



SLC AGRÍCOLA S.A.
CNPJ/ME 89.096.457/0001-55
NIRE 43.300.047.521

TERRA SANTA AGRO S.A.
CNPJ/ME 05.799.312/0001-20
NIRE 35.300.380.657

NOTICE TO SHAREHOLDERS

TAX TREATMENT OF THE REDUCTION OF CAPITAL IN TERRA SANTA AND THE INCORPORATION OF SHARES IN TERRA SANTA BY SLC

SLC Agrícola S.A. ("SLC") and Terra Santa Agro S.A. ("Terra Santa", and together with SLC, "Companies"), considering that, on this date, a Material Fact of the Companies was disclosed informing the consummation schedule of the merger of shares of Terra Santa by SLC ("Merger of Shares") and effectiveness of the capital reduction of Terra Santa approved on April 29, 2021, equivalent to the book equity value of the investment held by the Company in Terra Santa Properties Agrícolas S.A. ("Capital Reduction" and "TS Agro", respectively), as a result of obtaining TS Agro's registration as a publicly-held company and the absence of opposition from creditors within the legal term and compliance with the other suspensive conditions, they inform the Shareholders of the following:

A. Resident Investors

The potential gains earned by Terra Santa shareholders ("Terra Santa Shareholders" or individually "Terra Santa Shareholder") who are resident in Brazil, including individuals and legal entities, investment funds and other entities, as a result of the Merger of Shares and the Capital Reduction may be subject to the incidence of income tax and other taxes, according to the legal and regulatory rules applicable to each category of investor, and these investors must consult their advisors on the applicable taxation and be responsible for any payment of said tax.

B. Non-Resident Investors

As for Terra Santa Shareholders non-resident in Brazil, in the cases and conditions described below, the Withholding Income Tax ("IRRF") will be withheld on any amounts of capital gains realized in the Capital Reduction and/or in the Merger of Shares, in accordance with the legal and regulatory rules applicable to each investor, as described below:

1. Cost of Acquisition of Shares and Tax Residence

In order to allow the correct calculation of the eventual amount to be taxed in the Capital Reduction and in the Merger of Shares, as the case may be, the Companies request that the Terra Santa Shareholders fill out and deliver electronically to Terra Santa, directly or through their custody agents, **until July 26, 2021**, the model spreadsheet contained in the **Annex** of this Notice to Shareholders, containing information about the cost of acquisition of the shares they own, as well as their tax residence.

Considering that the Capital Reduction and the Merger of Shares will be consummated on the 1st of August 2021, based on Terra Santa's shareholding position at the close of trading on **July 30, 2021** ("Date of Cut"), Terra Santa Shareholders non-resident in Brazil who are holders of Terra Santa shares on the Date of Cut, directly or through their custody agents and who have not sent the spreadsheet within the period set forth in the paragraph above or who have traded in shares owned by them after the sending, must fill out the model spreadsheet in the Annex and deliver it electronically to the Terra Santa, **by 6:00 pm on the day August 1, 2021**, the spreadsheet contain information about the cost of acquisition of the shares they own, as well as their tax residence, both on the Date of Cut.

The Companies also require that Terra Santa Shareholders non-resident in Brazil, directly or through their custody agents, when sending the spreadsheet in the Annex, expressly declare that the information presented reflects the data contained in the proper documentation and records presented by the Terra Santa Shareholders non-resident in Brazil, providing pertinent documentation evidencing the cost of the shares provided.

The Companies will use the information provided to them by non-resident investors or their custody agents to calculate the capital gain, and such shareholders of Terra Santa are responsible for the veracity and completeness of such information.

The model spreadsheet contained in the Annex to this Notice to Shareholders must be sent by email to the following address: ri@tsagro.com, for Terra Santa and ri@slcagricola.com.br for SLC.

2. Tax Treatment and Capital Reduction

In the hypotheses and conditions described below, Terra Santa, in the capacity of tax responsible, will pay the IRRF related to the capital gain performed by the Capital Reduction by Terra Santa Shareholders non-resident in Brazil, based on the rates indicated in item 4 below .

The capital gain will correspond to the positive difference between the total amount attributed to each Terra Santa Shareholder, equivalent to the amount returned to him in the Capital Reduction through the delivery of TS Agro shares; and the acquisition cost of Terra Santa's shares of the Shareholder non-resident in Brazil.

3. Tax Treatment of the Merger of Shares

In the hypotheses and conditions described below, SLC will pay the IRRF related to the capital gain performed by the Merger of Shares, also based on the rates indicated in item 4 below.

The capital gain will correspond to the positive difference between the issue price of the SLC shares delivered to the non-resident Terra Santa Shareholder under the terms of the Protocol and Justification; and the acquisition cost of Terra Santa's shares of this Terra Santa Shareholder non-resident in Brazil, after deducting the acquisition cost already used in calculating the capital gain of the Capital Reduction.

4. Tax Rates

For Terra Santa Shareholders non-resident in Brazil that operate under the terms of CVM Resolution 4,373/14, the following tax rates will be applied:

- 25% (twenty-five percent), in the event of a shareholder who is resident in a country or dependency with favored taxation, pursuant to the legislation and regulations of the Federal Revenue Service of Brazil in force; or
- 15% (fifteen percent) in other cases.

For the other Terra Santa Shareholders non-resident in Brazil:

- 25% (twenty-five percent), in the event of a shareholder who is resident in a country or dependency with favored taxation, pursuant to the legislation and regulations of the Federal Revenue Service of Brazil in force; or
- the following rates, provided for in article 21 of Law 8,981/1995, with wording given by Law 13,259/2016:
 - a. 15% (fifteen percent) on the portion of earnings that does not exceed R\$ 5,000,000.00 (five million brazilian reais);

- b. 17.5% (seventeen wholes and five tenths of a percent) on the portion of earnings that exceeds R\$5,000,000.00 (five million brazilian reais) and does not exceed R\$10,000,000.00 (ten million brazilian reais);
- c. 20% (twenty percent) on the portion of earnings that exceeds R\$10,000,000.00 (ten million brazilian reais) and does not exceed R\$30,000,000.00 (thirty million brazilian reais); e
- d. 22.5% (twenty-two integers and five tenths percent) on the portion of the earnings that exceeds R\$ 30,000,000.00 (thirty million brazilian reais).

5. General Information

The Companies, under the terms determined by the legislation and regulations of the Federal Revenue Service of Brazil: (i) shall consider the acquisition cost equal to **zero** for the Terra Santa Shareholders non-resident in Brazil who do not submit the value of the acquisition cost of the shares of the Terra Santa within the deadlines indicated in item 1 above; and (ii) will apply the 25% rate on earnings of non-Brazilian Terra Santa Shareholders who fail to inform their country or area of residence or tax domicile within the same period.

The Companies will not be liable, under any circumstances, to Terra Santa Shareholders non-resident in Brazil on the Date of Cut, for any subsequent adjustment and/or refund of the amount paid in excess.

In the event of payment of the IRRF owed by the Terra Santa Shareholder non-resident in Brazil, as the case may be, in an amount consistent with the information and documents presented, the Companies reserve the right to charge the refund of the amount of IRRF collected on behalf of such shareholder. In the event of default by such shareholder of the refund obligation, the Companies also reserve the right to offset the amount of IRRF eventually collected by the Companies against any credits held against it, including, without limitation, the amount of any dividends, interest on equity capital and any other earnings that may be declared and/or paid by TS Agro and by SLC at any time.

Furthermore, in the event of a tax assessment notice against the Companies relating to the IRRF considered due in the Capital Reduction and/or the Merger of Shares, within the terms provided for in the National Tax Code - CTN, the Companies reserve the right to charge the Terra Santa Shareholders non-residents in Brazil on the Date of Cut, at any time, the refund of the respective amounts of IRRF, plus fine and late payment charges, as required by the tax authorities.

Porto Alegre, July 16, 2021.

São Paulo, July 16, 2021.

Investor Relations Office
SLC Agrícola S.A.

Investor Relations Office
Terra Santa Agro S.A.

ANNEX

Cost of Acquisition of Shares and Tax Residence

NAME	SSN/EIN	TAX RESIDENC E PLACE	COMPLIANCE WITH THE TERMS OF RESOLUTION CMN 4.373/14.	NUMBER OF SHARES	PURCHAS E COST
		(Country)	(yes/no)		

* The Companies request that the above information be sent in “xls” format (Excel file).