	**10,747**	**(8,443)**	**921,964**

14.1 Goodwill impairment test

The goodwill impairment test is conducted annually, considering the Company as a sole cash-generating unit, since this is the lowest goodwill level monitored by Management.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

The recoverable amount is determined based on the calculation of the value in use used for the cash flow projections based on the five-year financial budget, subject to annual growth rates beginning in the sixth year, combined with the discount rate discounts between 7.07% and 10.07% per year, net of taxes, and annual growth rates between 1.75% and 5%. The carrying amount would not exceed the recoverable value in the event of any reasonably possible change in key assumptions, on which the recoverable value is based.

14.2 Amortization

As at March 31, 2021, estimated useful life for intangible amortization purposes is as follows:

	Average useful life in years
License	4
Other	10

15. BORROWINGS AND FINANCING

Description	Currency	Weighted average financial charges	Maturity (*)	Collaterals	Company 03.31.21	Company 03.31.20
Advance on Foreign Exchange Contract (ACC) (a)	US$	Exchange rate change plus average interest rate of 5.16% p.a.	As at 03.31.23	Guarantee and promissory note	2,096,824	1,625,953
Export Prepayment - PPE (a)	US$	Exchange rate change plus Libor plus average interest rate of 4% p.a.	As at 03.25.23	Promissory note, receivables and collateral	763,283	680,727
Constitutional Fund to Finance the the Midwest - FCO	R$	Interest of 10% p.a.	As at 12.01.23	Guarantee, conditional sale and receivables	38,047	51,868
Finame	R$	Average interest rate of 9.62% p.a. and TLP + 4.62% p.a.	From 04.17.23 to 04.15.25	Conditional sale, guarantee and promissory note	30,974	38,370
Export Credit Note and Bill - NCE	R$	CDI plus average interest rate of 2%	As at 04.29.22	Guarantee, promissory note and collateral	181,129	181,212
Offshore Loan (a)	US$	Exchange rate change plus Libor plus average interest rate of 6.5% p.a.	As at 10.15.27	Mortgage, credit rights and collateral	272,709	285,479
Bank Credit Note - CCB	R$	CDI plus average interest rate of 2%	As at 03.30.23	Collection and assignment of receivables	138,969	139,434
					3,521,934	**3,003,043**
				Current liabilities	**3,475,444**	**2,935,559**
				Non-current liabilities	**46,490**	**67,484**

Description	Currency	Weighted average financial charges	Maturity (*)	Collaterals	Consolidated 03.31.21	Consolidated 03.31.20
Restructured debt (ex-Debentures) - R$	R$	CDI plus 1.72% p.a.	As at 07.10.24	Guarantee, receivables, mortgage and shares	69,345	99,771
Restructured debt - US$	US$	Exchange rate change plus Libor plus average interest rate of 2.47% p.a.	As at 07.10.23	Guarantee, receivables, mortgage and shares	562,173	741,176
Restructured debt (debenture) - R$ (a)	R$	CDI plus 1.72% p.a.	As at 07.10.24	Guarantee, receivables, mortgage and shares	104,799	140,590
Advance on Foreign Exchange Contract - ACC (a)	US$	Exchange rate change plus average interest rate of 5.95% p.a.	As at 03.31.23	Guarantee and promissory note	3,988,898	3,642,512
Export Prepayment – PPE (a)/(b)	US$	Exchange rate change plus Libor plus average interest rate of 4.55% p.a.	From 03.25.2023 to 04.30.23	Guarantee, promissory note,receivables and collateral	2,211,961	1,962,581
Constitutional Fund to Finance the Midwest - FCO	R$	Interest of 10% p.a.	As at 12.01.23	Guarantee, conditional sale and receivables	38,047	51,868
Finame	R$	Average interest rate of 9.55% p.a. and TLP +5.19% p.a.	From 04.15.21 to 04.15.25	Conditional sale, guarantee and promissory note	68,864	76,802
Export Credit Note and Bill - NCE	R$	CDI plus average interest rate of 2.% p.a.	As at 04.29.22	Guarantee, promissory note and collateral	181,129	181,212
Offshore Loan (a)	US$	Exchange rate change plus Libor plus average interest rate of 6.5% p.a.	As at 10.15.27	Mortgage, credit rights and collateral	272,709	285,479
Bank Credit Note - CCB	R$	CDI plus average interest rate of 2% p.a.	As at 03.30.23	Collection and assignment of receivables	138,967	139,434
					7,636,892	**7,321,425**
				Current liabilities	**7,561,956**	**7,225,234**
				Non-current liabilities	**74,936**	**96,191**

(*) Refers to the last maturity date of the agreements.

a) Net of commission costs and deferred expenses, in the amount of R$2,407, in Company, and R$6,975, in Consolidated, as at March 31, 2021 (R$2,755, in Company, and R$8,843, in Consolidated, as at March 31, 2020), monthly recorded in profit or loss through the maturity of such transaction.

b) Include export prepayments, contracted on January 9, 2015, by subsidiary Biosev Bioenergia International S.A. with the trade union of foreign financial institutions, in the amount of R$1,259,898 as at March 31, 2021 (R$1,150,301 as at March 31, 2020). These operations are collateralized by a set of assets for settlement. As at March 31, 2021, the foreign currency-denominated deposits comprise, together with the agricultural production (sugarcane) of specific units and sugar and ethanol inventories, the ratio of 139.43% of the obligations.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

Non-current liabilities mature as follows (crop year):

	Company	Consolidated
	03.31.21	03.31.21
April 2022 to March 2023	20,994	29,076
April 2023 to March 2024	16,879	24,960
April 2024 to March 2025	5,807	13,888
April 2025 to March 2026	2,810	7,011
	46,490	**74,936**

15.1 Changes in borrowings and financing

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Opening balance	**3,003,043**	**2,508,176**	**7,321,425**	**5,979,328**
Additions	1,091,998	1,840,335	1,852,663	4,459,444
Payment of principal	(871,494)	(1,961,531)	(2,168,957)	(4,733,209)
Interest, exchange rate changes and inflation adjustments and adjustment to fair value of loans, net	453,324	825,313	1,007,385	2,080,661
Payment of interest	(154,937)	(209,250)	(375,624)	(464,799)
Closing balance	**3,521,934**	**3,003,043**	**7,636,892**	**7,321,425**

15.2 Covenants

Some of the financing agreements entered into by the Company contain restrictive covenants, including the debt restructuring agreement of Biosev Bioenergia S.A., as set out in the Obligation Acknowledgment Master Agreement and Other Covenants entered into on October 26, 2009, and the related agreements, as part of the acquisition process of Biosev Bioenergia S.A.

These restrictive covenants, applicable beginning 2010 (inclusive), require compliance with a minimum current liquidity ratio, net debt-to-EBITDA (earnings before interest, taxes, depreciation and amortization) ratio, as defined in the terms of contracts, and EBITDA-to-net financial expenses ratio.

The verification of compliance with the restrictive covenants occurs annually, at the close of Company's year. As at March 31, 2021, the Company has not complied with certain financial indicators.

16. TRADE PAYABLES

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Related parties (note nº 20)				
In Brazil	6,857	6,068	387	8,001
Abroad	69,153	89,808	-	4,494
	76,010	**95,876**	**387**	**12,495**
Third parties				
In Brazil	272,570	215,843	706,693	662,534
Abroad	6,588	3,118	59,433	129,839
	279,158	**218,961**	**766,126**	**792,373**
	355,168	**314,837**	**766,513**	**804,868**
Current liabilities	**350,676**	**309,104**	**761,772**	**798,903**
Non-current liabilities	**4,492**	**5,733**	**4,741**	**5,965**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

17. TAXES PAYABLE

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Payment in installments	1,037	125	3,067	2,137
Tax on manufactured products (IPI)	-	-	414	1,027
State VAT (ICMS)	16,743	6,916	27,774	8,152
Taxes on revenue (PIS and COFINS)	6,568	314	12,166	4,979
Social Security Tax (INSS)	9,205	3,867	15,329	11,083
Income tax (IRPJ) and social contribution (CSLL)	10,712	3,378	40,999	40,299
Withholding Income Tax (IRPF)	12,660	12,660	12,660	12,660
Other	13,601	12,555	14,572	13,316
	70,526	**39,815**	**126,981**	**93,653**
Current liabilities	**51,856**	**21,314**	**108,311**	**75,152**
Non-current liabilities	**18,670**	**18,501**	**18,670**	**18,501**

18. PROVISION FOR TAX, LABOR, CIVIL AND ENVIRONMENTAL CONTINGENCIES

The Company is a party to various ongoing lawsuits involving tax, labor, civil and environmental matters arising in the normal course of business.

	Company					
	03.31.20	Inflation adjustment	Additions	Written-off reversals	Written-off payments	03.31.21
Tax						
Income tax (IRPJ) and social contribution (CSLL)	78	(32)	-	(47)	-	(1)
	78	**(32)**	**-**	**(47)**	**-**	**(1)**
Labor	84,919	2,790	17,876	(11,257)	(14,839)	79,489
Environmental	1,696	108	1,018	(286)	-	2,536
Civil	20,783	2,187	1,477	(1,069)	-	23,378
Criminal	605	(110)	-	(495)	-	-
	108,003	**4,975**	**20,371**	**(13,107)**	**(14,839)**	**105,403**
	108,081	**4,943**	**20,371**	**(13,154)**	**(14,839)**	**105,402**

	Company					
	03.31.19	Inflation adjustment	Additions	Written-off reversals	Written-off payments	03.31.20
Tax						
Income tax (IRPJ) and social contribution (CSLL)	76	2	-	-	-	78
	76	**2**	**-**	**-**	**-**	**78**
Labor	128,197	(5,372)	36,891	(69,721)	(5,076)	84,919
Environmental	1,468	298	3	(73)	-	1,696
Civil	8,338	5,307	9,510	(2,372)	-	20,783
Criminal	-	110	495	-	-	605
	138,003	**343**	**46,899**	**(72,166)**	**(5,076)**	**108,003**
	138,079	**345**	**46,899**	**(72,166)**	**(5,076)**	**108,081**

	Consolidated					
	03.31.20	Inflation adjustment	Additions	Written-off reversals	Written-off payments	03.31.21
Tax						
IPI levied on sugar sales	17,785	88	-	-	-	17,873
PIS and COFINS	3,406	-	-	-	-	3,406
Income tax (IRPJ) and social contribution (CSLL)	2,852	(32)	-	(47)	-	2,773
Other	16	-	-	-	-	16
	24,059	**56**	**-**	**(47)**	**-**	**24,068**
Labor	227,868	3,584	69,952	(18,908)	(71,461)	211,035
Environmental	11,354	(1)	2,065	(1,283)	-	12,135
Civil	30,782	366	2,327	(3,239)	-	30,236
Criminal	605	(110)	-	(495)	-	-
	270,609	**3,839**	**74,344**	**(23,925)**	**(71,461)**	**253,406**
	294,668	**3,895**	**74,344**	**(23,972)**	**(71,461)**	**277,474**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Consolidated					
	03.31.19	Inflation adjustment	Additions	Written-off reversals	Written-off payments	03.31.20
Tax						
IPI levied on sugar sales	17,584	201	-	-	-	17,785
PIS and COFINS	3,406	-	-	-	-	3,406
Income tax (IRPJ) and social contribution (CSLL)	2,850	2	-	-	-	2,852
Other	16	-	-	-	-	16
	23,856	**203**	**-**	**-**	**-**	**24,059**
Labor	236,368	1,266	107,519	(97,303)	(19,982)	227,868
Environmental	7,611	2,843	1,374	(474)	-	11,354
Civil	19,402	4,330	10,437	(3,387)	-	30,782
Criminal	-	110	495	-	-	605
	263,381	**8,549**	**119,825**	**(101,164)**	**(19,982)**	**270,609**
	287,237	**8,752**	**119,825**	**(101,164)**	**(19,982)**	**294,668**

IPI on high polarization sugar sales

The Group is a party to lawsuits challenging the IPI levied on high polarization sugar sales. The merits of these lawsuits are pending judgement. As at March 31, 2021, the accrued amount totaled R$17,873 (R$17,785 as at March 31, 2020).

Labor, environmental, and civil contingencies

As at March 31, 2021, there were labor, environmental, and civil lawsuits for which the Group recognized provisions for contingencies arising from the lawsuits whose likelihood of loss is considered probable or according to applicable accounting standards, based on the opinion of Group's legal counsel and past experience.

Labor claims are substantially related to (i) working hours; (ii) additional premiums; (iii) jointly-liability with service providers; (iv) occupational accidents and/or hazards/diseases; (v) organizational climate; (vi) compensation costs in relation to the items mentioned above.

Environmental lawsuits are substantially related to: (i) burn of sugarcane straw; and (ii) alleged non-authorized intervention or damages in an area considered by environmental authorities as a permanent preservation area.

Civil lawsuits basically refer to discussions involving contractual issues and occupational and/or traffic accidents, collection, possession issues and general indemnities.

Contingencies - court or out-of-court claims classified as possible losses and not accrued

Tax

The tax claims (court and out-of-court) existing as at March 31, 2021, with an acknowledged possible likelihood of loss and not accrued are shown in the table below:

	Company		Consolidated	
	03.31.21	**03.31.20**	**03.31.21**	**03.31.20**
Tax	647,697	725,832	1,562,011	1,652,707
	647,697	**725,832**	**1,562,011**	**1,652,707**

Among the contingencies for which a provision has not been recognized and that have been assessed as possible loss is the collection of ICMS due to an alleged difference identified in inventories. Additionally, there is a discussion also involving ICMS on the reasonableness in levying ICMS on export of semi-finished products.

Civil, environmental and labor

The civil, environmental and labor claims (court and out-of-court) as at March 31, 2021, with an acknowledged possible likelihood of loss and not provided for are shown in the table below:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Civil	164,361	101,979	229,212	147,405
Environmental	37,957	12,278	81,818	74,433
Labor	75,566	76,297	131,083	126,742
	277,884	**190,554**	**442,113**	**348,580**

As at March 31, 2021, the Group was a party to labor, environmental and civil lawsuits whose likelihood of loss is considered possible based on the opinion of Group's legal counsel.

Labor claims are substantially related to (i) working hours; (ii) time in transit; (iii) additional premiums; (iv) refund of deductions, such as trade union fees; (v) contractual exclusivity; (vi) jointly-liability with service providers; (vii) occupational accidents and/or hazards/diseases; (viii) organizational climate; (ix) validity of the collective bargaining agreement, and (x) compensation costs in relation to the items mentioned above.

Civil lawsuits basically refer to discussions involving contractual issues and occupational and/or traffic accidents, collection, possession issues and general indemnities.

Environmental lawsuits are substantially related to: (i) burn of sugarcane straw; and (ii) alleged non-authorized intervention or damages in an area considered by environmental authorities as a permanent preservation area.

19. RELATED PARTIES

a) Transactions with the Parent Company

Hédera Investimentos e Participações Ltda. is the direct parent of the Company, which as at March 31, 2021 holds 79.43% of the Company's total and voting capital.

Hédera Investimentos e Participações Ltda. is a subsidiary of Sugar Holdings B.V., which in turn has as its ultimate parent Louis Dreyfus Company NH B.V.

There were no transactions between the Parent Company and the Group in the year ended March 31, 2021.

b) Transactions with Subsidiaries

- **Sales customers**

As at March 31, 2021, the Company carried out sales transactions with the following subsidiaries:

Name	Relatioship with the Company or its subsidiaries
Biosev Bioenergia S.A.	Subsidiary.
Biosev Bioenergia International S.A.	Subsidiary.
Biosev Comercializadora de Energia	Subsidiary.

The agreements entered into with Biosev Bioenergia International S.A. provide for the purchase of products at the price agreed by the parties, based on market quotation.

The Company carries out eventual transactions with its subsidiaries, for purchase and sale of products and other, in accordance with the transaction.

- **Advance from customers**

As at March 31, 2021, the Company carried out advance from customer transactions with the following subsidiary:

Name	Relatioship with the Company or its subsidiaries
Biosev Bioenergia International S.A.	Subsidiary.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

- **Loan**

As at March 31, 2021, the Company carried out loan transactions with the following subsidiary:

Name	Relatioship with the Company or its subsidiaries
Biosev Bioenergia S.A.	Subsidiary.
Biosev Comercializadora de Energia	Subsidiary.
Sociedade Operadora Portuária de São Paulo S.A.	Subsidiary.

The agreement with Biosev Bioenergia S.A., on December 30, 2009, was entered into for undetermined period, subject to the CDI variation.

The table below shows the balances and transactions as at March 31, 2021 between the Company and its subsidiaries, which are consolidated in its balance sheet:

	Company		
	Assets		
Subsidiaries	**Trade receivables**	**Loan**	**Total**
Biosev Bioenergia International S.A.	95,389	-	**95,389**
Biosev Bioenergia S.A.	20,390	233,706	**254,096**
Biosev Comercializadora S.A.	8,053	6	**8,059**
03.31.21	**123,832**	**233,712**	**357,544**
Biosev Bioenergia International S.A.	132,489	-	**132,489**
Biosev Bioenergia S.A.	4,164	26,736	**30,900**
Biosev Comercializadora S.A.	3,334	-	**3,334**
03.31.20	**139,987**	**26,736**	**166,723**

	Company			
	Liabilities			
Subsidiaries	**Trade payables (*)**	**Advances from customers (**)**	**Loan**	**Total**
Biosev Bioenergia International S.A.	72,509	786,319	-	**858,828**
Biosev Bioenergia S.A.	3,175	-	-	**3,175**
Biosev Comercializadora S.A.	3,420	-	383	**3,803**
Sociedade Operadora Portuária de São Paulo S.A.	-	-	14,374	**14,374**
03.31.21	**79,104**	**786,319**	**14,757**	**880,180**
Biosev Bioenergia International S.A.	95,932	814,736	-	**910,668**
Biosev Bioenergia S.A.	4,134	-	-	**4,134**
Sociedade Operadora Portuária de São Paulo S.A.	-	-	14,108	**14,108**
03.31.20	**100,066**	**814,736**	**14,108**	**928,910**

(*) As at March 31, 2021, the amount of R$3,356 (R$3,062 as at March 31, 2020) was recorded in current liabilities, in line item “Other payables”.

(**) As at March 31, 2021, the amounts of R$417,799 (R$12,231 as at March 31, 2020) and R$368,520 (R$802,505 as at March 31, 2020) were recorded in current liabilities and non-current liabilities, respectively.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company					
	Profit (loss)					
	Income			Expenses		
Subsidiaries	Sales	Interest	Total	Purchases	Interest	Total
Biosev Bioenergia International S.A.	650,213	-	**650,213**	(494)	(137,421)	**(137,915)**
Biosev Bioenergia S.A.	62,838	683	**63,521**	(2,005)	-	**(2,005)**
Biosev Comercializadora S.A.	46,874	58	**46,932**	(24,256)	-	**(24,256)**
Sociedade Operadora Portuária de São Paulo S.A.	-	-	-	-	(454)	**(454)**
03.31.21	**759,925**	**741**	**760,666**	**(26,755)**	**(137,875)**	**(164,630)**
Biosev Bioenergia International S.A.	177,339	-	**177,339**	(461)	(268,504)	**(268,965)**
Biosev Bioenergia S.A.	18,994	2,463	**21,457**	(950)	-	**(950)**
Biosev Comercializadora S.A.	38,827	411	**39,238**	(2,960)	-	**(2,960)**
Sociedade Operadora Portuária de São Paulo S.A.	-	-	-	-	(698)	**(698)**
03.31.20	**235,160**	**2,874**	**238,034**	**(4,371)**	**(269,202)**	**(273,573)**

c) Other related parties

- **Sales customers**

As at March 31, 2021, the Company and its subsidiaries carried out input purchase transactions with the following related parties:

Name	Relatioship with the Company or its subsidiaries
Louis Dreyfus Company Brasil S.A.	Company under common control.
Louis Dreyfus Company Suisse S.A.	Company under common control.
Term Commodities Inc.	Company under common control.
LDC Ethanol Interior Merchandising	Company under common control.

The agreements provide for the sale of sugarcane molasses, liquid sugar, VHP sugar, power and ethanol at the price agreed by the parties based on market quotations.

The agreements entered into with Louis Dreyfus Company Suisse S.A. provide for the exports that generate accounts receivable in dollars, cash against documents.

- **Cost and service sharing**

As at March 31, 2021, the Company and its subsidiaries held cost and service sharing transactions with the following related parties:

Name	Relatioship with the Company or its subsidiaries
LDC Trading and Services Co. S.A.	Company under common control.
Louis Dreyfus Company Brasil S.A.	Company under common control.

The agreements entered into with companies under common control provide for the mutual sharing of the structures in the accounting, budget, legal, commercial, administrative, supply, treasury, human resources, communication and information technology areas, at the prices equivalent to costs incurred. The amounts payable by the parties arising from shared costs are settled in cash.

The agreement entered into with Term Commodities Inc. provides for the provision of brokerage services to futures contracts in commodities exchange, at the price determined based on the number of agreements executed. The balance of short-term investments represents the margin deposit which guarantee futures market operations.

- **Export of commodities**

As at March 31, 2021, the Company and its subsidiaries carried out export transactions of commodities with the following related party:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

Name	Relatioship with the Company or its subsidiaries
Louis Dreyfus Company Brasil S.A.	Company under common control.
Louis Dreyfus Company Suisse S.A.	Company under common control.

The agreement for export of commodities entered into with Louis Dreyfus Company Brasil S.A. provides for the purchase and sale of goods for future delivery specifically for export purposes in order to comply with obligations previously assumed.

- **Input and finished products suppliers**

As at March 31, 2021, the Company and its subsidiaries carried out input purchase transactions with the following related parties:

Name	Relatioship with the Company or its subsidiaries
Biosev Bioenergia International S.A.	Subsidiary.
Biosev Comercializadora de Energia	Subsidiary.
Louis Dreyfus Company Brasil S.A.	Company under common control.
Macrofertil Industria e Comércio de Fertilizantes S.A.	Company under common control.
Term Company Inc.	Company under common control.

The agreements provide for the supply of fertilizers and are effective through the full compliance with the obligations.

- **Service providers**

As at March 31, 2021, the Company and its subsidiaries held sugar elevation and storage transactions with the following related party:

Name	Relatioship with the Company or its subsidiaries
TEAG - Terminal de Exportação de Açúcar do Guarujá Ltda.	Jointly-controlled entity

The agreements entered into with TEAG set forth the provision of sugar elevation services through TEAG. The price is determined by ton of sugar.

The table below shows the balances and transactions as at March 31, 2021 between the Company and other related parties:

	Company			
	Assets			
	Derivatives (*)	Trade receivables	Advances to suppliers	Total
Companies under common control				
Louis Dreyfus Company Suisse S.A.	-	3,126	-	**3,126**
Louis Dreyfus Company Brasil S.A.	-	2,627	-	**2,627**
Term Commodities Inc.	93,662	-	-	**93,662**
03.31.21	**93,662**	**5,753**	**-**	**99,415**
Companies under common control				
Louis Dreyfus Company Suisse S.A.	-	1,014	-	**1,014**
Louis Dreyfus Company Brasil S.A.	-	-	885,170	**885,170**
Term Commodities Inc.	19,112	-	-	**19,112**
03.31.20	**19,112**	**1,014**	**885,170**	**905,296**

(*) As at March 31, 2021, the amount of R$93,662 (R$19,112 as at March 31, 2020) was recorded in line item “Short-term investments”, relating to margin deposits in derivative transactions.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Consolidated			
	Assets			
	Derivatives (*)	Trade receivables	Advances to suppliers	Total
Companies under common control				
Louis Dreyfus Company Brasil S.A.	-	2,658	-	**2,658**
LDC Ethanol Interior Merchandising	-	99	-	**99**
Louis Dreyfus Company Suisse S.A.	-	3,948	-	**3,948**
Term Commodities Inc.	93,662	77	-	**93,739**
03.31.21	**93,662**	**6,782**	**-**	**100,444**
Companies under common control				
Louis Dreyfus Company Brasil S.A.	-	-	2,506,685	**2,506,685**
Louis Dreyfus Company Ethanol Merchandising LLC	-	91	-	**91**
Louis Dreyfus Company Suisse S.A.	-	2,153	-	**2,153**
Term Commodities Inc.	19,112	261	-	**19,373**
03.31.20	**19,112**	**2,505**	**2,506,685**	**2,528,302**

(*) As at March 31, 2021, the amount of R$93,662 (R$19,112 as at March 31, 2020) was recorded in line item “Short-term investments”, relating to margin deposits in derivative transactions.

	Company			
	Liabilities			
	Derivatives	Trade payables	Advances from customers	Total
Companies under common control				
Louis Dreyfus Company Brasil S.A.	-	262	-	**262**
Term Commodities Inc.	65,008	-	-	**65,008**
03.31.21	**65,008**	**262**	**-**	**65,270**
Companies under common control				
Louis Dreyfus Company Brasil S.A.	-	185	-	**185**
Louis Dreyfus Company Suisse S.A.	-	-	878,580	**878,580**
Term Commodities Inc.	6,585	-	-	**6,585**
	6,585	**185**	**878,580**	**885,350**
Jointly-controlled entity				
TEAG - Terminal Exp. Açúcar Guarujá Ltda.	-	1,749	-	**1,749**
	-	**1,749**	**-**	**1,749**
03.31.20	**6,585**	**1,934**	**878,580**	**887,099**

	Consolidated			
	Liabilities			
	Derivatives	Trade payables	Advances from customers	Total
Companies under common control				
Louis Dreyfus Company Brasil S.A.	-	387	-	**387**
Term Commodities Inc.	65,008	-	-	**65,008**
03.31.21	**65,008**	**387**	**-**	**65,395**
Companies under common control				
Louis Dreyfus Company Brasil S.A.	-	309	-	**309**
Louis Dreyfus Company Suisse S.A.	289	4,251	2,486,605	**2,491,145**
LDC Trading and Services Co. S.A.	-	243	-	**243**
Term Commodities Inc.	6,585	-	-	**6,585**
	6,874	**4,803**	**2,486,605**	**2,498,282**
Jointly-controlled entity				
TEAG - Terminal Exp. Açúcar Guarujá Ltda.	-	7,692	-	**7,692**
	-	**7,692**	**-**	**7,692**
03.31.20	**6,874**	**12,495**	**2,486,605**	**2,505,974**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company					
	Profit (loss)					
	Income			Expenses		
	Sales	Interest and exchange rate changes	Total income	Sales	Interest and exchange rate changes	Total expenses
Companies under common control						
Louis Dreyfus Company Brasil S.A.	2,627	-	**2,627**	(1,391,714)	-	**(1,391,714)**
Louis Dreyfus Company Suisse S.A.	1,597,653	-	**1,597,653**	(183)	-	**(183)**
Macrofértil Indústria e Comércio de Fertilizantes Ltda.	-	-	**-**	(105)	-	**(105)**
Term Commodities Inc.	-	-	**-**	(17,218)	-	**(17,218)**
	1,600,280	**-**	**1,600,280**	**(1,409,220)**	**-**	**(1,409,220)**
Jointly-controlled entity						
Teag-Terminal Exp. Açúcar Guarujá Ltda.	(2)	-	**(2)**	(5,039)	-	**(5,039)**
	(2)	**-**	**(2)**	**(5,039)**	**-**	**(5,039)**
03.31.21	**1,600,278**	**-**	**1,600,278**	**(1,414,259)**	**-**	**(1,414,259)**
Companies under common control						
Louis Dreyfus Company Brasil S.A.	3,009	-	**3,009**	(1,003,590)	(32,606)	**(1,036,196)**
Louis Dreyfus Company Suisse S.A.	1,028,656	22,678	**1,051,334**	(2)	-	**(2)**
Term Commodities Inc.	-	-	**-**	(8,039)	-	**(8,039)**
	1,031,665	**22,678**	**1,054,343**	**(1,011,631)**	**(32,606)**	**(1,044,237)**
Jointly-controlled entity						
Teag-Terminal Exp. Açúcar Guarujá Ltda.	2	-	**2**	(1,938)	-	**(1,938)**
	2	**-**	**2**	**(1,938)**	**-**	**(1,938)**
03.31.20	**1,031,667**	**22,678**	**1,054,345**	**(1,013,569)**	**(32,606)**	**(1,046,175)**

	Consolidated					
	Profit (loss)					
	Income			Expenses		
	Sales	Interest and exchange rate changes	Total income	Sales	Interest and exchange rate changes	Total expenses
Companies under common control						
LDC Trading and Services Co.S.A.	-	-	**-**	(864)	(192)	**(1,056)**
Louis Dreyfus Company Brasil S.A.	3,358	-	**3,358**	(3,194,703)	-	**(3,194,703)**
Louis Dreyfus Company Suisse S.A.	5,148,413	-	**5,148,413**	(397,146)	(1,134)	**(398,280)**
Macrofértil Indústria e Comércio de Fertilizantes Ltda.	-	-	**-**	(185)	-	**(185)**
Term Commodities Inc.	-	-	**-**	(17,596)	(353)	**(17,949)**
	5,151,771	**-**	**5,151,771**	**(3,610,494)**	**(1,679)**	**(3,612,173)**
Jointly-controlled entity						
Teag-Terminal Exp. Açúcar Guarujá Ltda.	(23)	-	**(23)**	(21,386)	-	**(21,386)**
	(23)	-	**(23)**	**(21,386)**	**-**	**(21,386)**
03.31.21	**5,151,748**	**-**	**5,151,748**	**(3,631,880)**	**(1,679)**	**(3,633,559)**
Companies under common control						
Louis Dreyfus Company Ethanol Merchandising LLC	-	-	**-**	-	(1)	**(1)**
LDC Trading and Services Co.S.A.	-	-	**-**	(886)	(22)	**(908)**
Louis Dreyfus Company Brasil S.A.	3,405	-	**3,405**	(1,729,423)	(143,584)	**(1,873,007)**
Louis Dreyfus Company Suisse S.A.	2,540,640	52,648	**2,593,288**	(34,681)	-	**(34,681)**
Macrofértil Indústria e Comércio de Fertilizantes Ltda.	-	-	**-**	(674)	-	**(674)**
Term Commodities Inc.	-	78	**78**	(8,778)	-	**(8,778)**
	2,544,045	**52,726**	**2,596,771**	**(1,774,442)**	**(143,607)**	**(1,918,049)**
Jointly-controlled entity						
Teag-Terminal Exp. Açúcar Guarujá Ltda.	23	-	**23**	(16,041)	(8)	**(16,049)**
	23	-	**23**	**(16,041)**	**(8)**	**(16,049)**
03.31.20	**2,544,068**	**52,726**	**2,596,794**	**(1,790,483)**	**(143,615)**	**(1,934,098)**

d) Compensation of key management personnel

The compensation of officers and other key management personnel for the year is as follows:

	Company and Consolidated	
	03.31.21	03.31.20
Short-term benefits	9,578	10,621
Long-term benefits	2,302	1,457
	11,880	**12,078**

Short-term benefits of the key management personnel consist of salaries, social security and pension plan contributions, payroll taxes, profit sharing, and short-term performance bonuses. Long-term benefits include performance bonus and deferred benefits that expired in each financial statement.

20. EQUITY

Capital

The changes in capital are as follows:

	Common	In thousands of Brazilian reais - R$	
	shares	Capital	Capital reserve
03.31.20	1,020,429,426	6,077,674	1,353,937
03.31.21	1,020,429,426	6,077,674	1,353,937

Capital reserve

Capital reserve is composed of the balances of goodwill reserves in the issuance of shares, buyback of shares and costs directly related to the offer of shares.

Dividend policy

The Company’s bylaws establish the distribution of a mandatory dividend of 25% of the profit for the year, adjusted as established by Article 202 of Law 6404/76, which is paid in the same year when the distribution is approved.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

21. NET REVENUE AND COST OF SALES AND SERVICES

	Company		Consolidated	
	03.31.21	**03.31.20**	**03.31.21**	**03.31.20**
Gross revenue				
Domestic market				
Sugar	252,501	142,789	320,065	224,891
Ethanol	982,958	1,427,725	1,646,212	2,861,119
Energy	181,226	166,000	622,851	528,635
Other	24,969	10,442	62,202	40,527
	1,441,654	**1,746,956**	**2,651,330**	**3,655,172**
Foreign market				
Sugar	856,350	295,072	3,288,009	1,108,259
Ethanol	81,385	23,559	1,170,775	483,397
Other (a)	1,653,294	1,037,868	3,541,226	1,819,540
	2,591,029	**1,356,499**	**8,000,010**	**3,411,196**
	4,032,683	**3,103,455**	**10,651,340**	**7,066,368**
Taxes (b)	(124,562)	(196,294)	(305,823)	(520,602)
Sales rebates	(6,130)	(4,577)	(15,525)	(7,680)
Net revenue	**3,901,991**	**2,902,584**	**10,329,992**	**6,538,086**
Cost of sales and services (c)				
Domestic market				
Sugar	(216,576)	(82,315)	(280,338)	(135,202)
Ethanol	(700,805)	(993,695)	(1,179,199)	(2,014,717)
Energy	(50,430)	(47,298)	(416,575)	(326,768)
Other	(8,279)	(10,029)	(45,439)	(36,104)
	(976,090)	**(1,133,337)**	**(1,921,551)**	**(2,512,791)**
Foreign market				
Sugar (d)	(568,598)	(231,441)	(2,549,538)	(1,196,996)
Ethanol (d)	(58,850)	(20,666)	(903,444)	(492,923)
Other (a)	(1,685,626)	(1,042,519)	(3,560,778)	(1,800,373)
	(2,313,074)	**(1,294,626)**	**(7,013,760)**	**(3,490,292)**
Gains on changes in fair value less estimated costs to sell biological assets				
Sugar	435,908	24,837	653,373	75,467
Ethanol	443,192	95,984	636,820	146,981
	879,100	**120,821**	**1,290,193**	**222,448**
	(2,410,064)	**(2,307,142)**	**(7,645,118)**	**(5,780,635)**

a) Amounts relating to the export of commodities.

b) Include government grants, which reduced the taxable base on sales by R$99,287, in Company, in the year ended March 31, 2021 (R$98,315 as at March 31, 2020).

c) Include PIS and COFINS credits in the amount of R$13,986, in Company, and R$25,579, in Consolidated, in the year ended March 31, 2021 (R$16,918 and R$32,095, as at March 31, 2020, respectively), as prescribed by article 3, of Law 10637/02, which addresses the non-cumulativeness of PIS/PASEP; and article 3, of Law 10833/03, which addresses the non-cumulativeness of COFINS.

d) Include REINTEGRA credits, in the amount of R$915, in Company, and R$3,550, in Consolidated, in the year ended March 31, 2021 (R$2,600 and R$3,809, as at March 31, 2020, respectively), as set forth in article 21, of Law 13043, of November 13, 2014, which addresses the REINTEGRA reintroducing.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

22. EXPENSES BY NATURE

The information on the nature of cost of sales and services and general, administrative and selling expenses is as follows:

	Company		Consolidated	
	03.31.21	**03.31.20**	**03.31.21**	**03.31.20**
Cost of sales and services				
Personnel (*)	(213,622)	(207,785)	(472,697)	(472,046)
Depreciation and amortization (**)	(1,129,908)	(910,125)	(2,179,679)	(1,874,474)
Raw materials and inputs, net of taxes:				
Raw materials	(198,665)	(197,512)	(1,104,669)	(946,356)
Inputs and services	(25,568)	(23,904)	(109,695)	(86,683)
Products for resale	(1,721,401)	(1,088,637)	(5,068,571)	(2,623,524)
	(1,945,634)	**(1,310,053)**	**(6,282,935)**	**(3,656,563)**
Gains on changes in fair value less estimated costs to sell biological assets	879,100	120,821	1,290,193	222,448
	(2,410,064)	**(2,307,142)**	**(7,645,118)**	**(5,780,635)**
General, administrative and selling expenses				
Personnel (*)	(47,107)	(63,473)	(124,234)	(127,225)
Depreciation	(10,444)	(11,989)	(21,239)	(23,553)
Freight	(76,256)	(34,191)	(227,972)	(124,389)
Services	(47,702)	(59,365)	(114,645)	(104,326)
Shipping expenses	(7,830)	(3,045)	(72,976)	(38,947)
Other	(22,855)	(20,052)	(38,177)	(36,295)
	(212,194)	**(192,115)**	**(599,243)**	**(454,735)**

(*) As at March 31, 2021, the personnel expenses, in Company and Consolidated, comprise R$260,729 and R$596,931, respectively (R$271,258 and R$599,270 as at March 31, 2020), and R$7,023 and R$15,646 (R$5,414 and R$11,946 as at March 31, 2020) relating to INSS contribution, respectively.

(**) Includes biological asset and agricultural produce.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

23. FINANCE INCOME (EXPENSES)

	Company		Consolidated	
Finance income	**03.31.21**	**03.31.20**	**03.31.21**	**03.31.20**
Discounts obtained	1,250	402	1,895	1,021
Revenue from fixed income short-term investments	1,750	4,690	4,412	10,858
Interest	17,508	18,303	12,559	17,441
Other	1,606	577	3,516	4,065
	22,114	**23,972**	**22,382**	**33,385**
Finance costs				
Interest	(311,678)	(303,859)	(593,365)	(614,935)
Discounts granted	(1)	(286)	(9)	(104)
Tax on Financial Transactions (IOF)	(2,824)	(1,408)	(7,584)	(5,451)
Tax on Financial Transactions (IOF) - loan	(5)	(204)	(1,279)	(3,294)
Other	(4,886)	(39,021)	(7,808)	(41,687)
Taxes on revenue (PIS and COFINS) on finance income	(1,505)	(1,424)	(2,007)	(2,231)
	(320,899)	**(346,202)**	**(612,052)**	**(667,702)**
Derivatives				
Commodities derivatives - Commercial transactions	(390,470)	163,181	(53,352)	82,241
Commodities derivatives - Financial transactions	140,175	(35,875)	140,175	(35,875)
Interest rate derivatives - Libor swap	-	-	(10,947)	(3,824)
	(250,295)	**127,306**	**75,876**	**42,542**
Exchange rate changes	**(325,525)**	**(839,385)**	**(664,145)**	**(1,785,809)**
Finance costs	**(874,605)**	**(1,034,309)**	**(1,177,939)**	**(2,377,584)**

24. OTHER OPERATING INCOME (EXPENSES)

	Company		Consolidated	
	03.31.21	**03.31.20**	**03.31.21**	**03.31.20**
Recognition of provision for tax, labor, civil and environmental contingencies	7,622	30,343	21,089	1,321
Contratual fines and indemnities	(98,482)	(54,259)	(334,749)	(59,911)
Tax expenses	(5,216)	(7,674)	(3,120)	(14,788)
Reversal of impairment of fixed assets	(23,110)	706	(24,521)	522
Gains (losses) on sale of property, plant and equipment	(7,590)	10,347	(4,568)	15,037
Income (loss) from sale of held-for-sale assets (land)	-	(3,767)	-	(3,767)
Reversal (recognition) of allowance for impairment - Held-for-sale assets	-	53,726	-	53,726
Reversal (recognition) of estimated losses on doubtful accounts	(59)	(591)	394	(797)
Law suit against Instituito do Acucar e do Alcool - IAA	-	43,577	-	76,671
Provision for other losses	(69)	(191)	(23,237)	(65,287)
Untimely PIS/COFINS credits	-	18,110	-	65,101
Other operating income (expenses), net	9,769	(206)	21,004	2,925
Total other operating income (expenses), net	**(117,135)**	**90,121**	**(347,708)**	**70,753**
Total other operating income	**26,754**	**195,994**	**38,294**	**351,164**
Total other operating expenses	**(143,889)**	**(105,873)**	**(386,002)**	**(280,411)**

25. LOSS PER SHARE

The basic and diluted loss per share was calculated based on the loss attributable to the Biosev's owners divided by the weighted average number of outstanding common shares in the year.

	Company		Consolidated	
	03.31.21	**03.31.20**	**03.31.21**	**03.31.20**
Profit (loss) for the year attributable to the Company's owners	163,094	(1,551,090)	163,094	(1,551,090)
Weighted average number of shares used to calculate basic and diluted earnings per share	523,188,005	454,559,946	523,188,005	454,559,946
Total basic and diluted loss per share	**0.31173**	**(3.41229)**	**0.31173**	**(3.41229)**

(Amounts in thousands of Brazilian reais, unless otherwise stated)

26. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

I - Risk management

The Company is exposed to certain risks arising from its operations, such as: market, credit, liquidity and capital risks.

In order to manage these risks, the Company timely implements the proper committee to discuss the following issues: i) monitoring and approval of the hedge percentages through financial instruments and respective sugar, ethanol and power price levels; ii) monitoring of the exposure and approval of the credit limit; iii) monitoring of the liquidity and definition of the strategic actions to meet the cash needs in the short, medium and long terms; and iii) monitoring of the claims in the Company's operations and insurance coverage.

On a daily basis, the exposures are mapped and reported to the Company's management so that the necessary decisions are undertaken.

The definition of percentages and the contracting of hedges through derivative instruments guided by the Financial and Risk Management Policy approved and reviewed by the Board of Directors on January 13, 2020. Additionally, the Company does not carry out transactions with any type of leverage, as well as does not have transactions with exotic derivatives.

The risk management policies, practices and instruments are oversight by the Executive Committee and the Strategic Committee (the body that supports the Company's Board of Directors).

26.1 Market risk

The Company is mainly exposed to risks related to foreign exchange, agricultural commodity price fluctuations, power price and interest rates. In order to hedge against these market risks, the Company contracts the following derivative instruments:

Foreign exchange	Price	Interest
Futures and options - B3 (DDI/DI1/DOL); Forwards – OTC	Sugar futures - NY11/Ethanol futures - B3; Swap/Forwards - OTC (sugar); Options - OTC (sugar).	Interest swap

As at March 31, 2021, the assets and liabilities relating to the derivative transactions are broken down as follows:

	Company		Consolidated	
	03.31.21	03.31.20	03.31.21	03.31.20
Exchange risk management (Note nº 26.1.1)	20,738	(343,960)	20,738	(343,959)
Interest rate risk management (Note nº 26.1.2)	-	-	(19,407)	(27,963)
Agricultural commodity risk management (Note nº 26.1.3)	(59,633)	(5,441)	(36,422)	50,155
	(38,895)	**(349,401)**	**(35,091)**	**(321,767)**
Current assets	**156,801**	**225,787**	**169,636**	**225,787**
Non-current assets	**10,191**	**-**	**30,519**	**55,885**
Current liabilities	**(199,026)**	**(575,188)**	**(221,574)**	**(586,843)**
Non-current liabilities	**(6,861)**	**-**	**(13,672)**	**(16,596)**

26.1.1 Foreign exchange risk management

Because the Company's functional currency is the Brazilian real (R$), the foreign currency-denominated operations are exposed to the foreign exchange risk. In order to reduce the changes in profit or loss and balance arising from net revenue flows, costs and debts denominated in US dollars, the Company held the following outstanding derivative positions as at March 31, 2021:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company and Consolidated							
			Notional value					
	Average exchange rate		Foreign currency		Domestic currency (*)		Fair value	
	03.31.21	03.31.20	03.31.21	03.31.20	03.31.21	03.31.20	03.31.21	03.31.20
			(Sale) purchase		(Sale) purchase			
Outstanding forward contracts – NDF US Dollar								
Hedge Accounting - Cash Flow								
Sale	5.5787	4.2685	(313,112)	(380,500)	(1,746,759)	(1,624,177)	(51,273)	(359,644)
Purchase	5.7021	-	47,675	-	271,850	-	1,791	-
			(265,437)	(380,500)	(1,474,909)	(1,624,177)	(49,481)	(359,644)
Non- Hedge Acccounting								
Sale	5.4249	4.6227	(319,728)	(314,500)	(1,734,477)	(1,453,833)	(69,432)	(190,392)
Purchase	5.5093	4.7351	585,165	425,000	3,223,832	2,012,401	105,475	205,822
			265,437	110,500	1,489,355	558,568	36,043	15,430
Futures B3 - Non-hedge Accounting								
DOL - dollar futures	5.6973	5.1987	(13,750)	54,750	(78,338)	284,629	2,459	1,443
DDI - future exchange coupon			19,229	(85,160)	109,555	(442,721)	(2,887)	(1,511)
DI - 1 day:			22,664	70,725	129,122	367,677	309	322
			28,143	40,315	160,339	209,585	(120)	254
Options B3 - Non-hedge Accounting								
Options - US dollar			250,000	-	1,424,325	-	34,296	-
			250,000	-	1,424,325	-	34,296	-
							20,738	(343,960)

(*) Convenience conversion.

26.1.2 Interest rate risk management

The Company is exposed to floating interest rates (Libor USD and CDI) arising from borrowings and financing, advances from customers, cash and cash equivalents and short-term investments.
In order to hedge against variations that may impact its cash flow, the Company hedged a portion of its exposure (Debt indexed to the Libor USD) through derivative instruments (Cash Flow Swap) contracted with first class financial institutions, in order to exchange the exposure to the Libor USD for fixed interest rates.

These derivative instruments are broken down as follows as at March 31, 2021:

	Consolidated							
			Notional value					
	Fixed average rate - %		Foreign currency		Domestic currency (*)		Fair value	
	03.31.21	03.31.20	03.31.21	03.31.20	03.31.21	03.31.20	03.31.21	03.31.20
Hedge Accounting - Cash Flow								
Outstanding position:								
Less than 1 year	3.1467%	3.1467%	39,967	39,967	230,376	207,775	(12,596)	(11,367)
1 to 2 years	3.1467%	3.1467%	39,967	39,967	230,376	207,775	(5,730)	(10,659)
2 to 5 years	3.1467%	3.1467%	16,035	56,002	92,429	291,136	(1,081)	(5,937)
			95,968	135,936	553,180	706,686	(19,407)	(27,963)

(*) Convenience conversion.

26.1.3 Agricultural commodity risk management

The Company is exposed to the changes in sugar, ethanol and power prices that may impact its future income. In order to mitigate such market exposure, the Company's risk committee approves the volumes and price levels to be hedged as contracted by the Company's market intelligence desk.

As at March 31, 2021, the outstanding derivate instruments are broken down as follows:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company					
	Notional value					
	Foreign currency		Domestic currency (*)		Fair value	
	03.31.21	03.31.20	03.31.21	03.31.20	03.31.21	03.31.20
Sugar futures - ICE						
Hedge Accounting - Cash Flow	(121,578)	(138,660)	(692,668)	(720,852)	5,594	(2,026)
Hedge Accounting - Fair Value	132,206	132,652	753,219	689,618	(24,396)	1,600
Non-hedge Accounting	(21,170)	(5,365)	(120,609)	(27,889)	(46,065)	(6,159)
	(10,542)	**(11,373)**	**(60,059)**	**(59,123)**	**(64,867)**	**(6,585)**
Sugar Sales Agreements						
Hedge Accounting - Fair Value	(22,043)	-	(125,584)	-	4,067	-
	(22,043)	**-**	**(125,584)**	**-**	**4,067**	**-**
Sugar options - ICE						
Non-hedge Accounting	(25)	2,359	(140)	12,264	(140)	606
	(25)	**2,359**	**(140)**	**12,264**	**(140)**	**606**
Sugar options - OTC						
Non-hedge Accounting	-	(10,545)	-	(54,820)	-	(836)
	-	**(10,545)**	**-**	**(54,820)**	**-**	**(836)**
NDF sugar - OTC						
Non-hedge Accounting	-	(9,822)	-	(51,062)	-	1,156
	-	**(9,822)**	**-**	**(51,062)**	**-**	**1,156**
Ethanol futures - B3						
Non-hedge Accounting	35,869	(425)	204,358	(2,211)	1,307	218
	35,869	**(425)**	**204,358**	**(2,211)**	**1,307**	**218**
					(59,634)	**(5,441)**

	Consolidated					
	Notional value					
	Foreign currency		Domestic currency (*)		Fair value	
	03.31.21	03.31.20	03.31.21	03.31.20	03.31.21	03.31.20
Sugar futures - ICE						
Hedge Accounting - Cash Flow	(121,578)	(138,660)	(692,668)	(720,852)	5,594	(2,026)
Hedge Accounting - Fair Value	132,206	132,652	753,219	689,618	(24,396)	1,600
Non-hedge Accounting	(21,170)	(5,365)	(120,609)	(27,889)	(46,065)	(6,159)
	(10,542)	**(11,373)**	**(60,059)**	**(59,123)**	**(64,867)**	**(6,585)**
Sugar Sales Agreements						
Hedge Accounting - Fair Value	(132,206)	(132,652)	(753,219)	(689,618)	24,396	55,885
	(132,206)	**(132,652)**	**(753,219)**	**(689,618)**	**24,396**	**55,885**
Sugar options - ICE						
Non-hedge Accounting	(25)	2,359	(140)	12,264	(140)	606
	(25)	**2,359**	**(140)**	**12,264**	**(140)**	**606**
Sugar options - OTC						
Non-hedge Accounting	-	(14,035)	-	(72,964)	-	(1,125)
	-	**(14,035)**	**-**	**(72,964)**	**-**	**(1,125)**
NDF sugar - OTC						
Non-hedge Accounting	-	(9,822)	-	(51,062)	-	1,156
	-	**(9,822)**	**-**	**(51,062)**	**-**	**1,156**
Energy Sales Agreements - OTC						
Non-hedge Accounting	(405)	-	(2,305)	-	2,883	-
	(405)	**-**	**(2,305)**	**-**	**2,883**	**-**
Ethanol futures - B3						
Non-hedge Accounting	35,869	(425)	204,358	(2,211)	1,307	218
	35,869	**(425)**	**204,358**	**(2,211)**	**1,307**	**218**
					(36,421)	**50,155**

(*) Convenience conversion.

26.2 Credit risk

The credit risk is managed through the careful analysis of the customer portfolio, the definition of credit limits, and the ongoing control of outstanding positions. In conformity with the Company's credit policy, using a risk assessment methodology, the Company adopted balanced scorecard techniques. The Company adopts hedging instruments, such as collaterals, pledges and guarantees, to mitigate potential credit exposures. Historically, the Company does not record significant losses in trade receivables.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

26.3 Liquidity risk and capital management

The Company monitors capital through financial leverage index analysis; these indexes include adjusted net debt to adjusted EBITDA ratio. In turn, the net debt corresponds to total borrowings and financing (including short- and long-term borrowings and financing), plus interest swap, less cash, cash equivalents, short-term investments and highly liquid inventory (ethanol, sugar and allowance for negative inventory margin).

Moreover, the products manufactured by the Company are highly liquid and can be easily sold to generate cash or also be provided as a guarantee for financial transactions.

The contractual obligations and financial commitments that may impact the Company's liquidity are broken down below:

	Company			
	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2021				
Borrowings and financing	3,475,444	46,490	-	3,521,934
Lease liability	176,808	674,464	124,531	975,803
Derivative financial instruments	199,026	6,861	-	205,887
Trade payables	350,676	4,492	-	355,167
Accrued payroll and related taxes	56,275	-	-	56,275
Taxes payable	51,856	18,670	-	70,526
Other payables	109,797	75,984	-	185,781
	4,419,883	**826,960**	**124,531**	**5,371,374**
As at March 31, 2010				
Borrowings and financing	2,935,559	67,484	-	3,003,043
Lease liability	215,257	444,809	72,048	732,114
Derivative financial instruments	575,188	-	-	575,188
Trade payables	309,104	5,733	-	314,837
Accrued payroll and related taxes	47,218	-	-	47,218
Taxes payable	21,314	18,501	-	39,815
Other payables	80,594	86,047	-	166,641
	4,184,234	**622,574**	**72,048**	**4,878,856**

	Consolidated			
	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2021				
Borrowings and financing	7,561,956	74,936	-	7,636,892
Lease liability	488,415	1,569,852	369,274	2,427,541
Derivative financial instruments	221,574	13,672	-	235,246
Trade payables	761,772	4,741	-	766,514
Accrued payroll and related taxes	106,083	-	-	106,083
Taxes payable	108,311	18,670	-	126,981
Other payables	162,058	155,206	-	317,264
	9,410,170	**1,837,077**	**369,274**	**11,616,522**
As at March 31, 2020				
Borrowings and financing	7,225,234	96,191	-	7,321,425
Lease liability	498,932	1,029,154	153,183	1,681,269
Derivative financial instruments	586,843	16,596	-	603,439
Trade payables	798,903	5,965	-	804,868
Accrued payroll and related taxes	90,483	-	-	90,483
Taxes payable	75,152	18,501	-	93,653
Other payables	118,051	167,247	-	285,298
	9,393,598	**1,333,654**	**153,183**	**10,880,435**

The Company does not expect that the cash disbursement for performance of these obligations may be required in advance, except for any unexpected event or upon any significant change due to factors not aligned with the Company's best interests, or upon significant change in values out of the normal course of its businesses.

26.4 Margin calls

Derivative transactions in commodity exchanges (ICE and B3) require an initial margin call in guarantee.

To trade on the ICE, as at March 31, 2021, the Company has R$21.356 (R$7,376 as at March 31, 2020), fully deposited by the Company's in cash, through fiduciary agent Term Commodities Inc., a Company under common control.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

To trade on the B3, the margin call required, as at March 31, 2021, is R$26,522 (R$26,502 as at March 31, 2020), deposited as Bank Deposit Certificate (CDB), in the amount of R$25,000 and R$3,946, in current account.

As at March 31, 2021, the Company's transactions in the over-the-counter market did not require an initial margin call in guarantee.

26.5 Categories of financial instruments

The financial instruments recognized in the balance sheet are stated at contractual value, as the characteristics of these financial instruments approximate their market value, except for derivative instruments and lease liabilities, which are stated at market value. The categories are described below:

	Classification	Company		Consolidated	
	CPC 48 / IFRS 9	03.31.21	03.31.20	03.31.21	03.31.20
Financial assets:					
Cash and cash equivalents (Note nº 3)	Amortized cost	186,905	396,124	812,304	1,174,943
Short-term investments and debentures (Note nº 4)	Amortized cost	122,614	42,052	202,559	52,245
Trade receivables (Note nº 5)	Amortized cost	300,679	211,537	363,065	216,242
Other financial assets	Amortized cost	734,809	572,469	690,668	793,595
Derivatives designated as hedge accounting (Note nº 26)	VJR	147,002	225,676	180,165	281,561
Derivatives designated as cash flow hedge (Note nº 26)	VJORA	19,990	111	19,990	111
Financial liabilities:					
Borrowings and financing (Note nº 15)	Amortized cost	3,521,934	3,003,043	7,636,892	7,321,425
Lease liability (Note nº 11)	Amortized cost	975,803	732,114	2,427,541	1,681,269
Trade payables (Note nº 16)	Amortized cost	355,168	314,837	766,513	804,868
Other financial liabilities	Amortized cost	312,580	253,674	550,329	469,434
Derivatives designated as fair value hedge or not (Note nº 26)	VJR	127,240	361,781	137,192	389,743
Derivatives designated as cash flow hedge (Note nº 26)	VJORA	78,647	213,407	98,054	213,696

26.6 Measurement at fair value recognized in balance sheet

CPC 40 (R1) – Instrumentos Financeiros: Evidenciação/IFRS 7 - *Financial Instruments*: *Disclosure* defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the primary or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. CPC 40 (R1)/IFRS 7 also establishes a three-level fair value hierarchy, which prioritizes inputs for fair value measurement by an entity in order to maximize the use of observable data and minimize the use of unobservable data. CPC 40 (R1)/IFRS 7 describes the three levels of inputs that should be used to measure fair value, which are the following:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities.

- Level 2 - Inputs other than the data included in Level 1, where prices are quoted (unadjusted). Fair value measurements of Level 2 are obtained based on other variables besides quoted prices included in Level 1, which are directly or indirectly observable for an asset or liability.

- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs) because market activity is insignificant or does not exist.

The Company's financial assets and liabilities measured at fair value on a recurring basis and subject to disclosure as required by CPC 40 (R1)/IFRS 7, as at March 31, 2021, are as follows:

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Company			Consolidated		
		03.31.21			03.31.21	
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets at fair value through profit or loss						
Derivative financial assets	35,483	131,509	166,992	35,483	164,672	200,155
	35,483	**131,509**	**166,992**	**35,483**	**164,672**	**200,155**
Financial liabilities at fair value through profit or loss						
Derivative financial liabilities	(65,007)	(140,880)	(205,887)	(65,007)	(170,239)	(235,246)
	(65,007)	**(140,880)**	**(205,887)**	**(65,007)**	**(170,239)**	**(235,246)**

	Company			Consolidated		
		03.31.20			03.31.20	
	Level 1	Level 2	Total	Level 1	Level 2	Total
Financial assets at fair value through profit or loss						
Derivative financial assets	15,885	209,902	225,787	15,886	265,786	281,672
	15,885	**209,902**	**225,787**	**15,886**	**265,786**	**281,672**
Financial liabilities at fair value through profit or loss						
Derivative financial liabilities	(22,000)	(553,188)	(575,188)	(21,999)	(581,440)	(603,439)
	(22,000)	**(553,188)**	**(575,188)**	**(21,999)**	**(581,440)**	**(603,439)**

26.7 Derivative and non-derivative financial instruments with the application of hedge accounting

In accordance with accounting practices adopted in Brazil, derivative financial instruments are accounted for at fair value through profit or loss, unless a derivative is designated for hedge accounting. A derivative only qualifies for hedge accounting when all the conditions set out by CPC 48/IFRS 9 are met. The adoption of hedge accounting is optional and aims at recognizing gains or losses on derivatives only when the hedged item is realized on an accrual basis and, therefore, reducing the volatility of gains or losses from the mark-to-market of derivatives.

The Company applies hedge accounting to account for part of its derivative and non-derivative financial instruments.

26.7.1 Cash flow hedge

The Company's hedge transactions comply with the accounting standards under CPC 48/*IFRS* 9, items 6.3.3/9 6.2.2, and are described below:

- **Recognized liability hedge – debts subject to the Libor rate:** swap contracts subject to the Libor interest rate contracted to mitigate the effects from interest rate changes of the long-term debts, in which case the respective exposure is subject to a fixed interest rate;

- **Highly probable transaction hedge – Revenue from sugar and ethanol exports in US dollar:** The Company uses i) sugar futures contracts for purposes of price risk hedge; and ii) currency forward contracts (NDF) and US dollar-denominated debts (Natural HACC), both contracted to protect against exchange rate changes in the revenue from exports.

- **Highly probable transaction hedge – Cost related to the future purchase of agricultural inputs in US dollar:** Effective on July 22, 2021, the Company enters into currency forward contracts (NDF) to protect against exchange rate changes in the invoicing, upon issuance of the invoice and, therefore, the exposure is terminated.

26.7.2 Fair value hedge

Such hedge comprises the use of "sugar futures" derivative instruments to protect against changes in fair value in connection with a sugar sales agreement.

26.7.3 Discontinued hedge accounting

As at March 31, 2019, the Company discontinued the revenue hedge accounting program (Natural HACC) with respect to the debts already designated. Such discontinuity resulted from the change in the Company's foreign exchange risk management, which aimed to offset the exchange rate changes of the debts against equity, which will be directly recorded in the finance income (costs) to be offset against the long positions expressed in foreign currency using derivative financial instruments – also recognized in finance income (costs) (CPC 48, items B6.5.26 (a) and B6.5.28 (b)).

(Amounts in thousands of Brazilian reais, unless otherwise stated)

The gains and losses recorded in equity, in line item "Other comprehensive income (loss), will be maintained in this reserve until the expected transaction is concluded, in which case the amounts will be reclassified to operating income (revenues) – aligned with revenues. In the event such transaction (revenue) is not concluded, the accumulated amounts will be fully reclassified to finance income (costs) under CPC 48.

As at March 31, 2021, the annual expected realization of derivatives recorded in equity is as follows:

		Company						
Hedge	**Impact**	**2021/2022**	**2022/2023**	**2023/2024**	**2024/2025**	**2025/2026**	**2027 to 2028**	**Total**
Exchange rate changes on future interest flows (*)	Finance income (costs)	(3,854)	(2,367)	(1,226)	(733)	(467)	(292)	**(8,939)**
		(3,854)	**(2,367)**	**(1,226)**	**(733)**	**(467)**	**(292)**	**(8,939)**

		Consolidated						
Hedge	**Impact**	**2021/2022**	**2022/2023**	**2023/2024**	**2024/2025**	**2025/2026**	**2027 to 2028**	**Total**
Exchange rate changes on future interest flows (*)	Finance income (costs)	(3,854)	(2,367)	(1,226)	(733)	(467)	(292)	**(8,939)**
Natural HACC	Finance income (costs)	(79,173)	(79,173)	(25,544)	-	-	-	**(183,890)**
		(83,027)	**(81,540)**	**(26,770)**	**(733)**	**(467)**	**(292)**	**(192,829)**

(*) Program discontinued in prior years.

26.7.4 Sensitivity analysis

The table below shows the Company's sensitivity to the presented risk factor, based on changes in the risk factor considered reasonably possible by management (probable scenario), which takes into account the current volatility of the asset – in addition to other two scenarios, based on which the market conditions are subject to 25% and 50% stress scenarios.

The probable scenario is obtained based on future dollar, sugar, ethanol and power (as at March 31, 2021) and the Group's expectations for each one of the variables indicated, over a twelve-month period.

	Company				
	Notional		**Effects on fair value**		
	Foreign currency	**Risk factor**	**Probable scenario**	**25% stress**	**50% stress**
Effects on profit or loss	**(143,400)**	**Increase in US$**	**(1,169,021)**	**(1,425,902)**	**(2,851,805)**
Exchange risk	**124,839**		**139,348**	**103,121**	**206,102**
Sugar	88,969	Increase in US$	156,241	123,803	247,466
Ethanol	35,869	Decrease in US$	(16,892)	(20,682)	(41,364)
Effects on equity	**(18,561)**		**(1,029,673)**	**(1,322,781)**	**(2,645,703)**
Exchange risk	**(265,438)**	**Increase in US$**	**312,534**	**381,210**	**762,420**
Price risk	**(121,578)**		**(236,051)**	**(187,000)**	**(373,999)**
Sugar	(121,578)	Increase in US$	(236,051)	(187,000)	(373,999)
Effects on equity	**(387,016)**		**76,483**	**194,210**	**388,421**

	Consolidated				
	Notional		**Effects on fair value**		
	Foreign currency	**Risk factor**	**Probable scenario**	**25% stress**	**50% stress**
Exchange risk	**(720,327)**	**Alta do US$**	**(2,043,834)**	**(2,492,948)**	**(4,985,895)**
Price risk	**14,246**		**(54,971)**	**(49,272)**	**(98,825)**
Sugar	(21,219)	Increase in US$	(35,411)	(27,918)	(56,117)
Ethanol	35,869	Decrease in US$	(16,892)	(20,682)	(41,364)
Energy	(405)	Increase in US$	(2,668)	(672)	(1,344)
Effects on equity	**(706,082)**		**(2,098,805)**	**(2,542,220)**	**(5,084,720)**
Exchange risk	**(265,438)**	**Increase in US$**	**312,534**	**381,210**	**762,420**
Price risk	**(121,578)**		**(236,051)**	**(187,000)**	**(373,999)**
Sugar	(121,578)	Increase in US$	(236,051)	(187,000)	(373,999)
Interest rate risk	**95,968**	**Decrease in Libor rate**	**(153)**	**(306)**	**(613)**
Effects on equity	**(291,048)**		**76,330**	**193,904**	**387,808**

As at March 31, 2021, the probable scenario considers the CDI and Libor rates projected for 12 months – disclosed at B3's website (DI swap reference rates x PRÉ and Libor, respectively). These rates were applied in the Company's exposure volume – composed of: borrowings and financing, advances from customers, cash and cash equivalents and short-term investments.

Based on the exposure in the probable scenario, a stress of 25% and 50% was applied taking into account the worst case scenarios in order to determine the impact on the Company's finance income (costs).

(Amounts in thousands of Brazilian reais, unless otherwise stated)

The consolidated sensitivity results are broken down below:

Company				
	Notional amount - domestic currency	Probable scenario	25% stress	50% stress
Operations indexed to CDI	(264,021)	(13,175)	(16,468)	(19,762)
Operations indexed to Libor	(2,975,807)	(6,108)	(7,635)	(9,162)
	(3,239,828)	**(19,283)**	**(24,103)**	**(28,924)**

Consolidated				
	Notional amount - domestic currency	Probable scenario	25% stress	50% stress
Operations indexed to CDI	(233,156)	(11,634)	(14,543)	(17,452)
Operations indexed to Libor	(6,429,105)	(13,196)	(16,495)	(19,794)
	(6,662,261)	**(24,830)**	**(31,038)**	**(37,246)**

27. COMMITMENTS

a) Selling

The Group has several arrangements in the sugar and ethanol market under which it commits to sell volumes of these products in future crops. As at March 31, 2021, the volumes of these commitments total 1,688,004 tons of sugar (1,693,385 tons of sugar as at March 31, 2020), 109,215 cubic meters of ethanol (211,440 cubic meters as at March 31, 2020), and electricity supply commitments, assumed in power auctions and free market, which total 7.106GWh to be supplied by 2035 (7,595 GWh as at March 31, 2020).

b) Purchases

The Group has several commitments for the purchase of sugarcane from third parties to ensure part of its production in future crops. The volume of sugarcane to be purchased is estimated based on the expected productivity of the areas where the sugarcane plantations are located. The amount to be paid by the Group is determined at the end of each harvest campaign according to the price published by CONSECANA, plus or less other applicable contractual terms.

As at March 31, 2021, estimated purchase commitments by crop are as follows:

	Consolidated		
Harvest	Area (hectares)	Estimated quantity of cane (ton)	Estimated amount
2021/2022	138,933	10,742,394	1,019,767
2022/2023	107,505	8,473,866	804,418
2023/2024	87,026	6,778,978	643,523
2024/2025	59,548	4,893,948	464,579
After 2025	125,908	9,596,504	910,989
	518,920	**40,485,691**	**3,843,276**

The Group has commitments for the purchase of energy in the amount of 748 GWh (1,048 GWh as at March 31, 2020). The price of these agreements is bilaterally negotiated by the agents selling electric energy in the Free Trade Market (ACL).

c) Terminal de Exportação de Açúcar do Guarujá Limitada - TEAG

TEAG is a party to an agreement for the lease of a port terminal with Companhia Docas do Estado de São Paulo ("CODESP"), which provides for the payment by TEAG, as lease, of a fixed monthly installment of R$3,4163/m² calculated on a minimum area of 74,206.410 m² equivalent to R$253.51 per month or R$3,042 per year, plus a guaranteed variable minimum installment equivalent to R$7,559 per year payable to CODESP, corresponding to R$3,103/ton calculated on a minimum handling of two million four hundred and thirty-six thousand tons of cargo. TEAG operates under the concession agreement entered into with Companhia Docas do Estado de São Paulo (CODESP), falling due on July 6, 2038.

d) Lawsuits against Instituto do Açúcar e do Álcool - IAA

(Amounts in thousands of Brazilian reais, unless otherwise stated)

The Company is a plaintiff in lawsuits seeking a compensation from the Federal Government for losses arising from pricing differences incurred in the period in which sugar and ethanol prices were frozen. In some cases, upon effective receipt of the indemnities, a portion of the amount received will be transferred on behalf of third parties in connection with the contractual obligations.

e) Bank guarantees and collateral insurance

As at March 31, 2021, the balances of (i) bank guarantee is R$145,404 in Consolidated (R$142,240 in Consolidated as at March 31, 2020); and (ii) collateral insurance relating to lawsuits of R$249,817, in Company, and R$708,661 in Consolidated (R$277,600 and R$588,750 as at March 31, 2020, respectively).

28. INSURANCE (UNAUDITED)

The Company and its subsidiaries adopt internal risk management policies, including insurance coverage. In addition, they are supported by specialists that guide the preparation of the agreements with the insurance companies, in accordance with the nature of the business and market practices, in order to cover significant losses on their assets and responsibilities. The insurance coverage effective as at March 31, 2021 includes:

		Maximum coverage (1)	
Insurance	**Assets, responsibilities or interests covered**	**Company**	**Consolidated**
Operating risks (**)	Buildings, fixed and machinery equipment of the group's 13 plants and offices	500,000	500,000
General civil liability (**)	Damages against third parties arising from the Company's operations	15,000	15,000
Vehicles (*)	Damages against third parties arising from traffic accidents	500	500
Management liability (**)	Law suits filed against the Company's management	80,000	80,000
Equipament and improvement	Machinery and equipment	112,127	260,963
Guarantee (***)	Operations and obligations backed by guarantee	249,817	708,661

(1) Equivalent to the maximum coverage for sundry assets and locations.

(*) The maximum coverage equivalent to the civil liability by covered vehicle.
(**) Company and subsidiaries covered by the same policy.
(***) The maximum coverage equivalent to the total amount approved with the insurance companies. Company and subsidiaries share the same maximum indemnity limit.

29. EMPLOYEES' BENEFIT

The consolidated amount invested by the Company in the pension plan was R$963 in the year ended March 31, 2021 (R$1,501 as at March 31, 2020), recognized in line item "General, administrative and selling expenses". Due to the features and design of the pension plan, the Company does not incur any future postemployment or actuarial obligations.

As at March 31, 2021, the Company booked a liability related to the deferred variable compensation that will be paid to some eligible employees, according to the policy, in the amount of R$31,322 (R$26,021 as at March 31, 2020). Additionally, the Company has recorded a liability related to PPR (Profit Sharing Program), as set forth in the Collective Labor Agreement, in the amount of R$40,536 (R$31,550 as at March 31, 2020).

(Amounts in thousands of Brazilian reais, unless otherwise stated)

30. SEGMENT INFORMATION

Information by product margin, and geographic areas, used by the key decision makers is as follows:

	Consolidated				
	03.31.21				
Consolidated profit (loss) by product	**Sugar**	**Ethanol**	**Energy**	**Other**	**Total**
Net revenue	3,576,250	2,616,631	543,613	3,593,498	10,329,992
Cost of sales and services	(2,176,503)	(1,445,823)	(416,575)	(3,606,217)	(7,645,118)
Gross profit (loss)	**1,399,747**	**1,170,808**	**127,038**	**(12,719)**	**2,684,874**
Gross margin	39%	45%	23%	0%	26%
Selling expenses	(231,351)	(77,464)	(11,462)	(1,276)	(321,553)
Operating margin	**1,168,396**	**1,093,344**	**115,576**	**(13,995)**	**2,363,321**

	Consolidated				
	03.31.21				
Sales by geographic area	**Sugar**	**Ethanol**	**Energy**	**Other**	**Total**
Asia	2,065,056	833,562	-	2,587,049	5,485,667
North America	165,334	272,164	-	116,376	553,874
South America	7,797	36,442	-	-	44,239
Africa	987,030	-	-	160,502	1,147,532
Europe	49,983	28,607	-	677,299	755,889
Oceania	12,809	-	-	-	12,809
Foreign market	**3,288,009**	**1,170,775**	**-**	**3,541,226**	**8,000,010**
Domestic market	**288,241**	**1,445,856**	**543,613**	**52,272**	**2,329,982**
TOTAL	**3,576,250**	**2,616,631**	**543,613**	**3,593,498**	**10,329,992**

	Consolidated				
	03.31.20				
Consolidated profit (loss) by product	**Sugar**	**Ethanol**	**Energy**	**Other**	**Total**
Net revenue	1,307,356	2,909,961	464,508	1,856,261	6,538,086
Cost of sales and services	(1,256,731)	(2,360,659)	(326,768)	(1,836,477)	(5,780,635)
Gross profit	**50,625**	**549,302**	**137,740**	**19,784**	**757,451**
Gross margin	4%	19%	30%	1%	12%
Selling expenses	(146,798)	(29,016)	(9,309)	10,006	(175,117)
Operating margin	**(96,173)**	**520,286**	**128,431**	**29,790**	**582,334**

	Consolidated				
	03.31.20				
Sales by geographic area	**Sugar**	**Ethanol**	**Energy**	**Other**	**Total**
Asia	673,711	12,937	-	1,177,193	1,863,841
North America	106,684	435,053	-	-	541,737
South America	191,637	35,407	-	449,785	676,829
Africa	111,114	-	-	-	111,114
Europe	25,113	-	-	192,562	217,675
Foreign market	**1,108,259**	**483,397**	**-**	**1,819,540**	**3,411,196**
Domestic market	**199,097**	**2,426,564**	**464,508**	**36,721**	**3,126,890**
TOTAL	**1,307,356**	**2,909,961**	**464,508**	**1,856,261**	**6,538,086**

The Company's key decision makers use the operating margin as a tool to measure the recurring operating cash generation capacity and it also allows comparisons with other companies.

(Amounts in thousands of Brazilian reais, unless otherwise stated)

	Consolidated	
	03.31.21	03.31.20
Operating margin	**2,363,321**	**582,334**
Other operating expenses	(634,561)	(217,817)
Finance costs	(1,177,939)	(2,377,584)
Income tax and social contribution	(387,776)	461,819
Profit (loss) for the year	**163,045**	**(1,551,248)**

Information on key customers

In the year ended March 31, 2021, the Group has one customer, its related party Louis Dreyfus Company Suisse S.A., under common control, which accounts for 50% of the Group's consolidated revenue.

31. COVID-19 EFFECTS

The Company continues to follow all preventive guidelines applicable to Covid-19 disclosed by the proper health bodies and has implemented the necessary measures to mitigate the risk of transmission of Covid-19 in the work place.

Although the pandemic has not been dissipated yet, the restrictions imposed by the Brazilian authorities are currently more flexible and we believe that the effects from the pandemic in the global economy are being reduced. Up to date, the Company has not identified significant effects on its operations; therefore, the Company has maintained the estimated production, sales and delivery of products. The agro industrial sector is deemed an essential activity by virtue of the essential supplies produced to the population, relating to the meal and transportation segments.

We present below our best measurement analysis of the economic and financial impacts arising from COVID-19 pandemic:

a) Risk of impairment of assets - Goodwill

The impairment test (goodwill validation) was performed on December 31, 2020 and reviewed on March 31, 2021. The Company has not identified indications of impairment losses.

b) Risk of liquidity and capacity of the Company to comply with its financial obligations

In relation to the volatility of the financial market, including the effects from depreciation of the Brazilian real against the US dollar, the Company had been significantly impacted; however, such effect has not impacted the Company's cash, which is mainly related to foreign currency-denominated borrowings and financing to be performed in the future, as well as the projected cash flow from export revenues.

The main factors that impacted the Company's economic and financial conditions and the debt restructuring in progress are described in Note 1.

c) Risk of impairment of financial assets

The impairment losses of financial assets were calculated based on the analysis of credit risks, which includes the historical losses, condition of each client and the respective economic group, debt collaterals and evaluation of legal counsel, which are considered sufficient to cover eventual losses on trade receivables, in addition to the prospective evaluation that takes into account the change or the expected change of economic factors that would impact the expected credit losses, which are determined based on weighted and measured amounts equivalent to the credit losses expected for the respective useful lives.

The Company will continue to monitor the market in order to identify any eventual depreciation, specifically arising from Covid-19 pandemic, relevant developments in the economy or financial market that would increase the perception of risk on trade receivables.

d) Risk of losses based on the realizable net value of inventories

The inventories are evaluated based on the lowest value between the historical acquisition and production cost and the realizable net value. The realizable net value is the estimated sales price in the normal course of businesses, less estimated costs for completion and directly related sales expenses; therefore, the decreased demand in the domestic or international markets where the Company operates, as a result of Covid-19 pandemic and preventive measures, could impact the demand and price of such products, in addition to the adverse effect on the realizable value of inventories.

e) Risk of impairment of deferred assets

As at March 31, 2021, the Company reviewed its projected taxable income for deferred income tax and social contribution assets due to the impacts arising from COVID-19 pandemic and did not record an allowance for impairment.

f) Risk of continuing as a going concern

The main factors that impacted the Company's economic and financial conditions, including the related effects on the Company's financial statements and its capacity to continue as a going concern, are described in Note 1.

32. SUBSEQUENT EVENTS

Merger of Shares

On April 8, 2021, the Extraordinary Shareholders' Meeting ("AGE") approved the merger of the Company's shares into Hédera Investimentos e Participações S.A. ("Hédera"), both Brazilian companies ("Merger of Shares"). Hédera, Biosev's parent Company, has the shares issued by Biosev as its sole asset.

Before the completion of the Merger of Shares, the Company's shareholders were entitled to the right to, within 30 days, exercise the withdrawal right. Such term expired on May 10, 2021, and no shareholder exercised such right.

The Merger of Shares will imply the migration of the Company's current shareholders to Hédera, in which case the Company's shareholder shall receive one Hédera's common share for each Company's share held on May 14, 2021. Therefore, the Company will become the Hédera's wholly-owned subsidiary.

Accordingly, the Company's shares (code: BSEV3) were no longer traded in B3 S.A. - Brasil, Bolsa, Balcão ("B3") as from May 17, 2021. In addition, the Company will request the cancellation of the listing of these shares in B3, as well as the cancellation of the Company's registry as an issuer under category "A" before the CV.

The merger of the shares to be performed is one of the stages of the transaction involving Raízen Energia S.A. ("Raízen Energia") and Raízen Combustíveis S.A. ("Raízen Combustíveis") (collectively, "Raízen"), which may result in the combination of Biosev's and Raízen's businesses.

33. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company's Management and authorized for issue on June 4, 2021.

OPINIONS AND STATEMENTS

NON-STATUTORY AUDIT COMMITTEE OPINION

The non-statutory Audit Committee of Biosev S.A. ("Company"), jointly with representatives of the Company and of BDO RCS Auditores Independentes, independent auditors of the Company, examined the financial statements of the Company related to the fiscal year ended on March 31st, 2021. Based in the analysis performed and considering the draft of the audit report, without remarks, prepared by BDO RCS Auditores Independentes, the non-statutory Audit Committee of the Company recommended to the Board of Directors of the Company, unanimously and without remarks, the approval of the referred financial statements.

São Paulo, June 02 sd, 2021

RICARDO BARBOSA LEONARDOS **ORLANDO OCTAVIO DE FREITAS JUNIOR**

ADRIAN LIMA DA HORA

Statement of the Executive Officers related to the Financial Statements and to the Report of the External Auditors

As Executive Officers of Biosev SA, we declare, under Article 25, Paragraph 1st, Item VI of CVM Instruction nº 480 of December 7, 2009, as amended, that we reviewed, discussed and agreed with the financial statements and the terms of the external auditors report on the financial statements related to the fiscal year ended on March 31st, 2021.

São Paulo, June 04 th, 2021

Juan Jose Blanchard
Chief Executive Officer

Leonardo Oliveira D'Elia
Chief Financial and Investor Relations Officer

Ricardo Lopes da Silva
Chief Operating Officer